



NYFOSA

ESG QUESTIONNAIRE
APRIL 2023

General industry

Please list the industry's three biggest sustainability (ESG) related challenges and briefly describe the process for identifying these challenges:

The climate impact of buildings in a life cycle perspective is still one of the major challenges for the real estate sector. Nearly 40 percent of the energy consumed by society is associated with buildings. Properties impact the environment throughout their life cycle, that is from project planning, construction and management to renovation and demolition. We believe that the three biggest challenges going forward are:

1. Energy and material use
2. Sustainable supply chains
3. Biodiversity

Does Nyfosa have Science Based Targets, reports to the CDP or engages in any other relevant sustainability initiatives?

1. Science Based Targets: No
2. CDP: No
3. Other: UN Global Compact

Have you conducted any preliminary assessments of your company in relation to the EU Taxonomy? If so, what was the outcome?

We are analysing our property portfolio with reference to Primary Energy Demand (PED) to be able to conclude alignment with the top 15 standard, but the assessment is not yet concluded.

Environment

Please list Nyfosa's three primary risks related to climate change and list, if any, Nyfosa's climate-related opportunities:

1. Environmental impact

The construction and property industry accounts for a significant share of society's total environmental impact. In addition, the industry contributes to emissions in other countries through the import of building and construction products. Nyfosa actively works to identify the areas in which Nyfosa can make the greatest difference

2. Climate issues

The climate changes that have partly happened and that scientists predict will happen, entail the risk of a negative impact on properties. Extreme weather conditions, rising sea levels and temporary flooding are examples of risks related to climate change. Analyzing risks is part of the acquisition process for new properties. Nyfosa works continuously to make an inventory of its property portfolio and to take necessary measures. Nyfosa is monitoring developments in expertise to continuously keep this matter relevant and to update procedures and work methods as necessary.

3. Cost for cooling

As temperatures rise, due to the global warming, the cost for cooling the premises will increase. The energy consumption for cooling the premises will also lead to higher carbon emissions.

Does Nyfosa anticipate any climate related investments, and if so to what extent?

Nyfosa invests in environmentally certified buildings, technology, materials, surrounding environment (resilience) for example. Investments in energy optimization projects in the buildings is a focus area for Nyfosa going forward.

Circular Economy: how are purchases and waste managed? If the firm rely on any scarce resources, please describe what efforts are made to mitigate the risk of those resources becoming scarcer in the future, e.g. recycling, reusing substitutes or improved resource efficiency?

Nyfosa does not rely on any scarce resources and has a high awareness of, and focus on, waste and material use and reuse.

Nyfosa imposes sustainability requirements on suppliers in accordance with the sustainability policy and the code of conduct.

Nyfosa has routines and systems for monitoring waste and recycling. We maintain a continuous dialogue with our suppliers regarding recycling and resource use to be as resource efficient as possible.

Transition-related risks: Does Nyfosa anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively affected? If yes, is Nyfosa well positioned to handle that risk?

Nyfosa assesses that the transition entails both risks and opportunities. As an opportunistic and cash flow-driven company that is flexible to the market, we believe we are well positioned to handle shifting market demands. Focusing on energy optimization and reducing our carbon dioxide emissions is seen as an opportunity as return on investment is positive.

Negative effects might include increasing prices on building materials due to changed environmental regulations, increased price on carbon emissions resulting in higher transportation costs, and materials with a lower carbon footprint (such as low-carbon concrete) may come at a higher price. Nyfosa is well-positioned because of its strong focus on waste and material use and reuse.

Please disclose Scope 1, 2 & 3 GHG emissions. If not available, do you have a time plan for when to start reporting?

As stated in the annual sustainability report 2022, (tons Co2):

- Total Scope 1 (passenger transport & fossil fuels): 522
- Total Scope 2 (heating & cooling): 9,077
- Total Scope 3 (indirect): 4,009

For more information see the 2022 annual sustainability report page 24.

Have you set a target to become climate neutral? If so, how have you defined carbon neutrality?

Although no target has been set yet, Nyfosa works in accordance with Carbon Law and endorses the declaration of Fossil Free Sweden, which aims to halve carbon emissions from the construction and civil engineering sector between 2020 and 2030, halving them again between 2030 and 2040 to finally become climate neutral in 2045.

Please list Nyfosa's primary means of making a positive environmental impact or minimising negative environmental impact. List the corresponding UN SDGs. What proportion of sales can be directly linked to selected UN SDGs?

Nyfosa's overall position is to adhere to Agenda 2030 and the UN Global Compact's ten principles. The company's work shall contribute to a sustainable development, both locally and globally.

The purpose of Agenda 2030's 17 global goals is to abolish extreme poverty, reduce inequality and injustice, promote peace and justice and solve the climate crisis. Nyfosa has the greatest impact on six of following SDGs (page 102 in the 2022 annual sustainability report): 3, 5, 8, 11, 12, 16.

Nyfosa has set sustainability goals for the work within a number of central areas where the company is deemed to have a direct or indirect impact (corresponding SDGs):

Environmental certification

Goal: By 2025, properties corresponding to 50 percent of the property value should have an environmental certification and 100 percent in 2030 (3,6,7,8,9,11,12,13,15).

Energy efficiency

Goal: By 2025, the energy consumption per square meter shall have reduced by 10 percent compared to 2020 (7,11).

Co2 emissions

Goal: Nyfosa shall work to minimize its operations Co2 emissions (13).

The rental value attributable to certified properties correspond to SEK 988 million, or 26% of the total, as of December 31, 2022, and the rental value of green leases correspond to SEK 339 million, or 9% of the total rental value.

Social

Does Nyfosa have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?

Nyfosa has had no history of accidents. As an employer Nyfosa offers health-promoting benefits to personnel, including health checks and rehabilitation in connection with illness. All Nyfosa employees are covered by health insurance and Nyfosa has established a working environment policy, which provides guidelines for the organization's work.

If applicable, state Nyfosa's targets for gender and cultural equality and indicate the relevant split of men/women at every level of the firm, particularly the Board of Directors and management team:

In the longer term, Nyfosa is to achieve equality in the property management organization with at least 40 percent of women and men in each professional group.

%	Male	Female
BoD	71	29
Mgmt	40	60
Other	43	57

Does Nyfosa conduct any community engagement activities aside from those directly connected to the business?

Community engagements include the Real Estate Club at the Royal Institute of Technology and local sports associations.

Nyfosa also collaborate with the higher education institutions by having students have their scheduled internship within our organization. This is to contribute with practical knowledge that students then benefit from in their further studies and career.

How often does Nyfosa conduct audits of its suppliers? How often do you discover incidents not compliant with your code of conduct?

In 2021, a code of conduct was adopted for Nyfosa's suppliers. For 2022, 24% of procurements made during the year was from suppliers who had confirmed the code. An audit of the suppliers' compliance has not yet been conducted. No incidents have been discovered.

Governance

Do all staff members receive continuing education on anti-corruption? Is there an external whistleblower function? Are there any ongoing or historical incidents involving corruption, cartels or any other unethical business conduct? Have any preventive measures been taken?

Nyfosa's organization must always act with credibility, honesty and openness. Employees, business partners and others with whom the group does business, and who harbor serious suspicions of fraud, corruption or the like within the group's operations, are expected to come forward and tell about these suspicions. Reporting of suspected

wrongdoing is done anonymously through a whistleblower function, which is accessed via the company's website and intranet. Suspicions that are reported can either be investigated internally or handed over to the police. During 2022 and 2021 there has been no confirmed cases of corruption within Nyfosa's organisation.

Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen

Nyfosa is a Swedish company and therefore pays tax in Sweden.

How many independent members sits on the Board of Directors?

One of the seven members on the Board of Directors is not independent to Nyfosa. All members are independent to the major shareholders (please note that David Mindus, CEO of Sagax AB, has been proposed as member on the Board of Directors to Nyfosa's Annual General Meeting to be held on April 25, 2023. As per December 31, 2022 Sagax AB owned 21.3% of the capital and votes in Nyfosa. If elected, he will not be an independent board member).

Please state if and to what extent, Nyfosa has transactions with related parties:

The Group owns participations in joint ventures. Söderport is managed by AB Sagax, except for property management which is managed by Nyfosa. The company TPI, of which Söderport owns 78.1 percent, also purchases management services from Nyfosa and Sagax. Property management fees between the companies are based on market terms. Nyfosa's fee totals MSEK 3 per year. The Group has no receivables from joint ventures on December 31, 2021. The company signed a consultancy agreement with Board member Jens Engwall in 2020. His assignment under the agreement is to provide advisory services, in the first instance to the company's CEO, and also to continue to serve as the company's Board member in Söderport Property Investment AB and Torslanda Property Investment AB. The agreement came into effect on March 1, 2021 and expires on December 31, 2022. Annual fees of MSEK 1 are paid.

Which KPIs dictate the remuneration to management (are sustainability and diversity goals included)?

The remuneration is based on Nyfosa's goals for the year, where sustainability goals are an important part. According to Nyfosa's guidelines for remuneration, variable remuneration must reward goal-related results and improvements in simple and transparent constructions and be maximized. An outcome must be related to the fulfilment of Nyfosa's financial target and other measurable goals related to sustainability that support long-term shareholder value. Incorporated goals should mainly be shared by all senior executives but may also to a lesser extent refer to individual performance. The measurement period for variable remuneration is, as a general rule, based on performance over a period of approximately twelve months.

Describe Nyfosa's process for monitoring and reporting ESG issues and performance to senior management/the Board. Confirm what KPIs are monitored (if any) and how frequently reporting is undertaken.

In Nyfosa, four out of six members of the group management team also sit in the sustainability group, including the CEO. The group has monthly meetings, and at these meetings we discuss and follow up on our KPIs such as, reduction of energy consumption, certifications, green lease agreements, code of conduct, etc. ESG issues are reported to the BoD on a quarterly basis.

Have you signed a Union agreement?

No.