

## CapMan Real Estate sustainability strategy and programme

Guided by our vision we have set an ambitious strategy and sustainability programme including detailed long and short-term annual targets for the period 2023–2026. Our approach to sustainability is comprehensive. In our strategy, we have identified the environmental, social and governance focus areas which are most relevant to us and through which we can create the biggest impact. Each focus area has further been developed into concrete targets which set us on a path to reach our sustainability vision. We will follow up on progress annually and adjust targets as needed when going forward.

### SUSTAINABILITY PROGRAMME 2023-2026

The baseline year is 2021, unless otherwise specified. For tenant satisfaction related targets, the baseline year is 2022.

#### Environment

Climate and energy efficiency

- Reducing in-use operational GHG emissions by 90.90% per square metre by 2035. (Long-term Science Based Targets)\*
- Reducing upfront embodied GHG emissions of buildings by 96.59% per square metre by 2040 for new constructions. (Long-term Science Based Targets)\*
- Reducing in-use embodied GHG emissions by 99.80% per square metre by 2040 for major renovation projects. (Long-term Science Based Targets)\*
- Reducing energy intensity by 26% by 2032 compared to 2021, excluding mandates.
- Assessing both physical and transitional climate-related risks for all assets in accordance with IFRS, CRREM and/or EU Taxonomy, and creating adaptation plans to mitigate risks.
- Purchasing renewable electricity to all standing assets with direct control, excluding mandates.

*\*Aligned with the Science Based Targets initiative Buildings Criteria.*

Towards nature positive

- Developing and implementing a Nature Positive concept based on best practice and industry frameworks (incl. circular concept)
- Conducting annual biodiversity risk assessment for all properties

- Ensuring waste recycling facilities including bio, paper, cardboard, plastic, glass and metal sorting are established for all assets, if municipality/private waste services available
- Achieving waste material utilization rate of 60% for assets with data availability
- Reducing water intensity by 4% by 2026 compared to 2021 in commercial properties (for hotels, adjusted to the number of sold rooms)
- Achieving a minimum 80% demolition and construction waste recycling rate

## **Social**

High satisfaction and well-being of tenants & users

- Net Promoter Score (NPS) > 0\*\* from tenant satisfaction survey
- Overall satisfaction 4.0\*\* from tenant satisfaction survey
- General satisfaction regarding facility services included in the lease contract score 4.0\*\* from tenant satisfaction survey
- Communication and contacting by the landlord score 4.0\*\* from tenant satisfaction survey
- Increasing tenant and customer sustainability awareness

*\*\*For assets owned by CapMan Real Estate for >3 years.*

Active and responsible member of local communities

- Increasing collaboration with research and network activities
- Developing active communication and process to address community concerns established
- Supporting selected charities and contributing to local communities

Fair, safe and healthy working environment

- Identifying human rights risks throughout the supply chain by conducting a human rights risk assessment, and plan mitigative actions.
- 0 fatalities
- Reducing incident rate at construction sites.
- Ensuring fair working conditions throughout the supply chain by at least requiring all relevant suppliers to follow CapMan Supplier Code of Conduct.

## **Governance**

## Transparent and accountable business

- Increasing the share of EU Taxonomy aligned properties to 40%.
- Certifying 75% of the sqm under management (excl. mandates).
- Including sustainability clauses in all new lease contracts (“green leases”).
- Increasing property level energy, GHG emission, water and waste data coverage to 100%, including commercial tenant energy usage and GHG emissions.
- Increasing the sustainability awareness of our employees by providing training and active engagement.
- Employees’ variable remuneration is partially linked to CapMan Real Estate Sustainability Programme progress.
- Developing and implementing clear roles, responsibilities, action plans, processes, guidelines, and policies for ESG at CapMan Real Estate.
- Reporting on sustainability progress and KPIs in line with best practice (such as GRESB, UN PRI, SFDR, IFRS).
- Creating an ESG restriction list for CapMan Real Estate.
- Requiring suppliers to meet CapMan sustainability standards (Supplier Code of Conduct and CapMan Real Estate Sustainable Procurement Policy, CapMan Real Estate Design & Construction Manual and CapMan Real Estate Tenant Fit-Out and Refurbishment Manual).