

Wihlborgs GRI appendix 2018

Appendix to Wihlborgs Annual Report 2018



GRI appendix 2018

Wihlborgs Annual Report 2018 together with this GRI appendix comprise Wihlborgs Sustainability Report 2018 in accordance with the GRI Standards: Core option. This appendix is to be read as a complement to the Annual Report and primarily encompasses disclosures that are not included in the Annual Report as well as information pertaining to the impact of material topics, boundaries, governance and evaluation. This also complements our reporting on sustainability-related operational risks. The report has the same

boundaries and scope as in previous years, if nothing else is stated in connection with the reporting of specific indicators. Unless stated otherwise, the report pertains to the entire Group.

This information has not been subject to an external review. However, external environmental and sustainability experts with specialist GRI expertise are consulted to verify our GRI reporting.

GRI Index

GENERAL STANDARD DISCLOSURES

ORGANISATIONAL PROFILE	PAGE
102-1 Name of the organisation	76
102-2 Primary activities, brands, products, and services	8–9
102-3 Location of headquarters	76
102-4 Location of operations	76
102-5 Ownership and legal form	21, 97
102-6 Markets served	26–27, 30
102-7 Scale of the organisation	4, 8–9
102-8 Information on employees and other workers, by employment type, gender and region	71, GRI 4
102-9 Supply chain	18, 62–63
102-10 Significant changes to the organisation and its supply chain, regarding size, structure, ownership or supply chain	29
102-11 Precautionary Principle or approach	GRI 14
102-12 External initiatives to which the organisation subscribes, or which it endorses	68–69, 133
102-13 Membership of associations, such as industry or other associations, and national or international advocacy organisations	GRI 5
STRATEGY	
102-14 Statement from the CEO	11–12
ETHICS AND INTEGRITY	
102-16 Values, principles, standards, and norms of behaviour	62–64, GRI 8–13
CORPORATE GOVERNANCE	
102-18 Governance structure of the organisation, including board committees responsible for decision-making on economic, environmental and social topics	122–129, GRI 11–13
STAKEHOLDER ENGAGEMENT	
102-40 List of stakeholder groups engaged by the organisation	60–61, GRI 5–7
102-41 Percentage of total employees covered by collective bargaining agreements	GRI 4
102-42 Identifying and selecting stakeholders	GRI 5–7
102-43 Approach to stakeholder engagement by frequency, type of engagement, and stakeholder group	60–61, GRI 5–7
102-44 Key topics and concerns raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns	60, 61, 62, 65, 72 GRI 5–7
REPORTING PRACTICE	
102-45 Entities included in the consolidated financial statements, and whether any of these entities is not covered by the Sustainability Report	130
102-46 Defining report content and topic Boundaries	60–61, GRI 5–7
102-47 List of material topics	60–61, GRI 5–7
102-49 Significant changes from previous reporting periods in the list of material topics and topic Boundaries	130
102-50 Reporting period	130
102-51 Date of most recent report	130
102-52 Reporting cycle	130
102-53 Contact point for questions regarding the report or its contents	130
102-54 Claims of reporting in accordance with the GRI Standards	130
102-55 GRI index	130–132
102-56 External assurance	130

SELECTED TOPICS AND SPECIFIC INDICATORS

TOPIC	MANAGEMENT APPROACH/DISCLOSURE	PAGE
201 Economic performance	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	62, GRI 8–9
	201-1 Direct economic value generated and distributed	GRI 9
204 Procurement practices	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	73, GRI 25
	204-1 Proportion of spending on local suppliers	73
205 Anti-corruption	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	64, GRI 10
	205-2 Communication and training about anti-corruption policies and procedures	GRI 10
	205-3 Confirmed incidents of corruption and actions taken	64
302 Energy	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	65–67, GRI 14
	302-1 Energy consumption within the organisation	66–67, GRI 15–16
	302-3 Energy intensity	GRI 16
	302-4 Reduction of energy consumption	66–67, GRI 15
305 Emissions	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	66, GRI 17
	305-1 Direct (Scope 1) GHG emissions	66–67, GRI 18
	305-2 Energy indirect (Scope 2) GHG emissions	66–67, GRI 18
	305-3 Other indirect (Scope 3) GHG emissions	66–67, GRI 18
	305-4 GHG emissions intensity	66–67, GRI 18
	305-5 Reduction of GHG emissions	66–67, GRI 17–18
Certified buildings	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	68, GRI 20
	CRE8 Share of certified buildings	68, GRI 21
308 Supplier environmental assessment	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	GRI 11, 13
	308-1 New suppliers that were screened using environmental criteria	GRI 11
403 Occupational health and safety	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	70–71, GRI 22
	403-1 Workers representation in formal joint management–worker health and safety committees	GRI 23
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	71, GRI 23
404 Training and education	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	70–71, GRI 24
	404-3 Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	GRI 24
	Own indicator: Percentage of employees who would recommend Wihlborgs	GRI 24
405 Diversity and equal opportunity	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	70–71, GRI 25
	405-1 Diversity of governance bodies and employees	71, 123, GRI 4
414 Supplier Social Assessment	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	GRI 12–13
	414-1 New suppliers that were screened using social criteria	GRI 12
Societal commitment (own topic)	103-1 Explanation of the material topic and its Boundaries, 103-2 The management approach and its components, 103-3 Evaluation of the management approach	GRI 25
	Own indicator: Share of sponsorship initiatives directly linked to societal commitment/community commitment	72–73

General disclosures

ORGANISATIONAL PROFILE

102-8 Information on employees and other workers, by employment type, gender and region.
 405-1 Diversity of governance bodies and employees.

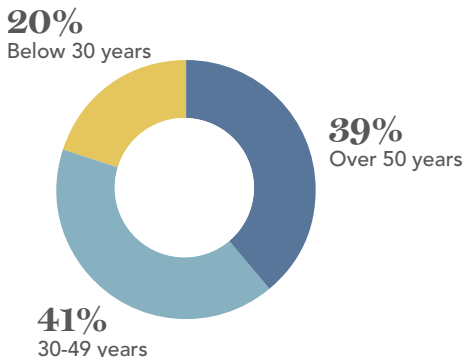
METRIC

Number of employees at 31 Dec. 2018	197
Number of FTEs at 31 Dec. 2018	162
Personnel turnover, %	Total 8 Sweden 5.4
Average age, years	45
FTEs, %	82
Part-time employees, %	18

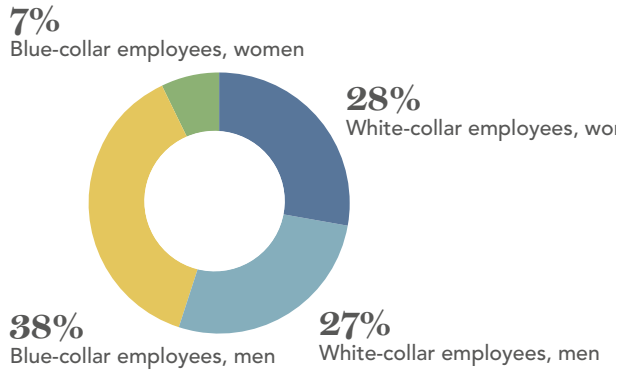
EMPLOYEES BY REGION, 31 DEC. 2018

Malmö	66
Helsingborg	31
Lund	23
Copenhagen	77
Total	197

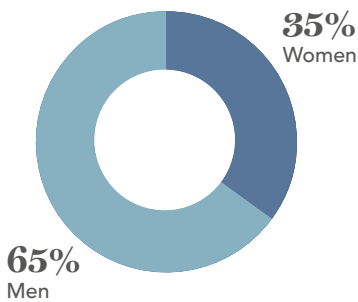
AGE DISTRIBUTION



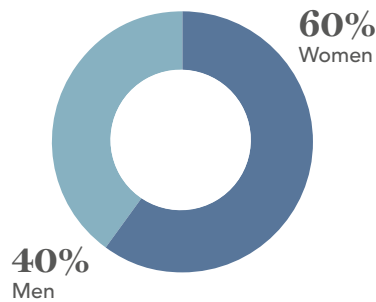
EMPLOYMENT



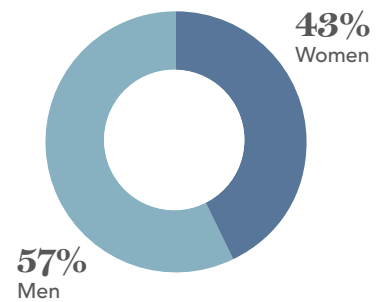
GENDER DISTRIBUTION, ALL EMPLOYEES



GENDER DISTRIBUTION, GROUP MANAGEMENT



GENDER DISTRIBUTION, BOARD OF DIRECTORS



102-41 Percentage of total employees covered by collective bargaining agreements

All Wihlborgs employees in Sweden are covered by collective agreements. The employees in Denmark, however, are not covered by collective agreements.

102-9 Supply chain

Wihlborgs engages a large number of suppliers for various services, many of whom in turn engage their own subcontractors. These suppliers operate in a wide range of areas. In terms of purchasing volumes, the largest groups are:

- Construction and civil engineering contractors
- Electrical contractors
- Energy
- Ventilation
- Consultants

Wihlborgs primarily engages Swedish or Danish contractors. Material purchased for construction projects can come from a variety of different countries.

102-13 Membership of associations, such as industry or other associations, and national or international advocacy organisations

Many of Wihlborgs' employees sit on external boards and forums through which they drive important issues concerning urban development. We are represented on various boards, including those of Fastighetsägarna Syd, Fastighetsföreningen Lund City, Malmö Citysamverkan, Lund Citysamverkan, Helsingborg Citysamverkan, Medeon, Ideon and Øresundsinstittet.

In terms of environmental and sustainability issues, we are active in networks such as the Sweden Green Building Council (SGBC), the environmental think-tank Tankesmedjan Miljö, Klimatsamverkan Skåne, Lund's Climate Alliance, the Swedish Association for Sustainable Business (NMC), Global Compact Sweden, Solar Region Skåne, CSR Skåne and Sustainable Talks in Helsingborg.

CORPORATE GOVERNANCE

102-18 Governance structure of the organisation, including board committees responsible for decision-making on economic, environmental and social topics

Wihlborgs is a listed company that is subject to rules and regulations on corporate governance. In addition to legislation, the Swedish Corporate Governance Code and stock exchange rules also apply. The business is monitored and supervised by external auditors and Nasdaq Stockholm. More information is available in the full Corporate Governance Report, available at www.wihlborgs.se/en/investor-relations/corporategovernance/corporate-governance-reports/ and on pages 122–129 of the 2018 Annual Report.

The Board and Group Management are responsible for ensuring that work related to the environment, work environment, monitoring of ethical guidelines, social responsibility and sustainable financial development is performed in line with established rules, strategies and goals. This responsibility also includes presenting a sustainability report in accordance with GRI. Wihlborgs submits an annual Communication on Progress according to the UN Global Compact guidelines.

GROUP MANAGEMENT AND THE CSR GROUP

Wihlborgs' CEO has overall responsibility for governing day-to-day operations. The CEO reports directly to Wihlborgs' Board of Directors. Issues pertaining to sustainability are raised on a continuous basis at Group Management meetings. Continuous reporting and follow-up by the Group Management is implemented through presentations by the individuals responsible for various sub-areas, such as the environment, purchasing, HR, communication and finance. The company's CSR Group works with these issues on a cross-functional basis. The CSR Group comprises the Director of HR and CSR, the Environmental Manager, the Procurement Director, the CFO and the Director of Corporate Communications.

STAKEHOLDER ENGAGEMENT REPORTING PRACTICE

102-40 List of stakeholder groups engaged by the organisation

102-42 Identifying and selecting stakeholders

102-44 Key topics and concerns raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns

102-46 Defining report content and topic Boundaries

102-49 Significant changes from previous reporting periods in the list of material topics and topic Boundaries

We have divided the material topics into four areas.

- Responsible business
- Sustainable properties
- Attractive employer
- Commitment to the region and its community

This provides a useful overview and a link between the GRI and our operations. The goal when it comes to prioritising topics is for the measures we take to have a greater impact and to be more stringent in our reporting and communication. Prioritisation is based on dialogues with different stakeholder groups (see Overview of stakeholders on page 7).

The dialogues comprised interviews with representatives from our various groups of key stakeholders. The following groups were represented: loan providers, tenants, suppliers, partners, investors and the Board. Key stakeholders were selected based on their size and availability as well as long-term relationships. During the interviews, we asked each stakeholder to explain which topics they considered to be the highest priority for Wihlborgs. The results from these



interviews were considered along with information from other channels, such as customer satisfaction surveys and employee surveys.

This initiative began with a comprehensive stakeholder dialogue in 2014, which is when the overall sustainability framework was developed according to GRI G4. This has been followed by continuing stakeholder dialogues and then by repeating the process upon our transition to the 2017 GRI Standards. In 2017, an internal workshop was also conducted with a particular focus on sustainability risks and our opportunities to have a positive impact.

The GRI's main list comprises topics pertaining to legal compliance. For Wihlborgs, it stands to reason that we must observe and comply with applicable laws — and on this basis, we resolved that any topics associable with legal compliance are to be prioritised even if we do not set targets or continuously report these items under the GRI. In the event that any laws are violated, we will report such violations.

Naturally, there are additional areas and initiatives of importance. Those that are not reported in accordance with the GRI are disclosed on our website and in more direct dialogues with our stakeholders.

By linking the outcome of the stakeholder dialogues with our strategy, a framework comprising four areas was created: Responsible business, Sustainable properties, Attractive employer and Commitment to the region and community. Our stakeholders have prioritised a number of topics within these four areas and we have selected appropriate indicators.

The figure at the bottom of this page shows which topics we have chosen to report according to GRI and which we have chosen to disclose elsewhere, for example on our website.

	SUSTAINABLE PROPERTIES	ATTRACTIVE EMPLOYER	RESPONSIBLE BUSINESS	COMMITMENT TO THE REGION AND ITS COMMUNITY
REPORTING (ACCORDING TO GRI)	CERTIFIED BUILDINGS CRE8: Share of certified buildings.	403 OCCUPATIONAL HEALTH AND SAFETY 403-1 Workers representation in formal joint management-worker health and safety committees 403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	201 ECONOMIC PERFORMANCE 201-1 Direct economic value generated and distributed	SOCIETAL COMMITMENT Own indicator: Share of sponsorship initiatives linked to societal commitment/ community commitment
	302 ENERGY 302-1 Energy consumption within the organisation 302-3 Energy intensity 302-4 Reduction of energy consumption	404 TRAINING AND EDUCATION 404-3 Percentage of employees receiving regular performance and career development reviews Own indicator: Percentage of employees who would recommend Wihlborgs.	205 ANTI-CORRUPTION 205-2 Communication and training about anti-corruption policies and procedures 205-3 Confirmed incidents of corruption and actions taken.	LOCAL PURCHASES 204-1 Proportion of spending on local suppliers
INFORMING	305 EMISSIONS 305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions 305-4 GHG emissions intensity 305-5 Reduction of GHG emissions	405 DIVERSITY AND EQUAL OPPORTUNITY 405-1 Diversity of governance bodies and employees	308 SUPPLIER ENVIRONMENTAL ASSESSMENT 308-1 New suppliers that were screened using environmental criteria	
	Waste Biodiversity Use of materials	Non-discrimination Fair employment conditions	Complaint-handling/Whistle-blowing	Customer health and safety

STAKEHOLDER DIALOGUE 2018 – FOCUS AREAS AND INSIGHTS

In 2018, we chose to have additional dialogues, this time with a particular focus on representatives from the municipalities where we have properties. Contributing to the region, its residents and its environment, is our most central sustainability issue and we therefore chose to have a specific dialogue about the sustainable development goals with these stakeholders. The interviews focused on expectations of Wihlborgs and of the property sector generally. What we learned was that stakeholders appreciate that Wihlborgs plays an active part in city development, for example in developer dialogues and other forums.

It was also expected that we actively work and collaborate in areas linked to social issues, security and safety. This confirms to us that “commitment to the region and society” should remain a prioritised focus area. The stakeholders also highlighted that they would like to see us participate in initiatives linked to the sharing economy and mobility solutions – something we have already started working on in Malmö, among other places. Working in close collaboration with cities and participating in their priorities and initiatives are natural continuations of our development, and the year’s stakeholder dialogues confirmed that this is also appreciated by cities.

In 2018, we also conducted customer satisfaction surveys in both Sweden and Denmark. This survey included a question about whether there are any sustainability topics that Wihlborgs should devote more attention to. We can see that sustainability is not one of the top priorities when initially choosing premises, but there are high expectations that we can meet and maintain high standards once tenants have moved in.

The responses to this question showed that stakeholders have high expectations of Wihlborgs as a landlord when it comes to sustainability issues. The answers included expectations concerning waste sorting, charging stations, societal commitment and energy efficiency. Tenants in Denmark do not express such high expectations, and their only comments are on waste sorting. Our employees are another important stakeholder group, and our Great Place To Work (GPTW) survey included questions both about experiences of Wihlborgs as a work place (based on physical and psychological workplace environments) and experiences of Wihlborgs as a company acting in society. Answers to the prompt “I am proud over how we as a company contribute to society” were 91 percent “always or almost always.”

102-43 Approach to stakeholder engagement by frequency, type of engagement, and stakeholder group

Examples of stakeholder groups and more formal dialogues regularly conducted with our key stakeholders.

KEY STAKEHOLDERS	DIALOGUE FORMAT	TIMING/INTERVAL
Tenants	Customer satisfaction surveys Wihlborgs' Kontaktyta forum Dialogues with responsible property owners/managers Reconciling green leases	Every second year Twice yearly Continuously As per the tenant's wishes
Shareholders	Annual General Meeting Investor meetings	Once each year Several times a year
Employees	Career development reviews Employee survey Monthly meetings (at each office) Work Environment Committee Environmental Management Committee	Once each year Every second year Each month Four times per year Four times per year
Loan providers	Meetings with the respective banks Financial reporting/financial hearings Data gathering, surveys and dialogues about Wihlborgs' sustainability management	Several times a year In conjunction with quarterly reports Several times a year
Suppliers	Procurement process Annual review of agreements Review of sustainability work in conjunction with renegotiation/resigning of agreements Wihlborgs' Kontaktyta forum Follow-up meetings during/after construction projects	Ongoing basis for different areas Annually Continuously Twice yearly Continuously
Community		
The public sector	Dialogue forums in conjunction with city planning meetings, developer dialogues, etc.	When invited by municipalities
The non-profit and voluntary sector	Board and steering committee meetings with FC Rosengård, Drivkraft, Diversity index, among others Member meetings of Malmö Citysamverkan, Lund Citysamverkan and Helsingborg Citysamverkan.	Several times per year Several times per year
Universities and other institutes of higher education	Partner group meetings and market days Presentation for students and openings for project/degree projects	Some/Several times per year Upon request, normally several times annually
Board of Directors	Board meetings	Six times per year

Selected topics and specific indicators

RESPONSIBLE BUSINESS

For Wihlborgs, it is self-evident that our brand should represent sound values. We have a commitment to societal development and actively promote the different components of sustainability. Wihlborgs will operate a business model for growth and will be one of the leading and most profitable property companies on the Nasdaq Stockholm Exchange. Our activities influence the communities in which we operate. The goals linked to our sustainability work must be integrated with the financial targets, as both aspects affect each other.

The business model and financial targets are set by Wihlborgs' Board. Responsibility for the company is allocated between the Board and the CEO in accordance with the Swedish Companies Act, other legislation and regulations, Nasdaq Stockholm's Rule Book for Issuers, the Articles of Association and internal governance instruments, such as the rules of procedure for the Board and instructions to the CEO. Wihlborg's Code of Conduct with accompanying policies and guidelines comprise governing documents for Wihlborgs as well as for our suppliers and contractors.

201 ECONOMIC PERFORMANCE

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

201 – ECONOMIC PERFORMANCE

DESCRIPTION AND BOUNDARIES

This topic addresses whether Wihlborgs needs to be profitable for us to be able to implement our strategies and achieve our targets. We have to reach our financial targets to be able to invest in sustainable work methods. But we also have to operate sustainably to achieve these financial targets in the long term. A solid financial base is a prerequisite for Wihlborgs to act as a stable business partner to suppliers and customers alike. This topic encompasses Wihlborgs' financial results which, in turn, impact the company's shareholders and surrounding communities.

The economic value we create benefits various groups: employees, lenders, the community and suppliers. Our shareholders share in this value via dividends. Once all stakeholders have received their share, the remainder is retained in the company to strengthen operations, create new projects and acquire new properties with the aim of creating sustainable growth.

RISKS

Both external and internal risks exist that can impact Wihlborgs' financial performance. The main risk areas are reduced rental income, increased vacancies, customer dependence, increased interest expense, higher property expenses, changes in the value of properties, risks in projects or new acquisitions, and inadequate access to external funding. These risks are described in more detail in the Administration Report in the 2017 Annual Report, on pages 75–79

GOVERNANCE

The management and responsibilities of the Wihlborgs Group are distributed between the Board and the CEO in accordance with the Swedish Companies Act, other legislation and regulations, Nasdaq Stockholm's Rule Book for Issuers, the Code, the Articles of Association and internal governance instruments, such as the rules of procedure for the Board and instructions to the CEO.

Wihlborgs' overriding financial targets are set and monitored continuously by the Board. Operational property management is organised into four geographic regions with a total of ten property management areas, each of which has set targets for, inter alia, revenue, earnings and net lettings.

TARGETS

Overall financial targets:

A return on equity that exceeds the risk-free interest rate by no less than six percentage points.

An equity/assets ratio of no less than 30 percent.

An interest coverage ratio of no less than 2.0.

A loan-to-value ratio of no more than 60 percent.

Targets per region and management area, for example income, earnings and net lettings

FOLLOW-UP

201-1 Direct economic value generated and distributed
Annual Report and interim reports.

201-1 Direct economic value generated and distributed

Economic value created and distributed, SEK M	2018	2017	Comments
Direct value created			
Income	2,684	2,351	Our rental income is derived from companies and organisations that are active in our region. Our premises create the conditions for them to pursue and develop their respective operations.
Changes in property values	1,312	1,851	Favourable long-term management of our properties. Investments in and leasing of these, drive value development in the property portfolio.
Changes in derivative values	37	201	The value of interest-rate hedging is impacted by changes in market interest rates.
Other income	13	13	Includes interest income and shares in earnings.

Economic value created and distributed, SEK M	2018	2017	Comments
Total direct value created, SEK M	4,046	4,416	

Economic value created and distributed, SEK M	2018	2017	Comments
Economic value distributed			
Employees	152	126	Includes salaries and social-security expenses to our employees in Malmö, Helsingborg, Lund and Copenhagen.
Loan providers	482	496	Interest expenses to our loan providers, primarily the larger Nordic banks.
Community	515	801	Includes carrying amounts, income taxes, property tax and VAT. In addition to this, Wihlborgs also pays energy taxes and stamp duties.
Suppliers	492	426	To a great extent, Wihlborgs' suppliers are located in the local markets where we operate. In addition to the expenses paid to suppliers, we also invest significant amounts in our properties; in 2018, the total was SEK 1,239 M. Most of these purchases are with local suppliers.
Shareholders	480	442	Dividend to some 24,000 shareholders.
Total value distributed, SEK M	2,121	2,290	
Retained in the business	1,925	2,126	
Return on equity, %	16.5	20.5	
Target, %	6.1	5.9	

205 ANTI-CORRUPTION

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

205 – ANTI-CORRUPTION	DESCRIPTION AND BOUNDARIES
	This topic regards actions to counter corruption and unethical behaviour, the success of which is a prerequisite for a long-term profitable and sustainable business. The topic encompasses Board members and employees at Wihlborgs as well as the employees of suppliers and contractors engaged by Wihlborgs. The Wihlborgs’ whistle-blower function can be used by Wihlborgs’ employees and people outside the company, such as the employees of contractors/suppliers, who wish to report unethical/illegal behaviour of some type.
	RISKS
	Risks linked to corruption and business ethics are described in more detail in the Administration Report in the 2017 Annual Report, on pages 75–79.
	GOVERNANCE
Wihlborgs ethical guidelines are determined by the Board of Directors and revised annually. These comprise general guidelines for Board members, employees, suppliers and contractors. Wihlborgs’ Procurement Director is responsible for informing new suppliers of Wihlborgs’ ethical guidelines in conjunction with signing Wihlborgs’ Code of Conduct and that by doing so they undertake to comply with these guidelines and other policies. The UN Global Compact also contains guidelines for this area. Internal authorisation rules prevent unethical behaviour and undue influence. The HR department is responsible for training personnel in ethics and anti-corruption.	
TARGETS	
All new employees are to be trained in business ethics and anti-corruption. No cases of corruption are to occur at Wihlborgs.	
FOLLOW-UP	
205-2 Communication and training about anti-corruption policies and procedures 205-3 Confirmed incidents of corruption and actions taken Evaluation of cases reported via the whistle-blower function.	

205-2 Communication and training about anti-corruption policies and procedures

During the year, all new employees were trained in business ethics and anti-corruption, both in Sweden and in Denmark. Our guide to business ethics has also been translated to Danish, so that all employees in the Group have access to it.

308 SUPPLIER ENVIRONMENTAL ASSESSMENT

414 SUPPLIER SOCIAL ASSESSMENT

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

308 – SUPPLIER ENVIRONMENTAL ASSESSMENT

DESCRIPTION AND BOUNDARIES

This topic entails that Wihlborgs sets requirements for its suppliers and contractors aimed at minimising the environmental impact of its operations. With this aim, Wihlborgs screens suppliers in terms of, inter alia, environmental impact. Random checks of suppliers who have signed the Code of Conduct provide us with a further control to ensure suppliers comply with Wihlborgs' Code of Conduct. Wihlborgs' own environmental efforts are described in the Sustainable properties section.

RISKS

When Wihlborgs engages contractors or other suppliers, these have environmental responsibility for their own operations. However, as a responsible player, Wihlborgs requires them to follow Wihlborgs' Code of Conduct with the aim that our suppliers will follow Wihlborgs and act in a long-term sustainable manner. We also expect our suppliers to apply our expectations and environmental requirements to their partners and subcontractors. This is how we, as a property company, have a positive effect further back in the value chain, both locally and globally.

If Wihlborgs does not set requirements for suppliers, there is a risk of unwanted negative environmental effects and, moreover, a risk of a negative impact on Wihlborgs' reputation and brand through being linked to a supplier that does not act responsibly.

If Wihlborgs hires suppliers with whom we have no framework agreement, and who have not signed Wihlborgs' Code of Conduct, there is a greater risk of environmental impact than if we use suppliers with whom we have framework agreements and who adhere to our Code of Conduct. This can have economic consequences and even risk a negative effect on Wihlborgs' reputation and brand if suppliers do not act in an environmentally responsible manner.

GOVERNANCE

Wihlborgs has a Code of Conduct that all our suppliers in property management are required to read and approve. Wihlborgs' Procurement Director is responsible for ensuring that new framework agreement suppliers in Swedish operations sign the Code of Conduct. By signing the Code of Conduct, suppliers confirm that they have familiarised themselves with our policies and undertake to adhere to them during the period of the agreement. This Code of Conduct includes ethical guidelines, an environmental policy, quality policy, work environment policy and purchasing policy. Suppliers with more than 20 employees should also complete a self-declaration describing their internal management of such areas as environment, quality, work environment and ethics. In Danish operations, the administrative director is responsible for ensuring that the supplier fulfils Wihlborgs' requirements.

By showcasing, examining and assessing our suppliers in these four areas, we communicate to our business partners the importance of these issues for our operations. We also ensure the existence of a structure and system for our suppliers to conduct their environmental management, for example. Some procurements also set direct environmental requirements based on the service/product being purchased. The environmental standards we set also have assessment criteria based on how the environmental performance is evaluated in relation to price and function.

TARGETS

All suppliers with whom Wihlborgs signs framework agreements are to sign the Wihlborgs Code of Conduct.

FOLLOW-UP

308-1 New suppliers that were screened using environmental criteria
Random checks of suppliers who have signed Wihlborgs' Code of Conduct ensure suppliers work in line with it.

308-1 New suppliers that were screened using environmental criteria

Of the new suppliers with whom Wihlborgs signed framework agreements in 2018, all (100 percent) were evaluated based on environmental criteria (through the Wihlborgs' Code of Conduct and self-declarations). This figure refers to the Swedish operations, since the Code of Conduct is not yet implemented in the Danish operations.

414 – SUPPLIER SOCIAL ASSESSMENT**DESCRIPTION AND BOUNDARIES**

This topic deals with setting requirements for human rights, a good work environment and high safety levels at the suppliers and contractors engaged by Wihlborgs. Random checks of suppliers who have signed the Code of Conduct provide us with a further control to ensure suppliers comply with Wihlborgs' Code of Conduct with regard, for example, to human rights. This topic is addressed under Attractive employer with regard to Wihlborgs' own employees.

RISKS

When Wihlborgs engages contractors or other suppliers, these have work environment responsibility for their own employees. However, as a responsible player, Wihlborgs requires them to follow Wihlborgs' Code of Conduct with the aim that our suppliers will follow Wihlborgs and act in a long-term sustainable manner. If Wihlborgs does not set requirements for suppliers, there is a risk of workplace accidents, which — beyond the tragedy for the person involved — entail a risk of a negative impact on Wihlborgs' reputation and brand through being linked to a supplier that does not act responsibly. The supplier chain also includes a risk of human rights violations in the manufacture of materials and building components/articles. To increase the control of material used in the supplier chain, Wihlborgs tries to influence the choice of material and follows developments in terms of certification and assessment systems for building materials. Wihlborgs is a member of Byggarbetsrådets Byggarbetsråd.

If Wihlborgs hires suppliers with whom we have no framework agreement, and who have not signed Wihlborgs' Code of Conduct, there is a greater risk of an unsatisfactory workplace environment and therefore a greater risk of incident among the supplier's employees than if we use suppliers with whom we have framework agreements and who adhere to our Code of Conduct. This can have human and economic consequences, and even risk a negative impact on Wihlborgs' reputation and brand if suppliers do not act in a responsible manner.

GOVERNANCE

Wihlborgs has a Code of Conduct that all our suppliers in property management are required to read and approve. Wihlborgs' Procurement Director is responsible for ensuring that new framework agreement suppliers sign the Code of Conduct. By signing the Code of Conduct, suppliers confirm that they have familiarised themselves with our policies and undertake to adhere to them during the period of the agreement. This Code of Conduct includes ethical guidelines, an environmental policy, quality policy, work environment policy and purchasing policy. Suppliers with more than 20 employees should also complete a self-declaration describing their internal management of such areas as environment, quality, work environment and ethics. In Danish operations, the administrative director is responsible for ensuring that the supplier fulfils Wihlborgs' requirements.

By showcasing, examining and assessing our suppliers in these four areas, we communicate to our business partners the importance of these issues for our operations. We also ensure the existence of a structure and system for our suppliers to conduct their work environment management and to work with human rights, for example.

TARGETS

All suppliers with whom Wihlborgs signs framework agreements are to sign the Wihlborgs Code of Conduct.

FOLLOW-UP

414-1 New suppliers that were screened using social criteria

Random checks of suppliers who have signed Wihlborgs' Code of Conduct ensure suppliers work in line with it.

414-1 New suppliers that were screened using social criteria

Of the suppliers with whom Wihlborgs signed agreements in 2018, all (100 percent) were evaluated based on social criteria (through the Wihlborgs' Code of Conduct and self-declarations).

This figure refers to the Swedish operations, since the Code of Conduct is not yet implemented in the Danish operations.

WIHLBORGS' CODE OF CONDUCT

When Wihlborgs signs framework agreements with suppliers, they undertake to adhere to Wihlborgs' Code of Conduct. By signing the Code of Conduct, our suppliers confirm that they have familiarised themselves with Wihlborgs' guidelines and policies and that they undertake to comply with those guidelines during the period of the agreement. This includes ethical guidelines, an environmental policy, quality policy, work environment policy and purchasing policy. Suppliers with less than 20 employees only need to sign the Code of Conduct to receive a U risk classification, which means an approved signing of the Code of Conduct. Suppliers with

more than 20 employees should also complete a self-declaration describing their internal management of such areas as environment, quality, work environment and ethics. They must also enclose documents that verify their responses. Based on this data, Wihlborgs conducts a risk assessment that rates suppliers on a scale from U, 3, 2, 1 to 1+. See description and outcome below.

This information concerns suppliers within Swedish property management. The goal is to implement Wihlborgs' Code of Conduct in the Danish operations in 2019.

SIGNING THE CODE OF CONDUCT – SUPPLIERS IN SWEDEN

	Risk classification	Description	Percent of framework suppliers (429 suppliers)
Suppliers with less than 20 employees – signing of the Code of Conduct only	U	Approved signing of the Code of Conduct.	10%
Suppliers with more than 20 employees – signing of the Code of Conduct and a completed self-declaration	3	Signing of the Code of Conduct only. Management systems and policies may exist, but these have not been completed in line with Wihlborgs' requirements.	1%
	2	The supplier has prepared policies for the environment, quality and the work environment.	79%
	1	As in the 1+ rating, but the Global Compact has not been formally signed and the supplier could have a management system that has not been externally certified.	2%
	1+	The supplier's management systems for the environment, quality and work environment have been externally certified and the supplier has signed the UN Global Compact	8%

SUSTAINABLE PROPERTIES

Work with sustainable properties focuses on three topics: environmentally certified buildings, energy use and climate impact. The work is controlled by the environmental vision, the environmental policy, the Group’s environmental goals and environmental programme, as well as the environmental management system with instructions and self-checks. Our environmental management system is based on the environmental management classification in the ISO 14001 standard and the precautionary principle contained in Swedish environmental legislation.

Wihlborgs’ environmental management system includes legal requirements, information and instructions. It describes how our operations in our management should take into consideration and follow up various environmental topics, as well as guidelines for and descriptions of day-to-day environmental efforts. We also have specific environmental policies for our projects. Our project-specific environmental programme is an example of this. Wihlborgs is also a member of the Byggvarubedömningen association, and we use its tools for environmental and health assessments of building materials in our projects. Our everyday environmental initiatives are a necessary precondition to achieve our long-term environmental goals and satisfy customers in our premises.

302 ENERGY

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

302 – ENERGY

DESCRIPTION AND BOUNDARIES

The topic describes how energy consumption (energy purchased) is monitored for our properties where Wihlborgs manages agreements with energy suppliers in both Denmark and Sweden. Most tenants in Sweden and Denmark have their own agreements for electricity for their operations — these are excluded in the statistics. The data is based on information provided on an annual basis from our energy suppliers. Consolidated energy statistics are compared and then quality checked against Wihlborgs’ own collected data in the energy monitoring system (Vitec Energi). Some renewable energy is produced locally at selected buildings in Wihlborgs’ property portfolio via solar panels or geothermal energy. Our own locally produced electricity is included in the statistics by reducing the need to purchase electricity for the properties concerned.

RISKS

We ensure Wihlborgs’ compliance with existing and future environmental- and energy-related regulatory requirements by working proactively to reduce energy use and by, as far as possible, choosing energy from renewable sources. At the same time, we avoid increased operational costs for new energy and environmental taxes. We also strengthen our capacity to comply with the expectations and demands of investors and tenants in terms of resource efficiency, indoor climate and energy performance.

In some cases, by adding locally produced renewable energy, we also reduce buildings’ vulnerability, since the electricity supply is not dependent on an external supplier. This area can be developed further when technology evolves and battery storage costs become more favourable.

GOVERNANCE

This topic is controlled through environmental legislation, signature of the UN Global Compact, Wihlborgs’ ethical guidelines and our environmental policy. We have set targets in Wihlborgs’ environmental programme to reduce energy consumption. Our environmental management system includes monthly energy monitoring instructions that we have prepared for our property management. We are also working to ensure that our energy declarations (legal requirement) are updated and perform energy audits when needed. To be able to reduce our energy consumption in line with the environmental programme, we also implement continuous initiatives linked to electricity, heating and cooling, to optimise our energy performance. We use Wihlborgs’ project-tailored environmental programmes to ensure that we build in an energy-efficient manner and purchase energy-efficient products for new construction and redevelopments.

Wihlborgs’ Environmental Manager is responsible for managing by objectives (MBO), coordinating and following up energy performance together with Group Management, property directors, project managers and operators by region. Wihlborgs’ property directors are responsible for optimising and managing the operational energy performance in their respective properties.

TARGETS

We will continuously endeavour to lower energy consumption and reduce the climate impact of our properties and transportation use. We have clear targets and utilise modern technology to measure and follow up the energy and environmental status of various objects. The objective is to steer our consumption toward an increased share of renewable energy. Wihlborgs’ properties are managed with a long-term approach using documented management plans based on a lifecycle perspective.

FOLLOW-UP

- 302-1 Energy consumption within the organisation
- 302-3 Energy intensity
- 302-4 Reduction of energy consumption

302-1 Energy consumption within the organisation
 302-4 Reduction of energy consumption

TOTAL ENERGY CONSUMPTION, KWH ELECTRICITY, HEATING, COOLING, GAS, OIL (PROPERTIES)



Electricity
 2016 65 411 469
 2017 62 894 349
 2018 71 328 459



District heating
 2016 105 358 144
 2017 101 435 675
 2018 119 673 136



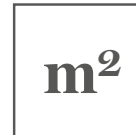
Oil
 2016 0
 2017 0
 2018 306 000



District cooling
 2016 8 505 189
 2017 6 857 818
 2018 9 495 315

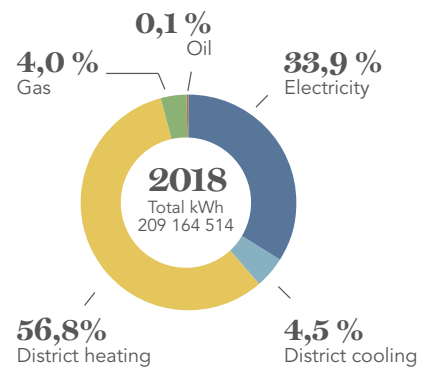
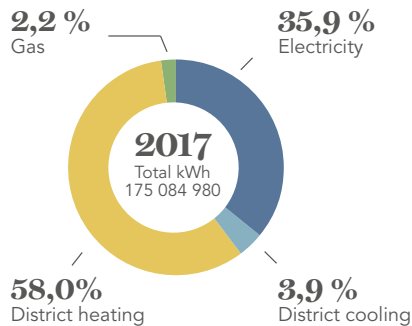
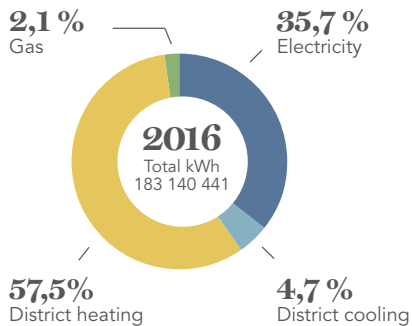


Gas
 2016 3 865 638
 2017 3 897 138
 2018 8 361 604



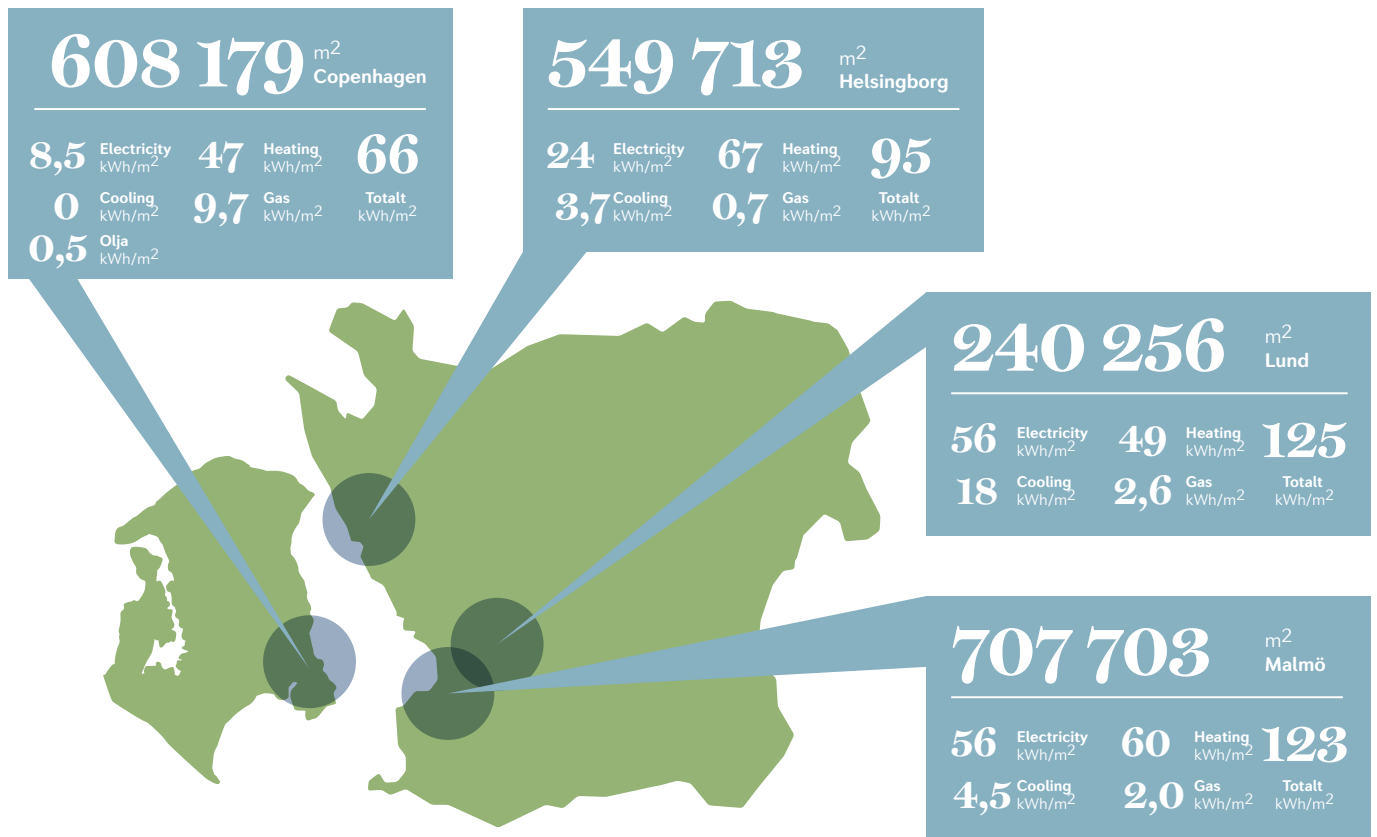
Total areaWihlborgs
 2016 1 619 317
 2017 1 653 584
 2018 2 105 851

ENERGY COMSUMPTION, KWH, PERCENT



302-3 Energy intensity

KWH PER REGION AND M² IN 2018



WIHLBORGS' ENERGY CONSUMPTION IN SWEDEN ALLOCATED OVER 1,497,672 M²:
 Electricity 44.2 kWh/m²Cooling 6.3 kWh/m²Heating 60.8 kWh/m²Gas 1.7 kWh/m² Oil 0.0 kWh² Total 113 kWh/m²

WIHLBORGS' TOTAL ENERGY CONSUMPTION ALLOCATED OVER 2,105,851 M²:
 Electricity 33.9 kWh/m²Cooling 4.5 kWh/m²Heating 56.8 kWh/m²Gas 4.0 kWh/m² Oil 0.1 kWh² Total 99 kWh/m²

305 EMISSIONS

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

305 – EMISSIONS

DESCRIPTION AND BOUNDARIES

This topic describes how Wihlborgs directly or indirectly reduces the climate impact of its operations, and which climate emissions are generated annually by the operations based on defined areas in the Greenhouse Gas Protocol standards. Historically, climate emissions from purchased energy, and emissions from refrigerants and transportation have been the areas with the greatest climate impact. The climate impact of purchased construction materials (production/transport) is not included, nor are the figures for the climate impact from construction waste complete, since waste disposal operators do not provide adequate statistics. Waste from our construction projects is reported primarily in the environmental statistics prepared by our contractors.

RISKS

Wihlborgs prevents climate risks by focusing on renewable forms of energy and fuel. We also ensure that we meet applicable and future regulatory requirements in parallel with avoiding increased costs for new energy and environmental taxes. We also strengthen our capacity to comply with the environmental and climate expectations and demands of investors, stakeholders and tenants.

In January 2018, Sweden adopted a new climate policy framework comprising new climate goals, a Climate Act and a climate policy council. This will most likely increase focus on incentives, regulations and environmental taxes for Swedish enterprise with the aim of Sweden attaining zero net emissions of GHGs by 2045.

In the policy documents, we highlight the risks arising from climate change, such as increased precipitation and stronger winds, and how we can climate-proof existing buildings as well as integrate the issue from a technical aspect into our construction projects. Wihlborgs' project-tailored environmental programmes require a climate adaptation risk analysis to be performed and action plans to be prepared and realised. We also have an active dialogue and partnership with professionals and politicians in the cities where we operate regarding climate challenges and our actions connected to climate adaptation in detailed development plans and construction permits.

GOVERNANCE

This topic is controlled through environmental legislation, signature of the UN Global Compact, Wihlborgs' ethical guidelines and our environmental policy. We have set targets in Wihlborgs' environmental programme to reduce climate impact. Our environmental management system includes procedures to reduce climate impact in the form of procurement requirements for renewable energy and products. We use Wihlborgs' project-tailored environmental programmes, to ensure that we build with a small climate impact and climate-smart construction for new construction and redevelopments. We have also changed the majority of our service vehicles to vehicles using renewable fuels as well as company cars to models with low carbon emissions. Moreover, since we apply Sweden Green Building Council (SGBC) as the standard for environmental certification, with new version 3.0, Wihlborgs will also calculate and assess climate effects based on different choices of building materials. Wihlborgs has signed the Fossil-free Sweden Initiative 2020 and the plan for a climate neutral value chain in the construction and engineering sectors by 2045.

Wihlborgs' Environmental Manager is responsible for managing by objectives (MBO), coordinating and following up energy performance together with Group Management, property directors, project managers and operators by region. Wihlborgs' property directors and project managers are responsible for carrying out initiatives to reduce our climate impact and to implement climate change adaptations in their properties or projects.

TARGETS

We will continuously endeavour to lower energy consumption and reduce the climate impact of our properties and transportation use. We have clear targets and utilise modern technology to measure and follow up the energy and environmental status of various objects. The objective is to steer our consumption toward an increased share of renewable energy. Wihlborgs' properties are managed with a long-term approach using documented management plans based on a lifecycle perspective.

FOLLOW-UP

- 305-1 Direct (Scope 1) GHG emissions
- 305-2 Energy indirect (Scope 2) GHG emissions
- 305-3 Other indirect (Scope 3) GHG emissions
- 305-4 GHG emissions intensity
- 305-5 Reduction of GHG emissions

305-1 Direct (Scope 1) GHG emissions
 305-2 Energy indirect (Scope 2) GHG emissions
 305-3 Other indirect (Scope 3) GHG emissions

WIHLBORGS' TOTAL CO₂ EMISSIONS IN TONNES OVER THE PAST THREE YEARS

Year	2018	2017	2016
Scope 1 Tonnes	728	478	348
Scope 2 Tonnes	4,764	3,624	5,704
Scope 3 Tonnes	268	64	68
Total Tonnes	5,760	4,166	6,120

See page 19 for calculation and accounting policies.

305-4 GHG emissions intensity

WIHLBORGS' TOTAL CO₂ EMISSIONS, KWH/M² (BASED ON SCOPE 2):

Area	m ² 2018	kWh/m ² Total	CO ₂ kg/m ² 2018	CO ₂ kg/ m ² 2017
Malmö	707,703	123	0	0.6
Helsingborg	549,713	95	0	0.0
Lund	240,256	125	0.5	0.0
Total in Sweden	1,497,672	113	0.08	0.2
Copenhagen (Denmark)	608,179	66	7.6	5.5
Total in Sweden and Denmark	2,105,851	99	2.3	1.8

305-5 Reduction of GHG emissions

The table below shows the percentage of renewable energy in Sweden. Read more about our efforts to reduce our climate impact on pages 66–67 of the Annual Report.

ENERGY SUPPLIER	PERCENTAGE RENEWABLE ENERGY*			
	District heating	District cooling	Electricity	Gas
2018				
E.ON Öresundskraft Kraftringen	100	100	99.99	100

* Renewable refers to allocated fuel in energy production (direct impact) that is not derived from fossil fuels such as coal, oil or natural gas, or climate-compensated fossil fuel (applies specifically to combustion of waste in Öresundskraft).

CALCULATION AND REPORTING PRINCIPLES GOVERNING CLIMATE IMPACT

To ensure the key figures in the Sustainability Report are reliable, procedures for calculating greenhouse gas emissions are compiled below.

The calculations are made based on the Greenhouse Gas Protocol (GHG Protocol) reporting standard, and are calculated in line with scopes 1–3.

SCOPE 1

SERVICE VEHICLES AND COMPANY CARS

The climate impact of Wihlborgs' service vehicles is calculated based on annual fuel consumption (petrol, diesel, fossil gas, ethanol and biogas) in litres or cubic metres reported by the supplier, Autoplan, to Wihlborgs' Personnel Manager. The volume is multiplied by emission factors from the Swedish Transport Administration and the Swedish Petroleum and Biofuel Institute (SPBI). Vehicle manufacturing, spare parts and end-of-life scenarios are not considered. Fuel emissions are considered from the tank-to-wheel perspective, that is, fuel manufacturing is not taken into consideration. The exceptions are natural gas and biogas, for which a well-to-wheel perspective is taken.

REFRIGERANTS

The climate impact of refrigerants used by Wihlborgs in Sweden (R407C, R410A, R404A, R417A and R22) is calculated based on the amount of leakage measured during the year. As of 2017, the supplier has presented data in the form of CO₂ equivalents through translated figures to Wihlborgs according to IPCC 2013 GWP (100a), which means that data on leakage is presented directly in tonnes of CO₂ equivalents and not in kg specific refrigerants as in previous years. Data on refrigerant leakage from Denmark – R407C, R401A, R404A, R410A – is disclosed both in CO₂ equivalents and in the respective refrigerant.

FUEL, EMISSION FACTOR (TANK TO WHEEL FOR SPBI)

Petrol, 2.36 kg CO₂ equiv/litre, SPBI
 Ethanol (85%, 50/50 summer/winter) 0.47 kg CO₂ equiv/litre, SPBI
 Diesel, 2.53 kg CO₂ equiv/litre, SPBI
 Fossil gas, 2.58 kg CO₂ equiv/m³, Swedish Transport Administration
 Heating oil, 2.67 kg CO₂ equiv/litre, SPBI
 Biogas, 0.51 kg CO₂ equiv/litre, Swedish Transport Administration

SCOPE 2

ENERGY USE

Energy use includes all energy purchased by Wihlborgs and handled within the Group. This means that the purchased energy includes the energy where Wihlborgs is the principal for the property and counterparty with the energy supplier. It also includes all of the energy used in all of Wihlborgs' offices in Malmö, Helsingborg and Lund. For Copenhagen, all properties (608,179 m²) are included with their actual consumption for 2018, in contrast to last year when a standard value was used for some of the properties. The purchase of energy includes electricity, district heating, fossil gas, district cooling, heating oil and biogas. The conversion factors used for energy are based on the actual values received from energy companies in Sweden and Denmark. Energy consumption figures for electricity, district heating, fossil gas, district cooling and biogas are multiplied by the conversion factors from each energy supplier to determine CO₂ equivalents of emissions.

The environmental values of our chosen forms of energy are based on direct CO₂ emissions linked to the choice of fuel in the production. In Helsingborg, climate compensation is included in the environmental values for district heating gold based on carbon credits (CDM and CER) from Öresundskraft¹. At present, E.ON does not include operating losses of refrigerants as an environmental impact of district cooling.

In Sweden, the key ratio for electricity consumption is 0 g/kWh from renewable production sources. The source is wind or water power based on certification from selected energy suppliers. A small amount of energy in Kraftringen is not renewable and is considered "residual mix" (environmentally certified in 2017).

The key metric used for district heating in Denmark is based on a calculated average from different suppliers that was reported to Wihlborgs' Danish offices and cannot be verified.

SCOPE 3

AIR TRAVEL

Key metric for carbon dioxide emissions from air travel for the Swedish operations are taken from Wihlborgs' business travel agency and, in comparison with the well-prepared LCI database Ecoinvent 3.4, are near the average for CO₂ equivalent per passenger-kilometer from a life cycle perspective.

PRIVATE CARS USED FOR BUSINESS

Emissions from the use of private cars on business are based on employees reporting the number of kilometres driven. The fuel is assumed to be petrol for all private cars used for business. The route is multiplied by the emissions factor for petrol. See the table on the previous page for service vehicles and company cars. Emissions for private cars used for business do not have a lifecycle perspective, either.

WASTE

The climate impact from waste occurs both when transporting waste and when disposing of the various categories of waste. The climate impact of transporting and disposing of waste is calculated based on the total weight multiplied by emissions factors indicated by Suez and Ragnsells, respectively, in Sweden which are the commercial/private companies used by Wihlborgs to handle waste. Waste handled by public sanitation organisations is not included, since these do not provide statistics for waste collected including climate calculations.

There is no key metric for Denmark, but a simulation of waste management in a district heating plant based on LCI data from Ecoinvent 3.42 has been used to estimate CO₂ equivalents emitted for the reported amount of waste and its ultimate management according to allocation at the point of substitution – that is, the reduction in greenhouse gases allocated over electric and district heating that otherwise would have needed other fuel for product.

WATER

As of 2018, drinking water's CO₂ equivalents are also included in the calculations, both for Denmark and Sweden. To estimate emissions from drinking water purification, the key metric for a facility in Sweden was used. It is a "cradle-to-gate" value, which means an incomplete chain, since tap water is taken into consideration but not sewage treatment.

Drinking water purification, Sweden 0.17 kg, CO₂ equiv/m³
Drinking water purification, Denmark 0.17 kg, CO₂ equiv/m³

PURCHASE OF ENERGY SCOPE 2 — EMISSION FACTORS

Company	Unit	Electricity	District heating	District heating with certificate of origin	Fossil gas	District cooling	Biogas	Oil
Öresundskraft	g CO ₂ equiv/kWh	0	–	0	–	2	0	–
E.ON	g CO ₂ equiv/kWh	0	–	0	205	0	0	–
Kraftringen	g CO ₂ equiv/kWh	329	–	0	–	0	0	–
Denmark	g CO ₂ equiv/kWh	151	90.15	–	204	–	–	267

¹ <https://oresundskraft.se/foeretag/produkter-tjaenster/fjaerwaerme/fjaerwaerme-guld>.

² <https://www.ecoinvent.org/database/database.html>

CRE 8 – CERTIFIED BUILDINGS

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

CRE 8 – CERTIFIED BUILDINGS

DESCRIPTION AND BOUNDARIES

This topic describes which buildings in Wihlborgs' property portfolio are externally certified. Wihlborgs' property portfolio also includes primarily of new builds or renovated older properties that are certified under BREEAM (Building Research Establishment Environmental Assessment Method), LEED (Leadership in Energy and Environmental Design) and SGBC. We certify existing properties, to a lesser extent, based on the building's performance, operation and management. Environmental certification of our buildings means we can conduct quality assurance of the environmental performance, take into consideration health aspects and optimise tenants' indoor climates and work environments. We are also reducing future business risks by focusing on low energy consumption, documenting compliance with the Swedish National Housing Board's BBR requirements and minimising the occurrence of building materials hazardous to the environment and health. SGBC, which is our main standard, requires recurrent verifications to retain certification. Our regulations stipulate that the target rating for new production and redevelopment is SGBC Gold. All property projects (conversions or extensions, > SEK 5 million) are to be handled in consultation with Wihlborgs' Environmental Manager (for example, environmental certification level).

RISKS

Environmental certification of our buildings means Wihlborgs can prevent risks and create business opportunities, since certification focuses on low resource consumption (lower operating costs), documented compliance with BBR requirements and control of the hazards posed by building materials to the environment and health. We also ensure that we meet applicable and future regulatory requirements in parallel with avoiding increased costs for new energy and environmental taxes. Moreover, we strengthen our capacity to comply with the environmental and climate expectations and demands of investors and tenants.

We also guarantee a comfortable indoor climate in our premises and that our buildings maintain a high level of performance over the long term, which is also certified over time by third parties (SGBC, eternally).

GOVERNANCE

This topic is controlled through environmental legislation, signature of the UN Global Compact, Wihlborgs' ethical guidelines and our environmental policy. We aim to certify all new production in accordance with SGBC Gold, and larger redevelopments and extensions costing over SEK 5 million should also generally be certified. Wihlborgs has also prepared a project-adapted environmental programme, based on Swedish environmental legislation and internally expanded environmental ambitions, which sets minimum levels for all our construction projects. Environmental certification and its management are also described as part of this programme.

We also use a tool called Byggvarubedomningen to assess the environmental and health hazards of building materials prior to procurement in projects and tenant improvements. It is also possible to document volume and placement in a logbook (a basic requirement for all of our environmentally certified buildings).

Wihlborgs' Environmental Manager is responsible for MBO, coordinating and following up environmental certification and acts as Sweden Green Building Council's contact. Wihlborgs' property directors and project managers are responsible for developing and managing environmental certification in their properties or projects.

TARGETS

All new production is to be environmentally certified (in line with Sweden Green Building Council, SGBC Gold). For all conversions or extensions, environmental certification must be considered in consultation with Wihlborgs' Environmental Manager.

FOLLOW-UP

CRE8 Share of certified buildings

CRE8 Share of certified buildings

STATUS OF ENVIRONMENTALLY CERTIFIED BUILDINGS AT WIHLBORGS, 31 DECEMBER 2018

Area	Property	SGBC	LEED	BREEAM	Status
Malmö	Gängtappen 1	SGBC Silver			Certified 2016
Malmö	Gängtappen 2	SGBC Silver			Certified 2013
Malmö	Kranen 8 (Ubåtshallen)	SGBC Silver			Certified 2016
Malmö	Nora 11	SGBC Silver			Certified 2016
Malmö	Skåneland 1	SGBC Silver			Certified 2015
Malmö	Kranen 9 (extension)	SGBC Gold			Certified 2018
Malmö	Sirius 3	SGBC Gold			Certified 2018
Malmö	Uven 9	SGBC Bronze			Certified 2018
Malmö	Bure 2 (Origo)	SGBC Gold			Ongoing
Malmö	Gimle 1 (Dungen)	SGBC Gold			Ongoing
Malmö	Kranen 9 (existing)	SGBC Bronze			Ongoing
Malmö	Skrovet 3			In Use – Asset and Building Operations	Certified 2018
Lund	Raffinaderiet 5	SGBC Gold			Certified 2018
Lund	Diabasen 1	SGBC Silver			Certified 2018
Lund	Armaturen 4	SGBC Silver			Certified 2015
Lund	Landsdomaren 6	SGBC Silver			Certified 2013
Lund	Landstinget 2	SGBC Silver			Certified 2015
Lund	Syret 3 (Ideon Gateway)	SGBC Gold	LEED Platinum		Certified 2013
Lund	Östra torn 27:12*	SGBC Gold			Certified 2014
	(MAX IV, block E, offices)			BREEAM-SE Outstanding	Certified BREEAM Design Stage in 2015
Lund	Östra torn 27:12*	SGBC Gold			Certified 2015
	(MAX IV, blocks A-D)				
Lund	CMU Flexenheten	SGBC Gold			Ongoing
Lund	Posthornet 1	SGBC Gold			Ongoing
Lund	Vattentornet 3 block			In Use – Asset Performance	Certified 2018
Helsingborg	Floretten 4	SGBC Gold			Certified 2014
Helsingborg	Polisen 5 (extension)	SGBC Gold			Certified 2017
Helsingborg	Sadelplatsen 13	SGBC Bronze			Certified 2015
Helsingborg	Terminalen 1 (Knutpunkten)	SGBC Gold			Certified 2015
Helsingborg	Ursula 1 (Prisma)	SGBC Gold			Ongoing
Helsingborg	Floretten 3			In Use – Asset Performance & Building Operations	Certified 2018
Helsingborg	Kalifornien 10			In Use – Asset Performance & Building Operations	Certified 2018

* 50 percent owned by Wihlborgs via the company Fastighets AB ML 4, which is a joint venture between Wihlborgs and Peab.

ATTRACTIVE EMPLOYER

Our vision is to be the best workplace in our industry by 2020.

To achieve this vision, we need to work in several sub-areas:

- Occupational health and safety;
- Culture and competence; and
- Diversity and equal opportunities.

Each year, the Board adopts an HR strategy and the Group Management is tasked with its implementation. Wihlborgs' HR Department, comprising three people on the Swedish side and one person on the Danish side, sets up focus areas and activities linked to the strategy and drives day-to-day work in close collaboration with managers, the CSR Group, work environment committees and other employees. For guidance, please refer to laws, policies, procedures and guidelines (see below). Managers and the HR Department have responsibility for ensuring compliance with the above.

403 OCCUPATIONAL HEALTH AND SAFETY

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

403 – OCCUPATIONAL HEALTH AND SAFETY

DESCRIPTION AND BOUNDARIES

We apply a targeted approach to ensure a good work environment for our employees and, naturally, the approach complies with the rules in place to prevent ill-health and accidents at work. We follow the Swedish Work Environment Act and the rules covering how employees and employers are to work together. In Denmark, we perform workplace evaluations every year (the law prescribes every third year).

We limit such reporting to employees directly employed by Wihlborgs and their work environments, the properties we own, our offices and travel back and forth. We work together with other players to develop jointly within several areas. When it concerns the supplier chain, we follow up health, environment and safety in our projects.

RISKS

Not working proactively with health/occupational health and safety entails a risk of eroding the company's skills and talents (through sick leave or, in a worst-case scenario, fatalities). This is both costly and unsustainable. Work environment/health and safety-related risks are identified through risk inventories, work environment inspections, career development reviews, employee surveys and periodic health checks.

Employees who spend time in and around the properties we own are exposed to occupational risks of a physical nature. These are identified and documented through annual risk inventories and followed up at work environment meetings held by the work environment committee, at which decisions are taken on measures and monitoring as well as whether the measures should be implemented at more locations in the operations.

Risks related to the psychosocial environment are identified and documented in forms and interviews at the annual health check performed by the occupational healthcare provider. Additionally, questions are asked in the employee survey concerning the physical as well as the psychological workplace.

We work systematically from different perspectives through our systematic work environment management efforts.

GOVERNANCE

The work environment is ultimately the responsibility of the Director of HR & CSR, but work environment efforts are led by HR, who formulates targets and frameworks for the area. Operative implementation is carried out by managers in the organisation and by work environment committees in Sweden and Denmark according to systematic work environment management (SAM).

Governing documents for the area include:

- The Swedish Work Environment Act and AFS provisions (e.g. AFS 2015:4 and AFS 2001:1)
- Work environment policy
- Policy & action plan to combat discriminatory treatment
- Policy & action plan to combat at-risk use and abuse
- SAM in Sweden and Action plan for work environment committees in Denmark

We measure and follow up both the physical and the psychological work environments through health checks, career development reviews and through our annual employee survey.

403 – OCCUPATIONAL HEALTH AND SAFETY (CONT.)	TARGETS - the workplace should be perceived as safe by our employees - sick leave levels should be low (under 3 percent) - the majority of employees should use the wellness allowance (called the fitness and massage arrangement in Denmark) and participate in the company's other wellness initiatives.
	FOLLOW-UP 403-1 Workers representation in formal joint management-worker health and safety committees 403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities Employee index Sick leave Work-related accidents Near-accidents

403-1 Workers representation in formal joint management-worker health and safety committees

All employees are represented in our work environment committees. The committee comprises representatives for blue- and white-collar employees and representatives from all groups of employees. The same now applies for the Danish work environment committee, which has representatives from all groups of employees.

403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities*

Wihlborgs has a low rate of sick leave. In 2018, the rate was 2.35 percent (1.73) in Sweden, with the corresponding figure for Denmark totalling 2.98 percent (2.54). Long-term absence (60 days or more) represented 25.48 percent (31.15) of total sick leave in Sweden and 20.58 of total sick leave in Denmark. In 2018, we had 5 near-accidents, 5 minor work-related accidents, 2 work-related illnesses and no fatalities.

With respect to our project activities, we had no accidents or near-accidents in 2018 and no near-accidents where we were responsible for reporting an injury. In all of the projects we carry out, the contractor bears full responsibility for acting as the construction work environment coordinator (BAS-U), which also entails responsibility for preparing an occupational health and safety plan as well as for training and follow-up.

In 2018, our contractors reported 25 accidents, of which ten resulted in sick leave of one day or more. The most serious incident was a fall from a step in connection with a renovation. The majority of the accidents resulted from tripping, slipping or missing one's footing. Examples of other events are a craftsman who injured their hand while changing a hole saw and a tenant representative who stepped through a grating when a piece of the grating fell.

In addition, 20 near-accidents were reported that did not result in any injury, but pertained to events that could have caused an injury. Even if responsibility for reporting preventive work is incumbent on the contractor, we follow up work environment factors and work continuously to improve preconditions for a good work environment in our projects.

404 – TRAINING AND EDUCATION

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

404 – TRAINING AND EDUCATION	DESCRIPTION AND BOUNDARIES
	It is important to work with corporate culture and engagement to ensure that we have a climate that supports development and skills supply. Developing employee talents is essential if we are to deliver good quality to customers and to create value for society and the region. Skills development is about how we leverage new know-how and transform it into new or more well-developed skills. Reporting is limited to our employees even if, in several areas, we work together with other players to develop jointly.
	RISKS
	Our skills, abilities and motivation to meet customer needs, identify the right deals, and negotiate and deliver the right services in an efficient manner provide us with competitive advantages and if we do not develop these skills, we could jeopardise our market position, our profitability and, in the long term, our very existence. Not working with objectives, expectations, priorities and feedback would also increase the risk of employees leaving Wihlborgs to move to competitors to enjoy more meaningful and challenging work conditions.
	GOVERNANCE
	Securing the skills supply and developing employees' talents in different areas is led by the Group Management. Needs are identified through the company's strategy process and through the annual career development reviews.
	Operating plans for the coming year are decided by the Group Management and are implemented by the HR Department. The framework and policy for this work is on the intranet, as are the procedures for when and how different activities are conducted. Based on the company's overall goals, objectives are set at regional and Group level in the strategy process, and each manager is responsible for ensuring that their respective employees have the resources and skills required to meet their performance and behavioural targets.
	Governance documents: Code of Conduct, ethical guidelines, guide for business ethics, guidelines for career development reviews. The career development reviews encompass both performance targets and behavioural targets and document what employees need to reach these targets.
	TARGETS
	Each employee has one career development review per year (Q1) and is also offered a follow-up (Q3). Our employees always/almost always recommend Wihlborgs' products and services, and as an employer. (>90%)
	FOLLOW-UP
	404-3 Percentage of employees receiving regular performance and career development reviews, by gender and by employee category Own indicator (new): Percentage of employees who would recommend Wihlborgs as an employer/recommend Wihlborgs' products and services

404-3 Percentage of employees receiving regular performance and career development reviews

98 percent of permanent employees in Sweden had career development reviews in 2018. In Denmark, 100 percent of the employees had career development reviews. The reviews are conducted during the February–April period and only permanent employees are included in the statistics. The reason why some individuals did not have reviews in the spring is that a managerial change was ongoing at the time. Hourly and temporary employees do not have these documented career development reviews.

* We consider it irrelevant to report details regarding frequency or to break information down by gender/region/employment category.

Ambassadorship
(Own indicator)

Percentage of employees who would recommend Wihlborgs to others often or almost always

	2018	2017	2016
I would recommend my employer to others. Often/almost always (4 or 5)	95	96	93
I feel I can recommend our products and services. Often/almost always (4 or 5)	98	98	97

405 DIVERSITY AND EQUAL OPPORTUNITY

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

405 – DIVERSITY AND EQUAL OPPORTUNITY	DESCRIPTION AND BOUNDARIES
	We believe that a diversity of perspectives, experience and culture enriches an organisation. We are therefore working on different approaches for inclusion and equal opportunities within the company. We use gender and age to measure diversity but, for the present, have chosen not to measure diversity based on ethnicity. Based on the new General Data Protection Regulation (GDPR) and more stringent privacy protection, we have balanced interests and chosen not to share personal information (social security numbers) with third parties to measure this type of diversity.
	RISKS
	One-track thinking when recruiting risks generating work groups that become too homogeneous and may result in a lack of creativity and dynamism. Moreover, there is considerable risk that competent candidates could be missed.
	GOVERNANCE
The work is led by the Group Management and the HR Department sets goals and activities. We comply with applicable legislation such as AFS 2015:4 Organisational and social work environment provisions and the Gender equality in the labour market law (Denmark). Wihlborgs also has its own policies on equality and discriminatory behaviour.	
TARGETS	
Equal pay for equal and equivalent work – salary survey Equal opportunities for development (i.e. gender distribution of managers)	
FOLLOW-UP	
405-1 Diversity of governance bodies and employees.	

405-1 Diversity of governance bodies and employees.

See page 4 in this GRI appendix and page 71 of the Annual Report.

COMMITMENT TO THE REGION AND ITS COMMUNITY

We focus on two topics in this area: local investments and purchasing, and societal commitment. The framework for commitment to regions and communities is established by the Group Management. Day-to-day work in terms of local investments is managed by the Procurement Director and in terms of societal commitment by the Director of HR and CSR, and the sponsoring business developer. Read more under the respective topic below.

204 PROCUREMENT PRACTICES

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

204 – LOCAL PURCHASES	DESCRIPTION AND BOUNDARIES
	This topic pertains to Wihlborgs, as far as possible, prioritising local purchases. By engaging local suppliers, we help the business community grow and develop, thereby creating new business opportunities for Wihlborgs. Another positive effect can also be a reduction in transportation. This topic is limited to Wihlborgs, suppliers to operations in Sweden and society in general. Wihlborgs' definition of a local supplier or contractor is that the company must have an office or operations in the Öresund region, but does not need to have its head office located there.
	RISKS
	Wihlborgs is a major player and purchases products and services for significant sums. If we do not choose local suppliers, we risk negatively indirectly impacting development for business and for enterprises in the region. There is also a risk that the transportation of goods and people will be longer, which could be more expensive and negatively impact the environment.
	GOVERNANCE
The Procurement Director is responsible for ensuring that Wihlborgs prioritises local suppliers in procurements and when signing framework agreements. The Procurement Director reports to Wihlborgs' CEO and reports on an ongoing basis to the Group Management.	
TARGETS	
The portion of local suppliers is to be over 90 percent	
FOLLOW-UP	
204-1 Proportion of spending on local suppliers See page 73 in the annual report for outcomes.	

SOCIETAL COMMITMENT (OWN TOPIC)

103-1 Explanation of the material topic and its Boundaries

103-2 The management approach and its components

103-3 Evaluation of the management approach

SOCIETAL COMMIT- MENT (OWN TOPIC)	<p>DESCRIPTION AND BOUNDARIES</p> <p>Socially prosperous cities together with positive and vibrant urban environments are vital in terms of creating healthy and sustainable development for both individuals and companies. Through sponsorship and other types of support, we promote initiatives that are in line with our ambition to help improve job prospects and educational opportunities, and to promote diversity and equality. We also take our own initiatives in these areas. It is also important for the region to have the right preconditions for business start-ups and for entrepreneurs to receive help when setting up dynamic businesses. This topic is limited to Wihlborgs and the partners we have collaboration agreements with. The goal is for our activities to have a positive effect on society at large.</p>
	<p>RISKS</p> <p>It is important to set clear requirements for our business partners in terms of ethics, morals and values. Sponsorship partnerships where such requirements are not set risk promoting unsound behaviour or increasing the risk of adverse events that may negatively impact both Wihlborgs and the association/partner concerned.</p> <p>Another aspect is that new generations are setting more stringent requirements on employers in terms of commitment and values. If we do not clearly communicate our values and the kind of initiatives we support and contribute to, Wihlborgs risks becoming less attractive as an employer.</p>
	<p>GOVERNANCE</p> <p>Wihlborgs' sponsorship policy comprises the governing document for this area. Responsibility rests with the Group Management. The sponsoring business developer drives efforts together with the Director of HR and CSR.</p>
	<p>TARGETS</p> <p>A majority of our sponsor partnerships are to be based on societal commitment.</p>
	<p>FOLLOW-UP</p> <p>Our own indicator is used to measure this topic: "Share of sponsorship initiatives directly linked to societal commitment/community commitment." See page 73 in the annual report for outcomes.</p>