

Sustainability Report 2023



2023 Sustainability Report

The three components of the Environmental, Social and Governance (ESG) agenda are increasingly integrated, which reflects how we work at Wihlborgs. When talking with suppliers, we include our project department and our sustainability experts. When certifying our properties, we do so with our own staff, which in turn develops our skills and roles. When talking about sustainability in our region, we also mean the social community and the opportunities for people to participate and grow here. Our own staff are involved on boards and in working groups, and able to set aside work time to social commitment. We learn by doing and we invest our energy into initiatives that make a real difference.

There are many challenges ahead and we have a great responsibility to be part of the solution. The construction and property sector accounts for one fifth of Sweden's total greenhouse gas (GHG) emissions. At Wihlborgs, we focus on buildings meeting the most stringent of certifications and reducing emissions. Our current threshold is 270kg CO₂e/m² for new construction, which is significantly lower than the median value for the climate impact from the construction of new office properties in Sweden. Moreover, the buildings must be flexible and adaptable as needed to minimise any emissions from future redevelopments.

The industry needs to become more circular if we are to reduce emissions. The reuse of materials and products comprises

one area on which we need to focus on increasingly if we are to reduce our climate impact and reach our net zero target. "Fit for 55," which is part of the European Green Deal, pertains to the circular economy, an area where we as the purchaser have a substantial responsibility in terms of setting high ambitions throughout the chain. Among other needs, increasing circularity requires our industry to innovate and adapt. The Corporate Sustainability Reporting Directive (CSRD) is another component of the European Green Deal. The CSRD requires a more comprehensive reporting standard for companies' work with sustainability. For Wihlborgs, the CSRD enters force in the 2025 financial year and, with the aim of being well prepared for this, work has started on aligning with the directive and will intensify in the near future.

Malmö, March 2024
Ulrika Hallengren
Chief Executive Officer

About the sustainability report

Wihlborgs' sustainability report – which also constitutes a sustainability report under the Annual Accounts Act – is integrated into various sections of the annual report.

Wihlborgs' business model is presented on pages 14–16. We report on our priorities and important activities during the year on pages 32–43. A compiled report on risks and uncertainties including important sustainability risks can be found on pages 84–89. The in-depth sustainability information on pages 132–155 in this section includes additional information concerning governance, measurement and follow-up on our sustainability agenda. The section also includes performance indicators regarding the environment, personnel, human rights and anti-corruption in accordance with the Annual Accounts Act, and the supplementary disclosures requested by the reporting frameworks that we apply.

The sustainability report covers the period of 1 January to 31 December 2023. We report annually and the previous sustainability report, which pertained to 2022, was published on 31 March 2022. We intend to publish the next sustainability report in April 2024.

The information in the Sustainability Report has been the subject of a limited assurance engagement by Wihlborgs' auditors elected by the Annual General Meeting. Their statement is found on page 155. For further information about Wihlborgs' sustainability work and our sustainability reporting, please contact Sustainability Manager Elsa Hagdahl (elsa.hagdahl@wihlborgs.se, +46 (0)40-661 97 07).

Reporting framework

Wihlborgs' sustainability report is prepared in accordance with the GRI Standards 2021 and the guidelines for sustainability reporting issued by EPRA sBPR (European Public Real Estate Association Sustainability Best Practices Recommendations).

The index on pages 142–143 shows where in the annual report the GRI disclosures are presented and on pages 146–147 the majority of the performance indicators in accordance with EPRA's Sustainability Best Practice Recommendations (EPRA sBPR) are presented.

The sustainability report also discloses information about climate-related risks in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) on pages 144–145.

In addition, information regarding the application of the EU Taxonomy for sustainable activities, including performance indicators, is presented on pages 137–141. We also present our view of how Wihlborgs' operations contribute toward the Sustainable Development Goals of the 2030 Agenda for Sustainable Development on page 33.

Wihlborgs has been a member of the UN Global Compact since 2010, an initiative we continue to support. Our most recent Communication on Progress was submitted in spring 2023 according to the applicable format.



Sustainability management

In this section, basic information about Wihlborgs' operations is presented as a basis for the identification, prioritisation and management of material sustainability matters.

Operations and value chain

Wihlborgs' principal business is to own, manage and develop commercial properties in the Öresund region. Properties are managed in-house by employed property managers and property caretakers. The development of new and existing properties is managed by Wihlborgs' project managers, but implemented by procured construction contractors.

The upstream value chain mainly consists of local suppliers of various services required for the management and development of Wihlborgs' properties, where construction contractors and property upkeep suppliers are strategically important partners. These activities are often labour intensive and, in some cases, are carried out by subcontractors. This is probably where the greatest potential risks exist in terms of business conduct, health and safety, and human rights in the Wihlborgs value chain. The construction of new buildings and extensive modifications also have a significant impact on the environment and climate.

Wihlborgs' customers consist of some 2,000 companies and other organisations that are tenants in our approximately 300 properties. A fifth of our rental income originates from the ten largest customers and eight of these, are active in the public sector.

Further information about Wihlborgs' operations can be found on pages 14–16 and 77, and a more in-depth account of employees, suppliers and customers can be found on pages 148–153.

Sustainability framework and materiality assessment

The foundation of Wihlborgs' sustainability work is our framework that covers the most material sustainability matters separated into four areas:

The framework is presented on page 32 and serves as our guide for establishing targets and prioritising sustainability-related activities.

During the year, as for last year, a minor review was made of the material sustainability matters reported by Wihlborgs. Based on our sustainability framework, a reconciliation was made pursuant to external guidelines and regulations, impressions from the sector, as well as a compilation of topics highlighted by Wihlborgs' employees, customers and financiers in various surveys or questionnaires.

Clear feedback from stakeholders established that their most significant environmental issues were primarily related to energy efficiency and renewable energy, resource efficiency, the climate impact of projects and property management, and climate change adaptation. In the social dimension of sustainability, the competence and well-being of employees were emphasised, as

well as the importance of having an inclusive workplace. From a customer perspective, safe, secure and healthy properties and workplaces were also highlighted as important sustainability matters. In addition, it is clear that sustainability impacts in the value chain are important issues for stakeholders. The EU Taxonomy and the upcoming CSRD were highlighted by the Board and financial stakeholders as material areas.

Our overall assessment is that the Wihlborgs sustainability framework is still relevant, as is the content of our sustainability report. Examples of issues that will continue to be of a high priority in the future include energy consumption, climate-change mitigation and adaptation, and Wihlborgs' impact on the environment and people in the value chain. In 2024, Wihlborgs will perform a double materiality assessment in line with the CSRD. This entails a major rethink of the company's material matters.

The table shows the prioritised sustainability matters within each area of the framework, as addressed in the sustainability report (with reference to the respective GRI Standard).

Responsible business

Anti-corruption 2016 (GRI 205)

Procurement Practices 2016 (GRI 204)

Supplier Environmental Assessment 2016 (GRI 308) and Supplier Social Assessment 2016 (GRI 414)

Commitment to the region and its community

Social commitment (-)

Attractive employer

Occupational Health and Safety 2018 (GRI 403)

Training and Education 2016 (GRI 404)

Diversity and Equal Opportunity 2016 (GRI 405)

Sustainable properties

Energy 2016 (GRI 302)

Emissions 2016 (GRI 305)

Certified properties (-)

Corporate governance and sustainability

Sustainability is an integral component of Wihlborgs' operations. Wihlborgs' Board of Directors and Group Management have important roles in sustainability management. The Board adopts the Wihlborgs strategy, where sustainability is an integrated component, as well as the Group's goals, which include clear and fixed-time sustainability goals. The preparation of and responsibility for goal fulfilment rests with Group Management, which delegates the operational work with individual goals to the organisation's relevant functions. Property management and project operations are responsible for the implementation of activities that result in goal fulfilment. In terms of sustainability efforts, they are supported by the central sustainability department and other Group executive functions.

In conjunction with quarterly reporting, the outcome of our overall sustainability goals is followed up by Group Management and the Board of Directors. Quarterly reports and the annual and sustainability report are approved by Group Management and the Board prior to publication. The Sustainability Manager is part of the expanded Group Management that meets monthly

and addresses current sustainability matters, and reports on the status of the overall goals, as well as the outcome of specific activities within prioritised sustainability areas.

The Board of Directors' overall competence in the area of sustainability issues is considered good. The Board members have broad and extensive experience from leading positions in business and society. Jointly with Group Management and other senior employees with specific know-how, the Board of Directors provides valuable input for the development of Wihlborgs' sustainability agenda and the prioritisation of key sustainability matters – continuously throughout the year and on annual strategy days. On these occasions, the Board also gains a deeper understanding of the sustainability efforts undertaken during the year and the planning for the coming year. More detailed information on the Board can be found in the Corporate Governance Report, pages 116–123.

Remuneration of the Management Group and Board of Directors

A detailed account of the remuneration of Group Management and the Board of Directors is presented in the Corporate Governance Report (pages 116–123), the Administration Report (page 77) and in Note 6. Wihlborgs does not apply any form of variable remuneration or other incentives to senior executives linked to the fulfilment of the sustainability goals or KPIs. However, an annual provision corresponding to one price base amount is made to a profit-sharing fund for all employees, including the Management Group.

Key policies and commitments

The Board annually adopts Wihlborgs' Code of Conduct for its own employees, Ethical Guidelines, which clarify the basic values of and positions on a range of important sustainability matters. Based on the ten principles of the UN Global Compact concerning human rights, labour, the environment and anti-corruption, Wihlborgs' Ethical Guidelines is an overarching governing document to which other policies regarding more specific sustainability matters are linked. All new employees undergo training in business conduct, the work environment and environmental issues based on the Ethical Guidelines and underlying policies, including an introduction to key internal processes and procedures concerning these matters.

Wihlborgs' Ethical Guidelines encompass all employees and Board members. There is a corresponding "Code of Conduct for Suppliers" that clarifies Wihlborgs' expectations for partners to conduct their operations in a responsible and sustainable manner, in line with the UN Global Compact, the UN's Universal Declaration of Human Rights and conventions adopted by the UN's international labour organisation, ILO. Suppliers are also expected to ensure that the subcontractors they hire understand and comply with Wihlborgs' Code of Conduct. All suppliers covered by framework agreements are requested to complete a self-assessment to demonstrate how they apply the

principles in the Code of Conduct. The maturity of the supplier's sustainability management is also thereby assessed (read more on pages 148–149).

Wihlborgs' Ethical Guidelines and Code of Conduct for Suppliers are available on our website.

Stakeholder dialogues

Wihlborgs regularly holds formal and informal dialogues with a number of key stakeholder groups, such as tenants, employees, financiers and municipalities, in order to gain a better understanding of and discuss issues that are important to them in their relationship with Wihlborgs.

Customer surveys (CSI) are conducted each year, but our property managers and maintenance staff also meet with individual tenants every day.

Wihlborgs employees participate in an annual "Great Place to Work" employee survey, through which they have the opportunity to provide feedback on their perceptions of Wihlborgs as a workplace. All employees also have an annual career development review with their immediate manager and information about the operations is disseminated regularly through the intranet and weekly meetings.

Our starting point is that customers, employees and other stakeholders should be able to trust Wihlborgs and that all relationships should be characterised by openness, transparency and honesty. If someone feels incorrectly treated or is privy to something that goes against Wihlborgs' Ethical Guidelines or Code of Conduct for Suppliers, we welcome the information about this so that the matter can be investigated and remedied. It is always possible to submit a report anonymously through a whistle-blower function provided independently of Wihlborgs.

Membership and collaboration

For Wihlborgs, it is important and natural to engage in collaboration with organisations that contribute to the development of the region or that drive important societal issues.

We support and are involved in local initiatives such as LFM30 (local roadmap for a climate neutral construction sector in Malmö by 2030). We are also represented on the committee promoting a metro rail link between Malmö and Copenhagen.

Several of Wihlborgs' employees sit on other external boards and forums to help drive issues such as sustainable urban development. We have employees who are board representatives or otherwise active in Fastighetsägarna Syd, Fastighetsföreningen Lund City, Malmö Citysamverkan, Lund Citysamverkan, Helsingborg Citysamverkan, Sweden Green Business Council, Centrum för Fastighetsföretagande, Medeon, Ideon and Øresundsinstittet.

EU Taxonomy

While Wihlborgs is not yet eligible under the EU Taxonomy, the company voluntarily chooses to provide information on how its operations are aligned with the directive. The tables on pages 138–141 present the share of turnover, operational expenditure (OpEx) and capital expenditure (CapEx) that is eligible and aligned, and thus classified as environmentally sustainable, according to the EU Taxonomy.

Taxonomy-eligible economic activities

Wihlborgs owns, manages and develops commercial properties. Virtually all of Wihlborgs' turnover and operating expenses (OpEX) can be linked to "Acquisition and ownership of buildings" (economic activity 7.7).

Our capital expenditure (CapEx) essentially consists of the acquisition or construction of new properties that we intend to own and manage and is therefore encompassed by 7.7. In addition, we complete a large number of projects in existing properties every year. These projects include the 7.3. Installation, maintenance and repair of energy efficiency equipment, 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings, 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings), 7.6 Installation, maintenance and repair of renewable energy technologies.

Taxonomy-aligned activities

Climate and environmental objective 1 "Climate change mitigation" is considered relevant to Wihlborgs' operations.

Technical screening criteria

Existing properties with building permits dating prior to 31 December 2020 are assessed taking into account the technical screening criteria of activity 7.7. All buildings with a class A energy performance certificate (EPC) are considered Taxonomy-aligned. The same applies to properties in Wihlborgs' Swedish portfolio that have a primary energy rating that places them among the 15 percent most energy-efficient buildings. The assessment of whether the properties belong to this 15 percent follows the latest recommendation of the Swedish Property Federation and depends on the building category. In Denmark, there are no corresponding thresholds, so only buildings in our Danish portfolio that have EPC A are considered Taxonomy-aligned.

In line with the European Commission's guidance, the Taxonomy-alignment of properties with building permits after 31 December 2020 is assessed according to the criteria for substantial contribution in economic activity 7.1. New buildings and extensions, as well as existing properties with building permits after this date, are classed as aligned with economic activity 7.7 if the primary energy rating is at least 10 percent lower than the requirements in Boverket's Building Regulations (BBR), concurrent with meeting the other technical screening criteria for activity 7.1.

Do No Significant Harm criteria (DNSH)

In 2021, Wihlborgs performed a climate risk and vulnerability assessment of all properties in order to identify the most significant physical climate risks and the properties that are most exposed to climate-related risks. Properties acquired thereafter have been included in the assessment. The assessment has been followed up with a focus on those properties assessed as having a higher climate-related risk and the evaluation and implementation of possible adaptation solutions is ongoing. The assessment will

be reviewed and updated with the latest findings and methods in 2024. Under the Wihlborgs project-based environmental programme, all new-build projects are subject to an assessment of physical climate risks and the need for adaptation. With these factors in mind, we consider all of Wihlborgs' existing and newly built properties to be aligned with the DNSH criteria for the economic activities 7.4–7.7.

The alignment of new construction and renovation of existing buildings with 7.1 and 7.2 cannot be reported as the basis for assessing compliance with DNSH requirements is insufficient. The same applies to economic activity 7.3, where Wihlborgs reinterpreted alignment in 2023. In 2022, we reported compliance according to 7.3, but after the reinterpretation we cannot demonstrate that these capital expenditures are taxonomically compatible. Thresholds linked to Goal 5: It is not possible to report "Pollution" at the level required by the Taxonomy, as these levels are not reported in sufficient detail in product data sheets.

Wihlborgs certifies all new construction, works with project-specific environmental programmes and examines all materials using the Byggvarubedömningen (BVB) service in all projects. Taxonomy-alignment is expected to rise once the industry has sufficient data to demonstrate alignment with the DNSH requirements.

Minimum safeguards

Wihlborgs' assessment is that the criteria for minimum safeguards are satisfied for the company as a whole, including through the company's Ethical Guidelines and Code of Conduct for suppliers, as well as the process whereby suppliers' sustainability management is evaluated (see pages 148–149). Furthermore, all new employees are trained in business conduct and Wihlborgs has an independent whistle-blower channel. There has been no violation or court case regarding human rights, corruption, tax, healthy competition or other areas covered by the OECD Guidelines for Multinational Enterprises or the UN principles and conventions mentioned in Article 18 of the Taxonomy Regulation.

Reporting policies

The following tables present the share of turnover, OpEx and CapEx that is eligible and aligned with the EU Taxonomy for each economic activity. Turnover refers to Wihlborgs' rental income that is recognised in profit or loss and all of this turnover, with the exception of certain service income from restaurant operations in Denmark, is Taxonomy-eligible (see also Note 4 of the financial statements). The assessment of the proportion of turnover that is Taxonomy-aligned refers to rental income from the properties that meet the criteria for 7.7. Taxonomy-eligible OpEx comprises expenses for the regular maintenance of Wihlborgs' properties corresponding to the item "Repairs and maintenance" and parts of "Other operating costs" included under "Property costs" in profit or loss (see Note 5). The proportion of Taxonomy-aligned OpEx pertains to expenses that are attributable to properties assessed as meeting the criteria for 7.7 above. CapEx refers to investments that increase the value of Wihlborgs' properties included under the item "Investment properties" in the balance sheet and specified in the table in the section "Market valuation" on page 82. The Taxonomy-alignment of the acquired properties was assessed in relation to the criteria for economic activity 7.7.

Wihlborgs' projects have been assessed against the criteria for 7.4–7.6 in order to identify Taxonomy-aligned CapEx. Only those instances where the entire project is Taxonomy-aligned with an economic activity have been included. CapEx related to projects in alignment with 7.4, 7.5 or 7.6, but carried out on a property in alignment with 7.7, is reported under the economic activity 7.7.

2023 financial year	2023	Substantial contribution criteria								DNSH criteria ("Does Not Significantly Harm")								Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, 2022	Category enabling activity	Category transitional activity
		Economic activities	Code	Turnover	Proportion of Turnover, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity			
Text		Currency: SEK (thousand)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmental sustainable activities (Taxonomy-aligned)																				
Acquisition and ownership of buildings	CCM 7.7	1,498,593	39%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	N/A	N/A	N/A	N/A	Y	21.2%	-	-
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,498,593	39%	39%	-	-	-	-	-	-	-	-	-	-	-	-	-	21.2%		
Of which enabling		0	0%	0%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		0	0%	0%							-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmental sustainable activities (not Taxonomy-aligned activities)																				
					EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Acquisition and ownership of buildings	CCM 7.7	2,364,451	61%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								77.3%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2,364,451	61%	61%	-	-	-	-	-	-								77.3%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		3,863,044	99.5%	100%	-	-	-	-	-	-								98.5%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities (B)		17,648	0.5%																	
Total (A + B)		3,880,692	100%																	

Proportion of turnover/Total turnover		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	39%	99.5%
CCA		
WTR		
CE		
PPC		
BIO		

2023 financial year		2023		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	CapEx	Proportion of CapEx, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, 2022	Category enabling activity	Category transitional activity
Text		Currency: SEK (thousand)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of charging stations for electric vehicles in buildings	CCM 7.4	4,588	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	N/A	N/A	N/A	N/A	Y	0.2%	E	-
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	9,445	0.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	N/A	N/A	N/A	N/A	Y	0.5%	E	-
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	10,633	0.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	N/A	N/A	N/A	N/A	Y	1.2%	E	-
Acquisition and ownership of buildings	CCM 7.7	539,241	29.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	N/A	N/A	N/A	N/A	Y	44.2%	-	-
CapEx of environmental sustainable activities (Taxonomy-aligned (A.1))		563,908	30.3%	30.3%	-	-	-	-	-	-	-	-	-	-	-	-	46.1%		
Of which enabling		24,666	1.3%	1.3%	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	1.9%	E	
Of which transitional		0	0.0%	0.0%						-	-	-	-	-	-	-	0.0%		T
A.2 Taxonomy-eligible but not environmental sustainable activities (not Taxonomy-aligned activities)																			
Acquisition and ownership of buildings	CCM 7.7	1,298,384	69.7%	EL	N/EL	N/EL	N/EL	EL	N/EL								53.9%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,298,384	69.7%	69.7%	-	-	-	-	-								53.9%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		1,862,292	100.0%	100.0%	-	-	-	-	-								100.0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities (B)		0	0%																
Total (A + B)		1,862,292	100%																

Proportion of CapEx/Total CapEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	30.3%	100%
CCA		
WTR		
CE		
PPC		
BIO		



2023 financial year		2023		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	OpEx	Proportion of OpEx, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, 2022	Category enabling activity	Category transitional activity
Text		Currency: SEK (thousand)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM 7.7	99,173	36%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	N/A	N/A	N/A	N/A	Y	15.4%	-	-
OpEx of environmental sustainable activities (Taxonomy-aligned) (A.1)		99,173	36%	36%	-	-	-	-	-	-	-	-	-	-	-	-	15.4%		
Of which enabling		0	0%	0%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T
A.2 Taxonomy-eligible but not environmental sustainable activities (not Taxonomy-aligned activities)																			
Acquisition and ownership of buildings	CCM 7.7	176,197	64%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								84.6%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		176,197	64%	64%	-	-	-	-	-								84.6%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		275,370	100%	100%	-	-	-	-	-								100%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)		0	0%																
Total (A + B)		275,370	100%																

Proportion of OpEx/Total OpEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	36%	100%
CCA		
WTR		
CE		
PPC		
BIO		

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Certified buildings	CRE8 Share of certified buildings	146, 152
308 Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	148
403 Occupational health and safety 2018	403-1 Occupational health and safety management system	34, 87, 149
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404 Training and education (2016)	404-3 Percentage of employees receiving regular performance and career development reviews	147, 149
	Own indicator: Percentage of employees who would recommend Wihlborgs as an employer/recommend Wihlborgs' products and services	149
405 Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	147
414 Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	148–149
Societal commitment (own topic)	Own indicator: Share of sponsorship with community involvement	151

Reporting according to the TCFD

This section is reported pursuant to the recommendations of the Task Force for Climate-related Financial Disclosures (TCFD). The structure follows the TCFD and some information is also presented in other sections in the Annual Report, which is indicated with references in the text below.

Governance

The Board bears overall responsibility for Wihlborgs' operations including work with climate-related risks and opportunities. The Board of Directors regularly monitors that work is proceeding to plan and the progress of climate targets set by the management. This takes place, inter alia, in conjunction with the review of the annual report, in strategy meetings during the year and when setting the budget and operational targets.

How Wihlborgs otherwise works in daily operations with climate-related issues is presented in the Sustainable properties section on pages 38–41 and in the Emissions section on page 152. Within Wihlborgs' executive management, it is the CEO and the Sustainability Manager who are ultimately responsible for climate and sustainability matters and for keeping the Board informed of developments. The Sustainability Manager bears the operational responsibility for driving Wihlborgs' climate activities, proposing Group-wide climate targets and following up on and reporting outcomes to Group Management.

Strategy

As a property owner with a strong geographical focus on the Öresund region, it is natural that Wihlborgs holds a long-term perspective on its operations. Our properties should remain able to offer attractive workplaces for our customers and continue to create value for our owners for many decades ahead.

Climate change means that we must adapt our properties to new physical conditions in the form of more extreme weather conditions, flooding and an increased risk for damp and mould damage, but we must also adapt operations to the changes that take place in the market and in society as a result of climate change.

We can already note that there are greater expectations of Wihlborgs from customers, investors and other players in regards to responsible climate activities. In the short and medium term (the next 3–5 years), this is likely to accelerate, at the same time as we will meet more stringent requirements from regulators and government authorities in terms of what and how we may build. This will result in implications in terms of, for example, which properties we choose to own in different locations and how we will adapt these in order to make them more energy efficient and climate smart.

In the long term (5–10 years and beyond), it is highly likely that we will increasingly take note of physical climate change – increased rain levels and wind strengths resulting in recurring flooding, rising temperatures and water levels – which will result in the need to protect our properties against the climate. This could result in investments in various climate change adaptations of the buildings or increased costs for comfort cooling, disposing of rain water and repairs/maintenance to rectify or avoid damage. For more information, refer to the analysis we completed to identify these risks below.

Risk management

The identification and analysis of climate-related risks is an extension of our ordinary risk management – a process that is described on page 84 where we assess the probability and impact of a broad spectrum of risks. At the same time, we note that climate risks currently require separate analysis in order to form a well thought-out long-term risk management strategy.

In light of the climate-related risks that we have identified to date, we have also begun to implement a number of measures to manage these risks. One example is Wihlborgs' project-adapted environmental programme, in which we, inter alia, carry out analyses of each new construction project with the aim of identifying the need for climate change adaptation and setting boundaries for the energy performance of the construction. In 2022, we introduced an expanded programme of on-site checks at the properties to assess any need for action arising from elevated risks of extreme weather.

Thanks to careful maintenance work and a daily presence at the properties through Wihlborgs' own property caretakers, we are well aware of the condition of the buildings and any need for adaptations. Energy optimisation and operational optimisation of the properties, as well as an increase in the installation of, for example, solar power systems and modern cooling plant, also contributes to reducing climate impact and operating costs.

Goals and measures

Wihlborgs has adopted short-term (until 2025) and long-term (until 2030 and 2045) climate goals that aim to markedly reduce our greenhouse gas emissions before eventually achieving net zero. Goals and metrics for Wihlborgs' climate impact are presented in the Sustainable properties section on pages 38–41, in the EPRA section on page 146–147 and in the Emissions section on page 151–152.

Overall, our follow-up of Wihlborgs' climate-impacting emissions show that we are on the right path to reducing emissions that arise in Scope 1 and 2 (from our own operations). Significant emissions remain in the value chain related to our construction projects and our tenants' use of electricity in the properties (Scope 3).

Scenario analyses

In order to better understand how the climate might change and what this could entail for our property portfolio, in 2021 we conducted a mapping of climate risks based on an analysis of different climate scenarios.

Climate scenarios shed light on different risks and opportunities for Wihlborgs' operations and help us to adapt our business strategy and assess the need to make climate change adaptations to our properties. The risk assessment was based on two primary scenarios developed by the UN Intergovernmental Panel on Climate Change (IPCC) – RCP 8.5 and RCP 2.6.

These scenarios comprise two extremes, where RCP 8.5 describes a future in which we continue to increase GHG emissions substantially and are not able to curb climate change. In the RCP 2.6 scenario, we assume instead that a substantial and global climate policy will lead to a decline in emissions and more limited global temperature increase in line with the Paris Agreement.

Climate-related risks and opportunities

Scenario	Risks	Opportunities	Impact
Severe climate change with considerable impact on society as a result of increased GHG emissions. (RCP 8.5)	Property damage as the result of torrential rain, rising sea levels, landslides and erosion	Climate change adaptation leading to more robust and attractive properties	Increased costs for the climate change adaptation of properties
	Shorter technical lifespans of constructions and building production due to weather impact	The self-production of solar energy and energy enhancements reducing the need of purchased energy	Increased costs for repairs, maintenance and insurance Increased energy and operating costs
	Reduced demand for unadapted properties in risk areas Energy or power shortages as the result of increased societal demand	Milder winters reducing heating requirements and shortening production times for new construction	Reduced value for non-climate adapted properties or properties in risk zones Increased value for climate-adapted and energy-efficient properties
Vigorous climate policies reducing GHG emissions and limiting climate change (RCP 2.6)	Increased regulations, costs and taxes concerning energy, emissions, land use and construction norms	More energy-efficient properties with new technology reducing energy consumption	Increased costs for the transition of operations and climate adaptation of properties New costs for GHG emissions
	The need for increased investments also in new or renovated energy-efficient properties	Collaboration with entrepreneurs leading to more resource efficiency and fewer climate-impacting projects	Increased costs for energy, building material and transportation
	Reduced demand for older properties with lower energy and climate performance	Customers and investors demanding environmentally certified and climate-adapted properties	Reduced value/increased vacancies in properties with lower energy and climate performance Increased value/higher rent for environmentally certified and climate-adapted properties

Climate-related risks and opportunities

The analysis demonstrates that there are both climate-related risks and opportunities present in these two different scenarios. The risks can, in line with the TCFD, be divided into transition risks – political, technological and regulatory risks as a result of society attempting to limit climate change – and physical climate risks such as floods, heat waves and other types of extreme weather.

The physical climate risks for all properties have been included in the analysis and the risks for properties acquired thereafter have been included retrospectively.

Climate-related risks

In the climate scenario with higher average temperatures and emissions (RCP 8.5), we see increased physical climate risks and potential damage to Wihlborgs' properties as the result of more frequent extreme weather. The analysis shows that a number of properties in the portfolio have an elevated risk of local flooding as a result of higher rainfall and torrential rain. Properties in coastal locations in Malmö and Helsingborg are also exposed to the risk of flooding due to rising sea levels.

In the scenario with a lower temperature increase (RCP 2.6), the physical climate risks are lower as the effects of climate change are expected to be more limited. On the other hand, transition risks are assessed to be even greater in the form of political decisions and technological innovations that compel society to reduce its climate impact. For Wihlborgs' operations, this could involve, for example, price hikes for building material, energy and transportation due to political restrictions and taxes.

Climate-related opportunities

Irrespective of the climate scenario, the analysis demonstrates that climate change could also present opportunities for Wihlborgs, largely thanks to the transition of operations that we have already commenced. As mentioned above, the investment of solar power systems to our properties and purchases of renewable electricity and heating are reducing our dependence

of fossil energy and contributing to a lower climate footprint. Annual investments in energy saving measures such as more efficient and less climate-impacting cooling plant are contributing to reducing our climate impact and energy consumption and, as a result, our operating costs.

In addition, we see opportunities in terms of Wihlborgs' conscious investment in the environmental certification of our property portfolio. Environmental certification efforts are future-proofing our properties, increasing knowledge and developing commitment in our own organisation. This is appreciated by tenants as well as financiers, which could potentially lead to higher rental income and market value moving forward.

Wihlborgs' impact assessment and work going forward

These climate-related risks and opportunities are also likely to lead to certain financial consequences for Wihlborgs. A number of investments that aim to limit our climate impact have already been completed. Other financial effects will be felt further in the future when, for example, new technology becomes accessible, regulations are changed or potential damage to properties incurs.

The completed scenario analysis provides an indication of the potential impact on Wihlborgs and our properties. Our assessment is that climate scenario between RCP 8.5 and RCP 2.6 is most likely, and Wihlborgs is preparing for such a future. In 2024, Wihlborg will develop the existing analysis with the RCP 4.5 scenario to thereby strengthen the analysis.

We are continuing efforts to gradually reduce our carbon footprint in own operations and in the value chain. In such a way, we are also limiting the financial consequences of the climate transition that is now taking place in society at large. In parallel, during the year, we also started compiling an inventory of climate change adaptation requirements on a property level based on the completed assessment of physical climate risks. The implementation of measures has started and will progress in 2024. We are therefore equipping ourselves for a scenario in which extreme weather is on the rise.

Sustainability indicators according to EPRA

In the tables below in this section, we compile the majority of the sustainability indicators specified in the EPRA sBPR. Certain indicators concerning social commitment and corporate governance can also be found in other sections of the Annual Report.

Important definitions and assumptions are provided in connection with each table. All of the accounting policies for the sustainability report are presented on pages 153–154. Information is also presented on how important aspects of EPRA sBPR's

Overarching Recommendations are applied.

Comments concerning the outcomes reported below are primarily found on pages 148–153. In addition, additional information according to EPRA sBPR is also presented on Wihlborgs' website, including a breakdown of performance indicators per region and property type as well as other information that, for the purposes of space, is not presented in the Annual and Sustainability Report.

Energy consumption

EPRA	Description	Unit of measure	Absolute performance (Abs)		Like-for-like performance (Lfl)	
			2023	2022	2023	2022
Elec-Abs/LfL	Total electricity consumption	MWh	43,125	40,679	39,832	36,842
DH&C-Abs/LfL	Total district heating and cooling consumption	MWh	144,806	142,841	137,738	129,777
Fuels-Abs/LfL	Total fuel consumption	MWh	8,467	8,926	8,465	8,926
Energy-Int	Building energy intensity	kWh/m ² , Atemp	83.3	88.6	81.62	90.6

The table shows estimated or measured property electricity, district heating/cooling and heating gas. Share of renewable energy (2023): electricity (100%), district heating/cooling (84%), fuel (81%). Energy intensity has been calculated in relation to the total lettable area for each year.

GHG emissions

EPRA	Description	Unit of measure	2023	2022
GHG-Dir-Abs	Total direct GHG emissions (Scope 1)	Tonnes CO ₂ e	615	953
GHG-Indirect-Abs	Total indirect GHG emissions (Scope 2) – market based	Tonnes CO ₂ e	2 296	2 052
	Total indirect GHG emissions (Scope 2) – location based	Tonnes CO ₂ e	11 032	10 179
GHG-Int	GHG emissions intensity (Scope 1 & 2)	kg CO ₂ e/m ²	1,28	1,35

The table displays GHG emissions from fuel and leakage of refrigerants (Scope 1) and energy consumption (Scope 2).

Water consumption

EPRA	Description	Unit of measure	Absolute performance (Abs)		Like-for-like performance (Lfl)	
			2023	2022	2023	2022
Water-Abs/LfL	Total water consumption	m ³	505,125	494,529	475,820	452,150
Water-Int	Building water intensity	m ³ /m ²	0.22	0.22	0.21	0.23

The table shows measured or estimated water consumption.

Waste management

EPRA	Description	Unit of measure	Absolute performance (Abs)		Like-for-like performance (Lfl)	
			2023	2022	2023	2022
	Total amount of hazardous waste	Tonnes	21	19	21	18
	Recycling	Tonnes	21	19	20	18
	Incineration (including with energy recovery)	Tonnes	0	0	0	0
	Landfill	Tonnes	0	0	0	0
	Total amount of non-hazardous waste	Tonnes	5,730	5,877	5,409	5,616
	Recycling	Tonnes	1,846	1,853	1,705	1,769
	Incineration (including with energy recovery)	Tonnes	3,883	4,024	3,703	3,847
	Landfill	Tonnes	1	0	1	0

The table shows the total collected waste from the properties reported to Wihlborgs by the waste disposal contractors. The majority of this comprises the tenants' waste. The disclosures encompass some 50 percent of the portfolio.

Certification of buildings

EPRA	Description	Unit of measure	Miljöbyggnad		Miljöbyggnad iDrift		LEED		BREEAM		WELL		NollCO ₂		Totalt	
			2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*
Cert-Tot	Number of properties	No.	28	23	54	33	1	3	0	1	2	0	2	0	83	60
	Certified floor space	m ²	246,685	219,317	503,838	279,250	17,574	59,049	0	10,925	21,449	0	21,449	0	768,097	568,541
	Share of total floor space	%	10.7	9.8	21.9	12.5	0.8	2.6	0	0.5	0.9	0	0.9	0	33.4	25.5

The table displays current certification status. The detail level of the disclosures is more extensive in 2023 compared with 2022 (where Miljöbyggnad, Miljöbyggnad iDrift, WELL and NollCO₂ were not reported separately). Three properties have multiple certifications. These are counted once in the total. *The figure for 2022 is adjusted in relation to the 2022 Annual Report when that table was not presented at an equally detailed level.

Employees

EPRA	Description	Unit of measure	2023	2022
Emp-Training	Number of training hours per employee	No.	23.4	18.2
Emp-Dev	Percentage of employees who have undergone career development reviews	%	97.6	98.3
Emp-Turnover	Number of new employees during the year	No.	34	50
	Percentage of employees who were new employees during the year	%	17.5	18.7
	Number of employees who have left during the year	No.	74	44
	Percentage of employees who have left during the year	%	38.1	16.4

The table displays indicators for employees. The number of employees on 31 December was 194 (268). The number of employees that began/left per country was (%): 5/5 (Sweden) and 12/33 (Denmark).

Diversity

EPRA	Category	Age	No. of women	No. of men	% women
Diversity-Emp	Board of Directors	<30 years old	0	0	
		30–50 years old.	1	0	
		>50 years old	2	4	
		Total	3	4	43%
	Group Management	<30 years old	0	0	
		30–50 years old.	1	3	
		>50 years old	3	1	
		Total	4	4	50%
	Employees	<30 years old	9	17	
		30–50 years old.	40	51	
		>50 years old	26	51	
		Total	75	119	39%

The table displays indicators for diversity separated by men/women on the Board of Directors, in management (incl. Group Management) and in the total number of employees for different age intervals.

Pay gap

EPRA	Category	Unit of measure	2023	2022
Diversity-Pay	Group Management	% of men's salary level	120	120
	Group Management excl. Chief Executive Officer	% of men's salary level	65	65
	Property managers (Sweden <30 years old)	% of men's salary level	106*	96
	Property managers (Sweden 30–50 years old)	% of men's salary level	92	91

The table displays pay gaps for Group Management and the category property managers in Sweden separated by age intervals, since age and experience are important factors behind pay gaps. There are no female property managers in the >50 years old interval. *The outcome pertains only to two individuals.

Health and safety

EPRA	Description	Unit of measure	2023	2022
H&S-Emp	Incident Rate (per 200,000 WH)	Number of claims	3.25	4.43
	Absenteeism rate (per 200,000 WH)	Number of days	14.88	17.72
	Sick leave	%	2.41	2.29
H&S-Asset	Percentage of properties where health & safety is assessed	%	94	95
H&S-Comp	Number of deviations noted from safety inspections	No.	28	22

The table displays indicators for health and safety. No work-related deaths occurred in 2022 or 2023. H&S-Asset refers to safety inspections in the Swedish operations. H&S-Comp refers to the number of remarks from safety inspections irrespective of their level of seriousness. Safety inspections are conducted every second year – the data in the table shows the average per two-year period.

Other indicators according to EPRA

EPRA	Description	References	Page
Comty-Eng	Social commitment	Commitment to the region and its community	36–37, 148–149
Gov-Board	The composition of the Board	Corporate Governance Report	116–123
Gov-Selec	The process for nominating members of the Board	Corporate Governance Report	116–123
Gov-Col	Process for managing conflicts of interest	Corporate Governance Report	116–123

The table shows where we present relevant information in the annual report that has a bearing on the EPRA indicators regarding social commitment and corporate governance.

Sustainability information

Responsible business

For Wihlborgs, it is self-evident that our brand should represent sound values. All of the relationships that we have with the stakeholders who are involved in our operations must be maintained in a correct and trustworthy manner and we expect the stakeholders to show us the same level of respect. For Wihlborgs, this is the foundation of responsible business that comprises: anti-corruption and business conduct, local purchases and supplier evaluations.

Anti-corruption

Description and boundaries

This topic regards actions to counter corruption and unethical behaviour, the success of which is a prerequisite for a long-term profitable and sustainable business. Wihlborgs does not accept any form of corruption, and this is highlighted in all relationships with stakeholders.

The topic encompasses Board members and employees at Wihlborgs as well as the employees of suppliers and contractors engaged by Wihlborgs. We report on how we work to combat corruption in our operations and potential incidents of corruption that have come to our knowledge.

Goals and governance

Governance within anti-corruption is based on the legislation that encompasses corruption, including bribery legislation, but also international conventions and frameworks. Wihlborgs has been a member of the UN Global Compact for many years and supports the ten principles. One of these principles being anti-corruption.

The essential internal steering document for this is Wihlborgs' Ethical Guidelines that is determined by the Board of Directors and revised annually. These form a Code of Conduct for Wihlborgs' employees and Board members and take a clear position on such matters as bribes, gifts and corruption. For our suppliers, corresponding requirements apply through the Wihlborgs' Code of Conduct for suppliers. Wihlborgs' purchasing department ensures that the Code of Conduct is distributed to all suppliers covered by framework agreements that are expected to study and follow the Code during the contract period.

The risk of corruption is more or less usual in various business situations and certain professions are more exposed than others, for example, within project development, certain employees in management and the purchasing function. All of Wihlborgs' operations must be characterised by openness, transparency and honesty. We prevent unethical behaviour and undue influence through, for example, recurring training initiatives, systematic procurement processes and internal authorisation rules. All stakeholders must be able to safely and easily report any suspicions they may have of a breach of our Ethical Guidelines, Code of Conduct or other improprieties in our operations. We encourage dialogue and are prefer that the relevant individuals at Wihlborgs are contacted to start with. If this is not possible, a whistle-blower function managed by an external party is available via the Wihlborgs intranet and website. The whistle-blower function can be used by employees and people outside the company, and the whistle-blower can choose to remain anonymous.

Our anti-corruption and business ethics goals concern creating awareness of these issues among our employees and emphasising a zero-tolerance approach to corruption and unethical behaviour.

- All new employees are to be trained in business conduct and anti-corruption.
- No cases of corruption are to occur at Wihlborgs.

Outcomes and follow-up

Our introduction programme for new employees ensures that everyone who is new at Wihlborgs is equipped with a briefing of our Ethical Guidelines, including discussions covering various ethical dilemmas, during their first year at the company. Aside from the Ethical Guidelines, all new employees also receive a more tangible guide in business conduct that acts as a guide for how the guidelines can be applied in various situations that they may encounter in their daily tasks.

One whistle-blower case was received in spring 2023 pertaining to unethical behaviour. The case pertained to internal operations and thus became a case for HR. No other such incidents have to come to our awareness. Nor has Wihlborgs been subject to any fines or other sanctions for breaching laws or regulations.

Local purchases

Description and boundaries

Wihlborgs purchases products and services for the maintenance and operation of our properties. We also hire contractors and other suppliers in

conjunction with construction projects. Other central functions of the Wihlborgs organisation procure services for support with different matters. The primary ambition is to benefit local suppliers that are active in the Öresund region and help the business community grow and develop, thereby creating new business opportunities for Wihlborgs. Another possible positive effect is that transportation routes are shortened, which can result in cost savings and reduced climate impact.

This topic pertains to Wihlborgs, as far as possible, prioritising purchases from local suppliers. Wihlborgs' definition of a local supplier or contractor is that the company has an office (not necessarily a head office) and active operations in the Öresund region.

Goals and governance

Governance concerning local purchases is based on Wihlborgs' ambition to contribute to the development of the Öresund region.

The Procurement Director is responsible for ensuring that Wihlborgs prioritises local suppliers in procurements and when signing framework agreements. One natural prerequisite is that local suppliers also meet Wihlborgs' other requirements concerning, inter alia, price, ability to deliver and an acceptable level of sustainability work. For further information, refer to the "Supplier evaluation" section. The Procurement Director reports on an ongoing basis to Group Management.

The goal concerning local purchases is that:

- The share of local suppliers with framework agreements should be over 90 percent

Outcomes and follow-up

At the end of 2023, 91 percent (92) of Wihlborgs' suppliers with framework agreements had local offices and operations in the Öresund region. In the case of contracts related to property management and project activities, the share of local suppliers was 96 percent. This figure is higher since the agreements contracted by the central functions more often encompass niche services and are not available locally.

Supplier evaluation

Description and boundaries

Wihlborgs' reputation and brand are not only impacted by our own actions and how we treat our stakeholders. We are closely interconnected with our contractors and other suppliers and dependent on them to meet our customers' expectations. If there are deficiencies of responsibility in any part of the value chain, this also impacts the rest of the chain and often also third parties or the environment/climate.

This topic deals with the requirements that Wihlborgs places on suppliers and contractors concerning human rights, a good work environment and high safety levels as well as initiatives to minimise environmental impact connected to their operations. To achieve this, Wihlborgs screens suppliers based on the requirements of our Code of Conduct, which is based on our Ethical Guidelines for employees and the principles of the UN Global Compact.

Goals and governance

Wihlborgs has had a digitalised process in place since autumn 2021 for evaluating the sustainability management of suppliers, including their application of the Code of Conduct. This process includes all strategic suppliers covered by framework agreements in Sweden and Denmark.

An incoming supplier for Wihlborgs must complete a self-declaration using an external digital platform describing their management and monitoring of such areas as work environment and environmental issues. They must also enclose documents that verify their responses. The self-declaration is based on the requirements we set in the Code of Conduct. Their responses form the basis of an assessment of their sustainability risk. The outcome of the risk assessment of a supplier helps us to determine if and under what circumstances we can continue to collaborate with said supplier.

In addition to the Code of Conduct, Wihlborgs environmental programme is applied in all construction projects. The environmental programme sets tangible requirements on how new building are designed and construction is carried out in order to minimise environmental and climate impact. In accordance with the environmental programme, the selection of building material is guided through the use of Byggarubedömningen (BVB). Other requirements for our project contractors include transportation planning to and from construction sites, efficient energy and material use during the construction process, sorting of construction waste and the reuse of fill materials. Contractors are expected to present plans for these activities before the start of construction and, following the completion of construction, statistics concerning the outcomes.

By showcasing, examining and assessing our suppliers with respect to the environment, work environment, human rights and other sustainability requirements, we communicate to our business partners the importance of these issues for our operations. We also ensure the existence of a structure and system for our suppliers to manage these issues.

The general goal for the evaluation of suppliers is that:

- 100 percent of our strategic suppliers have been approved pursuant to the sustainability requirement (2025). The above includes compliance with Wihlborgs Code of Conduct for Suppliers. (This goal was formulated in 2023)

Outcomes and follow-up

Of the strategic suppliers with whom Wihlborgs has framework agreements, all (100 percent) were evaluated in accordance with the assessment process for sustainability performance. Of these, 78 percent were assessed as fully approved and as meeting all the sustainability requirements we set for them. Since the goal was set in 2023, there is no comparative figure.

Wihlborgs is conducting dialogues with those who do not meet all the requirements to increase the outcome and thereby the number approved. These efforts will be developed further going forward. We want to support the small local suppliers with whom we work to help them develop in a sustainable direction. An evaluation of the consequences if suppliers still do not meet Wihlborgs' sustainability requirements is ongoing. The possibility of including all suppliers in the assessment in the future is being explored. The difficulty remains in the large number of suppliers and the substantial amount of data to review.

Approved strategic suppliers	2023	2022
Share (%)	78	–

Attractive employer

With our goal to be the best workplace in our industry, we work with a number of areas, including health and safety, training and education and equality and diversity.

On 31 December 2023, we had 228 (268) employees in Wihlborgs, of which 79 (119) were in Denmark and 149 (149) in Sweden. The reduction in the number of employees in Denmark was primarily due to the sale of the canteen operations part of the Danish business in 2023.

All employees in Sweden are covered by collective agreements, which is not the case in Denmark, where collective agreements are not as widespread as in Sweden.

Operations in Denmark are conducted somewhat differently than in Sweden, and as such, we have different professional categories for our employees. For example, we have employees in Denmark who tend to green areas at our properties, while subcontractors are engaged to perform similar duties in Sweden. The differences in operations and countries are the reason why Wihlborgs' Danish operations have a higher proportion of temporary and part-time employees.

		2023		2022	
Employment contract		Women	Men	Women	Men
Permanent	Sweden	66	83	61	84
	Denmark	21	42	47	52
Temporary	Sweden	0	0	1	3
	Denmark	3	13	2	18
Total		90	138	111	157

		2023		2022	
Type of employment		Women	Men	Women	Men
Full-time	Sweden	60	81	56	85
	Denmark	19	40	40	51
Part-time	Sweden	6	2	6	2
	Denmark	5	19	9	19
Total		90	138	111	157

Occupational health and safety

Description and boundaries

It is important to ensure a good working environment in terms of the physical and psychosocial environment for our employees. Our work developing and managing properties that comprise workplaces and meeting places for our customers means that we impact, and have a responsibility for, their work environments. Moreover, our suppliers work in our properties in conjunction with new-build projects, redevelopment or the delivery of functions, such as service and operation.

This also entails a responsibility in connection with their work environment. There is no clear line defining where our responsibilities begin or end.

In this chapter, we have limited reporting to primarily encompass our own employees. The physical work environment is limited to the properties we own, our offices and journeys in between. We also report on accident statistics for contractors working on our ongoing projects, even if we have delegated formal responsibility in the turnkey contract.

Goals and governance

The work environment is ultimately the responsibility of the CEO, but work environment efforts are led by the HR function, which formulates targets and frameworks for the area. Implementation is carried out by managers in the organisation and by work environment committees in Sweden and Denmark in which all work groups are represented. The managers together with all of the work environment committee representatives have completed work environment training encompassing legal requirements, regulations and procedures for Systematic Work Environment Management (SAM).

The basis of our work environment efforts is the Swedish Work Environment Act and the Swedish Work Environment Authority's regulations. The work is conducted in accordance with SAM. Wihlborgs has several internal steering documents for this area. These include the work environment policy, the policy and action plan to combat discriminatory treatment and the policy and action plan to combat at-risk use and abuse.

We investigate, measure and follow up physical and psychological work environments through safety inspections, ergonomic checks, career development reviews and annual employee surveys. More detailed health checks are carried out by occupational healthcare providers and encompass all employees.

Accidents and near-accidents are reported to HR and addressed by the work environment committees. A risk assessment is made following all incidents and action plans are produced to minimise the risk of similar occurrences in the future. Monitoring takes place at workplace meetings and through recurring evaluations and safety checks.

To further promote employees' health and provide access to care, we offer all employees private health insurance coverage, paid for by Wihlborgs and only taxable as a benefit for employees. Our preventive health care efforts also encompass a generous wellness contribution and joint healthcare initiatives such as the Wihlborgs Classic wellness initiative, through which employee teams challenge each other to get more exercise for several weeks each year.

Our goals concerning occupational health and safety are aimed at, for example, how employees perceive their work environment and are able to utilise wellness benefits.

- The workplace should be perceived as safe by our employees (>90 percent in the employee survey).
- Absence due to sick leave should be low (under 3 percent).
- The majority of employees should use the wellness allowance and participate in the company's other wellness initiatives.

Outcomes and follow-up

Certain measures for occupational health and safety are presented in the EPRA section on page 147. In 2023, a total of 7 (11) workplace accidents occurred, entailing 32 (44) lost working days.

The most common types of injuries are minor falls. The greatest risk of a serious injury has been identified as traffic-related injuries.

In relation to the goals that we have established, it can be noted that:

- 100 percent (97) of employees stated that they perceive the workplace as physically safe in the employee survey conducted in 2023.
- Sick leave for 2023 was below 3 percent for the Group. Sick leave increased somewhat to 2,41 percent (2.29).
- 86 percent (80) of employees (in Sweden) have utilised all or part of the wellness allowance.

Work injuries at contractors

In 2023, our contractors reported 14 (15) workplace accidents in conjunction with construction projects, of which 11 (11) of these resulted in personal injury. In all projects where near-accidents have occurred, we follow up any deficiency in our or the contractor's work to continuously progress our work environment efforts.

In all of the projects we carry out, the contractor bears full responsibility for acting as the construction work environment coordinator (BAS-U), which also entails responsibility for preparing an occupational health and safety plan as well as for training and follow-up. As the purchaser, we are deeply engaged in work environment efforts and clearly communicate our expectations of partners and suppliers. In our redevelopment, new-build and extension projects, we also meet with the respective construction site organisations and present Wihlborgs' perspective on work environment efforts. Even if responsibility for reporting preventive work is incumbent on the contractor, we follow up the work environment and work continuously to improve preconditions for a good work environment in our projects.

Training and education

Description and boundaries

It is important to work with corporate culture and engagement to ensure that we have a climate that supports development and skills supply for the future. Developing employee talents is essential for the employees themselves, and we are to deliver good quality to customers and to create value for society and the region. Skills development is about how we leverage know-how and transform it into new or more well-developed skills.

Reporting is limited to our employees even if, in several areas, we work together with other players to develop jointly, for example, through supplier days and customer networks.

Goals and governance

Securing the skills supply and developing employees' talents in different areas is led by the Group Management. Needs are identified through the company's strategy process and through the annual career development reviews, which are offered to all employees.

Operating plans for the coming year are decided by the Group Management and are implemented by the HR Department.

The framework and policies for this work is on the intranet, as are the procedures for when and how different activities are conducted. Based on the company's overall goals, objectives are set at regional and Group level in the strategy process, and each manager is responsible for ensuring that their respective employees have the resources and skills required to meet their performance and behavioural targets.

A number of steering documents form the basis of our work with culture and skills, including Wihlborgs' Ethical Guidelines, guide for business conduct and guidelines for career development reviews. The career development reviews encompass both performance targets and behavioural targets and document what employees need to reach these targets.

Our digital skills portal – Wihlborgs Academy – enables each employee to follow their own training and managers can gain an overview of how decided development initiatives are implemented. All completed and planned training courses can be found on Wihlborgs Academy. As such, we ensure that all necessary certificates are up-to-date and that the base training that everyone should complete is conducted when employees start their employment.

To increase skills, Wihlborgs has been using nano learning as a training tool since 2023. This tool provides short courses to all employees via email. The focus of nano-learning was IT security in 2023.

Our goals related to training and education are that:

- Each employee has at least one career development review per year;
- Our employees recommend Wihlborgs as an employer (>90 percent in the employee survey); and
- Our employees are convinced that Wihlborgs' customers give us a high rating (>90 percent in the employee survey).

Outcomes and follow-up

Certain culture and skills metrics are presented in the EPRA section on page 146–147, including the number of completed training hours per employee.

In 2023, 97.6 percent (98.3) of employees in Sweden and Denmark underwent career development reviews. Those who missed their dialogues due to being on parental leave during the period the dialogues were held have been offered a follow-up at a later date. Only permanent employees are included in these statistics. Hourly and temporary employees do not have these types of documented career development reviews.

We conduct regular employee surveys. In the operations in Sweden, these are conducted as part of Wihlborgs' participation in the "Great Place to Work" evaluation. A measure of a strong corporate culture and employees being proud to work at Wihlborgs is if they are prepared to recommend Wihlborgs as an employer and if they are convinced that customers are satisfied with Wihlborgs as a landlord. We have obtained high scores in this regard for many years. The 2023 survey showed that 95 percent of our employees in Sweden would recommend Wihlborgs as a workplace. 92 percent perceive that tenants give Wihlborgs a high rating. In the operations in Denmark, the outcome was slightly lower (82 and 80 percent respectively).

Willingness to recommend

	2023	2022	2021	2020	2019
Willingness to recommend – employer	91%	90%	90%	92%	96%
Willingness to recommend – satisfied customers*	83%	83%*	92%	89%	–

Measures the number of employees who answered "Often" (4) or "Almost always" (5) for the statements "I feel I can recommend my workplace to others" and "Our customers would give us the highest rating" (scale of 1–5). *The figure for 2022 is adjusted in relation to the 2022 Annual Report.

Equality and diversity

Description and boundaries

We believe that a diversity of perspectives, experience and culture enriches an organisation and creates the prerequisites for a more attractive workplace. One-track thinking when recruiting risks generating work groups that become too homogeneous and which could entail a lack of creativity and dynamism and thus productivity. Moreover, a risk exists that competent candidates could be missed without proactive action to prevent discrimination. For these reasons, we are working on different approaches for inclusion and equal opportunities within Wihlborgs.

This topic concerns diversity and equal opportunity with respect to gender and age of Wihlborgs' employees. For reasons of integrity, we have currently chosen not to follow up on other measures of diversity such as ethnicity. In addition, we monitor salaries in Wihlborgs on an annual basis with the aim of ensuring that there are no ungrounded pay gaps.

Goals and governance

There is comprehensive legislation and government agencies' regulations in both Sweden and Denmark that aim to combat discrimination and ensure equal opportunity in the workplace. Regulation of this area is a natural starting point for Wihlborgs' work with diversity and equal opportunity.

In addition, we have our own policies such as our Equal opportunity policy, in which we, inter alia, lay down that all work groups must have an equal distribution of men and women and that women and men are both provided with full opportunity to take parental leave as well as absence to take care of a child. Wihlborgs' employees receive parental pay/supplement during parental leave.

Wihlborgs' policy and action plan to combat discriminatory treatment is based on the idea that no individual should be exposed to any form of harassment or discrimination. This also entails that no individual should feel offended or experience discomfort as a result of a statement, image and/or text.

If a situation were to arise where an employee feels unjustly treated or offended to any degree, the first step is for that individual to talk to their line manager. If for any reason this fails to yield the desired result, employees may address the issue to the HR department, and as a last resort, employees can use Wihlborgs' external whistle-blower function.

Wihlborgs' diversity and equal opportunity work is led by Group Management. The HR Department sets goals and activities and follows up on results.

Our goals within diversity and equal opportunity include:

- Equal pay for equal and equivalent work – no erroneous grounds for potential pay gaps
- Equal development opportunities – equal gender distribution for employees, managers, Group management and the Board.

Outcomes and follow-up

Several metrics for equal opportunity and diversity are presented in the EPRA section on page 147, including the number of men and women respectively on the Board, in Group Management, among managers and the total number of employees. We have a relatively even gender balance in the company. Within Wihlborgs, a group is considered to be balanced if the proportion of women and men falls within the 40–60 percent range. The gender breakdowns for Wihlborgs' Board, management and managers fall within this range and are considered balanced. In terms of all employees, 39 percent (41) were women, which is just outside the range to be considered balanced. Gender equality is a focus area for Wihlborgs' HR department, which continues to work for an even gender distribution.

For the compilation of salaries, we present information for Group Management and the Property manager category (where we currently only have data available for Sweden). The pay gap in Group Management remains unchanged compared with 2022. Among property managers, the gap has shrunk slightly compared with 2022. On the whole, pay comparisons show that, irrespective of gender, a higher age and more career experience translates to higher pay.

A supplementary measure of gender equality is the ratio between the CEO's total remuneration (the person with the highest combined salary, benefits and pension) and the average for other employees at Wihlborgs. Based on the information in Note 6, this ratio is calculated at approximately 9.15 for 2023 and 10.18 for 2022. The increase in remuneration for the CEO is 4.0 percent (3.4) and for other employees, about 4.7 percent (3.2).

Commitment to the region and its community

Wihlborgs is highly committed to the Öresund region and those cities where our properties are located. Wihlborgs is a region-builder that contributes to the development of business and the community by offering sustainable workplaces and meeting places, but also through the support the company provides to various initiatives focusing on work, inclusion and education, particularly for the young people of the region.

Social commitment

Description and boundaries

Inclusive and socially prosperous cities together with attractive and vibrant urban environments are vital in terms of creating healthy and sustainable development both for individuals and for companies. Through sponsorship, engagement and other forms of participation, we promote initiatives within the areas of work, education, inclusion and regional development. It is also important for the region to have the right preconditions for business start-ups and for entrepreneurs to receive the support needed when setting up and driving forward dynamic businesses.

This topic is limited to Wihlborgs and the partners we have collaboration agreements with. The goal is for our activities to lead to a positive effect on individuals and society at large and the majority of our sponsorship goes to organisations that can demonstrate clear positive results from their operations.

Goals and governance

Wihlborgs' community involvement sponsorship policy comprises the governing document for this area. Group Management bears overall responsibility for the focus of Wihlborgs' social commitment. Our regional directors undertake the day-to-day work of maintaining our social commitments, often in consultation with Wihlborgs' business developers with separate responsibility for identifying and following up on sponsorship collaborations with community involvement.

When we formulate collaboration agreements with various partners, we clearly state in the agreement which part of the organisation's operations Wihlborgs' contribution is to be used for – preferably initiatives with clear positive impacts on the community. Wihlborgs' partners are also expected to have sound values and to support the principles in Wihlborgs' Ethical Guidelines. Wihlborgs maintains ongoing dialogues with our partners and annually monitors outcomes and effects of the company's work based on Wihlborgs' sponsorship policy.

Our goal is for more than 50 percent (in SEK) of our sponsoring to have community involvement. Community involvement means initiatives within areas connected to work, education and inclusion. Although our ambition is to further increase the percentage of sponsorship with social commitment, a new target level has yet to be decided.

Outcomes and follow-up

In 2023, Wihlborgs sponsored some 50 different organisations with a total of about SEK 3.5 million, of which 52 percent (53) financed initiatives with community involvement. Wihlborgs initiated three new partnerships during the year, but also terminated a small number. The slight decrease compared with 2022 was due to changes in our sponsorship portfolio with initiatives only partially classified as having community involvement. However, on comparison of the actual amounts for 2022 and 2023, sponsorship with community involvement has increased just over 3 percent. Wihlborgs continues to review our partners with the aim of increasing the proportion of sponsorship with community involvement.

In addition to community involvement sponsorships, Wihlborgs takes part in different collaborations and partnerships to develop the region and those cities in which we have properties. Read more about Wihlborgs' commitment to the region and its community on pages 36–37.

Sponsorship with community involvement

	2023	2022	2021	2020	2019
Share of sponsorship	51.8%	52.9%	52.3%	50.4%	40.6%

Sustainable properties

Work with sustainable properties is fundamental to our sustainability strategy and is of particular interest to our tenants and other stakeholders. These efforts focus on resource optimisation, energy issues and sustainability certification of the properties to thereby reduce the environmental and climate impact in our property management as well as in our construction projects. We strive to influence our suppliers and tenants based on our position in the value chain. We set sustainability requirements in our procurement process. In partnership with tenants, we work with green leases as a platform for shared environmental ambitions.

Energy consumption

Description and boundaries

The consumption of energy at Wihlborgs' properties is one of our most significant sustainability aspects. We work on an ongoing basis with energy efficiency projects at our properties. However, to produce a real impact, this work must be performed together with the tenants as their use of the buildings affects energy consumption.

Our reporting of energy consumption includes property electricity, district heating, heating gas and district cooling. Some renewable energy is produced locally at properties in Wihlborgs' portfolio via solar panel or geothermal energy systems.

Goals and governance

Wihlborgs' efforts to improve the energy efficiency of its properties is based on legislation, building regulations and, in particular, the EU Taxonomy for sustainable investments. The risk of high energy prices and power shortages, as well as emission reduction targets, are driving efforts to improve energy efficiency.

The internal governance is based on Wihlborgs' Environmental and Climate Policy as well as the environmental management system. This controls, inter alia, the monthly energy follow-ups in property management. We ensure that our energy performance certificates are valid and perform energy audits as required by law. We prescribe energy-efficient solutions for new construction and redevelopments.

Wihlborgs' Sustainability Manager is responsible for managing by objectives (MBO), coordinating and following up energy performance together with Group Management, property directors, project managers and operators. Wihlborgs' property directors are responsible for legal compliance in accordance with the Swedish Environmental Code and for optimising the energy performance in their respective properties.

Energy is one of the highest priority areas in Wihlborgs' environmental programme, and we have set several targets (for 2025) that aim to reduce our energy consumption and climate impact.

- Total energy consumption in our properties of a maximum of 85 kWh/m² Atemp, per year
- The output of our own solar power systems should reach a total of 10 MWp
- All energy performance certificates should be in the range of A–E

Outcomes and follow-up

Energy consumption in Wihlborgs' properties in 2023 is presented in the EPRA section on page 146. Absolute energy consumption increased 6 percent (3). This was due to an increase in district heating and electricity consumption as a result of more properties being put into operation during the year. On the other hand, energy intensity has decreased 6 percent and in 2023 amounted to 83.3 kWh/sqm Atemp, per year (88.6 kWh/m² NFA, per year). The decrease was partly attributable to the addition of properties with above-average energy performance to Wihlborgs' portfolio during the year. This has positively impacted the total energy consumption per square metre. Continued energy efficiency improvements and energy-optimisation improvements in property operation are other reasons for the reduction in energy intensity. The outcome means that the 2025 target will be achieved early. The updated target will be reviewed in 2024.

Expansion of the solar power systems continued during the year and several new facilities have been installed and commissioned. In total, our installed capacity was 5.7 MWp (3.3) at the end of 2023. These facilities generated 4,152 MWh in 2023, which corresponds to 8.8 percent of the property electricity needs for Wihlborgs' property portfolio.

By the end of 2023, the number of energy performance certificates with energy class A–E was 94 percent. A plan is in place to raise the remaining of buildings from classes F and G.

GHG emissions

Description and boundaries

The construction and property sector has a significant climate impact and accounts for one fifth of Sweden's total GHG emissions. Wihlborgs assigns high priority to the climate issue, both in property management and in project development.

Reporting on Wihlborgs' emissions covers the operations' direct and indirect GHG emissions based on the Greenhouse Gas Protocol standard. We present the most comprehensive emissions report possible containing Scope 1 emissions (direct emissions from operations), Scope 2 emissions (indirect emissions from purchased energy), and Scope 3 emissions (other indirect emissions in the value chain) that are assessed as relevant considering our operations.

Goals and governance

A conscientious societal focus on climate issues is prevailing, and Wihlborgs has signed several external climate initiatives – including the Fossil-free Sweden Initiative, the plan for a climate neutral value chain in the construction and engineering sectors by 2045 and Malmö's local roadmap LFM30 – highlighting our commitment to reducing our carbon footprint.

The internal governance is based on Wihlborgs' Climate and Environmental Policy and environmental management system. We have procedures to reduce climate impact in operations, property management and maintenance, for example through procurement requirements for renewable energy.

Wihlborgs' project-tailored environmental programmes enable us to ensure that we build with the lowest climate impact possible, in part by assessing the climate effects of our building material. All major new builds and redevelopment projects are subject to a climate calculation to assess their climate impact. The environmental programmes include a threshold for greenhouse gas emissions (270 kg CO₂e/m²) for all new construction. Climate change adaptation is a key issue that is evaluated for all new construction (see more in the section Reporting according to TCFD).

Wihlborgs' properties in Sweden exclusively use energy from renewable sources and in Denmark, all the electricity is fossil-free. In our Danish portfolio, the gas and district heating that we are able to purchase for heating is not fossil-free and therefore produces emissions.

Our policies and guidelines for service vehicles and company cars ensure that we use vehicles that run on renewable fuels. The CO₂ emissions limit was adjusted in 2023 to 30 g CO₂/km (compared with the previous limit of 50 g CO₂/km) when choosing a company car. Our travel policy promotes sustainable alternatives, such as public transport and bicycles.

Wihlborgs' Sustainability Manager is responsible for managing by objectives (MBO), coordinating and following up energy performance together with Group Management, ESG controllers, property directors, project managers and operation managers by region. Wihlborgs' Group Management, property directors, purchasing managers and project managers are responsible for realising measures to reduce climate impact and to proactively implement climate change adaptations in their properties or projects.

Our climate goals are set for the short term (by 2025) and the longer term (by 2030 and 2045). Our long-term climate goals are aligned with the Paris Agreement's goal to limit global warming to 1.5°C, and are science-based and approved by the Science-Based Targets Initiative (SBTI). The goals are that:

- GHG emissions (Scope 1 and 2) to amount to a maximum of 1.0kg CO₂e/m² NFA 2025 (goal tightened, from 1.5 kg CO₂e/m², in 2023)
- GHG emissions within Scope 1, 2 and 3 to be reduced 50 percent by 2030 compared with 2018 (Scope 1 and 2) and 2020 (Scope 3) respectively
- Net zero GHG emissions across all operations by 2045

Achieving net zero emissions across our operations entails reducing our tenants' emissions from energy and waste. While to an extent, this is outside our operational control, work will begin in 2024 to review the possibilities of working with tenants to, if possible, also target these specific Scope 3 emissions (category 13).

Outcomes and follow-up

Scope 3 emissions amounted to 89 percent of the operations* emissions in 2023. The respective figures for Scope 1 and 2 emissions were 2 percent and 9 percent. In absolute terms, Scope 1 and 2 GHG emissions have been reduced by around 3 percent compared with 2022. The emissions intensity within these scopes amounted to 1.28 (1.35) CO₂e/m² NFA. See more in the EPRA section on page 142.

Lower emissions from refrigerants in the Swedish portfolio was the primary reason for the reduction in these emissions. Active efforts are ongoing to replace conventional refrigerants with the natural refrigerant propane, which has a significantly lower impact on the greenhouse effect. The potential emissions reduction with the switch from conventional refrigerants in 2023 is 436 tons of CO₂e. The secondary driver of reduced emissions in Scope 1 and 2 was the increased share of service vehicles and company cars running on fossil-free fuel.

At the same time, in the Danish portfolio, emissions from buildings heated with gas have increased due to a relatively large share of natural gas.

Analysis of Wihlborgs' emissions clearly shows that the most significant emissions occur within Scope 3 – in connection with the modification of premises (category 1) and new-build and redevelopment projects (category 2). Moreover, emissions occur from fuel production and from the distribution of the energy we purchase (category 3), and from business trips (category 6). Tenants' emissions from energy consumption and waste are reported under category 13.

GHG emissions (Scope 1, 2 and 3), tonnes CO₂e

	2023	2022
Scope 1	615	953
Scope 2 (market based)	2,296	2,052
Scope 3		
Category 1 - Purchased goods and services	5,027	5,785
Category 2 - Capital goods	12,068	4,130
Category 3 - Fuel- and energy-related activities	1,916	1,941
Category 6 - Business travel	35	N/A
Category 13 - Downstream leased assets	3,830	3,640
Sum scope 3	22,877	15,496
Sum scope 1, 2 and 3	25,787	18,501

Reporting started in 2023. Hence, no data is presented for 2022. Refer to Accounting policies (pages 153–154) for further information.

Emissions from the modification of premises (category 1) and new-build and redevelopment projects have increased compared with 2022, and in 2023 accounted for 75 percent of Scope 3 emissions. These emissions are reported only when the building is completed, which means that emissions vary from year to year depending on the number of completed square metres. In 2023, more new-build and redevelopment projects were completed, resulting in higher emissions. Average emissions in category 2 from 2022 to 2023 amounted to approximately 12,000 tonnes of CO₂e per year. Emissions from other Scope 3 categories in 2023 were in line with last year.

Certified properties

Description and boundaries

Sustainability certification of properties is an important tool in Wihlborgs' sustainability strategy and focuses on the efficient use of resources, risk management, and optimisation of tenants' indoor climates and work environments. This lays the foundation for a systematic working method in the management of our properties that is an asset for the entire operation.

This aspect includes Wihlborgs' properties that are certified by external parties pursuant to an established standard. In Wihlborgs' property portfolio, new builds and properties that have undergone extensive renovation are certified according to Miljöbyggnad and in a few cases BREEAM, NollCO₂ and/or WELL. We are working intensively to certify the existing property portfolio in accordance with the Miljöbyggnad iDrift standard. The first step encompasses the certification of existing properties in the office/retail segment.

Goals and governance

Environmental certification efforts for the properties are a central part of our environmental programme and environmental management system, which are accessible for all employees. These also contain more detailed information on our ambitions and instructions concerning the choice of environmental certification and how the process is carried out.

Wihlborgs aims to obtain sustainability certification for all new production. Miljöbyggnad level Gold is used as the certification system standard. Larger redevelopments and extensions costing over SEK 5 million should also generally be certified. In addition, the share of certified properties in the existing portfolio will be increased. The goal is for 90 percent office/retail space to be certified by 2025. Existing properties are mainly certified according to Miljöbyggnad iDrift. The long-term ambition is to sustainability certify the majority of the Group's buildings.

Miljöbyggnad requires recurrent verifications to retain certification. Work with certification is mainly performed by the company's own staff, which helps raise internal competence and know-how about the properties' sustainability performance. Wihlborgs' sustainability specialist is responsible for MBO, coordinating and following up environmental certification and acts as the contact for Sweden Green Building Council and the International WELL Building Institute. The sustainability specialist manages, supports and

monitors sustainability certification efforts. Wihlborgs' property directors and project managers are responsible for developing and managing certification in their properties or projects.

Certification places stringent requirements on documentation, including documentation for building material. Wihlborgs also uses the external service Byggarbedömningen (BVB) to assess the environmental and health hazards of building materials prior to procurement in construction and tenant improvement projects. In accordance with Wihlborgs' environmental programme, only building materials that are classified as, firstly, Recommended, or, secondly, Accepted in the BVB digital service are permitted. In the event other building materials need to be used, there must be specific reasons and use must be approved by the sustainability function. The BVB assessment also allows documentation of quantities and location in a building-specific logbook (which is a basic requirement for all Wihlborgs' projects over SEK 1 million and for certification of new production and major redevelopments).

Outcomes and follow-up

In 2023, we focused intensely on the certification of existing properties in parallel with the certification of a number of new-build projects. The proportion of certified properties has increased significantly and at the end of 2023 amounted to 71 percent (49) of the floor space in the Swedish office portfolio. 32 new certificates were awarded to Wihlborgs during the year. Of these, 24 were in conformance with Miljöbyggnad iDrift, seven with Miljöbyggnad and one with NollCO₂ (preliminary).

Our certification efforts will continue unabated in the future, and we have already succeeded in increasing our certification level by a few percentage points in early 2024. In 2023, Wihlborgs also started certification of warehouse and logistics properties as well as properties in the Danish portfolio. The Danish properties will be certified according to DGNB. Wihlborgs is also continuing to certify all new builds according to Miljöbyggnad as well as to other certification standards such as NollCO₂ (certificate for buildings with net zero climate impact) and WELL (aimed at promoting the health and well-being of tenants). In 2023, the Kunskaapen 1 (Space) property in Lund was awarded a preliminary NollCO₂ certification. The project was also named NollCO₂ Project of the Year at the SGBC Awards in Stockholm.

The share of sustainability-certified properties is also presented in the EPRA section on page 146. Which properties are certified is presented in the property lists on pages 158–165.

Green leases

Description and boundaries

Green leases are the sector's standard for introducing an environmental focus to the relationship between tenant and landlord. These agreements ensure mutual commitment to issues such as energy, the indoor environment, choice of materials and waste management. The parties should work together to optimise aspects such as operating times for heating, cooling and ventilation, which are becoming increasingly relevant as energy prices rise.

Green leases are currently only used in Sweden and we report the share of leases in Swedish operations containing a green appendix.

Goals and governance

Wihlborgs' ambition is to gradually increase the number of green leases. In each new or renegotiated lease, we endeavour to agree with the tenant to include a green appendix in the lease.

Outcomes and follow-up

The share of green leases (for premises) at the close of 2023 was 52 percent. A marginal increase on 2022. Our ambition is to continue increasing the percentage of new leases with green appendices in the coming years.

The marginal increase in the share of green leases is in part due to, inter alia, the fact that the lease turnover rate is relatively low and that green leases have historically mainly been used for office premises, and not to the same extent for our logistic and production properties.

Green leases

	2023	2022	2021	2020	2019
Share of green leases	52%	51%	44%	38%	30%

Accounting principles for sustainability information

Wihlborgs prepares the Sustainability Report based on GRI Standards 2022 and EPRA Sustainability Best Practice Recommendations (sBPR). Metrics concerning GHG emissions are calculated in accordance with the Greenhouse Gas (GHG) Protocol. Below, important principles and assumptions that form the bases of the performance indicators that are reported in the Sustainability Report are presented.

Scope and boundaries

Unless otherwise stated, Wihlborgs' Sustainability Report pertains to the entire Group, including all subsidiaries according to Note 35, but not joint ventures/associated companies.

For environmental-related metrics, the basic principle is that these include the properties where we have operational control" and agreements regarding the supply of energy, water or the collection of waste. For properties where the tenant is responsible for these agreements or Wihlborgs lacks data for other reasons, estimates are made based on average consumption for other properties.

Properties are included in the report during the time that they are owned and managed by Wihlborgs. This means that the metrics also cover properties that were purchased or divested during the year. When calculating like for like, project properties and properties acquired/sold during the current and previous year are excluded. At the end of 2023, Wihlborgs owned 305 (264) properties and the metrics cover all of these properties unless otherwise stated.

For personnel-related metrics, all employees are covered that have been employed at Wihlborgs in Sweden and Denmark during the year. For certain metrics such as accident statistics, information is also reported concerning suppliers.

Data collection

Most of the data used for the metrics originates from our internal finance, personnel, energy and property management systems. For most of our properties, the energy data is transferred from the energy companies to our energy management system. Water consumption is read manually by Wihlborgs' property caretakers and registered in the property system. Data on waste-removal volumes, refilling of refrigerants, the use of service vehicles/company cars and business travel are collected directly from the companies that provide these services. The ESG evaluation of suppliers is performed through an external cloud-based tool, where their responses to the self-declaration are also stored.

Assumptions and calculations

Scope 1 – direct GHG emissions

Service vehicles and company cars

The calculation of the climate impact of Wihlborgs' service vehicles and company cars is based on manufacturer data on CO₂ emissions per kilometre multiplied by the respective vehicle's mileage during the year. Biofuel and electric cars are calculated to have zero Scope 1 climate impact. The data is compiled and provided by Autoplan.

Refrigerants

The climate impact of refrigerants used by Wihlborgs is calculated based on the amount of leakage measured during the year in the case of incidents or service checks. This is calculated based on the amount of refrigerants that are filled in refrigeration units multiplied by standard emission factors for each refrigerant.

Gas

A few of Wihlborgs' properties in Sweden use biogas for heating. Gas-heated properties in Denmark use a mixture of biogas and natural gas. Biogas is considered to have zero Scope 1 climate impact. The suppliers' emission factors are used for the gas we purchase in Wihlborgs' Danish portfolio.

Oil

No properties in Wihlborgs' portfolio use oil for heating.

Scope 2 (indirect GHG emissions)**Energy consumption**

Reported energy data is generally based on data in our own systems. Reporting of district heating and cooling is based on measured values at the properties, which are then transferred each month to Wihlborgs' energy system. District heating energy has been normalised using national degree days data. In cases without meter readings, values are standardised based on average consumption at Wihlborgs' other properties or experience values.

In Sweden, we have also procured renewable district heating and cooling, which generates marginal CO₂ emissions. According to the market-based method, only district heating in Malmö and district cooling in Helsingborg generate Scope 2 emissions (1 and 69 grams CO₂e/kWh respectively). Factors from each supplier are used for reporting location-based emissions for heating and cooling in Sweden. In Denmark, fossil fuel is used to a greater extent for the production of district heating. This is sourced from several different suppliers and emission factors from the respective energy companies are used to calculate these emissions.

The reported Scope 2 electricity consumption pertains solely to property electricity. This is partly based on a current qualified assessment by Wihlborgs' technical/operations department. Our ambition is to gradually install sub-meters at the properties and thereby to measure the actual amounts of property electricity. Property electricity is reported in Scope 3, category 13.

We have agreements for certificate of origin renewable electricity in Sweden and Denmark, which means zero Scope 2 CO₂ emissions (market-based method). According to the location-based method, the emission factor for the Swedish electricity mix (37 grams CO₂e/kWh) is used for the Swedish properties, and the emission factor for the Nordic electricity mix (90.4 grams CO₂e/kWh) for the Danish portfolio. In 2022, we applied an emission factor from the SGBC NollCO₂ framework (22 g CO₂e/kWh). As the outcome was only marginally affected, no backward adjustments have been made.

Scope 3 (other indirect GHG emissions)**Purchased goods and services (category 1) and capital goods (category 2)**

Scope 3 emissions from construction projects have been divided into category 1 (modification of premises) and category 2 (new-build and redevelopment projects). Emissions are calculated in the same way for all construction projects and the methodology remains essentially unchanged compared with last year.

Emissions are calculated based on data about completed floor spaces (square metres) during the year, multiplied by an estimate of CO₂ emissions that arise during the construction stage (equivalent to phases A1–A5 in the LCA standard SS-EN 15978:2011). We use an emission factor of 350kg CO₂e/m² for new-build and extension projects, 200kg CO₂e/m² for redevelopments and 50kg CO₂e/m² for modifications. These templates are based on reference values presented in reports by the IVL Swedish Environmental Institute, benchmarks of other property owners, and dialogues with experts within the field. The principal rule is that we report the climate emissions of projects in the year that the building or premises are completed.

Unlike previous years when all data in categories 1 and 2 were standardised, for 2023 we have performed climate calculations for a number of our completed new builds and redevelopments. The calculated values have been used in these projects. The calculations show that the standard value of 350 kg CO₂e/m² is conservative. As more calculations are performed, in addition to the emission values becoming more specific, the standard values will be adjusted.

Fuel- and energy-related activities (category 3)

Emissions arising from the production and distribution of the electricity used by Wihlborgs or our energy suppliers are calculated using a generic value from the IEA, 2023. Scope 3 emissions from district heating and district cooling are calculated with specific values for each energy supplier. Emissions from natural gas purchased in Denmark are calculated using generic emission factors from DEFRA. Only standard values were used in 2022.

Scope 3 emissions from vehicles are also included in category 3 from 2023.

The shift to more specific emission factors, and the inclusion of Scope 3 vehicle emissions in 2023, is expected to increase data validity.

Business travel (category 6)

The climate impact of employees' business travel will be reported again in 2023. The emission factors used are generic. For transportation, the distance-based method has been used. Emissions from hotel nights are based on the number of nights and generic emission factors from DEFRA and others.

Downstream leased assets (category 13)

Category 13 encompasses operational electricity, i.e., the tenants' electricity consumption, and from 2023 also includes waste generated at Wihlborgs' properties.

In the vast majority of cases, Wihlborgs has no access to data on tenants' electricity consumption. Therefore, standard values are used. Tenants' electricity consumption is based on the vacancy rate of each property at the end of the year. Depending on the property category, the respective consumption at office and logistics properties is assumed to be 50 and 20 kWh/m² of rented NFA. These standard values are based on averages from guidance from the Swedish Energy Agency. The standard values have been updated in 2023 compared with 2022, but as outcomes were only marginally affected, no backward adjustments have been made. Emission factors for tenants' electricity consumption (37 grams CO₂e/m² in Sweden and 90.4 grams CO₂e/m² in Denmark) have been updated according to the Swedish and Nordic electricity mix. The emission factor for the Swedish properties is the same as that used for location-based emissions from electricity in Scope 2.

From 2023, tenants' waste is included in the reporting of emissions. Emissions are based on volume data from each waste supplier. The volumes are collected primarily through e-mail inquiries. A supplier refers to a portal where we retrieve the data ourselves. To calculate the climate impact, the waste is categorised according to different fractions, which are multiplied by the related emission factor.

For 2023, we have only reported emissions from waste at around half of our properties. Wihlborgs aims to increase the proportion of properties with measured waste.

Recalculations

We recalculate metrics for previous years including in cases where we have changed a reporting principle or managed to collect data of a superior quality. Where possible, such recalculations are reported in connection with the respective metric in the Sustainability Report. In certain cases, where a recalculation of historical data is not possible a statement is included that metrics across several years are not comparable.

In 2023, our accounting policies were subjected to a number of minor changes. Given that these only have a marginal impact on the outcome, no historical data has been adjusted.

Auditor's Limited Assurance Report on Wihlborgs Fastigheter ABs Sustainability Report and statement regarding the Statutory Sustainability Report

To Wihlborgs Fastigheter AB (publ), corporate identity number 556367-0230.

Introduction

We have been engaged by the Board of Directors of Wihlborgs Fastigheter AB (publ), to undertake a limited assurance engagement of the Wihlborgs Fastigheters ABs Sustainability Report for the year 2023. The Company has defined the scope of the Sustainability Report on page 79 in this report and the Statutory Sustainability Report on page 134.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with the applicable criteria and the Annual Accounts Act respectively. The criteria are defined on page 134 in this report, and are part of the Sustainability Reporting Guidelines published by GRI (Global Reporting Initiative), which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our engagement is limited to historical information presented and does therefore not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR's accounting standard RevR 12 *The auditor's opinion regarding the Statutory Sustainability Report*. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of AB SKF in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report, is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

A Statutory Sustainability Report has been prepared.

Malmö 11 March 2024

Deloitte AB

Richard Peters
Authorized Public Accountant