



NYFOSA

ESG QUESTIONNAIRE

2022

GENERAL INDUSTRY

1. 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

2. Does (the company) 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

3. 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

1. Please list (the company)'s three primary risks related to climate change and list, if any, (the company)'s climate-related opportunities:

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 the company can make the greatest difference.

Climate issues

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.

2. 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 2020, (tons Co2):

- Total Scope 1 (passenger transport & fossil fuels): 117
- Total Scope 2 (heating & cooling): 4,750

For more information see the annual sustainability report page 119.



3. 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.

4. Please list (the company)'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 has identified 12 SDGs (SDG 3,5,6,7,8,9,10,11,12,13,15 and 16) on which the operations have a direct or indirect influence and that will lead sustainability efforts forward. On the basis of these 12 goals, Nyfosa prioritize Gender Equality and Climate Action. In the portfolio management we focus primarily on three actions; (i) increase the use of renewable energy, (ii) decrease the energy consumption and (iii) increase the amount of sustainability certifications in the portfolio.

The rental value attributable to certified properties correspond to 16% of the total as of December 31, 2021, and the rental value of green leases correspond to 8% of total.

SOCIAL

1. Does (the company) 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 the company has established a working environment policy, which provides guidelines for the organization's work.

2. If applicable, state (the company)'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	57	43
Mgmt	40	60
Other	52	48
Total	52	48

3. Does (the company) conduct any community engagement activities aside from those directly connected to the business?

Nyfosa is a sponsor of the Childhood Cancer Foundation in Sweden. Other 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.

4. How often does (the company) 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 the company's suppliers. The largest suppliers have confirmed the code. An audit of the suppliers' compliance has not yet been conducted. No incidents have been discovered.

GOVERNANCE

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

Nyfosa has zero tolerance for all forms of discrimination and there are no reported incidents involving corruption, cartels or other unethical business conduct in the company. Anti-discrimination efforts are governed through Nyfosa's confidential whistle-blower function and Code of Conduct. Employees of the in-house organization are

urged to report all forms of perceived discrimination or signs of corruption behaviour to their immediate superior, HR Manager or via the confidential whistleblower function. The whistleblower function, together with instructions, is also available for suppliers and tenants on the webpage.

2. 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.

3. How many independent members sits on the Board of Directors?

One of the seven members on the Board of Directors is not independent to the company. All members are independent to the major shareholders.

4. Please state if and to what extent, (the company) has transactions with related parties:

Nyfosa owns shares in the joint venture company Söderport, which 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. Property management fees between the companies are based on market terms.

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

The remuneration is based on the company's goals for the year, where sustainability goals are an important part. According to the company'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 fulfillment of the company'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.

6. Which KPIs dictate the remuneration (particularly if sustainability and gender diversity are included)?

The remuneration is based on the company's goals for the year, where sustainability goals are an important part.

According to the company'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 fulfillment of the company'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.

7. Describe the company'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 five 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.

8. Have you signed a Union agreement?

No.