

Policy owner: Chief Operating Officer

Approver: Board of Directors

1. Policy Owner Purpose and Mandate

The purpose of this Policy is to ensure we deliver high-quality, integrated, and aligned sustainability efforts across the Company. It sets out how we achieve our goals, implement decisions, and create engagement that contributes to solving social and environmental challenges where we have the greatest impact.

This Policy covers environmental, social and governance (ESG) matters, including energy, water, resource use, greenhouse gas emissions, health and safety, and community impacts.

- The **Board of Directors** holds the ultimate responsibility for approving ESG strategy and targets, including Greenhouse Gas (GHG) Risk Management, Climate Risk Management and Water Risk Management and oversees the Company's performance quarterly through the **Audit & Governance, Risk, and Compliance Committee (A&GRC)**.
- The **Board of Directors** approves the Annual Report, including the Sustainability Statements, in line with applicable law.
- The **Board of Directors** has delegated authority to the **A&GRC** to review interim updates to this Policy and related methodologies, including the double materiality assessment (DMA), within the ESG strategy and targets approved by the **Board of Directors**. Changes to ESG strategy or targets covered by Appendix 1.1 e to the Shareholders' Agreement (SHA) pertaining to the Company remain Reserved Matters for the **Board of Directors** to approve in accordance with the provisions in the SHA.
- The **A&GRC** monitors the sustainability reporting process, including responsibility for DMA and this Policy and will review and recommend changes to the ESG strategy and targets for the **Board of Directors** to approve.
- The **Executive Sustainability Committee (ESC)** reviews results, recommends strategies, sets implementation plans for priorities in line with relevant reporting frameworks and reports to the **Co-Chief Executive Officer (Co-CEO)**. The **ESC** consists of: **Chief Operational Officer (COO)** (Chair), **Co-CEO**, **Chief Financial Officer (CFO)**, **Chief Legal Officer (CLO)**, and **Chief People & Culture and Organisational Transformation (CPCO)**.
- The **COO** is mandated to develop and drive the sustainability agenda across the Company.
- The **CFO** will ensure accurate measurement, reporting and validation of sustainability progress.
- The **CLO** oversees overall governance and risk management.

- This Policy applies to our full operations and value chain, including supply chain and stakeholders.

2. Requirements from Group

1. The **COO** shall ensure each country has a sustainability responsible function that reports to the **Country Manager** or **Head of Asset Management** depending on country size and has a dotted reporting line to **Group Director of Environmental Sustainability**.
2. All countries shall use the frameworks and tools developed and specified in the Group Sustainability Manual.
3. The **COO** is responsible for proposing ESG strategy, targets, and KPIs, and for implementing the sustainability strategy and all related activities, ensuring alignment with our commitments and internationally recognised frameworks and legislation.
4. The **CFO** is responsible for monitoring and reporting on sustainability performance and all related activities including tracking progress against defined ESG targets and KPIs, reporting outcomes to the **Board of Directors** and **A&GRC** as well as other key stakeholders, further engaging with KPI owners to address any deviations.
5. The **COO** and each country shall continuously identify, assess, and manage sustainability risks and opportunities, including climate and water.
6. Countries shall implement initiatives that increase employees' sustainability knowledge and strengthen a sustainable mindset across the Company.
7. The **COO**, as Chair of **ESC**, holds overall responsibility for sustainability, including environmental aspects. The **ESC** brings together C-level functions accountable for implementation, with the **CPCO** responsible for social aspects and the **CLO** responsible for governance aspects.
8. The **Board of Directors** shall review climate- and water-related risks and opportunities bi-annually, aligned with double materiality principles and expectations of European legislation or framework and relevant external rating companies.

3. Sustainability principles and commitments¹

3.1 Environmental

- We contribute to solving the climate crisis by reducing GHG emissions in line with the Paris Agreement's 1.5°C goal and be Net Zero by 2050 at the latest.
- Our pathway to climate goals is guided by the Company Climate Transition Plan aligned with the UK Transition Plan Task Force (TPT framework).
- We actively manage GHG, and water related risks at the **Board of Directors** level.
- We reduce energy, water, and waste impacts through our Environmental Management System.

¹ A complete overview of the Company ESG targets is attached to this document and can be found in Appendix 1.

- We increase the share of Green Buildings in our portfolio.
- We integrate climate and water risk assessments into acquisitions, developments, and operations.
- We build resilience to climate change by supporting biodiversity in our major renovations and developments.
- We adopt a circular economy approach for materials and waste, aiming to divert construction and operational waste from landfill.
- We build climate resilience into our portfolio by addressing both transition and physical risks.
- We ensure that our Net Zero transition supports a just transition for employees, tenants, and local communities.
- We engage tenants to improve energy efficiency, water use, and waste reduction by offering green leases and through partnerships.

3.2 Social

- We contribute to addressing social inequalities and housing shortages by providing safe, inclusive and affordable housing across our portfolio.
- We have a Social Roadmap; each country sets its local pathway to deliver against it.
- We uphold diversity, equity, inclusion, and belonging (DEIB) principles and set measurable goals in our work force.
- We respect human rights in line with the UN Guiding Principles on Business and Human Rights, conducting regular due diligence across our operations and value chain.
- We support vulnerable groups in the housing and labour markets.
- We ensure a safe and healthy working environment in line with our Work Health & Safety Guidelines and People & Culture Manual.
- We promote health, safety, and well-being for employees, tenants, and contractors.
- We commit to conducting regular consultations, mapping, and analyses of stakeholder expectations through continuous dialogue with all stakeholders.

3.3 Governance

- We operate in accordance with the UN Global Compact Ten Principles on human rights, labour, environment, and anti-corruption.
- We operate with integrity, transparency, and accountability.
- We prevent corruption and unethical business practices.
- We integrate ESG risks, including climate and water, into our company-wide risk management, strategy, and decision-making by using the risk-register and reporting tool.
- The **Board of Directors** ensures ESG oversight, training, and integration into capital allocation decisions.

- **Country Managers'** remuneration is linked to ESG performance (e.g., carbon reductions, safety, inclusion).
- We uphold robust compliance standards: Anti-Corruption Policy, Whistleblower Policy, Business Partner Policy, Procurement Manual, Human Rights Statement, and Modern Slavery Act Statement.
- We require suppliers to adhere to Business Partner Principles (Supplier Code of Conduct), covering labour rights, ESG standards, and anti-corruption.
- The **Board of Directors** receives regular updates to ensure effective oversight of sustainability risks and opportunities.
- We ensure all employees sign the Code of Conduct and all of our business partners to sign the Business Partner Principles.

4. Reporting

- ESG performance, impacts, and progress against our targets are reported internally on a quarterly basis.
- We measure, manage, and report our greenhouse gas (GHG) emissions in accordance with the GHG Protocol, ensuring accuracy, completeness, and transparency.
- Each country reports performance monthly, quarterly, and annually, in line with the Group Sustainability Manual.
- ESG data are collected through defined systems with clear ownership and supported by robust internal controls to ensure quality, reliability, and transparency.
- External sustainability reporting complies with local law and international standards.
- The Annual Report, including the Sustainability Statement, is prepared in accordance with CSRD requirements and is independently audited by a third party as required by ESRs standards.
- This Policy is publicly available on our website.

5. Reference Documents

- Appendix 1 – Specific ESG targets
- Code of Conduct
- Group Sustainability Manual
- Anti-Corruption Policy
- Whistleblower Policy
- Business Partner Policy
- Procurement Manual
- People & Culture Manual
- Human Rights Statement
- Modern Slavery Statement
- Relevant Sustainability guidelines

Appendix 1 – Specific ESG targets

In line with this Sustainability Policy, the **Company** has set the following ESG Targets.

Environmental

- I. Achieve Net Zero emissions by 2050 at the latest
- II. Reduce absolute scope 1, 2, and 3 GHG emissions covering downstream leased assets 42% by 2030 from a 2020 base year²
- III. Commits that 27% of its suppliers by spend covering purchased goods and services, will have science-based targets by 2027³
- IV. Increase the share of Green Buildings (EPC label A) in our portfolio, aligned with EU Taxonomy
- V. Reduce the amount of purchased energy⁴ by 2% annually until 2030.
- VI. 1% reduced water consumption per sqm per year until 2030⁵
- VII. From 2026⁶, all new builds in Sweden must achieve Miljöbyggnad Gold, in Denmark & Germany DGNB Gold, in Czechia SBToolCZ Gold, in Finland RTS Environmental Classification Gold, and in Norway, Poland, United Kingdom & the Netherlands BREEAM Very Good, all with EU Taxonomy mapping, project LCA and documented compliance⁷

Social

- I. Engagement score in employee survey: Top 25th percentile
- II. Engagement score in employee survey: Top 25th percentile
- III. Engagement score in employee survey: Top 25th percentile
- IV. <5% sick leave (includes both short and long-term sickness)
- V. 0 work related injuries
- VI. Gender equality in Group Management Team: 50-50
- VII. 'Service index' in customer survey: 80% by 2026
- VIII. 'Take customer seriously' in customer survey: 86% by 2026
- IX. 'Security' in customer survey: 80% by 2026
- X. 190 inclusive jobs by 2026
- XI. 5 000 inclusive housing contracts by 2026
- XII. No incidents of confirmed discrimination.

² The target boundary includes biogenic land related emissions and removals from bioenergy feedstocks.

³ Does not have to be validated by SBTi.

⁴ Where the Company holds the energy contract, values are degree-day corrected.

⁵ Like-for-like and country-by-country, 2019 baseline.

⁶ With a building permit submission date after 1-1-2026

⁷ Extensions/major renovations: apply the same target where technically and physically feasible; where not feasible, deliver the highest practicable rating and document constraints and mitigations.

Governance

- I. 100% of employees have signed the Code of Conduct for Employees and have completed yearly training and sign-off.
- II. 100% of contractors and suppliers have signed the Business Partner Principles by 2026.
- III. Require that suppliers covering 27 % of our spend should set science-based targets by 2027.
- IV. No incidents of confirmed corruption.

Reporting and taxonomy

Reporting on targets is explained in detail in the Company's Sustainability Policy and Sustainability Manual and is in line with EU legislation, international sustainability standards and frameworks. Reporting to the **Executive Sustainability Committee (ESC) / Audit & Governance, Risk, and Compliance (A&GRC) Committee / Board of Directors** is done minimum bi-annually and relevant topics related to targets are discussed quarterly and whenever needed.

Decisions are taken at the appropriate level: the **Board of Directors** approves ESG strategy, annual targets, and the Annual Report including Sustainability Statements; the **A&GRC** reviews interim policy updates and DMA refinements under delegated authority and reports such updates and recommendations to the **Board of Directors**; the **ESC** / Management implements and escalates relevant matters.

Approver of ESG strategy and targets: **Board of Directors**

Delegated reviewer of Policy updates: **A&GRC**.