

Fabege

Sustainability

2024

Contents

| | |
|---|----|
| Fabege’s sustainability work | 24 |
| Sustainability through the year | 25 |
| Responsibility through the value chain..... | 26 |
| Our focus areas | 27 |
| Districts..... | 28 |
| Properties | 31 |
| Employees | 35 |
| Supply chain | 38 |
| Financing..... | 40 |
| Customers | 42 |
| Business ethics | 44 |
| Sustainability targets | 46 |

Fabege's sustainability work



“We are at the forefront with our sustainability efforts and I usually say that sustainability is a collaborative effort. In 2024, we achieved the challenging energy target of 70 kWh/sqm, thereby proving that our dedicated teamwork is successful, efficient and profitable.”

Mia Häggström, Head of Sustainability

I see several business benefits in being at the forefront regarding sustainability efforts. The aim here of course is to be relevant and competitive in the short and long term, in other words creating sustainable customer value, efficiency and flexibility, but also minimising risk. Since the early 2000s, Fabege has had a strong focus on energy efficiency and has been an industry leader in this area in recent years. In 2024, as a result of digitalisation initiatives and solid work, we achieved the challenging energy target of 70 kWh/sqm Atemp on average. So, when new EU legislation, such as the EED and EPBD, comes into force, we will be very well positioned.

In 2024, we prepared for the new sustainability reporting framework. We carried out a double materiality analysis and a gap analysis for the ESRS reporting standard. However, we are now waiting for the European Commission's Omnibus proposal.

The main focus during the year continued to be our role in the climate transition and pursuing social sustainability efforts. We shall

have a sustainable value proposition that enables value creation for our stakeholders and contributes to positive development in society. With boldness and determination, we are working to make the best possible contribution to creating appealing cities that attract both people and businesses. This involves managing and developing sustainable buildings, premises and services which in turn lead to increased growth.

Our reuse efforts continued to receive a lot of attention this year, and in our everyday work we place great emphasis on resource efficiency and circularity. Since being opened in 2023, we have had around 1,300 visitors to Fabege's reuse office "Sweden's most stylish office 2023" and the reuse hub in Solna Business Park. There we share our working methods and our reuse strategy.

The practical development of districts and urban areas is based on social roadmaps focusing on urban life, reasons to visit and strong identities, which we create together with our partners. The work combines physical

site-building with the creation of site-based relationships, with a particular focus on safety and wellbeing, employment, health and culture. Via collaboration and partnerships, we can contribute to alliances such as TalangAkademien, which encourages an inclusive labour market in which everyone is welcome. During the year, we once again achieved very good results with regard to upper secondary school entry qualifications via the educational foundation Lärhjälpen in Flemingsberg. We have a long-term perspective to social sustainability work and the commitments we have initiated, because this approach provides a greater opportunity to contribute to positive change in society that benefits our districts.

Looking ahead, the overall sustainability strategy remains steady. We work every day on value creation and effective sustainability work that can provide a foundation for successful growth. We continue to work with our customers and partners to improve resource efficiency, circular design, sustainable flexible solutions and pleasant, safe urban areas.

Sustainability through the year



Fabega – top sustainable property company in the Nordics

GRESB (Global Real Estate Sustainability Benchmark) produces an annual ranking of the property sector from a sustainability perspective. In the 2024 survey, we rose to 95 points out of 100, ranking us highest in the Office sector among listed real estate companies in northern Europe.



Flemingsberg Block Party 2024

Together with Huddinge Municipality and Södertörn University, as well as local organisations, Fabega invited people to a festival filled with music, art and dance. The festival was held on 24–25 May 2024 under the Regulator Bridge, on the site that will form the new centre of Flemingsberg.



Energy-efficient property management

We have worked systematically on energy issues for over 20 years, with excellent results continuing to be achieved. For 2024, energy use was 70 kWh per square metre, which is in line with our long-term target of below 70 kWh per square metre Atemp on average by 2025.



Reuse project – SEK Svensk Elstandard

In August, SEK Svensk Elstandard (SEK) moved to Solna Business Park. In conjunction with the move, SEK defined requirements for the office and training facilities, stating that they had to be built in the most sustainable way possible. The share of reused materials and products was as high as 43 per cent.

We are at the forefront of our industry, owing to our proactive and bold strategic decisions. We have ambitious goals for 2030, and by continuing to adopt forward-looking measures, we are confident we will achieve them.

Our ambitious journey

- We have been supporting the UN Global Compact since 2010
- Science Based Targets initiative (SBTi) validated already in 2020
- First with BREEAM-SE and BREEAM In-Use certification for all investment properties
- For many years, we have had the lowest energy use in the industry
- 100 per cent electric service vehicles as early as 2017
- 95 per cent reduction in climate impact since 2002¹⁾
- First Swedish property company to achieve 100 per cent green financing
- First in the Nordic region to take out taxonomy-adapted loan
- Green leases launched 2011
- Green share on Nasdaq since 2023
- Consistently highly ranked by GRESB

¹⁾ Reduced carbon dioxide emissions (Scopes 1 & 2) from around 40,000 to 1,835 tonnes CO₂e from 2002 to 2024.
²⁾ sqm Atemp. Atemp is the total internal area for each floor, loft and basement that is heated to more than 10°C.
³⁾ Proportion of reused construction material of total amount of construction material supplied in 76 projects that have undergone a carbon footprint calculation.

During 2024, we...

- Conducted a double materiality analysis (DMA) in accordance with ESRS
- Energy consumption of 70 kWh/sqm²⁾
- Maintained 100 per cent environmental certification
- Achieved a circularity index of 6 per cent³⁾

Targets for 2025

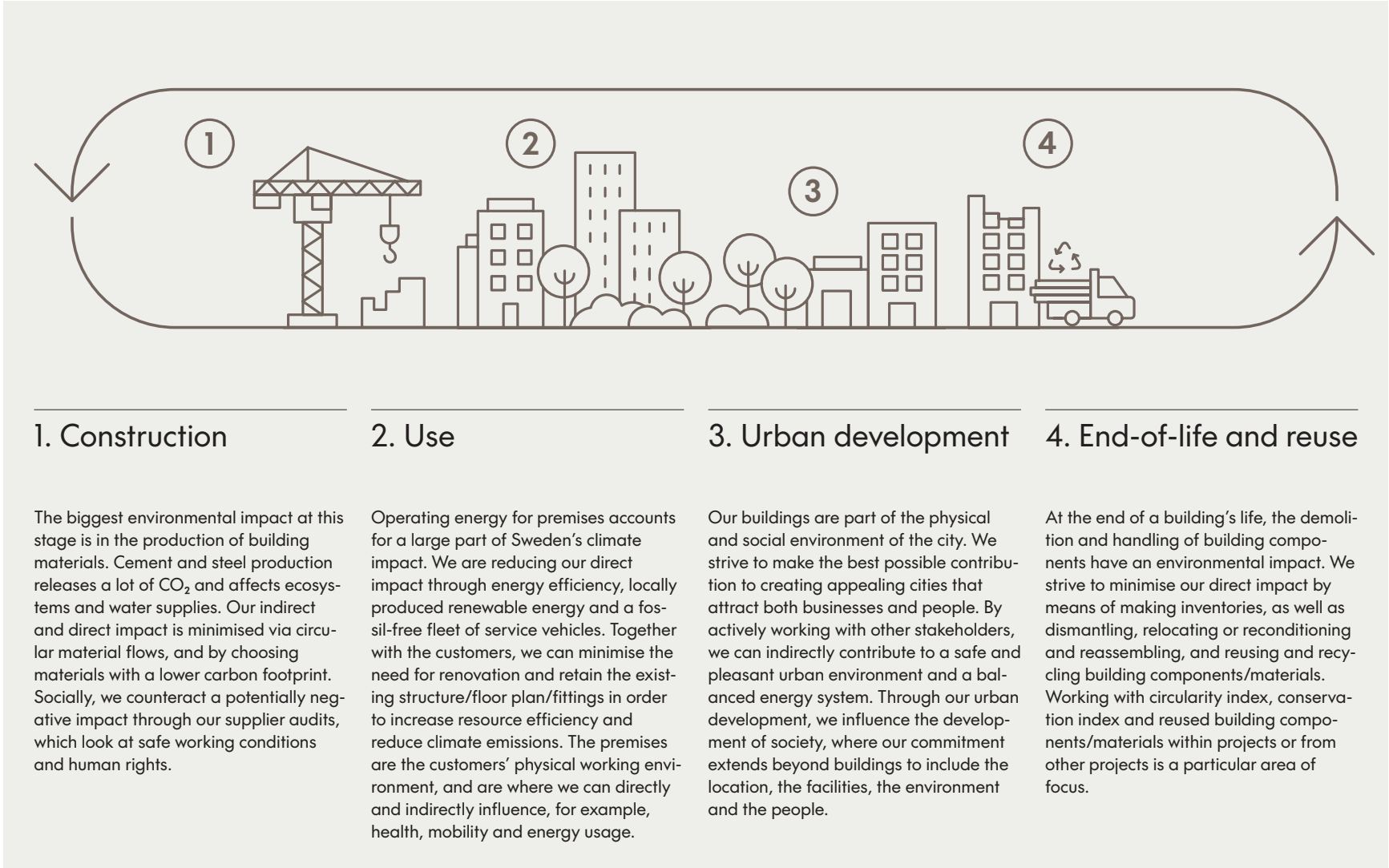
- 20 per cent reduction in carbon footprint per square metre of GFA compared with 2018 (Scope 3)
- Measures from results of climate resilience analyses implemented at all properties

Targets for 2030

- 50 per cent reduction in carbon footprint per square metre of GFA compared with 2018 (Scope 3)
- Carbon neutral property management (Scopes 1 and 2)













Responsibility through the value chain


Sustainability has long been integrated into our business model and overall strategy. Through collaboration and powerful implementation, we can future-proof our assets and find new ways to increase the attractiveness of, and wellbeing in and around our properties, with the smallest possible carbon footprint.



Our focus areas

Based on the 17 UN Sustainable Development Goals (SDGs) and through continuous dialogue with our stakeholders, we have defined the most material issues for our business based on our impact on the environment and society. Our work has an impact on all the SDGs, but we recognise that there are strong synergies between the various goals. That is why we are putting a greater focus on the six goals that are most significant for our business: goals 3, 7, 9, 10, 11 and 12. Activities linked to the goals are now integrated into our business processes.

| |  Districts |  Properties |  Employees |  Supply chain |  Financing |  Customers |
|------------------------------------|---|--|---|--|--|--|
| Material topics | <ul style="list-style-type: none">– Energy system– Living conditions in the local community– Equal opportunities– Education– Meaningful leisure time– Safety | <ul style="list-style-type: none">– Energy use– Greenhouse gas emissions– Waste | <ul style="list-style-type: none">– Good health– Security– Diversity and gender equality– Greenhouse gas emissions | <ul style="list-style-type: none">– Review of supplier sustainability, including environment and human rights. | <ul style="list-style-type: none">– Green financing | <ul style="list-style-type: none">– Good health– Security– Indoor environment– Energy use– Greenhouse gas emissions |
| Agenda 2030 |  |  |  |  |  |  |
| Examples of targets and activities | <ul style="list-style-type: none">– Sustainability programme for each district project.– Focus on social sustainability in the development of the district environment.– Site cooperation with other stakeholders.– 100% renewable energy purchased. | <ul style="list-style-type: none">– Carbon neutral property management (Scopes 1 and 2) and halving of indirect emissions (Scope 3) per GFA by 2030.– 100% environmentally certified property portfolio.– Energy performance below 70 kWh per square metre Atemp by 2025.– Circularity index 20% for renovations. | <ul style="list-style-type: none">– Low sickness absence.– Confidence rating >90%.– Health and safety training for managers and staff. | <ul style="list-style-type: none">– 100% sustainability screening of framework agreement suppliers.– Systems for monitoring compliance with the Code of Conduct.– Safeguarding human rights and the environment via workplace inspections during projects. | <ul style="list-style-type: none">– 100% green financing.– Sustainability-linked loans and bonds. | <ul style="list-style-type: none">– 100% green leases.– CSI rating of at least 80.– Over 150 in-depth customer dialogues.– Health-certified workplaces. |


Business ethics

Material topics

- Anti-corruption
- Tax

Examples of objectives and activities

- Annual training in our Code of Conduct.
- All framework agreement suppliers and contractors sign our Supplier Code of Conduct.

- Whistleblower function, which can be used by external and internal parties anonymously to report suspicions of unethical conduct.
- Transparent and open accounts of the Group's total tax burden.



Focus area Districts

We strive to make the best possible contribution to creating sustainable and appealing cities and neighbourhoods that attract both people and businesses.



Strategic initiatives in districts

Through our sustainability efforts, we contribute to a sustainable Stockholm in which we develop and manage districts, properties and premises. Our approach is rooted in a holistic perspective to strengthen our districts as experience-based meeting places, where the primary focus is on health, convenience, safety and comfort. By influencing everything from the choice of building materials and energy use to sustainable travel, we can also help reduce our carbon footprint. A vibrant centre creates good conditions for business. Our work in the districts is conducted using local urban life strategies, into which social sustainability plans are also integrated. We develop a strategic/sustainability plan specific to each city district and an action plan that is updated each year. We focus mainly on the outdoor environment, service elements and ground floor content, infrastructure and mobility, safety and security.

To ensure long-term value growth in our districts, we have linked social sustainability to business operations, and we conduct social site

analyses and draft a social roadmap. Our focus is on dialogue and collaboration, physical urban planning and social engagement.

The aim is to achieve safety and comfort, employment, health and wellbeing and accessible housing. Most of our engagements are aimed at children and young people.

We promote sustainable travel

A considerable proportion of our customers currently opt to use public transport, and our district choices are also determined by proximity to public transport and good infrastructure.

We work with the CERO process tool (www.cero.nu), which aims to reduce the carbon footprint from travel to and from our properties. According to the latest travel habits survey among Solna Business Park employees, as many as 91 per cent travel sustainably to and from their workplace. In Arenastaden, the corresponding result is around 80 per cent. Together with companies in Arenastaden, the municipality, Keolis and MTR, we have a network that has now developed a new plan of action to increase the proportion of sustain-



In brief

Material topics

- Energy system
- Living conditions in the local community
- Equal opportunities
- Education
- Meaningful leisure time
- Safety

Target

- Contribute towards keeping global warming under 1.5 degrees
- Focus on environment, climate and social sustainability as we develop the physical environment for life in our districts
- Make a difference in the districts in which we operate and focus on children and young people



Focus area Districts cont.

able travel. The planned measures include the continued roll-out of locations for charging electric vehicles, improved cycle paths, new and/or improved public transport connections and an extended range of sharing services for electric cars, electric mopeds and electric bikes, as well as a new metro station.

We have seen an increased demand for both parking spaces and charging points for electric cars. We are continually installing new stations for charging electric vehicles both at properties and in street environments to make it easier for our customers' employees to travel more sustainably. In 2024, we expanded the number of sites and can now offer 2,400 charging points.

We are also driving the development of mobility hubs offering sharing services for cars and bikes, as well as dry cleaning, food deliveries and similar services.

Fabeges role in the energy system

Optimised energy systems are a priority for society in general and a fundamental prerequisite for enabling our districts to contribute to

achieving a reduced carbon footprint. As property owners and managers, we can help reduce the load on electricity grids while society continues to become increasingly electrified. Fabege is now a prosumer, as we both consume and produce electricity, and actively contribute to the energy system. In this regard, we move the system boundaries outside the buildings and choose to see the buildings as an integral part of local energy systems.

Optimising of the power output has been a priority for us for many years, partly from a cost perspective and also in terms of our goal of reducing our carbon footprint. We work actively with our properties and also with our energy suppliers to find models and features to enable flexibility regarding heating, cooling and electricity.

Socially sustainable property ownership

Our work with social sustainability focuses on people, both inside and between the buildings. We want to create places in which people want to have their businesses, create experiences and live. Managing and developing life between the buildings creates the conditions for attractive locations and satisfied customers.

Safety in our districts

Our structured safety and security work aims to increase the feeling of safety in our urban areas. Our properties have networked security alarms, fire alarms and cameras. A 24/7 operations centre allows us to receive and respond to fault reports and alarms at all times.

The design of the physical environment has a major impact on how we perceive our immediate surroundings. A well-managed area that enables activities and where there

are plenty of people around during both the day and the evening feels safe. We therefore want to create the conditions for a good and mixed offer of workplaces, residential units, services, culture and recreation in our districts. Public transport and the decoration of public spaces are also on our agenda.

We also work with lighting and mixed lighting because this has an impact on how a place or an area is perceived. Good lighting creates atmosphere, safety and makes it easier to find your way around.

The aim is for all our districts to be characterised by and designed according to three principles:

- 1. Attractive street environments that enhance the sense of community, belonging and safety.
- 2. A thriving district in the evenings and on weekends as well.
- 3. Varied and playful lighting and lighting design.

Cultural elements in everyday life

Our initiative, 'Life between the buildings', gives culture a place in urban streetscapes through public art, involving the creative talents of both established artists and local school children. At the Street Gallery in Solna Business Park, for example, up-and-coming artists can exhibit their work in an open-air studio that creates unexpected elements in the street environment.

Now that the Royal Opera and Royal Dramatic Theatre's studios in Flemingsberg have opened, we will work together with schools in the area. The Royal Opera and Royal Dra-



matic Theatre, in collaboration with Fabege and Huddinge Municipality, are offering all primary school children the opportunity to learn more about theatre, opera, ballet and classical music, and to try out these art forms for themselves.

A healthy city for everyone
We want to help ensure that everyone living in our districts has the conditions for good health and wellbeing. The districts should encourage activity and, in addition to building cycle paths and planning footpaths, we want to enable gyms and fitness centres to get estab-

Future-proofing the electricity supply is an important matter for society as a whole

Society is becoming increasingly electrified, and this places growing and greater demands on the electricity grid. There is therefore a need to ensure electricity generation capacity as well as demand flexibility to avoid power shortages, and to ensure that investments in the electricity system are used efficiently.

Focus area Districts cont.



lished. We also create squares and other meeting places, as well as areas of greenery, that can contribute to improved public health and a more attractive urban space with less car traffic. An example of inclusive street environments that promote diversity and encourage physical movement is the Pep Parks concept. These are activity parks designed for all ages and that have been developed as part of a collaboration between Fabege, Generation Pep and the City of Solna.

The emergence of Flemingsberg as a business cluster in which knowledge and creativity meet is important for achieving a regional balance between southern and northern Stockholm. Within the framework of BID Flemingsberg (Business Improvement District), we are working to create better conditions for children and young people to be active in their leisure time free of charge via, for example, sport and dance. The BID also supports the development of sporting and cultural associations, as such activities have previously been very limited in the area. In addition, the BID is also keen to develop the area to create a more attractive and safer environment for residents.

Cooperation at the local level
Successful collaboration enables us to create brand new opportunities for ourselves and our customers. Cooperation between businesses, municipalities, education establishments, clubs, cultural life and citizens is of paramount importance. We want to make a difference in our districts and contribute to positive societal development through partnerships.

To help more children with their schooling

Through Samverkan i Huddinge (BID Flemingsberg), we identify and implement measures within specific geographical areas with the aim of:

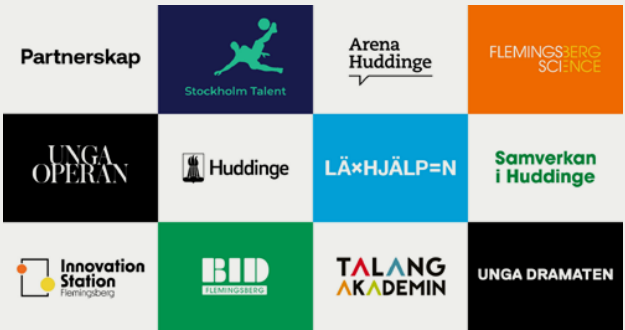
- Increasing attractiveness and safety.
- Enabling more job opportunities.
- Helping increase the number of people eligible for post-secondary education and training.
- Strengthening the work with democratic values.
- Facilitating good networking through cultural and sporting activities.



in Flemingsberg, we have been the main sponsor of the educational foundation Läxhjälp since 2021. The aim is to help more pupils in Flemingsberg achieve upper secondary school entrance qualifications and forge personal contacts with university students. In the 2023/2024 academic year, more than 80 per cent of the 30 Läxhjälp

(Homework help) students achieved entry qualifications for upper secondary school. Since 2020 we have been involved in collaboration with TalangAkademin to create more internships and jobs. Via a social clause in our framework agreements, some 30 suppliers have so far signed up and several have taken on trainees.

Some of the local initiatives



Focus area Properties

Our aim is to create pleasant working environments that make our customers want to come to the office. We have ambitious targets for reducing our climate impact and energy consumption in both our investment properties and in construction projects relating to commercial premises and housing.



Climate front and centre

We have defined clear climate and energy targets and are already well on our way to achieving these. We strive to work closely with industry, partners and customers to identify the most effective solutions and promote innovation in everything from material selection and reuse, to electrification and energy efficiency.

All the properties in our portfolio must be environmentally certified; we are aiming for carbon neutral property management and to cut our carbon footprint by half in our construction projects. Our work in this regard is based on our climate transition strategy, and we are working in a goal-oriented way and with a long-term approach to reduce our climate impact and reduce energy use. This covers everything from resource optimisation and climate-smart material choices to environmental certification of buildings.

Climate adaptation and lower energy usage are two of our most important sustainability issues. According to the Swedish Environmental Protection Agency, homes and

premises account for more than a third of Sweden's total end-use energy consumption. This, combined with a strained energy market, has led us to intensify our work on energy efficiency, with a particular focus on digitalisation and our internal processes in order to work smarter and more data-driven. We have signed Fossil Free Sweden's roadmaps for both the heating sector and the construction and civil engineering sector.

We environmentally certify all investment properties according to BREEAM In-Use with the ambition of achieving Very Good, and new construction projects according to BREEAM-SE with the goal of achieving Excellent.

Kvarter 1 in Arenastaden's Haga Norra district has been given several awards for its low energy use and CO₂ footprint, and in 2024 it was also named Facade of the Year by the industry association Mur & Putsföretagen. The property is certified to the highest BREEAM rating of Outstanding and is currently Sweden's largest office project built using reused bricks.



In brief

Material topics

- Energy use
- Greenhouse gas emissions
- Waste

Target

- Health and environmentally certified premises, buildings and districts that offer customers good opportunities to make sustainable choices
- Our property management (Scopes 1 and 2) will be carbon neutral by 2030, measured in CO₂e
- by 2030, we will have cut emissions from new construction by half compared with 2018
- Energy performance below 70 kWh per square metre Atemp by 2025



Focus area Properties cont.

“Energy efficiency has long been one of our key issues and we are proud to have reduced energy consumption from 166 kWh/sqm (2010) to 70 kWh/sqm (2024).”

The path to carbon neutral property management

Our ultimate long-term goal is for Fabège’s property management to be carbon neutral by 2030, as measured in tonnes CO₂e. By this we mean that we will have control over all the emissions associated with our operations, and we will minimise emissions to the greatest possible extent using the tools available. All the electricity we buy is renewable electricity from wind sources. We will compensate for emissions over which we have no control via carbon offsetting, for example investments in additive technology that reduces the amount of carbon dioxide in the atmosphere.

Our greenhouse gas emissions mainly arise from property management and project development. To reduce our climate impact, we are working on making energy efficiency improvements, increasing the share of renewable energy and reducing our carbon footprint throughout the value chain. We want to be at the forefront with our sustainability efforts, and inspire our own business, as well as our customers and industry colleagues.

To limit the climate impact of our management, we focus on reducing direct and indirect emissions (Scope 1 and Scope 2). The targets and roadmap that we have established to

support the Paris Agreement via the Science Based Targets initiative (SBTi) form the backbone of Fabège’s work on climate issues.

Energy efficiency improvements in our business operations

Our long-term energy target of an average specific energy consumption of 70 kWh per square metre Atemp lasted until 2024.

Our 2024 outcome measured as a primary energy rating was 67 kWh per square metre Atemp and our specific energy use was 70 kWh per square metre Atemp. This means that we have achieved our ambitious target and that our average energy performance is below new build requirements. This is despite the fact that most of our property portfolio is over 30 years old.

We take a holistic approach to energy in our buildings, projects and districts through high environmental standards regarding energy procurement and demand management using digitalisation, which plays an important role in our efforts to reduce energy usage. We monitor and analyse energy usage on an hourly basis to identify deviations in performance and power consumption at an early stage, and develop features for smarter data-driven control and monitoring of our

Our climate emissions broken down according to Greenhouse Gas Protocol (GHG Protocol)

Upstream
Scope 3

Other indirect emissions in the value chain

Upstream
Scope 2

Indirect emissions from in-house processes (purchased energy)

Fabège
Scope 1

Direct emissions from in-house processes

Downstream
Scope 3

Other indirect emissions in the value chain



Emissions from purchase of goods and services

- Building materials and fuel/energy consumption at our construction sites
- Transport to and from our construction sites and properties
- Our commuting and business trips
- Waste management

Use of purchased energy

- District heating
- District cooling
- Property electricity

Combustion in own vehicles, plants and properties

- Leakage of refrigerants
- Own and leased vehicles

Emissions related to customers’ use of premises

- Tenants’ own electricity contracts
- Tenants’ and suppliers’ waste and commuting

Focus area Properties cont.

Ambitious climate targets

The Science Based Targets initiative (SBTi) goal is to halve Scope 1 and 2 emissions by 2030 at the latest, with a base year of 2018, and a commitment to measure and reduce our Scope 3 emissions.

Our own climate targets go beyond the above SBTi targets. We are aiming to achieve climate-neutral property management by 2030, with a halving of Scope 3 per GFA and a reduction in Scopes 1 and 2 of at least 90 per cent.



Our targets for circularity and reuse

In 2024, we worked towards achieving a Circularity Index of 20 per cent for redevelopments. The target means that at least 20 per cent of the building materials supplied to a project should be either reused materials, or materials with recycled and/or renewable content.

In the long term, the target is higher; 50 per cent of materials in redevelopment projects should be circular by 2030.

50%

buildings. Furthermore, extensive checks are conducted at building and company level via our energy follow-up system that scans and processes all recorded consumption values.

Reducing the carbon footprint of construction projects

The transition plan for project development includes defined targets for the reduction of other indirect emissions per GFA (Scope 3). New construction and major refurbishments completed after 2030 will have a 50 per cent lower carbon footprint compared with Fabege's 2018 baseline year. During the year, we worked in accordance with the first intermediate goal as part of our 2030 commitment:

- Planning permission before 2025, 20 per cent lower carbon footprint
- Planning permission 2025–2027, 35 per cent lower carbon footprint
- Planning permission from 2027, 50 per cent lower carbon footprint

To reduce our CO₂ footprint in our construction projects, we have established guidelines that go beyond the legal requirement for climate declarations. Both new construction and redevelopments are to be calculated, and more life cycle stages and building components are covered by the calculation. Our CO₂ calculations should be aligned with EU taxonomy criteria and also fulfil BREEAM criteria. We aim to reduce the need to refurbish and rebuild by preserving existing structures, and have set a target for construction projects to halve their CO₂ footprint per square metre by 2030 compared to 2018.

Circularity and reuse

The climate impact from the production of building materials is high, which is why we are working to make greater use of materials that can be reused. To reduce our environmental impact in both the short and long term, we ensure at an early stage in our projects that the right materials are chosen and the right methods are used. Our objective is for 100 per cent of our building materials to be environmentally safe in accordance with Byggsvarubedömningen (Building Material Assessment). We are also affiliated with the roadmap for the building and construction sector and the Klimatarena Stockholm platform to help accelerate the climate transition in Stockholm. We also participate in the Centre for Circular Building, which is an arena in which industry operators meet and collaborate on reuse and circular material flows in construction, demolition and property management.

It is important for us to create the conditions for circular material flows, ensuring there are opportunities for disassembly, reuse and recycling. We try to choose the right materials and use the right assembly methods, and to reuse materials from our conversions. We take stock of opportunities for reuse in the majority of our vacated premises and buildings due to be vacated.

The development plans for Haga Norra also include a number of large-scale projects working with reclaimed bricks. Kvarter 1 won Facade of the Year 2024, with the reused brickwork, comprising 355,790 bricks, adorning the facade being a successful example of recycling, both in terms of design and sustainability.

Only 'Good Environmental Choice' district

Our environmental certifications for quality assurance

BREEAM

The British environmental certification system BREEAM is the most widely used of the international systems in Europe. The system encompasses project management, the building's energy use, indoor climate conditions, water consumption and waste management, as well as land use and the building's impact on the surrounding area. BREEAM-SE has been developed to allow new-builds to be certified according to Swedish regulations, while BREEAM In-Use is used for existing buildings.

FITWEL

The Fitwel international certification scheme differs from other certification schemes by focusing on human wellbeing in the building. The certification aims to increase social sustainability and gender equality, wellbeing, physical activity and safety, and reduce sickness and absenteeism. The system is designed to be applied to all buildings regardless of budget, building size or age.

CITYLAB ACTION

Citylab Action is an advisory forum for sharing knowledge of sustainable urban development, organised by Sweden Green Building Council (SGBC). Commitments and effect targets are established by SGBC, while project goals and measures are specific to each individual project. Those who want to certify their sustainability work must also satisfy a set of certification requirements.

SVANENMÄRKNING (NORDIC SWAN ECOLABEL)

An environmental certification scheme for new construction of apartment buildings, single family homes, preschools and retirement homes. A Swan-certified building means that it has low energy consumption, a good indoor environment, sustainable material choices, no hazardous chemicals and that the construction process has the minimal environmental impact. An application for a separate basic licence was initiated in 2024.

heating is used in our properties in Solna, and for Stockholm inner city and Flemingsberg we buy carbon neutral heating. We work closely with our tenants to support them in reducing energy use, including via green leases; see page 42 for further details.

In 2022, we developed a reuse strategy that describes our reuse efforts and defined a new target, the Circularity Index, with the goal ensuring 20 per cent of the materials used in a redevelopment project are circular. The strategy describes our objectives for reuse, as well as procedures and working

methods for achieving these objectives. Our reuse strategy includes our full-scale reuse hub in Solna Business Park. The aim is to create a functioning reuse market and reduce climate emissions. In the long term, our aim is that redevelopment projects completed by 2030 will have a circularity index of at least 50 per cent.

Water consumption target

Our target is to reduce our water consumption by 2 per cent each year. In addition to easing the strain on Earth's resources, lower water

Focus area Properties cont.

“The recycling hub in Solna Business Park is a catalyst that enables increased reuse in our operations.”

consumption also means preparing our business for a future of declining water tables and reduced availability of fresh water. The outcome for 2024 was 356 litres per square metre, which is 2 per cent lower than in 2023.

Managing climate risks

Alongside our efforts to reduce our carbon footprint, we manage the physical risks that come with climate change. We have therefore conducted climate risk analyses on all investment properties. The analysis identified increased precipitation and flooding as one of the greatest potential future risks. We also have system support to visualise and analyse how much of our portfolio is exposed to climate risks, both acute and chronic, and for conducting our own vulnerability analysis. In the case of management, as well as ongoing and future redevelopment, we ensure that the necessary measures are taken to address climate risks.

Management of waste

For our part, waste is generated partly in connection with construction projects and tenant customisations, and partly through the waste generated by tenants and ourselves in our operations. The latter is calculated using data from our main waste contractors and based on quantity, type and weight. We currently have access to statistics for 61 of our properties; a small number fall outside our statistics because our customers have the option of choosing a waste contractor other than the one we recommend. We strive for efficient use of resources and encourage all customers to separate their waste into at least five fractions.

We define requirements for waste management and material recycling rates in all proj-

ects. Properties that are certified to BREEAM standard are also subject to special rules regarding areas such as recycling and waste management.

Smart buildings for increased wellbeing

Digital technology encourages new behaviours and automation. Working with digital solutions gives us access to data in real time, making it easier to optimise energy consumption. Connected buildings also create an opportunity to develop properties that are customised to actual usage, and that put people front and centre. These tools allow us to visualise the indoor climate and develop premises with health and wellbeing in mind. They make it easier for us to see how our properties are used and receive prompt information about faults, improve security in the buildings and thus manage them more proactively. All our properties are connected to a digital fibre network that enables integration with the smart city, contributing to a more sustainable and efficient use of resources.

Health in our buildings

A healthy and sustainable work environment is not just about the physical environment, including lighting, noise levels, ventilation and furnishings. Psychosocial factors are equally important for the wellbeing and performance of employees, and in particular for them to want to return to the office.

Our contribution mainly involves making it easier for our customers to make the right choices, such as by placing attractive stairwells centrally to encourage people to take the stairs instead of the lift. Or by offering additional services, exercise opportunities and cul-



Around 2,000 square metres in Solna Business Park is used to collect building materials, installations and furniture for reuse.

tural activities in or around our buildings. Another example is our work with customers regarding health-certified workplaces. This is a strategic initiative that aims to prepare prop-

erties for customer requirements relating to health certification. We use Fitwel certification, and our own head office is an example of a property that is Fitwel certified.

Focus area

Employees

A committed and motivated workforce is a key success factor and we want to be an attractive place to work. Organisations with a strong identity often perform better than others. We therefore invest time and effort in developing our values, corporate culture and our people, all of whom are key to our success.



Our shared core values, known internally as SPEAK, have created a strong corporate culture that is reflected throughout our entire business. These values are Fast, Informal, Entrepreneurial, Business-minded and Customer-focused. By acknowledging and supporting each individual employee and their unique capabilities, together we can create a solid team, where we are the clear choice for talented and motivated individuals in the property sector. We are actively engaged in boosting our appeal as an employer, with the aim of being one of Sweden's most popular workplaces.

Employee survey

An important tool for identifying what we need to develop further and improve is the Great Place To Work employee survey that we conduct every year. Our target for 2024 was to achieve a Trust Index score of 88, which was indeed achieved. Our long-term objective is a Trust Index score of 90. The results of the employee survey are the basis of purposeful, organised efforts in which each department identifies its focus areas and specific challenges.

Actions and activities based on the results are then integrated into plans and objectives for the coming year. Based on the results of the 2023 survey, in 2024 we worked with Developmental Leadership (DL), which is a recognised leadership model that emphasises the importance of developing and empowering employees' abilities and potential. Instead of just giving instructions and defining requirements, the developmental leadership style focuses on helping employees to take responsibility for achieving defined goals. All our managers have undergone this training and the process of implementing it in various parts of the organisation is ongoing.

Employee wellbeing

We take a comprehensive approach to the sustainable employee and health and safety issues. We should have not just a safe working environment; our employees should also feel that they have a sustainable working life. We offer all employees regular health checks, implement wellness programmes and create opportunities for physical activity near our



In brief

Material topics

- Good health
- Security
- Diversity and equality
- Greenhouse gas emissions

Target

- Offer employees a sustainable working life
- Achieve a minimum Trust Index score of 90 in the Great Place To Work survey



Focus area Employees cont.

“Our employees should feel that they have a balanced and sustainable working life.”

offices. We make a conscious effort to reduce work-related stress, and all managers are expected to maintain regular dialogue with their employees with regard to ensuring a good work-life balance.

Safe workplace

Our working environment must be safe and free from the risk of our employees, or those who work for us, being injured or falling ill at work. The starting point for a safe workplace is our systematic health and safety management, which includes risk assessments based on completed investigations, including safety inspections, reporting of anomalies and performance appraisals. These assessments are

evaluated and prioritised, and action plans established to manage any risks identified.

All our employees have undergone basic health and safety training, and new recruits are offered the same opportunity. Managers and health and safety representatives have participated in in-depth training programmes. For different areas of occupational health and safety, such as safety regarding hazardous activities, there are established procedures and specific training programmes. For example, training and the use of recommended protective equipment are required for working at height and other tasks that involve a risk of falling. The same rules and procedures apply to agency workers as to our own staff.

On our intranet, all employees can report risk observations and incidents, which are then reviewed by the responsible manager and followed up by the occupational health and safety committee. An analysis is always carried out to examine the cause and consider how to avoid a recurrence in the future. Extensive evaluation work is continually ongoing to improve our health and safety efforts. Occupational injuries are reported to the Swedish Work Environment Authority in accordance with the Work Environment Act.

Our occupational health and safety committee collaborates, follows up and acts as a sounding board in the development of health and safety issues.

SPEAK – a shared set of values

Our core values and value keywords are a given for all of us in everything we do, all the time. Our values-driven corporate culture benefits both our work and our business.

We are curious and believe that the best way to influence the future is to help create it. This means that we also need to be responsive and flexible to customers and partners and adapt our work to the specific circumstances.

We have no prestige in having to manage and do everything ourselves; instead we ask each other for help and advice when necessary. We work together across branches and, when necessary, we bring in specialised expertise. We work on a win-win basis, taking responsibility and keeping our promises.

Employees in focus



Focus area Employees cont.

"With committed and motivated employees, we want to create one of Sweden's most appreciated workplaces."

Continuous skills development
Offering our staff individual skills development is important. This is partly to ensure that our employees have the right conditions to perform well in their work, and partly to make us an attractive employer. All Fabege employees have individual target and development plans that are regularly followed up via annual performance appraisals, based on the organisation's goals and the employee's role.

Continuous skills development is also a prerequisite for achieving success regarding our access to the required skills over time. Our technical operations are an important function within the company. This is the function with the highest number of vacancies in general and a category of profession in which the industry as a whole has challenges recruiting.

We are on the board of the Real Estate Industry Education Board (Fastighetsbranschens Utbildningsnämnd), where we work together to attract more people to the industry and ensure the availability of relevant and cost-effective skills development initiatives that

are of high quality. Issues in this regard include how to attract more women to the technical professions in the sector, or how to successfully source skills from neighbouring sectors and then train them appropriately.

Our views on equal value
Our fundamental view is that all people are of equal value and all employees are to have the same opportunities, rights and obligations. No-one at our company should be discriminated against on the basis of sex, gender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age.

We have an overarching gender equality goal that seeks to achieve an even gender balance at all levels within the company.

The contribution of employees to achieving climate targets
All our offices are environmentally certified according to BREEAM In-Use. The head office has also had Fitwel accreditation since 2022. Find out more about Fitwel on page 33.

Employees' impact on Fabege's total climate emissions is relatively minor, but the goal is still fossil-free business travel. This is to contribute to Fabege's goal of carbon-neutral property management, because transport is the sector in Sweden with the highest fossil emissions and the greatest use of fossil energy sources. We have reduced the amount of business travel in recent years and encourage sustainable travel. The service vehicles used by Fabege have been electric since 2017, and our company car policy only allows low-emissions vehicles.

Our profit-sharing fund
Every single employee is important for our



development. All employees are covered by our profit-sharing fund, and the amount allocated is the same for everyone. Allocations are made in the form of Fabege shares based on a number of set targets. The shares are tied up

for a period of five years after allocation, and amount to a maximum of two price base amounts per employee and year. As the yield requirement for 2024 was not achieved, no allocation was made to the profit-sharing fund.

Great Place To Work

Every year we conduct Great Place To Work's survey to find out what our employees think of us as an employer. Our target was to reach Trust Index 88, and we achieved that.

Great Place To Work.

88index score

Focus area

Supply chain

Our suppliers are important partners, as a sustainable supply chain is essential for creating long-term profitability, reducing our risks and boosting our brand. The aim is to conduct sustainability screening on all partners with whom we have framework agreements.



We endeavour to operate according to the principles of responsible business conduct, to reduce our carbon footprint and safeguard human rights at all levels. We support several international guidelines, such as the UN's core human rights documents, the ILO's fundamental principles and rights at work, and the UN Global Compact's ten principles on human rights, labour law, environment and anti-corruption for global responsibility. These guidelines are included in our Supplier Code of Conduct, which we expect our suppliers with framework contracts to comply with in all areas of their work.

Reducing emissions with regard to materials, transport, construction energy and waste is one of our top priorities in our supply chain. Climate emissions generated indirectly on both sides of the value chain are referred to as Scope 3 emissions under the Greenhouse Gas Protocol (GHG Protocol), and make up the vast majority of our total emissions.

Systematic work with suppliers

Since 2013, we have conducted sustainability audits of selected strategic partners, with the aim of ensuring that all suppliers with which we have framework agreements, as well as major project suppliers, sign the Supplier Code of Conduct and undergo an audit. In 2024, we reached a level of 96 per cent.

In addition, we classify our categories of supplier in terms of risk and carry out extended background checks on suppliers where our risk assessment deems this is necessary. These checks are carried out before the agreement is signed. We maintain a continual dialogue with our suppliers and support their efforts to improve their procedures. Any deficiencies identified through our audits will lead to the companies concerned drawing up an action plan for subsequent implementation. If there is no improvement, we may discontinue the relationship.

In our tender request documentation, we encourage our contracted suppliers to take on trainees from TalangAkademin during the contract period. Some 30 suppliers have



In brief

Material topics

- Good health
- Security
- Human rights
- Environmental and climate impact

Target

- 100% of our suppliers with framework agreements shall sign our Supplier Code of Conduct and be audited on the basis of the code, policies and international conventions



Focus area Supply chain cont.

signed up so far, and several have taken on trainees. Find out more about our social sustainability plans on pages 29–30.

In order to ensure delivery quality, we also conduct regular inspections of suppliers that are deemed to be particularly significant to our customers' experience of day-to-day services. We believe it is important that we quickly identify any contractual breaches and continually improve quality.

Safety when working with contractors

A safe and secure workplace free from corruption and inequality, where risks are prevented and minimised, is a human right and a challenge for the entire construction industry. Staff ledgers allow us access to statistics regarding employment conditions for everyone working on major projects, which we can then follow up.

Risk analyses and inventories are carried out at each stage of the construction process and these must also be followed up. This is currently the main responsibility of the contractor. There are construction health and safety coordinators at the workplaces, 'BasP' and 'BasU', who are responsible for safety throughout the entire project.

It is the contractors who have the employer's responsibility and ultimate responsibility for health and safety during construction projects, and this is regulated in our agreements. We cooperate well with contractors and we take an active role in preventing incidents. Over the past year, we have increased our resources to continuously check that all safety procedures are followed and that risks in the workplace are minimised. This is achieved via systematic health and safety work, involving

digital and physical safety inspections during which faults and failings must be rectified and documented in our database.

To ensure everyone on a building site understands and is aware of risks, images are displayed of hazardous tasks, along with information in different languages. The contractor's safety officer makes sure the project is implemented safely, but also represents construction workers in ensuring all risks are highlighted and that working conditions are good. We always follow up any deviations with contractors and those affected.

We encourage our suppliers and their employees to report identified risks and also draw attention to our whistleblower function, which can be used by all external parties.

In the event of an incident or near-accident at building sites, an analysis is always carried out to determine the cause and how to avoid a recurrence of the incident. This analysis is sent to the Swedish Work Environment Authority for follow-up and documentation.

Accidents and incidents

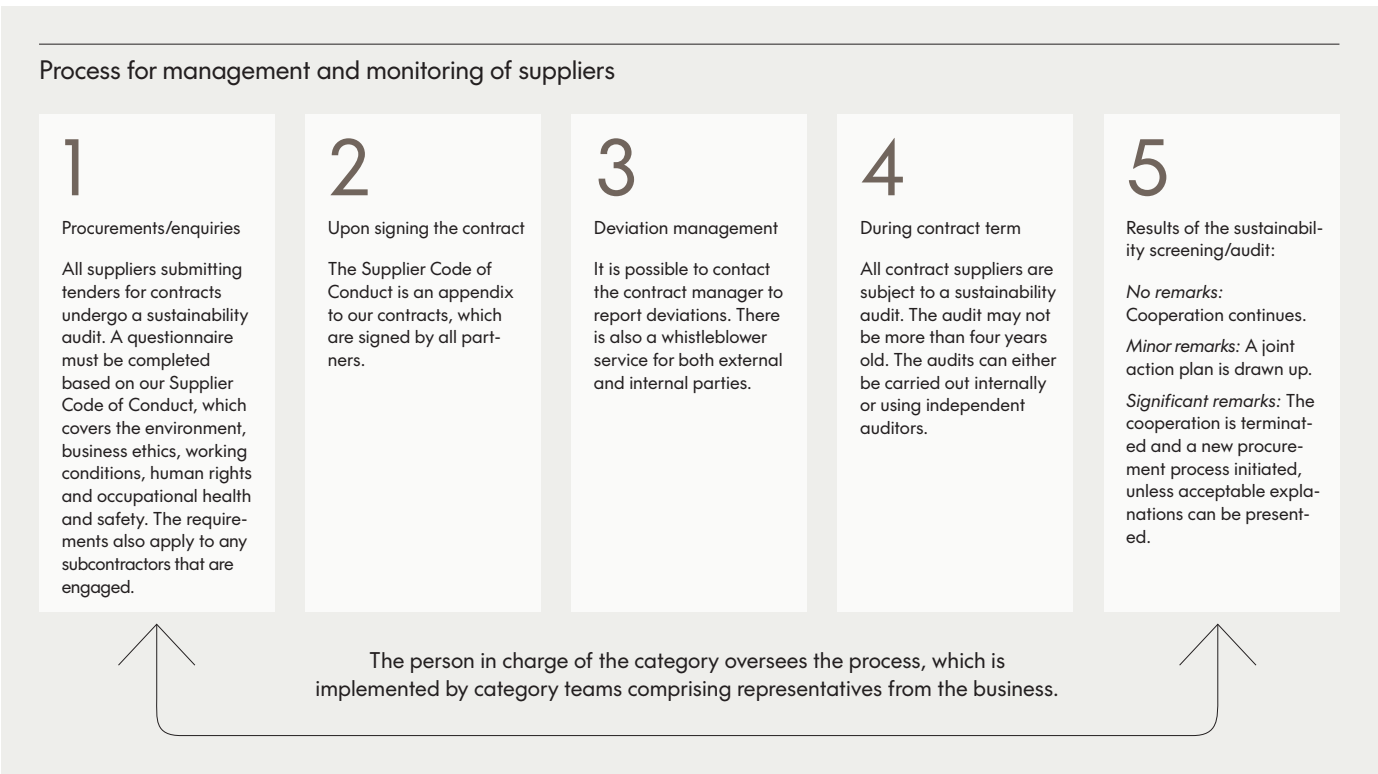
The most common accidents on construction sites are cuts, falls from low heights and minor trips. When more serious accidents occur, they often involve falls or tripping.

UN Global Compact

Fabega has been supporting the UN Global Compact since 2010.



WE SUPPORT



Cross-sector cooperation for a sustainable construction sector

The property sector is in agreement that a sustainable construction industry is not just a competition issue but also something that benefits all stakeholders. We have been working with colleagues in our sector to develop a digital tool for reviewing the property sector's supplier categories. The aim is to

avoid duplication for suppliers by making sure they do not answer similar questions in connection with procurements from different property companies, and to enable more suppliers to be audited. This will allow the industry to set a new standard. We have teamed up with eight property companies with large

office property portfolios in the Stockholm region to develop collective supplier requirements in the area of sustainability. We have started categorising the responses so that there is harmonisation with ESRS reporting.

Focus area Financing

Our green financing is a natural extension of the sustainability efforts that are conducted throughout the organisation. All our capital providers, including banks and capital markets, offer green financing of environmentally-certified properties.



Target of 100 per cent green financing

The strategy for our financing is defined in our green financing framework, with the aim of reaching 100 per cent green financing. The framework is continuously refined and the most recent update, carried out in 2022, means that the framework is now based on the Green Bond Principles, adapted to the EU taxonomy and linked to our ambition of contributing to the Agenda 2030 goals by halving CO₂ emissions by 2030. The framework also includes our green commercial paper programme, which we use to issue green commercial paper that is to be used to finance assets approved according to the framework. The backup facility for the commercial paper programme is also linked to the framework, and is therefore green. We also have a green MTN (Medium Term Notes) programme, which was established in 2016; this includes specific sustainability and environmental conditions. And the allocation policy that we have put together means that investors with sustainable strategies are prioritised in bond issues.

S&P (formerly Cicero), an independent

analysis institute, has reviewed our green framework. Based on this, it has issued a Second Opinion with ratings of 'medium green' for the green terms and conditions, and 'excellent' regarding governance.

Reporting pursuant to the EU Taxonomy Regulation

The proportion of our operations that is environmentally sustainable according to the EU Taxonomy Regulation is reported via three financial ratios, which indicate the percentage of turnover, operating expenditure and capital expenditure that is taxonomy-aligned.

According to our analysis, the economic activities covered by the taxonomy include our new construction projects, major renovations and the properties under our management. We carry out both construction (via building contractors) and management of buildings, which means that the absolute majority of the business falls within the scope of the taxonomy. Since 2021, we have continued to develop our activities to align with the taxonomy as it is a prerequisite for green financing.



In brief

Material topics

- Green financing

Target

- Our financing shall be 100% sustainable and green



Focus area Financing cont.

“Our sustainable property portfolio underpins the 100% green financing target.”

With regard to new builds, we estimate that in normal cases we are compliant with all the objectives except Objective five, which is about preventing and combatting pollution, partly due to insufficient clarification and interpretation of the criteria, and partly because the sector is not sufficiently mature. However, in specific projects, there may also be challenges in achieving objectives other than Objective five, normally because the project was developed before the taxonomy requirements were introduced.

We demonstrate that we make a substantial contribution to one of the six environmental objectives of the Taxonomy Regulation, Objective one: Climate Change Mitigation (CCM), as this is the objective that is most relevant to our business. The activities in which most of our operations are described are CCM 7.7 Acquisition and ownership of buildings and CCM 7.1 Construction of new build-

ings, but other activities may also be relevant to a lesser extent. The other five environmental objectives come under the Do No Significant Harm (DNSH) criteria for our business. For capital expenditure, Fabege could contribute to Objectives two and four, but all significant capital expenditure is covered by Objective one and Fabege therefore only reports according to Objective one. We also meet the taxonomy’s requirements for Minimum Safeguards related to human rights, anti-corruption, transparency regarding tax burdens and fair competition.

The requirements of the EU taxonomy are highly consistent with our sustainability work. We therefore believe that we satisfy the taxonomy’s requirements; see the model on the right.

➔ For further information, see our full taxonomy reporting on pages 88–92



Green share on Nasdaq

Since November 2023, Fabege has been listed as a green share, known as Green Equity Designation.



“Fabège has focused on sustainability and reducing our carbon footprint for many years. For us, Nasdaq’s classification of Fabège as a green share is important, as it makes it easier for investors to make conscious and sustainable choices.”

Åsa Bergström
Vice President and Chief Financial Officer

Fabège’s green financing work

99 per cent green financing

Green financing offers better conditions, and therefore lower costs, both with banks and on the capital market, as well as access to more financing options. Our green financing was supplemented in June 2021 by a loan adapted to the EU taxonomy and aligned with the taxonomy’s green financing criteria. Our goal is to achieve 100 per cent green financing. In 2024, our green financing was 99 per cent.

Work related to the EU taxonomy

We continued with our climate resilience analyses in 2024, work that began in 2021 in several of our districts. It involves assessing future physical climate risks and what climate adaptations we should make to reduce these long-term risks.

A key point in the taxonomy is energy-efficient buildings; this is an area in which we are at the forefront and continuously strive to be even better.

Our average Primary Energy Demand (PED) is 67 kWh per square metre Atemp. An impressive 68 per cent of the area in our portfolio that we manage has a result for 2024 that is within the top 15 per cent energy performance (the definition in the Swedish Property Owners Association’s survey shows that the top 15 per cent in office buildings in Sweden corresponds to buildings with a primary energy rating below 80 kWh per square metre Atemp).

Percentage aligned with the EU taxonomy 2024

For 2024, we estimate that 65 per cent of turnover, 55 per cent of operating expenditure (OpEx) and 38 per cent of capital expenditure (CapEx) is aligned with the EU taxonomy and Objective one, and can therefore be classified as environmentally sustainable.

➔ For further information, see our full taxonomy reporting on pages 88–92

Alignment with EU taxonomy requirements

- 1 We make a substantial contribution to environmental Objective one: Climate change mitigation.
- 2 For the other five environmental objectives, we meet the Do No Significant Harm (DNSH) criteria.
- 3 We fulfil the taxonomy’s requirements on minimum safeguards.

| KPI | Total, SEKm | Eligible for the taxonomy, % | Not eligible for the taxonomy, % | Percentage aligned with taxonomy 2024, % | Percentage aligned with taxonomy 2023, % |
|----------|-------------|------------------------------|----------------------------------|--|--|
| Turnover | 3,671 | 100 | 0 | 65 | 66 |
| OpEx | 158 | 100 | 0 | 55 | 53 |
| CapEx | 2,393 | 99 | 1 | 38 | 23 |

Focus area Customers

Good relationships and cooperation with our customers is a prerequisite for creating sustainable offices, services and urban environments. Continuous dialogue with our 700 customers provides the basis for long-term cooperation and the development of our districts.



Agreements with our customers set the framework

The basis for our strategic work with our customers is our green leases. It is now standard practice to sign green leases, and the Swedish Property Federation's green appendix is a standardised appendix for reducing the environmental impact of premises and reducing energy usage. It means that both parties agree on a joint environmental agenda for the premises through the efficient use of resources and sustainable property management. For example, leases may include measures to maintain or improve the BREEAM rating of the building, energy optimisation and indoor environment measures, as well as requirements regarding choice of materials and waste sorting.

We have also prepared guidance on what customers might consider when making tenant adaptations that have a climate-mitigation effect to improve the sustainability performance of the project, and help raise or maintain the property's environmental certification level. In 2024, 98 per cent of total newly signed space above ground pertained to green leases.

Customer front and centre

We have a presence in our customers' day-to-day lives through our own offices in all our districts, and our own staff, whether for property management or operations. This enables us to maintain a close dialogue with our customers, which creates continuity and trust and helps us respond quickly to various requests and ensure that we offer a safe and good indoor environment. Our service reporting system also alerts us if something needs to be dealt with or repaired, and we can quickly eliminate any risk of damage. Every year or every other year we conduct a more in-depth customer meeting that gives us an even better understanding of our customers' needs.

We also have regular breakfast meetings with our customers in each district. It is a very popular activity for exchanging information and providing updates on the latest news in our neighbourhoods. We conducted 150 dialogues with our customers in 2024. To follow up on these, we carry out CSI (Customer Satisfaction Index) surveys every two years. Our target is an overall customer satisfaction rat-



In brief

Material topics

- Good health
- Security
- Indoor environment
- Energy use
- Greenhouse gas emissions

Target

- Customer Satisfaction Index (CSI), 2023: 81% (target: 80%)
- Green leases, proportion newly-signed space, 2024: 96% (long-term target: 100%)
- Green leases, proportion of total space, 2024: 91% (long-term target: 100%)



Focus area Customers cont.

ing of 80, and in the 2023 survey we achieved 81. An impressive 95 per cent stated that they would be likely to recommend us as a landlord, and 88 per cent said that we would be the first point of contact regarding a change of premises.

The role of customers in the climate transition

The climate transition is something that needs to be done together with our customers. We produce a climate impact assessment for tenant adaptations, which we share with the customer to decide how we can act together to contribute to the climate transition. In recent years, we have seen a trend towards customers wanting more flexibility. We have therefore developed several flexible solutions to make our customers' lives easier. See more on page 14. Our flexible offerings make a positive contribution to the climate transition by focusing on resource efficiency, reuse and scalability. We see an increased interest in reuse and climate-smart material choices in particular. It is important to take into account aesthetics, sustainability and functionality for reused offices as well, so cooperation with the customer is of fundamental importance.

Our work together with our customers also includes reducing energy consumption, sustainable travel, waste recycling and reducing traffic in our districts.

Collaboration for long-term sustainability

Maintaining good, close relationships with our customers is essential in enabling us to be part of strengthening their competitiveness as employers by creating sustainable urban environments for residents, professionals and visitors alike. Key tools include measures to improve safety, Fitwel and BREEAM certifications, along with various local partnerships. The sustainability network in Arenastaden is one such collaboration. We have been working together here with ten or so major companies on an action plan linked to travel habits, to contribute to the climate goal of halving greenhouse gas emissions by 2030. Another example is our collaboration with 'Unga Operan', one of the Royal Swedish Opera's three artistic pillars, which creates opportunities for children and young people to practise culture in schools in Flemingsberg. The project is aimed at four primary schools with classes from reception to year 3. The activities may include mime, drama, music or creative projects.



Open day at Unga Operan
(Young Opera) in Flemingsberg.

Photo: The Royal Swedish Opera/Markus Gärder

Service reports and comments

It is important for us to receive feedback on how we manage our work. Everyone who has submitted a service report is invited to comment on our response. The feedback is provided digitally by simply pressing the symbol that best describes the experience. If a tenant is unhappy with our response, a new case is automatically opened and we follow up to find out what went wrong and how we could have done things differently. The comments received so far have led to a number of improvements. Some 95 per cent of our customers are currently satisfied with the way we respond to a service report; our target is 100 per cent.

Focus area Business ethics

Sound business ethics, continuous dialogue and responsiveness are fundamental to our relationships with both employees and customers, as well as suppliers and lenders. Working responsibly is essential to long-term profitability, and contributes to the sustainable development of society in our districts.



Our sustainability work is integrated into the organisation and follows our governance, responsibility and monitoring framework. Our commitment to responsible business conduct is well established among the Board of Directors, Executive Management Team and the rest of the workforce. Our commitments permeate all our operations, business relationships and our conduct towards our other stakeholders.

We have developed processes and methods to ensure that we document and follow up how we interact with our employees, customers, citizens in our districts, and other stakeholders. Find out more under Districts on pages 28–30, and Customers on pages 42–43.

Code of Conduct forms the basis

Our Code of Conduct forms the basis for the conduct of all our employees. All managers with staff responsibility shall ensure that our Code of Conduct is known and complied with in their respective department or sphere of responsibility. The Board of Directors and Executive Management Team are specifically

responsible for promoting the application of the Code of Conduct.

All employees shall complete regular training on our Code of Conduct and the industry's code against corruption. In 2024, we updated our Code of Conduct and made clarifications regarding our position on human rights, labour conditions, the environment, business ethics and communication. The next step is for all employees to do a new sign off on the updated code.

Other policies and guidelines

In addition to the Code of Conduct, our tax policy, inside information policy, anti-corruption guidelines and whistleblower policy provide an important framework for our governance and monitoring. See pages 80–81 for governance and monitoring. Our ambition is for our operations to be characterised by strict business ethics and responsibility, as well as sustainable and fair competition, and our whistleblower function is an important monitoring tool.

We are compliant with Swedish law. The

In brief

Material topics

- Anti-corruption
- Tax

Target

- Annual training of employees on the Code of Conduct: 100%



Focus area Business ethics cont.

“Our whistleblower function is an important tool for ensuring high business ethics and responsibility as well as sustainable and fair competition.”

same applies to generally acceptable business practice and international human rights, labour and environmental standards in accordance with the Global Compact and the ILO’s fundamental conventions on human rights at work. Our Ethics Council supports our daily work, with representatives from different departments holding regular meetings. The Council, which reports to the Executive Management Team, is responsible for leading and driving work on ethical issues and monitoring relevant external issues.

Reporting of incidents and whistleblowing
We are keen for both our own employees and all external stakeholders to feel confident in their ability to intercept potential irregularities in the organisation, either via dialogue or via anonymous reporting systems. Our employees are kept updated about governing policies and guidelines via the intranet, information briefings and regular newsletters.

It is the responsibility of the company management to inform the employees concerned of their responsibility to maintain good internal control in accordance with AFS 2023:1 Systematic work environment management (investigation, risk assessment, measures and follow up). We offer a whistleblower service to facilitate incident reporting, and it is available both internally and externally. The service is important in reducing risks and promoting strong business ethics, thereby maintaining customer and public confidence in our business. The report itself and any subsequent dialogue are anonymised if the person wishes. All reports are immediately followed up by a working group consisting of our Director of Human Resources, Head of Sustainability and Corpo-

rate Lawyer, which is responsible for ensuring appropriate action is taken. Nobody who submits a report shall be discriminated against or suffer repercussions. No incidents were reported via the whistleblower service in 2024.

Responsibility regarding tax management
We want to take responsibility for sustainable societal development, and this includes contributing to society by paying taxes. We conduct all our business in Sweden; all our employees are employed by Swedish companies and we pay 100 per cent of our tax expense in Sweden. Our tax policy provides guidelines on the company’s tax management. It states that, for example, we will follow all the relevant laws

Framework

- Code of Conduct
- Policy for whistleblower function
- Tax policy
- Inside information policy
- Anti-corruption guidelines
- Sponsorship policy

Corporate culture

The contribution of each and every employee is important for the company as a whole. We are a team operating according to shared guidelines and clear frameworks for success. We call this SPEAK and we invest joint time and effort in our professional development and our core values.

🔗 Find out more about SPEAK on page 36




and regulations in the area of taxation, and that where regulations are unclear, we will act transparently and exercise caution. We will engage in tax management based on ethical, legal and professional principles and will

abstain entirely from aggressive or advanced tax avoidance. We do not engage in political lobbying on tax legislation. Our tax policy is available in full on our website.


Sustainability targets






Districts

| Target | 2024 |
|---|------|
| 100% energy from renewable sources (Proportion of renewable energy, %) | 90 |








Properties

| Target | 2024 |
|---|-------|
| Energy performance below 70 kWh/sqm Atemp 2025 (Specific energy consumption, kWh/sqm Atemp) | 70 |
| 2.5 kWh/sqm Atemp 2030 (Energy produced from solar panels, kWh/sqm Atemp) | 1.8 |
| 90% recycling of waste (Material and energy recovery, %) | 96 |
| Reduce water consumption per sqm Atemp by 2% per year (Reduction in water use, %) | 2 |
| 100% investment properties (excl. future improvement properties) are to be environmentally certified to BREEAM In-Use standard with ambition level 'Very Good' (Proportion of environmentally certified properties (62 properties), %) | 100 |
| 100% of new-builds shall be environmentally certified according to BREEAM-SE with ambition level 'Excellent' (Proportion of environmentally certified new production, %) | 100 |
| 100% environmentally certified vehicles (Proportion of environmentally certified service vehicles and company cars, %) | 100 |
| Carbon-neutral property management by 2030 (Carbon dioxide emissions direct emissions (Scopes 1 and 2), tonnes CO ₂ e) | 1,835 |
| Indirect climate emissions to be halved per GFA by 2030 compared to 2018. (Reduction of indirect emissions (Scope 3), %) | -32 |

Sustainability targets cont.

| | |
|---|------|
|  | |
| Employees | |
| Target | 2024 |
| GPTW Trust Index of at least 90 (Satisfied employees, GPTW Trust Index) | 88 |
| More than 95% of employees should want to recommend Fabege as an employer | 93 |
| Maintain low level of sickness absence at <3%, aided by regular medical check-ups and continued health and fitness programmes | 3.43 |
| Aim is to achieve even gender balance in the management (% women) | 50 |
| Aim is to achieve even gender balance among managers (% women) | 38 |
| Aim is to achieve even gender balance among employees (% women) | 38 |
|  | |
| Supply chain | |
| Target | 2024 |
| 100% sustainability audited and approved framework agreement suppliers | 96 |

| | |
|--|------|
|  | |
| Financing | |
| Target | 2024 |
| 100% green financing | 99 |
|  | |
| Customers | |
| Target | 2024 |
| Customer Satisfaction Index (CSI) at least 80 ¹⁾ | – |
| 100% green leases ²⁾ of newly signed space | 98 |
| 100% green leases ²⁾ of total space | 92 |
|  | |
| Business ethics | |
| Target | 2024 |
| 100% of employees to receive annual training about our Code of Conduct ³⁾ | 0 |



¹⁾ Customer Satisfaction Index surveys are conducted every two years. ²⁾ Area above ground, excluding residential units. ³⁾ In 2024, no training was carried out as the Code of Conduct was being updated.