

Wihlborgs Sustainability Report **2014**

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Sustainability
Highlights 2014

Wihlborgs Fastigheter

Wihlborgs is the leading property company in the Öresund region, owning property with a total market value of SEK 24.3 billion. The lettable area of the property totals 1.6 million square metres. The total rental value is SEK 2.0 billion. The property portfolio consists in the main of commercial properties. The Company's shares are quoted on the Mid Cap List of the OMX Nordic Exchange.

Sustainability is a prerequisite for profitability

This CEO's statement is a little special to me: Wihlborgs is celebrating ten years on the stock market. Our property portfolio has more than tripled since 2005. To sum up 2014, we recorded our highest-ever income from property management.

We have long talked of financial profitability, but it has also become increasingly important to take a position on environmental and social issues. Every year, it becomes clearer and clearer that we have a responsibility to think outside our own business areas – and to see ourselves as part of a larger context.

We regard our work on sustainability with both respect and humility. To us, taking responsibility means steering to grow in a sustainable way. We are also seeing rising demands from our investors – you need to have a clear sustainability strategy in order to be a serious player in the real estate market. And we intend to be just that. In this, our fourth sustainability report, we summarize the events of the past year, which presented quite a number of new partnerships, challenges and opportunities.

A proactive focus on sustainability

To us at Wihlborgs, sustainability issues are becoming more and more integrated into our day-to-day work throughout the Company. For example, in property management our focus has been on setting clear targets for energy consumption in our properties. Over the past ten years, our energy efficiency projects have resulted in both energy and monetary savings. You can read more about our savings in the section on environmental responsibility. But we are well aware that we impact on the environment in other ways too. In response, we have taken initiatives over the years, such as LPG-powered service vans, having letting managers use electric cars, purchasing a fleet of company bicycles, clear environmental requirements for our company cars etc. In the case of our properties, I can now confirm that in the past year alone, we installed two solar power facilities under our own management. We are now focusing closely on environmental certification of our properties. Since 2011, we have been working towards our environmental vision, which states that we should continue to expand, but reduce our environmental impact. To that end, we are maintaining a concentration on systems that reduce environmental impact.

In addition, we are steadily expanding, and our regions are becoming more and more autonomous. With large numbers of new colleagues, we need to take initiatives to maintain and develop the organization's philosophy and expertise. With that in mind we invested resources in leadership, feedback training and induction programmes for new employees during 2014. We also built up our own leadership model which we will continue to develop over the next two years.

Collaboration with customers

It is important for us to be transparent and to maintain an active and close dialogue with our stakeholders. We have maintained in-depth dialogues with selected representatives of our different stakeholder groups over the years. In 2014, we also invited various stakeholders to attend a talk giving more detail of our work on sustainability.

Many of our customers have continued to show an interest in our work on sustainability and would be in favour of long-term collaboration in the areas affecting them in practical terms. For example, in autumn 2014, we signed a lease with a major food company and it became clear fairly soon that the company was



Anders Jarl, Chief Executive Officer at Wihlborgs since 2004.

looking for cooperation in environmental and social issues. We discussed a number of joint projects related to ecosystem services (*you can read more on this in the section on our environmental goals for 2015-2017*), choice of interiors with lower environmental impact, the possibility of solar panels etc. There is also keen interest in social aspects that are expected in a modern workplace, such as how to create pleasant environments in an open-plan office, what to take into consideration with regard to daylight and noise insulation, what is necessary for efficient waste sorting facilities, access to car pools and close availability of public transport. Ten years ago, these topics were not on the agenda and this says a lot about the progress, and it is important for us to continue forward in the same spirit.

Daring to take a position in doing business

Our relationships and our way of working are characterized by our values of knowledge, honesty, action and community. Simple yet important words. More or less common sense.

But common sense is not always enough to provide guidance in our day-to-day work. Ever since we signed up to the UN Global Compact, business ethics have been on our agenda. We receive questions from employees and have also observed higher awareness and stricter requirements externally. Requirements to act in way that is clearly ethically correct.

Of course, we take a zero-tolerance approach to all forms of corruption, but in an industry in which events are held and arrangements made to build and maintain business relationships, clarity on such issues is a must. As a result, we have given training

to all employees in how we see these issues and have produced a guide as to how employees should act. This training is now part of our compulsory induction day for new recruits.

Issues raised by investors have also changed over the past ten years. A few years ago, we were asked a question about whether we had control over our supplier chain from the viewpoint of sustainability. Because we operate in the Öresund Region, which extends over two national arenas – Sweden and Denmark – we have opted to place a limit on local visits to our suppliers and sub-contract suppliers. On the other hand, we have become better at asking to-the-point questions. This emanated in a questionnaire on environment, quality, work environment and ethics. Along with their answers to our questions, our suppliers also send us documentation to confirm their information. And to simplify the work of our employees, we have developed a mobile app listing the suppliers we have approved.

We are proud – and our work is appreciated by others

Playing a part in the development of enterprise in our region creates a sense of pride in our day-to-day work. We are among those creating attractive workplaces and conditions for more companies and organization to establish operations here. We also contribute through all the work we do specifically to take responsibility for the environment and society.

And, at times, the outside world also takes notice of our initiatives. It is with pride that I would like to point out that in 2014 the GRESB (Global Real Estate Sustainability Benchmark) Foundation nominated Wihlborgs as a role model for how companies can work on energy efficiency. We report annually to GRESB, a global association of international investors, and in September 2011 Wihlborgs was awarded the top status, Green Star. Wihlborgs was the only Swedish property company to be awarded this status.

Increased job satisfaction through work on sustainability

Much has happened at Wihlborgs over the past ten years in sustainability and this is largely thanks to the efforts of our highly committed employees. Many of the above mentioned initiatives were suggestions from the employees. And my ambition is to create the conditions that will enable us for developing Wihlborgs together. Being involved and actively taking responsibility is part of our job satisfaction.

Malmö, April 2015
Anders Jarl, Chief Executive Officer

The decision to report sustainability in accordance with GRI was approved by Wihlborgs' Board of Directors in August 2010. The Board of Directors unanimously approves Wihlborgs Sustainability Report for 2014.

Malmö, April 2015
The Board of Directors,
Wihlborgs Fastigheter AB

Job satisfaction is in our DNA

At Wihlborgs, we place a high value on job satisfaction – it is one of our driving forces as landlord for many of the most successful companies in the Öresund Region. Of course, it is also part of our role to help our customers create a positive work environment in which employees feel at home and the company can develop. With this in mind, we work closely with our customers when building new and redeveloping existing premises. One important stage in the process is to collaborate with skilled architects in order to create high-quality, functional spaces. To us, the task is to keep up with developments and be prepared for new requirements and needs that emerge. Here, sustainability play an important role – being a modern property company is also about having a modern approach to ethical and environmental issues.

Business concept

Specializing in efficient sub-markets in the Öresund region, Wihlborgs will own, manage in-house and develop commercial properties.

Employees and structure

On 31 December 2014, Wihlborgs had 117 employees, including 22 in Denmark. 103 employees work full-time and 14 part-time. Wihlborgs' Group Management consists of the CEO, CFO, Director of Corporate Communication, Director of HR/CSR and Projects/Business Development Director. Group Management has overall responsibility for coordinating the Company's operations.

We have a number of group executive functions: Economy/Finance, Procurement, Environment, HR/CSR, Communication and Customer Relations. These functions conduct Group-wide development initiatives and provide functional support.

All our property management is conducted by our own personnel, who know our clientele and are on hand to quickly respond to our customers' expectations and demands.

Every property management unit operates with clear profit

centre responsibility, in which property managers, property directors and Group Management together lay down the guidelines for the unit's operations.

We operate in four regions, each with a regional director responsible for the region, who drives the business forward according to the Wihlborgs philosophy. A local office operates in each region: Malmö HQ (Dockan), Lund (Ideon), Helsingborg (Berga) and Copenhagen (Herlev).

Improvements to the property portfolio are handled by a project department that is responsible for newbuild and redevelopment projects, procurement and following-up.

Property portfolio as of 31 December 2014

Wihlborgs Fastigheter AB (publ) is the biggest commercial property owner exclusively focused on the Öresund region. We have 269 properties with a combined market value of SEK 24.3 billion. The total lettable area of these is 1.6 million square metres with a total rental value of SEK 2 billion.



Geographic investment

Our strategy is to be present in locations where we identify the potential for long term growth. As a result, Wihlborgs is represented in Malmö, Helsingborg, Lund and Copenhagen with a head office in Malmö.

In each of these locations, we are also geographically concentrated in a number of sub-markets, which makes us uniquely able to assure cost efficient management.

Local involvement

It is important for us to be actively involved in various organisations and networks. Several of our employees sit on external boards. Today, we are represented on the boards of various organizations in the property and housing sector, including Fastighetsägarna Syd, Fastighetsföreningen Lund City, Malmö Citysamverkan, Lund Citysamverkan, Helsingborg Citysamverkan, Medeon, Ideon, Näringslivets Miljöchefer (the Swedish Association of Environmental Managers), Solar Region Skåne and Øresundsinstittet.

Subsidiaries and joint arrangements

There are 153 companies in the group, including the Parent Company. However, not all are subsidiaries of the Parent Company. In addition to the wholly-owned subsidiaries, the Group has three joint ventures and three interests in joint operations.

Joint Ventures

- Hälsostaden Ängelholm Holding AB was established to develop the site around Ängelholm Hospital into a health care city.
- Medeon AB is marketing Medeon Science Park, a research park in Malmö focusing on life sciences.
- Ideon AB was established to strengthen and develop Ideon as a creative and active research community.

Joint operations

- Dockan Exploatering conducts development activities in the Dockan area of Malmö.
- Nyckel 0328 AB is engaged in financing activities via its subsidiary, Svensk FastighetsFinansiering AB.
- The new SFF began its financing activities in February 2015.

For further information, see Note 18 in Wihlborgs' 2014 Annual Report.

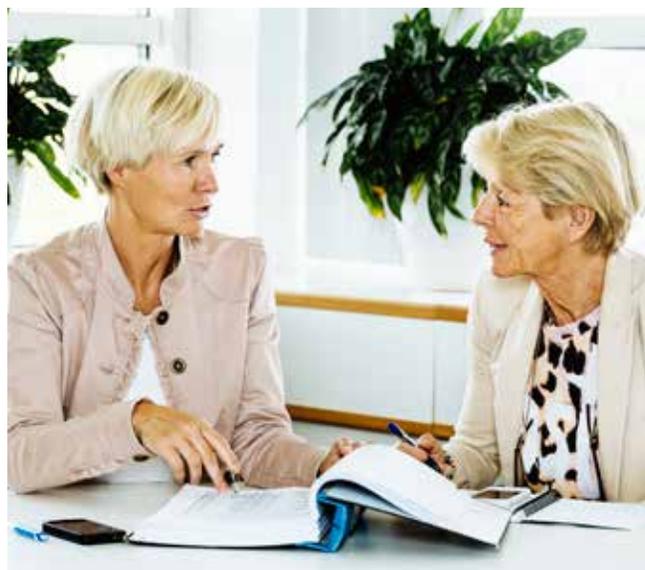
Share information

Wihlborgs is a Swedish public limited company that is listed on Nasdaq OMX Nordic Stockholm. Wihlborgs has been listed on the Nordic Mid Cap list since 2006.

On 31 December 2014 the largest shareholder in Wihlborgs was Erik Paulsson and family with 10.1 percent of the shares outstanding. The ten largest Swedish shareholders held 33.2 percent and foreign shareholders 35.5 percent.

Events in 2014

- During the year, Wihlborgs acquired ten properties and divested four.
- In August 2014, Wihlborgs submitted its latest Communication on Progress in accordance with the UN Global Compact – see wihlborgs.com/COP. There were no significant changes in the Company during the accounting period up to today's date.



Awards and recognition during 2014

Wihlborgs reports annually to the GRESB Foundation, a global association of international investors. In 2014, 637 of the biggest property funds and property companies in the world each disclosed detailed information on environmental performance within their property portfolio. One of the areas of disclosure concerned energy efficiency and what is actually being done in that area. In the report, which GRESB compiles annually, Wihlborgs was in 2014 selected as a role model for how companies can work on energy efficiency. GRESB will use Wihlborgs as an example in its public activities. As part of the programme, Wihlborgs' CFO Arvid Liepe was invited to attend as a speaker at a breakfast forum arranged by GRESB and the Danish Property Federation in spring 2015.

Wihlborgs fourth sustainability report

Wihlborgs has been reporting on sustainability since 2011, at GRI level B+, and we now present our fourth sustainability report. As of 2015, we plan to switch to the new G4 reporting system. In December 2014, we took the first step, in the form of a workshop for a temporarily expanded CSR unit. A materiality analysis was carried out and will form the framework for work over the years ahead.

About our sustainability report

Our sustainability report covers all our business operations in Sweden and Denmark, Wihlborgs Fastigheter AB and all 153 subsidiaries. Joint ventures are not included. Wihlborgs Fastigheter AB does not own any properties, they are all owned by our subsidiaries.

The sustainability report consists of pages 1-39 of this document, together with the “Key figures and calculations” document on our Website. Where we have control over, and can fully determine the outcome of, information generated within the Group for the sustainability report, we can take full responsibility for this information (see chart on page 12, section B).

The report also describes sustainability work relating to external stakeholders, in this case mainly suppliers and contractors (see illustration on page 12, points C and D). We set requirements for our suppliers but do not exercise the same degree of control over them and their sub-contractors. The chart on page 12 illustrates the stakeholders in Wihlborgs that have been identified.

Reporting

Our accounting year is the calendar year and the reporting cycle is for the whole year. The report (at B+ level) covers the period 1 January-31 December 2014. The next sustainability report will be published in April 2016.

We believe that the sustainability report meets the requirements for application level B+. An external audit of our sustainability report in accordance with GRI has been performed by Deloitte. The auditors’ report appears on page 41. We have also chosen to apply certain aspects of the recently issued guidelines

in the “Construction and Real Estate Sector Supplement” (CRE.1). We have used version GRI version G3.1 in this report. The GRI Index on page 36-39 shows the links between G3.1, CRE.1 and ISO 26 000. The “Key figures and calculations” document on our website describes how we went about compiling these key figures, in the section Environment.

The sustainability report has been printed in a limited number of copies in Swedish. It will also be available for downloading from the Wihlborgs website from 17 April 2015 – <http://www.wihlborgs.se/en/investor-relations/reports/>

If you have any questions or comments on the report, please contact any member of the Wihlborgs CSR group; for contact details, see page 45. Wihlborgs’ latest Sustainability Report was published on 14 April 2014.

Risk

A risk is always a risk, but a risk is also something you can take on board and develop into something positive. In preparing for our first sustainability report in 2011, we decided what our ten foremost risks were and then reformulated them into specific short- and long-term sustainability goals, which we then focused on in the 2011-2013 period.

In 2014, the CSR group re-assessed the risks and concluded that several of them were not relevant to the years ahead.

The risks that affect Wihlborgs, including environmental risks, are presented on pages 82-85 of Wihlborgs 2014 Annual Report. In 2015, we will undertake a further risk analysis relating to specific climate risks.



Governance, undertakings and commitments



Many of us can play a part in driving Wihlborgs forward

Wihlborgs is not driven only by its Board of Directors, shareholders and management, but also by the insights we gain by listening to others. We need to know and understand what our tenants, suppliers and the world around us at large expect of companies such as Wihlborgs. As part of our everyday business, we therefore engage in an ongoing dialogue with our various stakeholders.

Framework

Wihlborgs is a listed company that is subject to rules and regulations on corporate governance. In addition to legislation, the Swedish Code of Corporate Governance and stock exchange rules also apply. The business is monitored and supervised by external auditors and Nasdaq OMX Stockholm.

Shareholder power

The Annual General Meeting (AGM) is the highest decision-making body. Every shareholder has the right to participate in the AGM and raise various issues. One of the many important duties of the AGM is to elect members of the Board of the company. The AGM also resolves on guidelines for remuneration to the CEO and leading decision makers. The Company's auditors check that these guidelines are adhered to. All details of the AGM are available on the Wihlborgs website.

The Board and CEO

The Wihlborgs Board shall on its owners' behalf manage the company in the best interests of the shareholders, and such as to ensure a satisfactory long-term return on assets, in accordance with set rules of procedure. The Wihlborgs Board consists of seven directors, of whom five are independent of the Company. Two members are considered to be non-independent, namely Erik Paulsson, Chair, on account of his shareholding in Wihlborgs, and Board member Anders Jarl, who also serves as CEO of Wihlborgs.

In view of the Company's size, Wihlborgs does not have separate audit and remuneration committees. To monitor developments in the credit market, Wihlborgs has an interest rate committee which meets every two months and presents reports and proposals to the Board.

The Board and Group Management are responsible for ensuring that work on the environment, work environment, monitoring of ethical guidelines, social responsibility and sustainable

development, is performed in line with the rules, strategies and goals established. This responsibility also includes presenting a sustainability report in accordance with GRI. The report is drawn up at B+ level and incorporates Wihlborgs' Communication on Progress in line with the principles stated in the Global Compact.

For more information on the procedures for good corporate governance with regard to the Board's qualifications, procedures and processes, see Wihlborgs' Corporate Governance Report on pages 126-133 of the 2014 Annual Report. The Board's work is assessed annually, and every two years Board members are required to complete an in-depth questionnaire to determine what changes need to be made in the work done by the Board.

Group Management

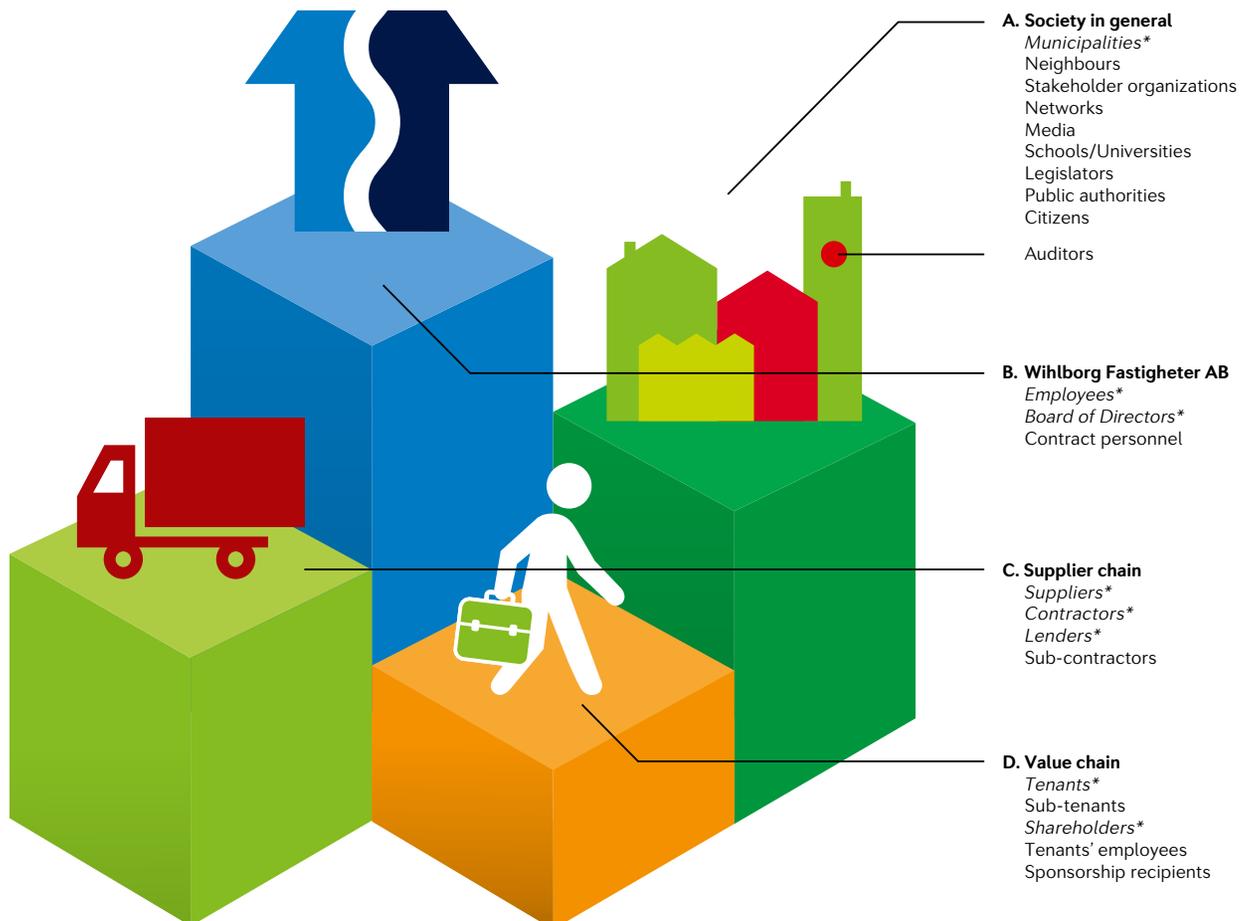
Wihlborgs' Group Management has overall responsibility for managing the Company. The CEO, who is also a member of the Board, reports directly to the Wihlborgs Board.

With regard to sustainability issues, we have established an in-house CSR group that deals with these issues and is responsible for involving the Company's employees.

Senior executives are not entitled to bonuses; for more information, see Note 8 to the financial statements in Wihlborgs' 2014 Annual Report.

Identifying Wihlborgs' key stakeholders

* = Key stakeholders



Corporate Governance Report

The Corporate Governance Report in full may be downloaded from the Wihlborgs website and is included in the 2014 Annual Report.

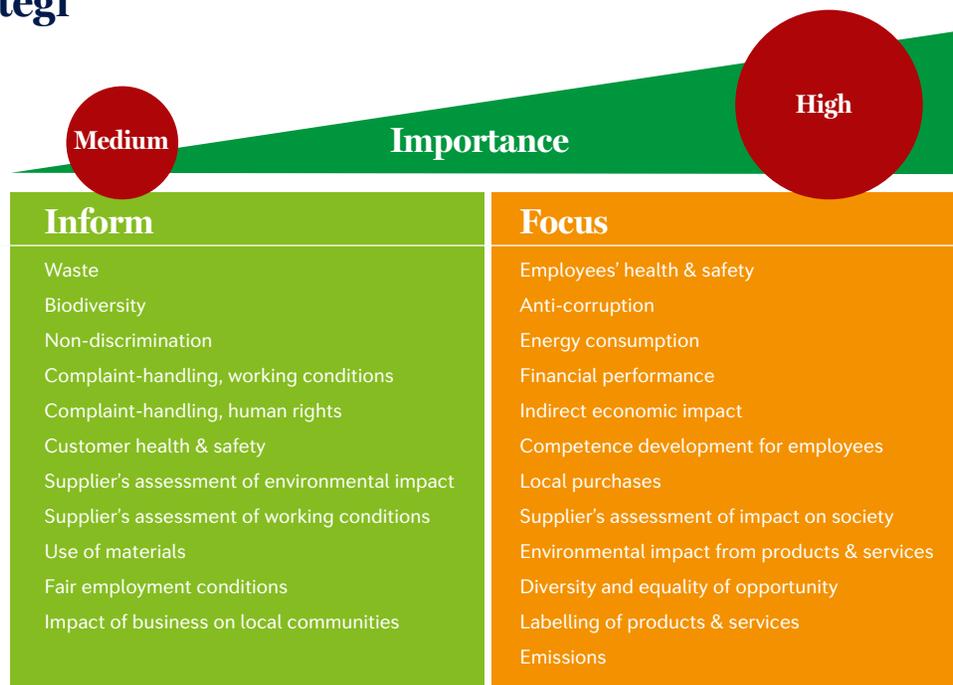
Wihlborgs' stakeholders

Every day, we are in contact with tenants, partners, investors, contractors and other stakeholders. These contacts remind us that we operate in a broader context, and that our success depends on our ability to understand and continuously develop our role in partnership with others.

In addition to obtaining information from our day-to-day contacts, we conduct targeted questionnaire-based surveys to obtain more broadly-based material from certain stakeholder groups. These include Customer Satisfaction (NKI) and Employee Satisfaction (NMI) surveys. Input of this kind helps us with prioritizing initiatives focused on any specific stakeholder group.

During work on Wihlborgs' first sustainability report, a stakeholder analysis was carried out. For detailed information, see our 2011 Sustainability Report. The chart below shows Wihlborgs' key stakeholders:

CSR Strategi



Three years of dialogues with stakeholders – what we've learnt

We have now been reporting on our work on sustainability for three years and over this period we have conducted an annual stakeholder dialogue, which we have developed each year.

In 2011, we approached 200 stakeholders with a number of questions about sustainability. The following year, we conducted a more extensive survey with a smaller number of stakeholders, and in 2013 this survey was followed up via in-depth interviews with the stakeholders concerned.

We are now in a phase where we can summarize the lessons we have learnt from the stakeholder dialogues, with the ambition of integrating our sustainability initiatives even more into our operational activities and determining priorities for the future.

During 2014, we processed the input we obtained from our in-depth interviews in 2013. It emerged that expectations among external stakeholders had risen with regard to our proactivity. One stakeholder, for example, said that "everyone fronting Wihlborgs in business situations must talk sustainability". In response to this wish, we have incorporated the theme of sustainability into our induction day for new recruits, as well as into our business ethics training.

Last year's stakeholder dialogue also gave a clear indication that our stakeholders want to keep the dialogue alive and maintain personal contact. Against that background, we arranged a breakfast meeting in autumn 2014. We presented lessons learned and trends revealed through our stakeholder dialogue, and linked them into our day-to-day operations.

During the year, our environmental affairs director developed a simple, clear communications platform for the environmental sector. This will be used by all employees during customer events,

as well as during everyday work. The aim is to raise the general level of knowledge within the organization.

The challenge that remains for us is precisely this: to continue listening, to learn from feedback and to deliver in the right areas. That makes prioritization an important issue. We have started work on a new materiality analysis – with the expressed ambition of achieving a more focused approach to sustainability and clearer communication. This clarity and prioritization is also one of the objectives of the GRI's new G4 (in a note to G4) framework.

Step 1 – Wihlborgs' internal materiality analysis

From what emerged from dialogues and surveys in previous years, and from the year's NKI and NMI surveys, an expanded CSR group was assembled and established an initial priority – a materiality analysis. We started with the sustainability factors defined in G4 and set priorities on the basis of the impact of these factors on Wihlborgs' success. The above chart will be updated and further clarified during 2015.

Step 2 – Wihlborgs' external materiality analysis

The categorization shown in the above chart will be established with other stakeholder groups in 2015. We will also be developing a sustainability framework. This will incorporate the approximately four main areas with associated ambitions, targets and GRI key factors, against which we can measure our progress – in the same way as we do for the environmental sector at present.

Finally, we will be developing GRI G4 reporting on the basis of

the materiality analysis and our sustainability framework in order to become more effective and more accurate in our communication, in-house and externally.

Dialogues with stakeholders 2014

In the course of 2014, we conducted extensive surveys of two important stakeholder groups – customers and employees. There are without doubt lessons to be learned from the feedback obtained from the two groups, in terms both of what works and what needs to be developed.

Employees – our ambassadors from within

Our regular employee survey is an excellent source of suggestions as to how we can improve our organization and our work environment. Out of the suggestions received, initiatives are selected for development. Last year's survey led for example to a course in Business Ethics and a guide as to how we should act. Another outcome was leadership training for all managers. A third initiative that resulted directly from employee feedback is the Wihlborgs Classic – a fitness programme to promote an active lifestyle and a sense of community with colleagues. Through the initiative, we sponsor a number of communal exercise and fitness activities (in running, cycling and swimming) in the cities where we are established.

In this year's employee survey, the response rate was just over 80 percent and around 300 comments were made in writing. It is clear to see that employees feel pride in working for Wihlborgs (3.7 on a scale of 1 to 4), and all suggestions indicate a commitment to the Company. Another positive aspect is that employees feel well-informed about how the Company is progressing.

A sustainable business is very much about creating an ongoing dialogue and so the year's findings have been examined by the Work Environment Committee, which discussed suggestions received, and took some further. The committee selected suggestions for concrete improvements in the areas of Feedback, Leadership and Efficient office environment, and will be implementing and following up these activities in the future. A wish for more and better quality feedback remains from last year (rated 2.5 on the scale of 1 to 4). This may be partly because a third of Wihlborgs' employees have been with us for less than three years. Training courses in coaching leadership and a facility for following up performance appraisals are planned to address the issue in the future.

The employee survey is broadly based, covering several areas related to the in-house psycho-social work environment – which is a crucial factor in well-being and job satisfaction and which affects employees' actions vis-à-vis external parties. We also carried out a sustainability survey as a supplement to the employee survey. The aim was to examine, in a focused way, the issues that employees felt were most important for the Company to engage in on a more general and commercial level. Here, Energy and resource consumption by tenants ranked highest, followed by Ethics and morality and Environment.

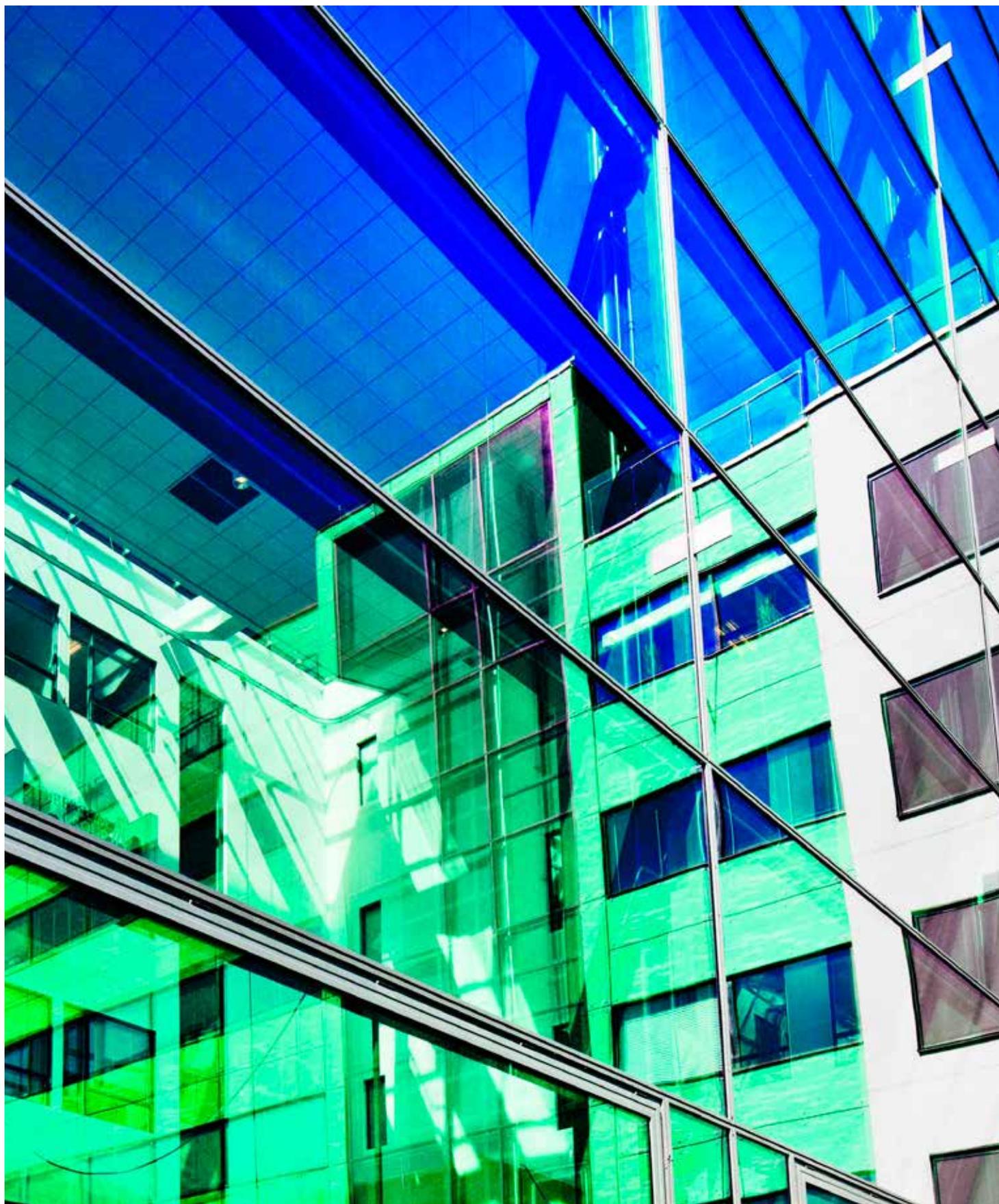
Tenants – our ambassadors to the outside world

With regard to another important stakeholder group – existing tenants – we conduct an NKI (Customer Satisfaction Index) survey every two years. We phone our existing tenants and ask them questions covering several areas.

The highest rating went to our caretakers' response (an average of 4.48, where the maximum is 5) and availability (4.30, also out of 5). This indicates that day-to-day contacts are creating good, strong relationships with our tenants.

The finding also correlates with the willingness to recommend, which went up this year. The proportion of respondents prepared to recommend Wihlborgs to others "highly" or "very highly" has risen from 69 to 75 percent in two years. The main reasons for tenants to recommend Wihlborgs "very highly" are flexibility, service, good supply and standard of premises, geographical location, responsiveness and availability.

In the case of sustainability, we asked a more specific question: "Wihlborgs is endeavouring to develop sustainability, with a focus on reducing its environmental impact (via energy efficiency projects, green leases, transport, waste management etc.). Do you think that Wihlborgs should put more effort into any of these areas, or other areas of sustainability?" The most frequently mentioned issues were energy efficiency projects and garbage/waste management. A number of general comments were also made about sustainability in general. Just as in last year's stakeholder dialogue, it is clear that our customers would like information.



A sustainable economy

A profitable Wihlborgs is vital if we are to be able to carry out our strategies and achieve our targets. This also applies to the sustainability work that we are integrating with the financial targets set by the Board for our business – everything is connected.

To us, it is self-evident that our brand should represent sound values and that financial responsibility is a prerequisite in enabling us to take responsibility for our part in the development of society.

Under the Swedish Companies Act, other legislation and regulations, the listing agreement with the Nasdaq OMX Exchange, the Swedish Code of Corporate Governance, the Company's Articles of Association and internal instruments of control, such as the Rules of Procedure for the Board and instructions to the Chief Executive Officer, the management and responsibilities of the Wihlborgs Group are divided between the Board and Chief Executive Officer.

Wihlborgs' overarching objectives and strategies state that the Company shall operate according to a business model for growth and shall be one of the leading and most profitable property companies on the Stockholm Stock Exchange. To achieve this goal, Wihlborgs is to consolidate and further strengthen its market positions in the Öresund region by concentrating on various regional sub-markets. We shall actively improve our property portfolio by the acquisition, development and sale of properties. We shall also manage our property portfolio with the focus on good cost efficiency and high occupancy rates. Our customer relationships are to be strengthened by active commitment and a high level of service.

Through our activities and our set targets and strategies, we affect the communities in which we operate. Our sustainability work must be integrated with the financial targets set by the Board for our business, as both aspects affect each other. Successful integration can enhance our brand, which improves our chances of becoming our customers' first choice when they need to lease a property.

Achieving our financial targets also affects our ability to contribute to sustainable development in other ways. A solid financial base is a prerequisite for operating as a stable business partner to suppliers and customers alike. This, combined with our ability

to offer functional and adaptable premises for a range of sectors, can help enterprise in our region to continue growing. In addition, financial success is an important factor in standing out as an attractive employer; it provides us with the scope for developing our employees, which in turn enables us to attract the right personnel.

To be able to invest in a sustainable way of working we have to achieve our financial targets; at the same time, we must operate in a sustainable way if we want to achieve these targets.

Via our stakeholder dialogue, we have established that it is important for Wihlborgs to be able to achieve its financial targets. The value we create arises through our rental income. The dialogue with our stakeholders indicates that one of the most important areas that Wihlborgs needs to take into account is the quality of our premises and the customer service we deliver. Without satisfied customers, our rental income will not meet our targets. Rental income also affects the extent of changes in value of our properties. The benefits of the economic value we create then accrues to various categories: employees, lenders, society and suppliers.

Our shareholders are to share in this value via dividends approved by the Board through a dividend policy. The size of the dividend depends on the property management performance the Company delivers and the sales price achieved on completed property transactions. Once all stakeholders have received their share, the remainder is retained in the Company to strengthen our business, create new projects and acquire new properties to grow the company in a sustainable way.

Information on Wihlborgs' financial position can be found on pages 89–125 of the annual report.



Economic value created and distributed, SEKm	2014	2013	Comments
Directly created value			
Income	1,905	1,707	Rental income
Changes in values of properties	642	167	
Changes in value, derivatives	-1,038	449	
Other income	11	17	Interest income and shares in earnings
Total directly created value, SEKm	1,520	2,340	

Economic value created and distributed, SEKm	2014	2013	Comments
Distributed financial value			
Employees	86	83	Salaries, social insurance costs
Loan providers	488	469	Interest costs
Society	190	390	Carrying amounts, income taxes, property tax and VAT
Suppliers	361	335	
Shareholders	327	307	Dividend to shareholders
Total distributed value, SEKm	1,452	1,584	
Retained in the business	68	756	
Return on equity, %	5.7	16.3	
Target, %	6.4	7.8	

Our environmental responsibility

As a major property owner, we cannot turn a blind eye to the energy consumption required by our properties. And it is in the area of energy that our impact on the environment is greatest. This makes it important for us to focus continuously on improving energy efficiency in our properties. But we are striving on a broad front to reduce our environment impact, for example through environmental certification of our buildings and by offering Green Leases and striving to promote a better ecosystem.

Wihlborgs' environmental responsibilities are based on Ethical Guidelines, Environmental and Energy Policy and current Environmental Goals. The goals have also been adopted by Wihlborgs' Management and Board. The current Environmental and Energy Policy was adopted in November 2013, when it was also approved by Wihlborgs' CEO.

Wihlborgs' operations are subject to Swedish and Danish legislation. To live up to the precautionary principle and environmental legislation is a minimum requirement for our environmental work. To ensure we comply with applicable legal requirements in the environmental area, we subscribe to an external database that is continuously updated with new legislation in our area of business.

We also perform regular environmental risk analyses that in many cases reflect the areas of the environment that concern us from a legal compliance perspective. The most recent analysis was carried out in 2009 while the next is planned for June 2015, having originally been scheduled for late 2014.

Our energy consumption

A typical Swedish single-family house built in the 1950s or 1960s uses 25,000 kWh of energy in a year. The total energy consumption for our business is not 25,000 kWh, it's 185,556,518 kWh. This means that our properties together use as much energy as 7,422 single-family homes – 185,556 MWh. There is no doubt that our

biggest environmental impact lies in our energy consumption. The diagram on the next page illustrates our consumption of heating, electricity, cooling, oil and gas over the past three years. It also shows Wihlborgs' total energy consumption. In our sustainability report, we detail our energy consumption for the past three years, including the reporting year.

As far as Wihlborgs' total energy consumption is concerned, we can observe an increase between 2013 and 2014. The increase, 743,788 kWh, is reasonable when set against the increase in areas under our management. From the start of last year, we have had access to all relevant statistics. As a result, it is again the case this year that none of our properties fall outside the scope of reporting.

In 2012, we introduced a procedure (for the environmental goals for 2012-2014) based on around 70 percent of Wihlborgs' property portfolio being included in an environmental goal category where the areas will be comparable year on year. For more information on the outcome for the past year, please see the section on our environmental goals on page 29.

Our major energy suppliers are operators such as E.ON, Öresundskraft and Kraftringen. The proportion of energy from renewable sources, and their main constituents, are presented on page 20.



Total energy consumption, kWh Electricity, heating, cooling, gas, oil



Electricity
2012 53,157,982
2013 62,947,578
2014 62,712,998



Gas
2012 6,090,219
2013 4,930,184
2014 4,470,900



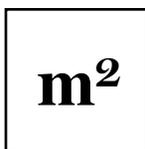
District cooling
2012 6,115,243
2013 8,071,163
2014 8,817,821



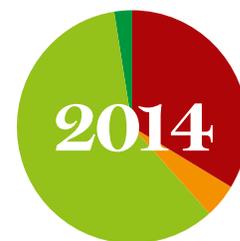
Oil
2012 0
2013 0
2014 0



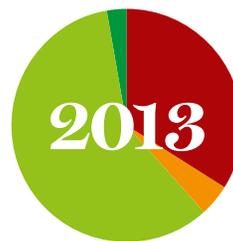
District heating
2012 94,713,640
2013 108,863,806
2014 109,554,799



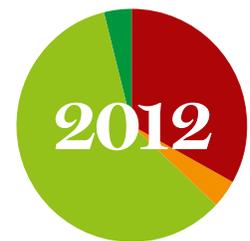
Total area
2012 1,425,073
2013 1,523,125
2014 1,548,227



Total kWh 2014 185,556,518



Total kWh 2013 184,812,730



Total kWh 2012 160,077,084

■ Electricity ■ District cooling
■ District heating ■ Gas

All kWh figures quoted in this report can be converted into Megajoules (MJ); multiply the kWh figure by 3.6.

Environmental responsibility

Energy supplier	Percentage renewable		Percentage renewable electricity	Energy sources				
	District heating	District cooling	Electricity ¹	Electricity	District heating	%	District cooling	%
E.ON, 2013-2015 Öresundskraft, 2013-2015 Kraftringen, 2013-2015			100	Water	–	–	–	–
			100	Water				
			100	Water				
E.ON 2014 Malmö	44	100	–	–	Waste ² Natural gas Waste to energy Auxilliary electricity, incl. electricity for boilers Flue-gas condensation	61 30 6 2 1	Wind power	100
Kraftringen 2014 Lund	100 ³	77 ⁴	–	–	Wood chips	100	Fuel supplied: Electricity	100
Öresundskraft 2014 Helsingborg Product: Fjärrvärme guld	100 ⁵	100 ⁶	–	–	Heating from industrial waste to energy Heating from firing of waste classified as fuel Heating from firing of wood pellets Miscellaneous ⁷	65 19 15 2	Electricity	100

¹ In 2014, electricity procurement took place within the framework of the 2013-2015 plan. In these years, the local energy suppliers also supplied the electricity in the locality concerned. All electricity was environmentally certified as 100% hydropower sourced. ² E.ON uses Swedish Waste Management's standard factor, 60%, to calculate the proportion of renewable energy in waste. Flue gas condensation is classified as renewable, as is waste to energy. Analysis of waste to energy based on the source of the waste heat is not something we have considered possible. Instead, we have taken the position that all use of waste to energy is positive, in that otherwise it would not be put to use. The proportion of renewable energy in auxiliary electricity is based on the latest known data for the Nordic residual mix, according to the Swedish Energy Markets Inspectorate. Data for district heating sourced from E.ON are rounded off. Other, totalling app. 0.5%, is excluded from this summary. Other consists of: Heat from heat pumps, less electricity to heat pumps, EO3-5, Electricity for heat pumps and EO1. ³ District heating with certificate of origin from Kraftringen. This product is covered by Wihlborgs' agreement with Kraftringen. ⁴ Proportion of renewable energy for cooling (10%) incl. recycled cooling (67%). (Cooling recycled from heat pump/cooling system.) ⁵ According to Öresundskraft, waste to energy and waste classified as fuel cannot be categorized as either renewable or fossil. They are residual products used in society that, to varying degrees, are of renewable or fossil origin. In accordance with the Swedish Heating Market Committee agreement, we specify the percentage of fossil fuel – that is, coal, oil or natural gas. ⁶ Renewable electricity ⁷ Auxiliary electricity for generation and distribution is included in district heating.

The energy suppliers provide provisional data for their energy products in 2014, but definitive figures are not produced until after the publication of this report. As a result, definitive figures may differ from those presented here.

The above table does not include figures for Denmark, which we hope to be able to incorporate long term. It is also important for us to maintain a dialogue with our biggest energy suppliers to help persuade them to include a higher proportion of renewable energy sources in their products. In 2014, we continued our dialogue with all energy suppliers, discussing the table and Wihlborgs' expectations for the future.

Wihlborgs operates in the Öresund region with investments in Malmö, Helsingborg, Lund and Copenhagen. Our total energy consumption in 2014, expressed in kWh/m² per location, is presented on the next page. In many cases, the relatively low total consumption per square metre is because this is an average for all our properties and includes, for example, facilities with extensive cold storage areas. Relative to the environmental goals for 2012-2014, a considerably higher figure in kWh/m² is reported. This is because

cold storage facilities etc. have been excluded. See Wihlborgs' environment goals 2014, on page 29.

We take a holistic approach to energy efficiency. Here, our computerized energy statistics system plays an important role. We use the statistics application E4 SQL, enabling us to monitor heating, electricity, water and cooling. Wihlborgs uses the application to identify potential energy saving projects/costs savings and to control consumption in all our properties.

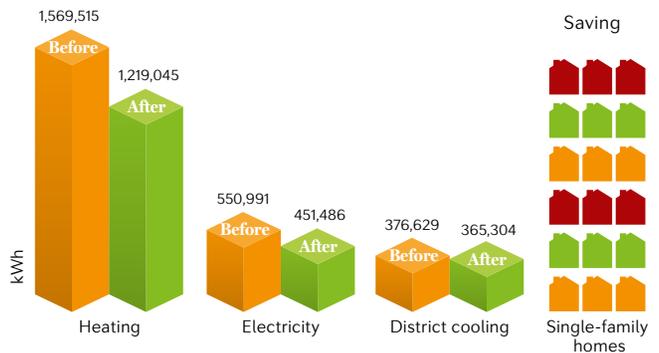
When it comes to deciding which properties to make more energy efficient, our first step is to calculate the current energy status of the property. Next we calculate how much energy is consumed, relative to the area in use. We then produce an action plan with efficiency measures including costs etc.

On the next page, we present an example of an energy efficiency drive carried out in Wihlborgs' existing portfolio in 2014. In July 2013, we acquired the Alfa 3:6 property in Ideon, Lund. The property covers an area of 11,138 m² and accommodates office tenants and a restaurant.

Through a combination of our experienced personnel and Wihlborgs' energy statistics software, we established that the key figures for the property concerned should be lower. With the installations then being used, energy consumption was unnecessarily high. As a result, we decided to swap out the entire automation system for the building. The catering and conference facilities were made needs-driven. This means that when these areas are not in use, the ventilation is turned down, leading to considerable energy savings. The areas were also equipped with CO² sensors enabling the ventilation to increase when many people are present in a room, exhaling carbon dioxide, and vice versa. Here, too, there was considerable potential for savings. Renovation began on 31 May 2014 and on 31 December 2014 the average consumption was as follows:

The following chart indicates the savings.

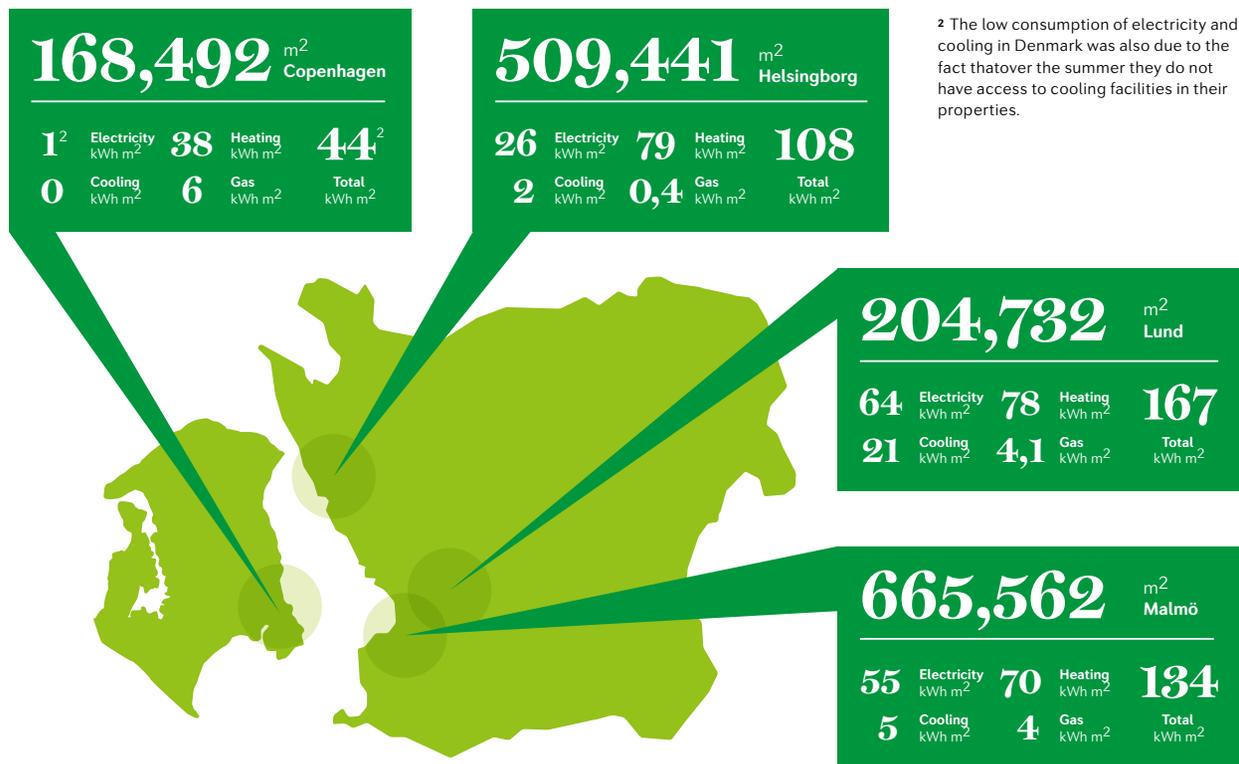
Energy efficiency improvements in Alfa 3:6 (Studentkåren 3-6)



The investment in the project amounted to SEK 1.1 million. Savings after 9 months totalled 460 MWh and we anticipate that this trend will continue in 2015. This represents a financial saving of SEK 300,000 and we forecast that the total savings will rise to SEK 500,000 after one year in operation. Converted in terms of energy consumption per family home, the total saving after 9 months corresponds to 18.¹

¹ Consumption by single-family homes is based on a figure of 25,000 kWh (houses built in the 1950s and 1960s).

KWh per m² per location



Wihlborgs operates in the Öresund region with investments in Malmö, Helsingborg, Lund and Copenhagen. Our total energy consumption in 2013 expressed in kWh/square metre per location is presented above.

Seeing the whole picture

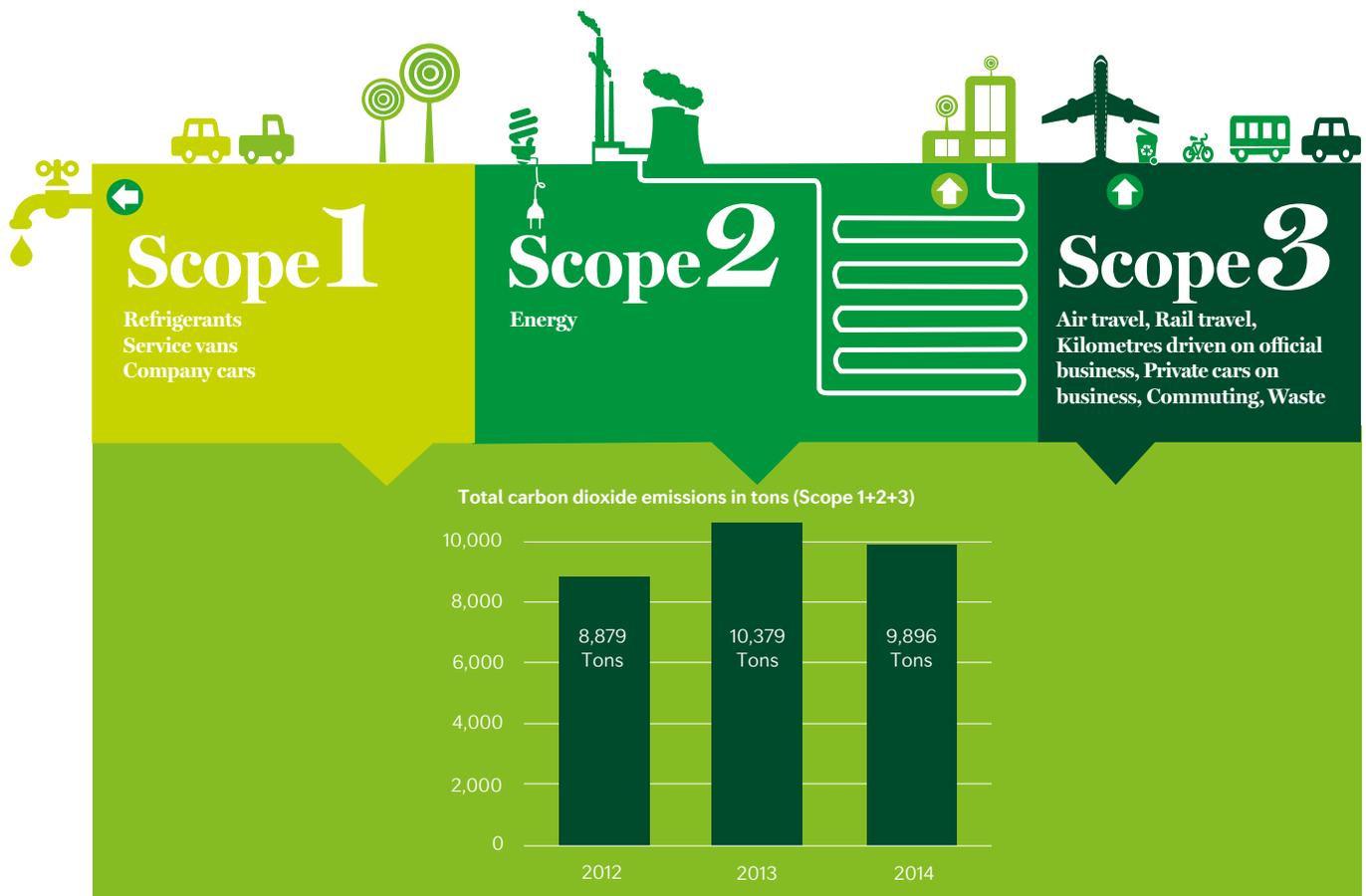
To property owners, the most important thing is many cases to keep a check on the energy performance of their properties, since it is this that has the greatest and most direct impact on the environment. But we know that we have to view environmental issues from a broader perspective. Through our activities, we affect the communities where we operate and so we must also accept overall responsibility for our environmental impact. This means working on strategies for all areas in which we affect the environment. The chart below illustrates the areas that account for Wihlborgs' total carbon dioxide emissions, and therefore also the areas where we are trying to reduce our environmental impact. Wihlborgs' environmental vision for the period up to 2020 is to continue to expand, but reduce our environmental impact. The year for comparison is 2005 since it was then that Wihlborgs was established in its present form. In 2005, Wihlborgs' carbon dioxide emissions totalled 13,959 tons. This means that since that year, Wihlborgs has cut its carbon dioxide emissions by 4,064 tons.

Relative to last year, we have reduced our environmental impact. In all, emissions fell by 483 tons. The biggest reduction in carbon dioxide was in district heating (Scope 2), where levels in

the district heating services from two of our energy suppliers fell dramatically. This was made possible by our choice to pay a slightly higher price for district heating services with lesser environmental impact. We also see a reduction in gas emissions, losses of cooling media, emissions from company cars and service vans, and lower emissions due to less use of air travel. On the other hand, carbon dioxide emissions have risen in district cooling, commuting to and from the workplace and waste.

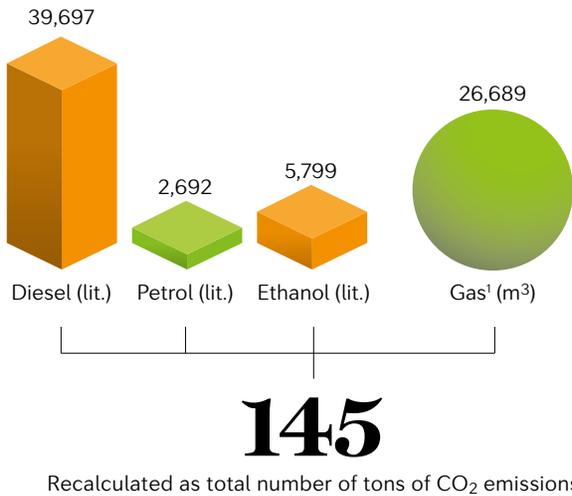
Wihlborgs' total carbon dioxide emissions in tons over the past three years:

Year	Scope 1 Tons	Scope 2 Tons	Scope 3 Tons	Total Tons
2012	515	8,267	97	8,879
2013	652	9,559	168	10,379
2014	516	9,177	203	9,896



The table below shows energy consumption for our company cars and service vans, in litres and in carbon dioxide. More information on the different fuel uses and how this affected our emissions may be found under the heading "Transport" in this section.

Energy consumption in 2013, company cars and service vehicles



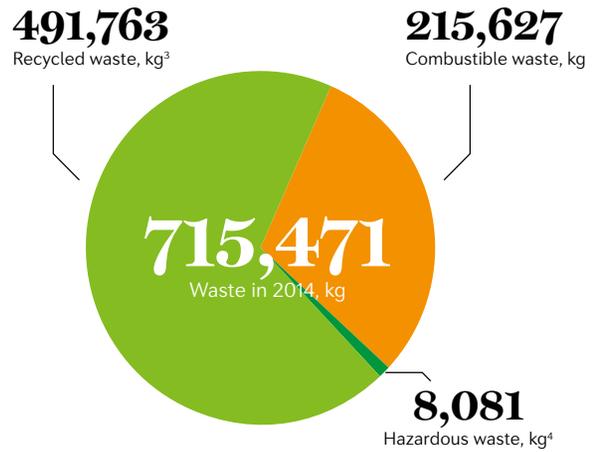
Ozone-depleting substances

One area of environmental impact that in many aspects is associated with the property sector is cooling equipment and heat pumps containing cooling media. HCFC²- and HFC-type cooling media only have a negative impact on the environment if leaked, and both contribute to the greenhouse effect. HCFC cooling media also have a negative impact on the ozone layer, while HFCs do not. The use of HCFCs was banned on 31 December 2014 (only applies to equipment containing more than 3 kg of HCFC). We have a plan in place to phase out the equipment containing HCFCs that is installed in our properties, and in 2014 all legally-prohibited HCFC equipment was eliminated from Wihlborgs' buildings. Because HFCs are used in replenishing of cooling media (as well as in conversions and new installations), this also plays a part in the phasing out of HCFCs.

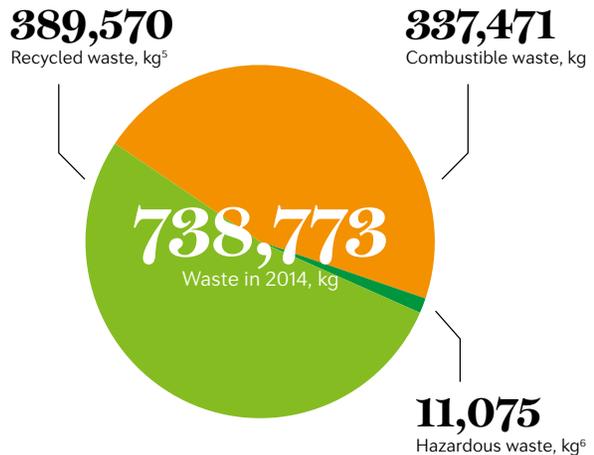
Waste

Waste makes up one aspect of our carbon dioxide emissions. We produce statistics on the volume of waste and number of waste collection journeys required for our properties. Our largest waste collection service providers are SITA and Ragnsells. The graphic below shows the volume of waste in 2014, what was hazardous waste, what is combustible and what was recycled during the year. The graphic below shows the volume of waste in 2014, what was hazardous waste, what is combustible and what was recycled during the year.

Waste in 2014, kg, SITA



Waste in 2014, kg, Ragnsells



SITA and Ragnsells now collect waste in Malmö, Helsingborg and Lund. Statistics for providers of waste handling services in Denmark are still not available. In the long term, we hope also to be able to obtain statistics for this sub-region. Our report does not, however, include statistics from our monopoly providers of waste handling services. The statistics have been obtained from our waste disposal contractor. It should also be pointed out that what is shown in the diagram above does not include the waste produced during new building and redevelopment. Today, Wihlborgs' environmental programme includes routines for waste management on construction sites. As of the current year, 2015, one of our environmental goals specifically concerns construction waste. According to our 2015-2017 goals, we are to develop a procedure for also recording the waste generated during our construction projects.

¹ Mix of natural gas and biogas. Malmö and Lund 50% of each. Helsingborg 100% biogas from NSR.
² HFC has replaced HCFC because it does not contain chlorine and also does not liberate the chlorine radicals that deplete the ozone layer.
³ Recycled waste in 2014 covers all items except combustible, electronic and hazardous waste. Includes: glass, glass packaging, hard plastic packaging, office paper, metal packaging, soft plastic, paper packaging, other plastic, recycled paper, sorted waste, newspapers and cardboard.
⁴ Hazardous waste in 2014 includes electronic scrap, strip lighting and batteries.
⁵ Included under the heading for recycled waste in 2013 are all items except combustible, electronic and hazardous waste in 2014. Includes: glass, glass packaging, hard plastic packaging, office paper, metal packaging, soft plastic, paper packaging, other plastic, recycled paper, sorted waste, newspapers and cardboard.
⁶ Hazardous waste in 2014 includes electronic scrap, strip lighting, toner/ink cartridges, white goods, paint pots and batteries.



Long-term environmental awareness

Wihlborgs owns, manages and builds properties with a long-term perspective. To us, that means in the long term taking an all-inclusive approach to environmental issues. The analysis conducted every year to determine the Company's carbon dioxide footprint enables us to focus on Wihlborgs' environmental impact in general and energy issues in particular.

Environment certification of properties

In addition to energy consumption, renovation and new building represent an important area. It has become increasingly common to certify properties, which entails a survey by an external party and an objective assessment of how environmentally sustainable a building is. When a property is approved, the property owner receives a certificate. Depending on the certification system, there are also different classification levels on the certificate. In the case of renovations and newbuilds, environment certification is often about looking at the whole picture. With newbuilds, this may include ensuring that users can commute to the workplace by cycling or using public transport. It can also include what type of land the property owner is developing – whether it is a brownfield or greenfield site, for example. The property developer is awarded points if it is a brownfield site, and especially if it has been cleared of environmentally hazardous materials. A greenfield development receives fewer points as the land will have a different value from a land resource perspective.

There are around a hundred environment certification and

labelling schemes, of which KRAV and the Swan are well known to most people. Green Building, Miljöbyggnad, BREEAM (the Building Research Establishment Environmental Assessment Method) and LEED (Leadership in Energy and Environmental Design) are the most common in the property sector. The last two are based on UK and USA building regulations, respectively. Although Swedish versions are in the pipeline, Wihlborgs mainly considers Green Building and Miljöbyggnad.

GreenBuilding

Green Building is actually not so much an environmental classification system as a programme for managing energy usage. A building can be certified either as a newbuild or a renovation of an existing property. In the case of new production in southern Sweden, a building's energy consumption must not exceed 75 kWh/m². In the case of a redevelopment, energy consumption must be cut by at least 25 percent from the existing usage. On 31 December 2014, six buildings in the Wihlborgs property portfolio had been Green Building certified.

Of these, Polisen 3 in Helsingborg is the one certified in the category of existing properties. It also won an award for the energy efficiencies created through the renovation (for more information, please see Wihlborgs Sustainability Report 2012). Green Building certification also means that we as property owner must report back after at least one year in service on the status of properties that are certified.

Miljöbyggnad

Miljöbyggnad is a Swedish system for certifying buildings in terms of energy, indoor climate and materials. The building is subject to a 15-point check, including energy procured, noise class, radon level, damp, natural light, integral materials, chemicals and building products. We recently concluded work towards our environment target of clearing PCBs from buildings. At the time when the properties from which we are now eliminating PCBs were being built, the materials used in the building were not documented in the way that is now required for example by the Miljöbyggnad system. This type of system makes it easier for us to trace substances that are classed as hazardous to the environment and health. Wihlborgs hopes that by certifying properties we can identify materials used in their construction in a structured way and thus save both time and money.

In the Miljöbyggnad certification system, a building can be classified as bronze, silver or gold. Miljöbyggnad covers both new-builds and existing buildings. On 31 December 2014, six Wihlborgs properties had been classified under the Miljöbyggnad system.

The BREEAM system, adapted for Sweden

BREEAM is environmental classification system originating in the UK. BREEAM, one of the oldest environmental classification systems, has been used to certify over 115,000 buildings, most of them in the UK. The Sweden Green Building Council is working on adapting BREEAM to Swedish conditions and on taking over management of certification systems in Sweden. The Swedish version of the BREEAM Commercial environmental certification system, BREEAM-SE, has now been approved by BRE Global in the UK. In 2012, five pilot projects were sought for testing the Swedish system. Wihlborgs submitted an application for MAX IV, Lund, and in autumn 2012 we were notified that MAX IV had been selected as one of the pilot projects. Work on certification went ahead in 2014 and the project was the first for which application was made under the BREEAM-SE scheme. The certificate is expected to be awarded in 2015.

In the Swedish version of BREEAM, environmental certification of buildings is easier and cheaper. The requirements are more or

less the same in both Swedish and UK versions in order to ensure that international comparisons between buildings are possible. BREEAM covers the following areas: energy, indoor environment, materials and chemicals, water, management, construction waste, infrastructure and communication, ecology and location, pollution and process/innovation.

LEED (Leadership in Energy and Environmental Design)

The version of LEED that is mostly used for certifying commercial properties judges a building's environmental performance against the criteria of: local environment, water consumption, energy consumption, materials and indoor climate. Bonus points can also be awarded for innovation in the project and regional considerations.

Today, we have one property that was LEED certified in 2013. The building was acquired in the same year and so this certification system is a new experience to us.

Choosing certification systems

As it becomes more and more common in the construction and property sector to environment-certify properties, the various certification systems have become the subject of debate. Why choose one system rather than another? We wish to point out that all environmental classification systems are created for the same purpose; to promote buildings with less environmental impact. However, they address similar issues in different ways. The classification system that a company or contractor in the industry ought to use will depend entirely on what kind of company it is. Wihlborgs' point of view is that all environment certification systems fulfill a function and help the property sector develop in a more environment-friendly direction.

Wihlborgs is subject to Swedish legislation and so it is natural for us to look at systems that are developed to reflect Swedish conditions, such as Miljöbyggnad and the Swedish version of BREEAM. Long ago, we introduced an internal environment programme for newbuilds that includes a number of criteria from several environment classification systems. We believe that cooperation in the sector is the way to achieve sustainable development.

Region	Property	Green Building	Miljö byggnad	Target level	LEED	Target level	BREEAM-SE	Target level	Certified or registered up to end of 2014
Malmö	Skåneland 1	x							Certified 2009
Malmö	Gångtappen 2 (Fören)	x	x	Silver					Certified (2012) 2013
Malmö	Gångtappen 1 (Rondellhuset)	x	x	Gold					Registered 2014
Malmö	Magasinet		x	Bronze					Certified 2014
Lund	Armaturen		x	Silver					Registered 2014
Lund	Landsdomaren 6	x	x	Silver					Certified 2013
Lund	Syret 3 (Gateway)	x	x	Gold	x	Platinum			Certified 2013
Lund	MAX IV	x	x	Gold			x	Outstanding	Certified GB 2014 Certified Miljöbyggnad 2014 Registered BREEAM-SE
Lund	Landstinget		x	Silver					Registered 2014
Helsingborg	Polisen 3	x							Certified 2011
Helsingborg	Floretten (Berga)		x	Gold					Certified 2014
Helsingborg	Ruuth 23		x	Bronze					Registered 2014
Helsingborg	Terminalen (Knutpunkten)		x	Gold					Registered 2014

Green Leases

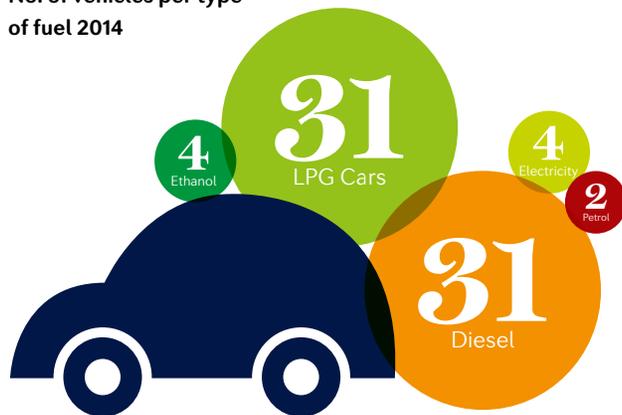
In 2014, 86 Green Leases were signed. Wihlborgs takes the view that Green Leases fulfill an important function, in that they create a platform for cooperation between landlord and tenant, with the common goal of reducing the environmental impact of the premises.

The leases take account of activities in areas such as information and cooperation, energy and indoor environment, choice of materials and waste management. Green Leases were also included in our environment goals for 2012-2014. In 2014, we adapted the Swedish Property Federation's version of Green Leases to our own version for in-house use (better adapted to include industrial premises). In parallel, separate guidance documents were also produced for *Office Properties*, *Industrial Properties* and *Commercial Premises*. During 2015, all Wihlborgs administrative personnel will participate in a workshop on the topic of the Wihlborgs' green appendix.

Transport

Transport is another area in which we impact on the environment. Transport falls within the scope of our car policy. We have chosen not to have a general travel policy with regard to business travel. This is because our operations are concentrated within the Öresund region. Other business travel is made by air and rail. In total, there were 81 business trips by air and rail in 2014 – 61 by air and 20 by rail. We are well aware that many services associated with our properties include a transport element. We have, however, produced a breakdown of our transport-related statistics. For this purpose, we collate data on the journeys made by our employees. This includes data on the Company's service vans and its cars, as well as on air travel, rail travel, mileage on company business in private cars and commuting to and from the workplace.

No. of vehicles per type of fuel 2014



Because energy consumption in our properties is our biggest environmental issue, we have no plans at present to start tracing the transport chains of all our suppliers and contractors. On the other hand, we have decided to limit ourselves to monitoring and following up journeys in connection with waste collection at our properties. This statistical summary is produced each year. In 2008, Wihlborgs adopted a car policy that sets out requirements for carbon dioxide emissions in accordance with the Swedish

Road Administration's definition. The current policy, which dates from 2013, meets the definition of green cars established by the Swedish Road Administration. Our vehicle fleet uses the following fuels: petrol, diesel, ethanol, LPG and electricity.

The vehicle fleet that we operate today is contributing to a reduction in carbon dioxide emissions, compared to vehicles not subject to environmental requirements.

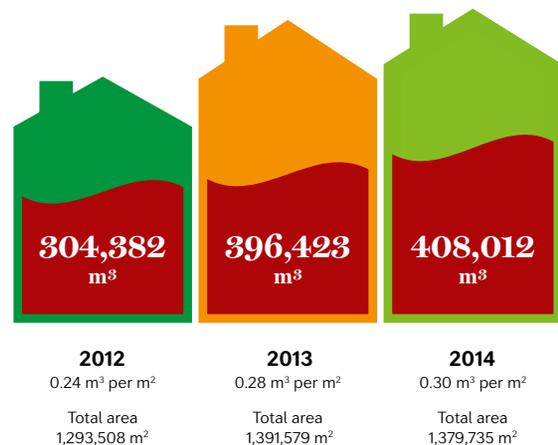
To simplify administration, we decided to install electronic driver's logs in the vehicles. In early 2013, a complaint was received by the Swedish Data Protection Authority to the effect that the driver's journals incorporated GPS systems in the vehicles. Following the authority's decision in February 2014, we modified our routines according to its guidelines. We elected to retain GPS in the vehicles in order to maintain the digital driver's logs.

Tap water only

Water is becoming an increasingly important issue from a global perspective. Our properties use water, but compared to energy consumption, our water consumption has a lesser impact on the environment. Our properties are commercial premises where most of the space is made up of offices and storage, which means that consumption in the main consists of cold water. Property companies with mostly residential premises have a completely different consumption pattern for hot water. That is not to say that we can ignore the issue of water. We need to start a general discussion of water consumption in the context of the property sector as a whole. Today, there are no general initiatives in this area in the same way as there are energy-consumption programmes in the property sector. Our energy statistics application enables us to calculate water consumption in our properties. The information is obtained from water meters in the properties. The water consumption figures show the combined consumption of hot and cold water. The properties in our portfolio are supplied by municipal water systems.

The chart below shows Wihlborgs' total water consumption in m³ and m³/m² over the past three years: Consumption in 2014 totalled 408,012 m³ for the property portfolio Sweden. In Sweden, the average person uses 180 litres of water per day. This means that our properties consume an amount of water equivalent to the annual consumption of 6,210 people.

Total water consumption, m³



Environmental issues in construction projects – now and in the future

In the majority of our newbuild projects, we draw up a specific environmental programme representing a document of aims. This environmental programme is also used for major redevelopment projects. The programme is based on Wihlborgs Fastigheter AB's environmental policy, the Swedish Environmental Code, the Environment Manual, the Environmental Status Method and other environmental requirements for buildings, such as municipal regulations.

The purpose of the environmental programme is to ensure that environmental goals established for the property are achieved, to create the conditions for an environment-friendly building and to prevent unwanted surprises during operation. The environment here includes not only the internal environment for future users, but also impact on the external environment and the construction site environment.

Since we began certifying/classifying our properties, the process has been to start from the 15/16 points listed in the Miljöbyggnad scheme (see above) and then cover the areas not included in Miljöbyggnad. We do this via what we call "detailed environmental goals". These are more specific to, and are governing principles of, the project, and are arranged under various headings as follows:

1. Design
2. Location
3. Materials, products and systems
4. Functions
5. Production
6. Management and operation

Progress is monitored via environmental meetings/environmental auditing on the construction site. Minutes are kept at all meetings and are available for distribution to the tenant on request.

In minor projects, environmental issues are to a certain extent integrated, for example, via the Folksam (Insurance Company) Construction Environment Guide. Over the next few years, we will exercise stricter control to ensure that all projects are conducted according to standard procedures. With more and more projects being environmentally certified, Wihlborgs' project managers are using the same procedures in their work. In 2014, we started work on our materiality analysis based on the GRI's G 4. One area that arose, and that will also be in focus in future environment goals (2015-2017), is construction waste. Starting in 2015, we will introduce a routine for compiling statistics on our construction waste. We need to obtain a clear picture of what is actually sorted and what are potential areas for improvement.

Environmental remediation in Limhamn

In 2010, Wihlborgs acquired the Gjuteriet 18 property in Limhamn from Dresser Wayne. At the time, the property had been used for

the manufacture of fuel pumps. As part of the acquisition, we also undertook environmental remediation of the land and buildings for future use. It was obvious that a consultant familiar with managing and coordinating major projects of this type (Demikon AB, now acquired by the ÅF Group) should be engaged from the start. Gjuteriet 18 extends over an area of 30,000 m² in Limhamn and is well known in the Malmö region, not least for the type of industrial activity that had been conducted there.

Until 1930, the area was used by a cement works and an oil mill (for the production of linseed oil). The oil mill was established in 1905 and burned down in 1912. The former oil mill buildings were demolished in 1937. From 1938 onwards, petrol pumps and other such equipment were manufactured here.

Wihlborgs' starting-point for the project from the outset has been to base the entire project and remediation measures for both land and buildings on the stricter regulations and guidelines that apply to schools and day nurseries. This was despite the fact that the focus of the planning process is on developing primarily tenant-owner properties. We also contacted the relevant public



and supervisory authorities in Malmö at an early stage. The aim was to set up a dialogue as early as possible in order to be clear about the views of other stakeholders. We also believe that the earlier a dialogue can be established, the more time and money can be saved. The remediation work progressed during 2013, in which we also applied to demolish and undertake remediation for another building. We received the permit in 2014, enabling us to demolish the building. During this period, remediation took place both on the land and in the building. Up to the end of November, we were also engaged in decontaminating the groundwater. In December 2014 and January 2015, two further samples were taken and sent in to the Malmö Environmental Department. Wihlborgs proposed to the department that the Gjuteriet 18 case should be reclassified as a "verification programme". A decision will be announced in 2015.

¹ The verification programme is a necessary part of supervision of businesses subject to a duty of licensing or notification under the Environmental Code. As part of the verification programme, the Company states how it intends to verify the conditions or directions prescribed for the business. It is the operator's responsibility to produce a verification programme. This process usually evolves in stages and in consultation with the Environmental Department. The verification programme is confirmed when the Environmental Board orders the business, under the provisions of the Environmental Code, to perform the verification activities described in the programme.

Our environmental goals in 2014

Wihlborgs sets environmental goals for three-year periods. The goals for 2014 extended over the 2012–2014 period. Over these years, we have been working to environmental goals that were linked directly to Wihlborgs' areas of operation.

The status on 31 December 2014 was as follows:

- Wihlborgs' energy target of an annual consumption of 142 kWh/m² within the scope of environmental goals was not achieved. Consumption on 31 December 2014 was 143.2 kWh/m² (electricity, heating and cooling). Consumption is based on figures from properties representing approximately 70 percent of our portfolio, selected on the basis of any form of potential for energy savings, excluding cold storage areas. Including all premises, energy consumption totalled 140.4 kWh/m².
- In 2014, the green appendix to leases was updated with the inclusion of new processes. As a result the appendix forms part of practically all new leases signed or renegotiated.¹
- Three projects were Miljöbyggnad and Green Building certified during 2014. The projects were Magasinet in Malmö (existing property – conversion and newbuild), Floretten in Helsingborg (newbuild) and MAX IV in Lund (newbuild). We were therefore unable to achieve our target of having five buildings in our existing portfolio environmentally classified. Of the newbuild projects started in 2014, 75 percent were registered for environmental certification. Certification is taking place in 2015. For full details of the status of Wihlborgs' environmentally certified projects, see page 26.
- Our environmental prospectus goal was revised during the year. Up-to-date environmental information on the vacant premises concerned is now posted on our website. This also includes information on public transport connections and on whether building is environmentally certified.
- In 2014, Wihlborgs did not sign any new contracts with suppliers with level 3 risk classification (high risk).²
- The goal of documenting all transactions in Wihlborgs' environmental indicator was not achieved. However, the questionnaire is used during acquisitions.
- Regarding the goal of ensuring that energy statistics for 50 percent of our properties are available on the Web, this too was revised. In late 2014, a working party was formed to develop a new process. As a result, all tenants signing up to the green appendix will in future be presented with energy statistics at annual invoicing (trial version in 2015, full implementation in 2016).
- The goal of EDI invoicing from 50 percent of our suppliers was not achieved. The outcome was 30 percent, corresponding to an increase of 5 percent over the previous year.

In early 2014, the environmental goal strategies for 2015-2017 were set. These were produced via activities including a workshop involving representatives of Wihlborgs' management. Over the years ahead, Wihlborgs will be operating in a new way and on a number of new areas. For more information on this, see the illustration on the next page.

¹ Not in cases where contracts were in English/German or in cases where the premises were not fit for the purpose.

² In 2014, we modified our scheme for risk assessment of suppliers in order to adapt its requirements to the size of our suppliers. Suppliers with fewer than five employees and a low volume of purchasing are classified as "light" and are subject to a simple form of risk assessment that does not result in a risk classification. During the year, eight such agreements were signed but are not included within the scope of Wihlborgs' environmental goals for 2014.

Energy

Our most energy-intensive properties must reduce their consumption by at least 10 percent.

We must increase the proportion of renewable energy used, by installing at least one solar power system per year and by requiring a higher proportion of solar- and wind-generated electricity.

Key figures are to be produced to measure what we take from nature (natural resources) in order to supply our buildings with electricity.

Environmental training

Regular training in environmental conservation is to continue to be given to our employees. And all new recruits are required to take part in our basic environmental training programme in their first year.

Ecosystems

We are to carry out at least 10 projects that directly promote biological diversity (ecosystem services).

Wihlborgs' Environmental Vision 2020

We will continue to expand but with reduced environmental impact.

Environmental goals 2015-2017

Green Leases

All our tenants must be offered the option of entering into a Green Lease, enabling us to work together in reducing our impact on the environment.

Environmental certification

All new construction is to be environment-certified. When undertaking major redevelopments, environmental certification must always be considered

Sustainable innovation

We are to encourage the adoption of new processes that help to reduce our environmental impact.

Construction waste

The volume of waste on our construction sites is to be analyzed.

Business travel

The volume of carbon dioxide emissions from business travel by car at Wihlborgs must not exceed 2 tons/employee/year (in the previous policy for environmental requirements the corresponding figure was 6 tons/employee/year).

To read more about our environmental goals, go to wihlborgs.se

Sustainable growth

Over the past year, Wihlborgs has grown in terms of both sales and organization. We are in a generational change, and it is important to find the balance between keeping what has made us successful and meeting the expectations of the new generation.

Organization & employees

Our ambition is, by maintaining a simple, cohesive organization, to facilitate decision-making in day-to-day contacts with our tenants. The ability to take action is one of our key values. And the fact is that this is appreciated by our employees and tenants. The intent is to ensure that our tenants should feel that we are always close at hand.

We have local regional offices in the cities where our portfolios are located. Each region is headed by a regional director, who is responsible for driving the business forward in line with the Wihlborgs philosophy. Improvements to the property portfolio are handled by a project department that is responsible for newbuild and redevelopment projects, and the organization is backed by Group-wide functions such as Finance, HR, Purchasing, Market/Communications and IT.

At year-end, Wihlborgs had 117 employees (113), of whom 72 worked in administration and 45 were collective agreement employees. 104 employees work full-time (38 women, 66 men) and 13 part-time (eight women, 5 men). There are 18 managers in the organization, of whom eight are women. 39 (39) percent of employees in the Group are women. The Wihlborgs Board consists of seven directors, of whom three are women.

Employee turnover in 2014 was 14.2 percent (9.9). 16 people left the Company and 20 were recruited. There were no known instances of child labour in 2014 in our organization, i.e. Wihlborgs' employees and Board members (internal stakeholders). Furthermore, we do not anticipate any significant risk of this since we are bound by Swedish and Danish legislation.

Health, environment & safety

At Wihlborgs, our aim is that all employees should find their work agreeable and satisfying. Of course, we must keep our workplace secure and safe and prevent the risk of near-accidents and accidents. We have a work environment committee that conducts and evaluates activities to improve our shared work environment. This group consists of both office staff and collective agreement employees, men and women, from different positions in the

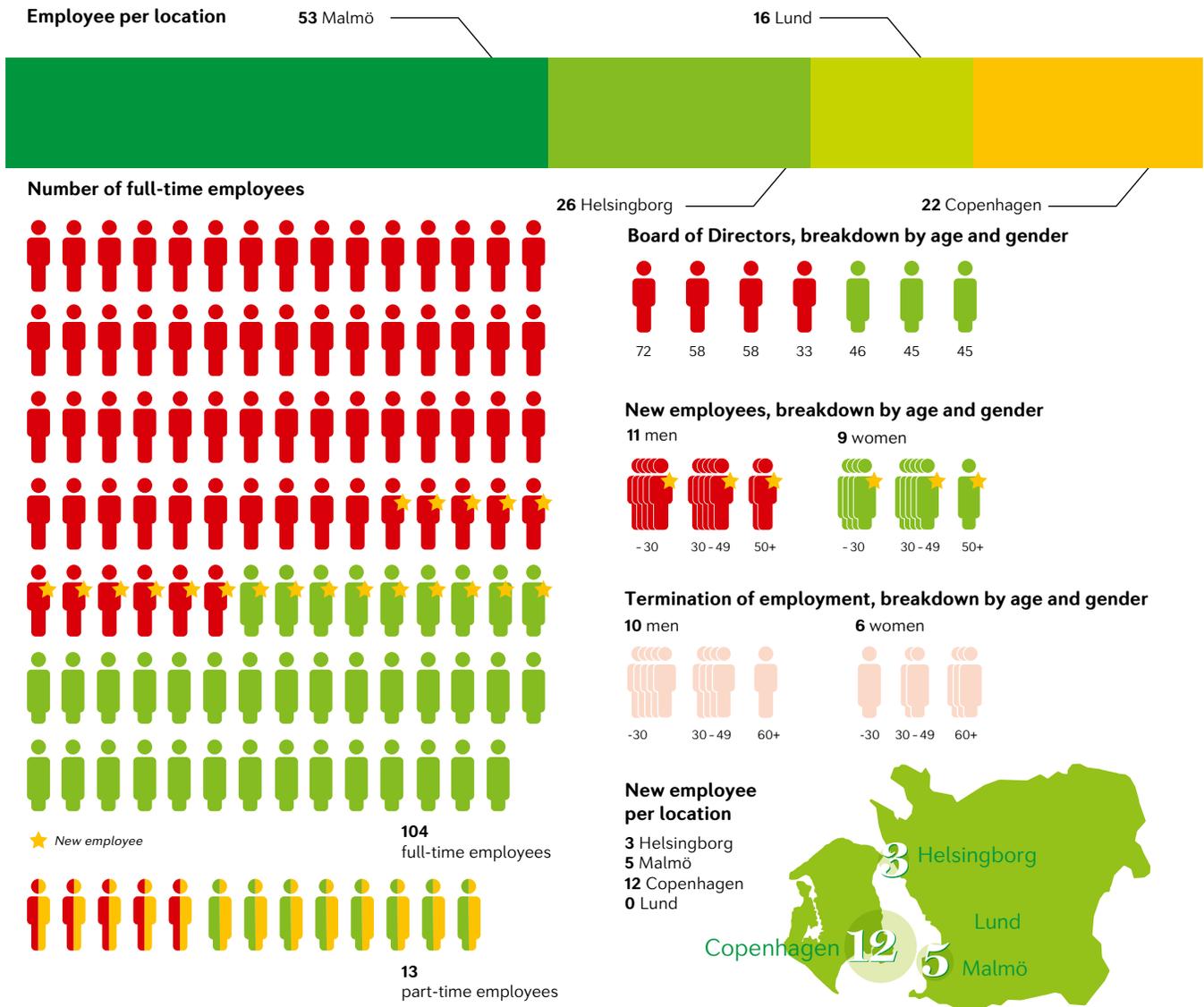
company and from different regions. 81 percent of the workforce is represented on the work environment committee that oversees Wihlborgs' operations in this area. We also focus on preventing accidents at work through ongoing preventive health and safety activities designed to reduce the risk of accidents and reinforce the safety culture within the Company. Work environment inspections are constantly taking place in our properties, and action and remedial plans for each property can be accessed by all employees via in-house IT systems. We have also produced a brochure explaining possible work-related risks at our company. The Wihlborgs Group had no known instances of serious injuries or work-related illnesses in 2014. Simple procedures for reporting work-related accidents and near misses can be accessed on our intranet.

As regards discrimination, no cases were reported in 2014. We operate a policy that addresses the issue, and every manager is responsible for being alert to and dealing with any cases at an early stage. We are duty-bound to combat discrimination in every situation. This is done via internal communication about our policies and by picking up on and tackling any situations early. No cases were reported in 2014.

We are all responsible for a healthy work environment, and every two years an employee survey is conducted to gauge the climate at work and to systematically incorporate suggestions of improvements. The most recent survey was in spring 2014. You can read more about the findings from the year's survey on page 14.

Sickness absenteeism at Wihlborgs is low; in 2014, it was measured at 1.58 percent (1.4). Long-term absence (60 days or more) represented 0 percent (17.1) of total sickness absence. All employees receive regular health checks at our company healthcare service and all employees are covered by health insurance.

We also work proactively to support an active lifestyle by offering Wihlborgs employees a fitness allowance that they can use for any fitness activity allowed by the rules laid down by Sweden's tax authority. To motivate employees to take regular exercise and to promote a sense of community, we sponsor and conduct a number of communal exercise and fitness activities under the heading of the Wihlborgs Classic.



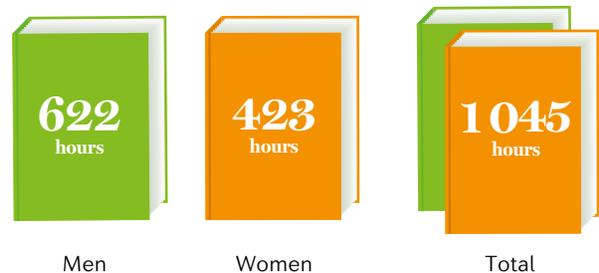
Culture & competence

Like our organizational structure, Wihlborgs' culture is to be characterized by simplicity and rooted in our four values – action, honesty, knowledge and community. The Wihlborgs philosophy, based on these four values, has been and will continue to be fundamental to our success and sense of togetherness. Relationships – both in-house and external – shall also be characterized by responsibility and must at all times observe our ethical guidelines and the UN's Global Compact. Another ambition in our organization is that employees should be able to develop as the Company does. Via performance appraisals, goals for the individual's development are agreed between manager and employee. Wihlborgs encourages initiative and desire from employees to develop their competence. With that in mind, employees took part in several in-house and external training programmes and courses during the year.

In 2014, we organized a total of 1,045 training hours, an average of 11 hours per employee¹, including courses and seminars over

a different areas. These included courses in Feedback, Systematic Fire Safety, Environment, Hot Works, Contract Procurement and Control and Regulation.

Every year, Wihlborgs takes on a number of work experience students from the Universities of Malmö and/or Lund on various work experience schemes. The students selected are generally on a study programme related to the property sector. This is an excellent way of bringing new discoveries and influences into the Company, while at the same time helping students acquire a practical perspective on their newly-gained knowledge.



¹ Based on the Sweden organization.

Leadership & ethics

One of the most important factors in a healthy work environment is leadership. Leaders serve as role models in determining actions and priorities in day-to-day work. They establish goals for teams and employees and function as a sounding board when everyday obstacles arise at work. The generational change we are experiencing at the Company in general is also evident in the management group. Seven of our 18 managers, 39 percent have occupied their management role for less than three years. Thus, there was a need to define more clearly expectations associated with the leadership role. In 2014, the management group therefore met and discussed the needs and expectations involved, resulting in the adoption of a common leadership model. This is to be regarded as a framework for leadership at the Company. Training in feedback was also given and various leadership dilemmas were discussed. Together, the group developed a leadership model that should be regarded as a framework for leadership at the Company. It was found that to date the focus had been on acting as external ambassadors and attracting customers. The focus in future will be on developing the two other areas. As a result, training in leadership will be concentrated on coaching in order to develop within the organization more employees capable of driving the business forward.



The ethical guidelines applying to Board members, employees, suppliers and contractors are available in full on the Wihlborgs website under "Corporate Governance".

During our 2013 employee survey, wishes were expressed for further clarification of our position with regard to bribery and business ethics. As a result, we continued to focus on the issue at a strategic level. We collected issues and dilemmas of substance from the organization and held a business ethics course for all employees in 2013. For this, we produced a practical guide, in which we clearly defined our view on what is to be regarded as bribery and how people are expected to act in their day-to-day work. New employees recruited in 2014 were also familiarized with the training material during a joint induction day at headquarters.

Wihlborgs CSR group has assessed the risk of corruption in the business and concluded that the project management and administration units are relatively the most vulnerable, since it is these units that purchase goods and services on behalf of Wihlborgs.

Contractors & suppliers

The purchasing function serves all Wihlborgs offices in Sweden, namely those in Malmö, Lund and Helsingborg. Our approach to

purchasing interfaces with the suppliers that we choose to work with. Our vision of a sustainable society characterizes our requirements and approach. By maintaining a high level of professionalism, Wihlborgs' purchasing function is to play a part in ensuring positive growth in earnings by the Group.

In order to simplify the business, we aim as far as possible to engage local suppliers who are represented in the cities where we are based and our properties are located. One of the benefits of this is that transport and travelling can be kept down, which has both environmental and cost benefits. In addition, ordering becomes easier if the supplier is familiar with the locality and the local regulations of the public authorities, and has contacts with our people.

Many of Wihlborgs' tenants have direct contact with Wihlborgs' suppliers. So it is important for us to make demands of the service standards and competence of our suppliers to make it as easy and comfortable as possible for our customers in our properties.

We are continuing to develop our supplier relationships through partnership with many of our major suppliers.

Wihlborgs uses an ordering application or "app". This is entitled WAPPO – "Wihlborgs APP for Orders". Contractors who perform service functions in our properties have access to the ordering app. In purely practical terms, this means that our caretakers, many of whom are responsible for ordering minor jobs, can be sure that the contractors that they engage using the app have been approved.

Even if the conditions applied by different suppliers can differ, it is important that we maintain a general code of conduct for companies that do business with Wihlborgs. There are two versions of the Code of Conduct, one of which is a simplified version that is aimed at suppliers with a small number of employees.

The assessment is made as follows:

1. A check list is attached to the agreement. This addresses a number of issues in the environment, work environment and ethics.
2. Our suppliers are then assessed on a scale of 1-3, where 1 = low risk 2 = medium risk and 3 = high risk.

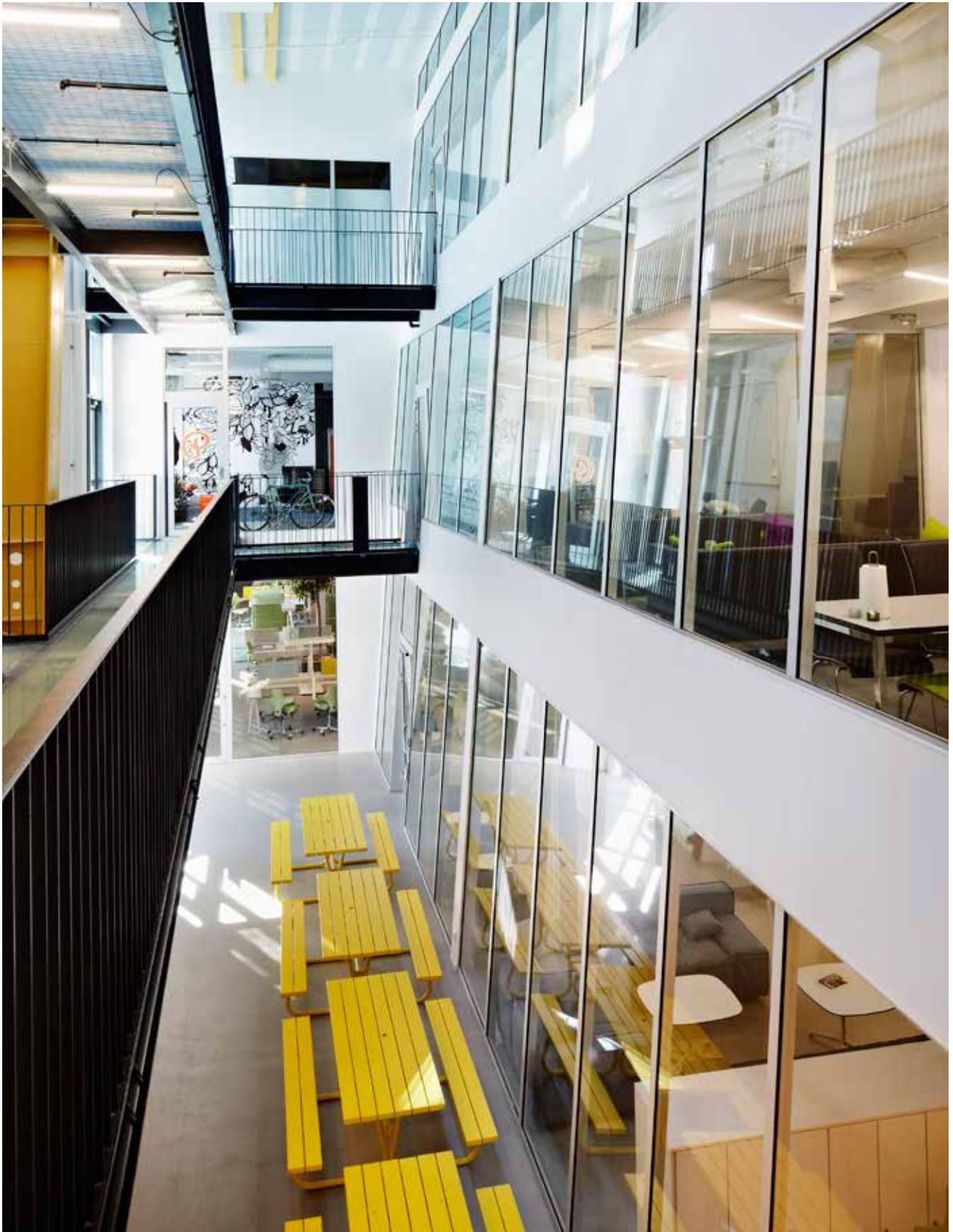
On 31 December 2014, 85 percent of our suppliers who were assessed were classified in risk category 2, 12 percent in risk category 1 and just 3 percent as high risk.

Marketing

To ensure that our marketing material is not misleading, it is routine for an expert within the company to approve the material. In 2014 there were no reported incidents related to Wihlborgs' marketing. Taking responsibility with regard to the marketing of our properties is based on our Ethical guidelines and Information policy. All governing documents are resolved at executive management level.

Sponsorship

Wihlborgs' strong regional roots mean local sponsorship in sport, culture and the environment is important to the company. This is supposed to help increase awareness of our brand and expose it in a correct way. Sponsorship should also be linked in some way with our core business and provide scope for activities/customer meetings for customers, business partners and employees.



Global Reporting Initiative (GRI) Index

Wihlborgs Sustainability Report 2014 complies with Global Reporting Initiatives (G3.1).

Wihlborgs have also chosen to include certain sector specific indicators regarding Construction and Real Estate Sector Supplement (CRE 3.1). Reporting is in line with GRI level B+. The report has been approved by Deloitte. The Sustainability Report also includes Wihlborgs' Communication on Progress in relation to the ten principles in the UN Global Compact, described on page 46. As last year, we also worked to the ISO 26 000 standard. The way our reporting relates to this standard can be seen in the table below.

1. STRATEGY AND ANALYSIS	GRI (G3.1) Page No.	CRE (3.1) Page No.	▲ Fully ▲ Partiall	ISO 26000
1.1 Statement from CEO.	4	-	▲	6.2
1.2 Description of key impacts, risks and opportunities.	8	-	▲	6.2
2. THE ORGANISATION	GRI (G3.1) Page No.	CRE (3.1) Page No.	▲ Fully ▲ Partiall	ISO 26000
2.1 Name of the organization.	6	-	▲	-
2.2 Brand.	6	-	▲	-
2.3 Organizational structure.	6	-	▲	6.2
2.4 Location of headquarters.	7	-	▲	-
2.5 Countries where the organization operates.	7	-	▲	-
2.6 Nature of ownership and legal form.	7	-	▲	-
2.7 Markets served.	7	-	▲	-
2.8 Scale of the Company.	6	-	▲	-
2.9 Significant changes during the reporting period.	7	-	▲	-
2.10 Awards and recognition.	7	-	▲	-

3. INFORMATION ON THE REPORT	GRI (G3.1) Page No.	CRE (3.1) Page No.	Fully Partiall	ISO 26000
Report profile				
3.1 Reporting period.	8	–	🏠	–
3.2 Date of publication of the most recent report.	8	–	🏠	–
3.3 Reporting cycle.	8	–	🏠	–
3.4 Contact persons for the report.	45	–	🏠	–
Report scope and demarcation				
3.5 Process for defining report content.	12	–	🏠	–
3.6 Boundary of the report.	8	–	🏠	–
3.7 Specific limitations on the scope and boundary of the report.	8	–	🏠	–
3.8 Basis for reporting on subsidiaries.	8	–	🏠	–
3.9 Data measurement techniques and the bases of calculations.	8	–	🏠	–
3.10 Explanation of the effects of any re-statements of information provided in earlier reports .	No significant re-statements of information from previous years.	–	🏠	–
3.11 Significant changes from previous reporting periods in the scope, boundary or measurement methods applied	No significant re-statements of information from previous years.	–	🏠	–
Auditing				
3.12 GRI index.	36	–	🏠	–
3.13 Audit and assurance.	41	–	🏠	7.5.3
4. GOVERNANCE, COMMITMENTS AND ENGAGEMENT	GRI (G3.1) Page No.	CRE (3.1) Page No.	Fully Partiall	ISO 26000
Styrning				
4.1 Structure of organisation.	11	–	🏠	6.2
4.2 Role of the Chair.	11	–	🏠	6.2
4.3 Independent or non-executive Board members.	11	–	🏠	6.2
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the management and Board .	11	–	🏠	6.2
4.5 Compensation to senior executives.	11	–	🏠	6.2
4.6 Processes in place for the Board to ensure conflicts of interest are avoided.	11	–	🏠	6.2
4.7 CSR competence and qualifications of the Board and Management Group.	11	–	🏠	6.2
4.8 Values and policies.	16,18,32,34	–	🏠	6.2
4.9 Procedures of the Board for overseeing sustainability performance and connections to international organizations.	11	–	🏠	–
4.10 Evaluation of the Board's own CSR performance.	11	–	🏠	6.2

4.11 Explanation of whether and how the precautionary approach is applied by the organization.	18	–	🏠	–
4.12 External declarations/principles that the organization endorses.	40	–	🏠	6.2
External initiatives				
4.13 Memberships in organisations.	7	–	🏠	6.2
Communication with stakeholders				
4.14 Stakeholder groups.	12	–	🏠	6.2
4.15 Basis for selection of stakeholders.	12	–	🏠	6.2
4.16 Stakeholder engagement.	12-14	–	🏠	6.2
4.17 Key topics and concerns that have been raised through stakeholder engagement.	12-14	–	🏠	6.2
5. FINANCIAL INDICATORS	GRI (G3.1) Page No.	CRE (3.1) Page No.	🏠 Fully 🏠 Partiall	ISO 26000
Information on sustainability management for the category EC	16	–		–
Financial results				
EC1. Created and delivered direct financial value.	17	–	🏠	6.8, 6.8.3 6.8.7, 6.8.9
EC6. Policy, practices and the proportion of spending to local suppliers at significant locations of operation.	34	–	🏠	6.6.6, 6.8 6.8.5, 6.8.7
6. ENVIRONMENT INDICATORS	GRI (G3.1) Page No.	CRE (3.1) Page No.	🏠 Fully 🏠 Partiall	ISO 26000
Information on sustainability management for the category EN	18	–		–
Energy				
EN 3. Direct energy usage per primary energy source.	18	–	🏠	6.5, 6.5.4
EN 4. Indirect energy usage per primary energy source.	19	–	🏠	6.5, 6.5.4
EN 5. Reduction in energy usage and efficiency improvements.	21	–	🏠	6.5, 6.5.4
EN 6. Initiatives to provide products and services that are energy efficient or based on renewable energy, and reductions in energy needs as a result of these initiatives.	25	–	🏠	6.5, 6.5.4
Water				
EN 8. Total water usage per source.	27	–	🏠	6.5, 6.5.4
Emissions, effluents and waste				
EN 16. Total direct and indirect emissions of greenhouse gases, by weight.	22-23	–	🏠	6.5, 6.5.5
EN 17. Other relevant indirect emissions of greenhouse gases, by weight.	22	–	🏠	6.5, 6.5.5
EN 18. Initiatives to reduce emissions of greenhouse gases, and reduction achieved.	20-22, 25	–	🏠	6.5, 6.5.5
EN 22. Total weight of waste, per type and handling method.	23	–	🏠	6.5, 6.5.3
EN 26. Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	25	–	🏠	6.5, 6.5.4 6.6.6, 6.7.5
EN 29. Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, including transporting/business travel of members of the workforce.	22	–	🏠	6.5, 6.5.4 6.6.6
CRE 1. Building energy intensity.	–	21	🏠	–
CRE 2. Building water intensity.	–	27	🏠	–
CRE 8. Sustainability certifications.	–	25	🏠	–

7. SOCIAL INDICATORS	GRI (G3.1) Page No.	CRE (3.1) Page No.	 Fully  Partiall	ISO 26000
Information on sustainability management for the category LA	32	–		–
Employment	33	–		6.4, 6.4.3
LA1. Total workforce by gender, employment type, employment contract and region.				
LA2. Total number and rate of new employee hires and employee turnover by age group, gender, and region.	33	–		6.4, 6.4.3
LA3. Benefits provided to full time employees and that do not include temporary employees or part time employees. Information is to be provided for each larger business operation and specifically for different geographic locations where the company operates.	33			6.4, 6.4.3, 6.4.4
Health and safety at work	32			6.4, 6.4.6
LA6 The proportion of employees (by percentage) that are represented in formal and for management and employees joint committees for health and safety, that consist of monitoring and advice on health and safety programmes.				
LA7. Scale of injuries, work related illnesses, days lost, absences and the total number of work related fatalities per region and sex.	32			6.4, 6.4.6
LA10. Average hours of training per year per employee by gender, and by employee category.	33			6.4, 6.4.7
Information on sustainability management for the category HR	32			–
Investment and procurement procedures	34			6.3, 6.3.3, 6.3.5, 6.4.3, 6.6.6
HR2. Percentage of significant suppliers, sub contractors and business partners who have been checked with regard to human rights issues and actions taken.				
Non discrimination	32			6.3, 6.3.6, 6.3.7, 6.3.10, 6.4.3
HR4. Number of cases of discrimination, and actions taken.				
Child labour	32			6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.7, 6.3.10
HR6. Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.				
Information on sustainability management for the category SO	32			–
Corruption	34			6.6, 6.6.3
SO2. Percentage and total number of business units analyzed for risks related to corruption.				
SO3. Percentage of employees trained in organization's anti-corruption policies and procedures.	34			6.6, 6.6.3
Information on sustainability management for the category PR	34			–
Labelling of products and services	14			6.7, 6.7.4, 6.7.5, 6.7.6, 6.7.8, 6.7.9
PR5. Procedures for customer satisfaction, including results of customer surveys.				
Market communication	34			6.7, 6.7.3, 6.7.6, 6.7.9
PR 6. Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion and sponsorship.				
PR 7. Total number of cases where regulations and voluntary codes related to market communications, including advertising, marketing and sponsorship were not complied with. This information is to be specified according to the effects of the failure to comply.	34			6.7, 6.7.3, 6.7.6, 6.7.9

Global Compact report

In July 2010, Wihlborgs signed up to the UN Global Compact. The Global Compact initiative was launched in association with the World Economic Forum (at Davos in 1999). Then UN Secretary General Kofi Annan challenged the business world to sign up to the initiative. The thinking behind the Global Compact is to make companies aware of and take active responsibility for ten internationally recognized principles in four areas; human rights, employment law, the environment and anti-corruption. Companies that sign up to the Global Compact, undertake the following;

- The CEO of the company is to send a letter to the UN Secretary General confirming that they support the Global Compact and its principles.
- The company is then to incorporate the Global Compact principles into its corporate strategy and take steps to make the principles part of its corporate culture on an everyday basis.
- The company undertakes to publicly stand up for the Global Compact and its principles.
- The company explains in its annual report how it is supporting and promoting the Global Compact and the initiative's ten principles.

The Global Compact and GRI cross table

The table on the right illustrates the ten principles in the Global Compact. This sustainability report also includes a report relating to the ten principles. They are presented in the GRI index with reference to the Global Compact. We have previously published two independent Communication on Progress reports (in 2010 and 2011); this report includes our sixth.

Principles in the Global Compact	GRI indicators
Human rights	
1. The companies are requested to support and respect the safeguarding of international human rights within the sphere they can influence.	HR2, HR4, HR6 LA6
2. To assure themselves that their own company is not involved in infringements of human rights.	HR2, HR4, HR6
Employment law	
3. Companies are requested to maintain freedom of association and a real recognition of the right to collective bargaining.	HR2
4. The prevention of all forms of forced labour.	HR2
5. The prevention of child labour.	HR6
6. The prevention of discrimination in employment and the practice of a profession.	LA2 HR2, HR4,
Environment	
7. Companies are requested to endorse the precautionary approach when it comes to environmental risks.	EN18, EN26,
8. Take initiatives to promote greater environment-related responsibility.	EN3, EN4, EN5, EN6, EN8, EN16, EN17, EN18, EN22, EN26, EN29,
9. Encourage the development and spread of environment-friendly technology.	EN 5, EN 6, EN18, EN 26, CRE 8
Anti-corruption	
10. Companies ought to combat all forms of corruption, including	SO2, SO3

Auditor's Review Report

Auditor's Review Report on Wihlborgs Fastigheter AB's Sustainability Report

To the readers of Wihlborgs Fastigheter AB's Sustainability Report.

Introduction

We have been engaged by the Executive Management of Wihlborgs Fastigheter AB to review Wihlborgs Fastigheter AB's Sustainability Report for the year 2014. For the Company's definition of the scope of the sustainability report, see page 8.

Responsibilities of the Board of Directors and the Executive Management in relation to the sustainability report

The Board of Directors and the Executive Management are responsible for ongoing activities regarding the environment, health & safety, quality, social responsibility and sustainable development, and for the preparation and presentation of the Sustainability Report in accordance with applicable criteria, which are described on page 8 and which consist of the parts of the Sustainability Reporting Guidelines G3.1 (published by The Global Reporting Initiative (GRI) that are applicable to sustainability reporting and the Company's own accounting and calculation policies.

Auditor's responsibility

Our responsibility is to express a conclusion on the Sustainability Report based on our review. We have performed our review in accordance with RevR 6 Assurance of Sustainability Reports, issued by FAR. A review consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other review procedures. A review is

substantially less in scope than an audit conducted in accordance with IAASB's Standards on Auditing and Quality Control and other generally accepted auditing standards in Sweden. Consequently, the procedures performed do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The criteria on which our review are based are the parts of the Sustainability Reporting Guidelines G3.1, published by The Global Reporting Initiative (GRI), that are applicable to the Sustainability Report, as well as the accounting and calculation policies separately developed and specified by the Company. These are shown on page 8. We consider these criteria suitable for the preparation of the Sustainability Report.

We consider that the evidence that we have gathered during our review is adequate and appropriate to serve as a basis for our statement below.

Statement

Based on our review, nothing has come to our attention that causes us to believe that the information in the Sustainability Report has not, in all material respects, been prepared in accordance with the above stated criteria.

Malmö, 17 April 2015
Deloitte AB



Torbjörn Svensson
Authorized Public Accountant



Expert Member of FAR



Glossary

BAS-P /BAS-U The developer is required to appoint an appropriately qualified construction work environment coordinator for planning and project design of the work (BAS-P) and the performance of the work (BAS-U). BAS-P and BAS-U have considerable responsibilities regarding the work environment in general on construction sites. These responsibilities are set out in Section 3, subs. 7 of the Swedish Work Environment Act 3 and AFS 1999:3, with amendments up to and including 2008:16.

BREEAM (the Building Research Establishment Environmental Assessment Method) BREEAM was developed and is managed by UK's Building Research Establishment. This environmental certification assesses environmental aspects within, for example, management, energy, transport, water, materials and waste and pollution. BREEAM is divided into criteria for which points are awarded which, in turn, lead to certification. The Sweden GreenBuilding Council actively works to adapt BREEAM to Swedish conditions and a BREEAM committee will be appointed in early 2012.

Carbon dioxide Carbon dioxide, CO², sometimes wrongly called carbonic acid in popular parlance, is a gas at room temperature with a faint odour and sour taste.

CSR (Corporate Social Responsibility) A form of corporate self-regulation that aims to embrace responsibility for a company's actions and how it impacts on society from a financial, environmental and social perspective. The concept is increasingly used both to explain what is meant and to emphasize that financial responsibility (which is part of sustainability but not CSR) is necessary if a company's social responsibility is to be long term and integrated into its business model.

Derivative A collective term for a type of financial instrument. The most common derivatives are options, forward contracts, futures, warrants and swaps. What is particular to financial derivatives is that they are linked to events or conditions at a specific point in time in the future, or to a certain period of time in the future. The value of a derivative instrument is linked to the value of an underlying asset, such as equities, share indices, currencies, interest rates or commodities.

EDI Electronic Data Interchange of information in structured messages between different companies or organizations, for automatic processing in IT systems.

Energy efficiency Energy efficiency and energy saving are achieved by trying to make existing energy conversion more efficient either by reducing energy consumption or by getting more out of existing energy usage. This will enable us to have access to more energy in society without increasing energy production. In turn, this provides for more economic use of natural resources, capital and the environment.

Energy sources A common collective term for fuels, energy raw materials, energy bearers and methods of extracting energy.

Energy statistics program Nearly all property owners compile energy data via different kinds of property management software. Examples of general property software applications available today include Summarum, Momentum PM and the Hogia Property Application. More energy-oriented software products include Webbess, Ess200, E4, Energireda and Momentum RC.

Energy supplier A company that sells energy to energy consumers.

Energy usage Energy is used for a variety of purposes. When we drive a car we use energy in the form of petrol, diesel or ethanol, for example. We may be connected to a district heating network or we may have electric radiators, or a gas-, oil- or biomass-fired boiler, to heat our homes, offices and factories.

Environmental aspects & Environmental impact Environmental aspects refers to the aspects of a business, products and services that can impact on the environment. Examples of environmental aspects include emissions into the air and water, storage of chemicals, noise and consumption. This also means that the environment aspects do not end at the factory gate but may also impact the environment to a major extent. A better explanation of what an environment aspect is, may be that the environment aspect is the cause of environmental impact. Environment impact can be both positive and negative.

Environmental certification The process of certification consists of an external inspection and an objective assessment of how environmentally sustainable a building is. When a property is approved, the property owner receives a certificate. Depending on the certification system, different levels of classification of the certificate may be awarded.

Environmental goals The Swedish system of environmental objectives includes a generation target and 16 environmental quality objectives. Organisations and businesses generally formulate their own environment goals that in one way or another can be linked to national environment quality targets.

Ethical funds Certain funds are referred to as ethical funds. These are funds where the choice of investments is to some extent determined by ethical criteria. Some ethical funds avoid investments in sectors such as alcohol, gambling, pornography, tobacco and arms. Other ethical funds avoid investments in companies that fail to comply with international norms. Some investment funds also try to actively select companies that are among the environmental leaders in

their sector. Others also try to influence the companies in which they have a stake by engaging in a stakeholder dialogue.

Green cars The concept of green car usually refers to cars that meet higher requirements in terms of emissions of environmentally hazardous substances, compared with standard cars. However, a uniform definition of the green car concept does not yet exist, and different criteria are applied by different cities and authorities. The then Swedish Road Administration produced a proposal for a green car definition that was expected to provide guidance. A car classed as a green car receives favourable treatment in the form of lower taxes, exemption from congestion charges and parking concessions in certain cities. Green cars include hybrid cars, electric cars, LPG cars and ethanol cars if they meet the rules in place on emissions, together with conventional petrol and diesel cars (with particulate emissions of less than 5 mg per km) that emit up to 120 g carbon dioxide per km.

Green Leases In 2011, the Swedish Property Federation produced a standard form for Green Leases.

GRI The organization behind GRI (the Global Reporting Initiative) has established a set of voluntary, general guidelines on how companies and other organizations are to report what they are doing within sustainable development. These guidelines, which are now available in versions G3 and G3.1, cover preferences when reporting sustainability data in finance, environment and social responsibility. Such reporting is to present a balanced and credible picture of the organisation's progress in sustainability, including both positive and negative aspects.

Hazardous waste Waste that has certain hazardous properties or is classified as such under the Waste Directive. Hazardous waste requires special treatment.

ISO 26 000 ISO 26 000 is an international standard for social responsibility. It is based on seven fundamental principles that together define the concept of social responsibility. In simple terms, it may be said that ISO 26 000 sets out what companies and organisations can do to contribute to a sustainable future.

kWh The unit kilowatt hour, kWh (thousand Watt hours), is frequently used in measuring the consumption of electrical energy.

Landfill A landfill site, known in previous years as a rubbish dump, is a place where waste is deposited and covered (dumped). Landfill waste consists of residual waste after food waste, combustible waste and recyclable waste have been sorted out. This leftover waste after sorting cannot be combusted, composted or recycled. From an environmental point of view, it is considered important that as little waste as possible should go to landfill.

LEED (Leadership in Energy and Environmental Design) LEED was developed by the US Green Building Council. Certification assesses environmental aspects within e.g. site/land usage, water, materials, energy and indoor environment. Here too, there are versions modified for different types of building and the environmental aspects are classified according to criteria for which points are awarded towards a combined mark for the entire building.

Miljöbyggnad Miljöbyggnad (Environmental Building) is a Swedish system for certifying buildings in terms of energy, indoor climate and materials. The building is subject to a 15-point check, including energy procured, noise class, radon level, damp, natural light, integral materials, chemicals and building products. Buildings can be classed as bronze, silver or gold depending on how they score on the 15-point check. Miljöbyggnad covers both newbuilds and existing buildings.

MWh MegaWatt hour. 1 MWh = 1,000 kWh.

Non-toxic environment Environment Quality Objective No. 4. The presence of substances in the environment that have been created or extracted by society shall not threaten human health or biodiversity. Levels of foreign substances are almost zero and their impact on human health and eco systems is negligible. Levels of naturally occurring substances are close to background levels.

Ozone-depleting substances Substances that deplete the ozone layer contain either chlorine (Cl) or bromine (Br). These substances vaporise readily and are very stable. This means they can reach the stratosphere where the ozone layer is. Substances that are classified as ozone-depleting are found in cooling media, fire protection systems etc.

PCBs PCBs – polychlorinated biphenyls – are a group of industrial chemicals hazardous to the environment and health that were developed in the 1920s. They are classified as long-lived organic pollutants. Chemically, PCB pollutants comprise two aromatic rings that can have 1-10 chlorine atoms linked to them. Their toxicity depends on the position of the chlorine in the molecule, not the number of chlorine atoms. PCB pollutants are liposoluble, which means they become concentrated in body fat.

Recycling The reuse of materials from waste. In general, recycling is a preferred method when it comes to treating waste. Narrowly speaking, recycling means recovering materials for reuse, which means that virgin materials are replaced by used materials collected. The phrase energy recycling is also sometimes used; in this case, certain kinds of combustion may be classified as recycling. In Sweden, virtually all waste is recycled or combusted, and only a very small proportion is sent to landfill.

Renewable Renewable energy sources are energy sources that constantly renew themselves and that therefore will not be exhausted in the foreseeable future.

Risk analysis A means of systematically using available information to describe and calculate the risks associated with a certain given system. A risk analysis is a way of assessing the probability of various undesired events occurring and their consequences. Decisions may be based on this and measures taken to minimise these risks, which may be either long- or short-term. A risk analysis may be performed using various methods, which may be qualitative, semi-quantitative or quantitative.

Stakeholder dialogue When structuring their work on sustainability, many companies start by consulting their stakeholders. Maintaining a dialogue with stakeholders can be crucial to the success of work in CSR. Stakeholder dialogues are part of sustainability reporting according to GRI.

Strategy Strategy is about seeing the whole picture – about understanding the way in which a company or brand can be competitive in the long term and where the most profitable business deals will be found. It acts as a compass, directing the whole business – a framework for all activities – as a tool for making the right tactical decisions along the way.

Sustainable development Sustainable development is a concept that was pioneered by Lester Brown in 1981. It gained international fame as a result of the UN report Our Common Future (1987), also known as the Brundtland Report. The UN report defines sustainable development as a pattern of growth in which resource use aims to meet human needs while preserving the environment so that these needs can be met not only in the present, but also for generations to come.

The precautionary principle In technical areas, the precautionary principle means if there is any uncertainty as to whether or not a substance is hazardous, it should be treated as hazardous. The Swedish Environmental Code (Section 2, subs. 3) defines the precautionary principle as follows: "Everyone who operates or intends to operate a business or undertake an action, is to perform all safety precautions, observe any restrictions and adopt the cautionary measures in general that are required to prevent, avoid or counteract any harm or inconvenience the business or measure may cause to human health or the environment. For the same reasons, commercial operations shall employ the best possible technology. These precautionary measures shall be adopted as soon as there are grounds to believe that a business or action may cause harm or inconvenience to the health of people or to the environment."

The UN Global Compact The Global Compact initiative was launched at the World Economic Forum (at Davos in 1999), when Kofi Annan challenged the business world to sign up to the initiative. The thinking behind the Global Compact is to make companies aware of and take active responsibility for ten internationally recognized principles in four areas: Human rights, Employment law, Environment and Anti-corruption.

Waste By waste, we mean all objects or substances that the owner wishes to dispose of, or is required to dispose of. Waste is defined in accordance with an EU-wide directive (EU Directive 2006/12/EU on waste), and is therefore to be interpreted in accordance with the case law of the European Court of Justice. The basic regulations on waste can be found in the Swedish Environmental Code (1998:808), Section 15 and in the Waste Directive (2011:927)



Wihlborgs' CSR group: Tobias Andersson, Property Management Executive, Mats Wessman, Procurement Director, Anna Nambord, Director of HR/CSR, Arvid Liepe, Chief Financial Officer and Hanna Claesson, Environmental Affairs Director. Irène Johansson, Director of Corporate Communication, was absent when the picture was taken.

Contact persons

Thank you for reading our sustainability report. We appreciate any feedback. If you have any thoughts or ideas about our work on sustainability, please contact Wihlborgs' CSR group.

Tobias Andersson, Property Director +46 (0) 40 690 57 82, tobias.andersson@wihlborgs.se

Mats Wessman, Procurement Director +46 (0) 40 690 57 26, mats.wessman@wihlborgs.se

Anna Nambord, Director of HR/CSR +46 (0) 40 690 57 54, anna.nambord@wihlborgs.se

Arvid Liepe, Chief Financial Officer +46 (0) 40-690 57 31, arvid.liepe@wihlborgs.se

Hanna Claesson, Environmental Affairs Director +46 (0) 40-690 57 92, hanna.claesson@wihlborgs.se

Irène Johansson, Director of Corporate Communication +46 (0) 40 690 57 21, irene.johansson@wihlborgs.se

Sustainability highlights 2014

- The “Wihlborgs Classic” is a new initiative to promote fitness and a sense of community among Wihlborgs employees. Employees can register to participate in a series of competitions in jogging, cycling, swimming etc.
- In February and March, all new Wihlborgs recruits take part in the Company’s basic environmental training course. The course, lasting three hours, focuses on the emergence of the environmental problem, the environment and business, environmental issues at Wihlborgs and future environmental issues.
- As a result of the 2013 employee survey, Wihlborgs’ first Management Forum is held in March. The theme of this first forum was Feedback Training. The Management Forum will be convened about twice a year on various themes.
- In March, Wihlborgs’ Environmental Affairs Director is elected as chair of the Solar Region Skåne association.
- In March, the MAX IV Project, in which Wihlborgs and Peab are joint developers, receives the prestigious MIPIM Award at the Cannes International Property Market.
- In March and April, the NKI (Customer Satisfaction Index) survey is carried out, a study to poll the attitudes and views of our tenants. The findings reveal a heightened interest in sustainability.
- During the April-May period, all caretakers, property managers, property management executives and regional directors participate in an energy seminar. Wihlborgs uses the E4 energy statistics program and it was at the initiative of the system’s users that the seminar was arranged. The purpose of the seminar was for the various property management users to learn more about the program.
- In May, Wihlborgs signs an agreement with ALNA, the Swedish anti-drug- and alcohol-abuse organization. The cooperation is intended to establish a clear process concerning the use, at-risk use and abuse of alcohol, pharmaceuticals, gambling, illegal drugs and the like that may affect the workplace. ALNA contributes through advice, support to management, training programmes and aid in crisis situations.
- In May, Wihlborgs’ fire safety officers and supervisors undergo systematic fire safety training organized by Räddningstjänsten, the emergency services organization.
- In June, a swarm of new tenants takes up residence in the Fluntran property in Malmö. The new tenants are 60,000 bees, making the Company the first in Skåne to establish a collaboration with Bee Urban, which is handing over the guardianship of beehives to companies in metropolitan areas. As property owners, our wish is to be part of promoting biodiversity and, since we have a large number of roofs, it seems logical for us to be involved in this venture.
- In September, Wihlborgs conducts its major employee survey. A high response rate and more than 300 comments bear witness to a high measure of commitment. The results and comments are passed on to the Work Environment Committee, which then produces an action plan.
- In September, Wihlborgs receives its Miljöbyggnad Gold certificates (the highest award category in the system) for the Floretten building in Helsingborg. The application was the first to be approved without any modifications whatsoever.
- In October, our CR group invites customers and partners to attend Wihlborgs’ Kontaktyta (Interface) meeting on the theme of sustainability and leadership. At the meeting, Wihlborgs presented the findings from in-depth interviews with our stakeholders. An external speaker had also been invited to attend – Niclas Ihrén, an engineer from KTH (the Royal Institute of Technology) with a postgraduate qualification in renewable energy systems and 15 years of experience in sustainable business development. Niclas Ihrén described the trends in sustainability that we may expect to see, going forward.
- In November, a collective Induction Day was held for all new employees. During the sessions, Wihlborgs’ new recruits learn about the Company’s history and values and undergo training in Business Ethics.
- In November, Wihlborgs receives its Miljöbyggnad Bronze certificate (highest classification: Gold) for its Magasinet property in Malmö. The application process began in 2012, when few projects of the type had been inspected under Miljöbyggnad, and as a result the process took time. The project consisted of an existing building that housed several types of business. The ground floor was left unchanged but the upper levels were totally redeveloped. In addition, a new residential floor was added at the top and was judged as a newbuild. However, the Bronze status awarded to the building does not mean that every assessment indicator was classified as Bronze. In the Magasinet project, nine indicators were awarded Silver, one Gold and the remaining six Bronze.
- In the course of 2014, discussions began with SP, the Technical Research Institute of Sweden, regarding a joint application for an EU project. The project is concerned with testing how natural daylight can be boosted by artificial light in conference facilities. The application was submitted in December 2014.
- In December, the first step towards G4 reporting is taken. An expanded CSR unit carries out a materiality analysis which will form the framework for work over the years ahead.

Production Wihlborgs in association with Navigator.

Photography Felix Gerlach (interiors and exteriors), Peter Westrup (portraits).

Printing Exakta Printing. Printed on Swan marked paper, licence no. 341 140.

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Wihlborgs has been included in the OMX Sustainability Index since December 2012.

Malmö – Head Office

Wihlborgs Fastigheter AB
Box 97, SE-201 20 Malmö,
Sweden
Visitors: Dockplatsen 16
Tel: +46 40 690 57 00
Fax: +46 40 690 57 01

Helsingborg

Wihlborgs Fastigheter AB
Garnisonsgatan 25 A
SE-254 66 Helsingborg,
Sweden
Tel: +46 42 490 46 00
Fax: +46 42 490 46 01

Lund

Wihlborgs Fastigheter AB
Ideon Science Park
Scheelevägen 17
SE-223 70 Lund, Sweden
Tel: +46 40 690 57 00

Denmark

Wihlborgs A/S
Hørkær 26, 1 sal
DK-2730 Herlev, Denmark
Tel: +45 396 161 57
Fax: +45 396 161 58

www.wihlborgs.se
info@wihlborgs.se
Registered address Malmö
Company reg. no.:
556367-0230

Where job satisfaction is key

With the commitment of our employees and the quality of our properties, we will create conditions for strong growth for business in the Öresund region.



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