



SUSTAINABILITY POLICY

The Board of Directors has adopted this Sustainability Policy on 2020-04-27.

Revised version adopted by the Board of Directors of SSB on 2021-07-14

Introduction

The purpose of the Policy is to define SBB's position and guidelines for participation in building a sustainable society. Sustainability at SBB is based on Vision 2030, a continuous dialogue with stakeholders and the company's values of long-term and reliable ownership and property management. SBB stands behind the Paris Agreement's Climate Goals, the UN's Global Goals for Sustainable Development, and the Global Compact's Ten Principles for Sustainable Business. Sustainability is a natural part of SBB's business model and SBB works towards being the most sustainable real estate company in the world.

SBB's Board of Directors annually establishes a Code of Conduct, Whistleblower Policy and Sustainability Policy as well as sets sustainability goals. The Sustainability Policy covers all SBB's operations and applies to all companies within the Group.

The concept of sustainability includes the following dimensions:

- Economic
- Ecological
- Social

Extent

Sustainability permeates all work within SBB. The Sustainability Policy covers all employees and all parts of SBB's operations, including partners. All employees, including all managers, subsidiaries, and partners, have a responsibility to stay informed about the Sustainability Policy as well as other policies applicable to the company and applicable legislation.

The Sustainability Policy is supplemented by the **Code of Conduct**, which defines guidelines for action in matters such as ethics, anti-corruption, professional action, work environment, gifts, bribes, inside information, communication, integrity, discrimination and compensation.

To ensure that managers and employees act in accordance with SBB's ethical guidelines, a whistleblower service is available. The service is handled externally. Guidelines for the whistleblower service can be found in SBB's **Whistleblower Policy**.



Principles

SBB shall follow the principles below and appoint a member of senior management as responsible for each of the principles:

- Work to minimise SBB's environmental impact and energy use in new-builds and property management.
- Consider the environmental impact from a life cycle perspective.
- Minimise the environmental impact of transport.
- Strive towards never using materials that are classified as environmentally hazardous. Every deviation from this shall be registered in a follow-up system and approved by an appointed employee with responsibility for quality management.
- Protect ecosystems, biodiversity and minimize disturbances on land and in water in own operations and in the supply chain. Effects on ecosystems, biodiversity, land and water are evaluated and weighed in all property development processes.
- Minimise waste, utilise waste and resources in a responsible manner.
- Comply with laws and regulations and cooperate so that SBB's environmental work is designed in agreement with society's environmental goals.
- Inform partners and suppliers about SBB's sustainability work and requirements.
- Audit of safety in operations and in properties and minimize safety hazards for employees, contractors, and tenants.
- Apply mitigation hierarchy (avoid, minimize, restore and offset), precautionary principles, involve authorities and local communities when operating close to areas of critical importance and need of protection such as sites of cultural heritage (for example world heritage sites and IUCN Category I-IV), key habitats, nature reserves, green areas, agricultural land etc.
- Involve local communities in the dialogue process in all property development.
- Evaluate and manage risks related to climate change. This includes physical risks, regulatory risks, market risks and other transition risks. This evaluation shall be disclosed publicly in accordance with TCFDs recommendations.
- Publicly disclose updated and material sustainability data, fulfilment of sustainability goals, sustainability risks and incidents.

Vision and Targets

All SBB's sustainability visions and goals are prepared in dialogue with stakeholders with research-based knowledge of the business' sustainability-related risks and opportunities.

SBB's overall goals and direction in sustainability are defined in a Sustainability Vision for 2030 that has been adopted by the Board of Directors. The Vision 2030 also sets long-term goals within the three sustainability dimensions.

Operational goals and strategies in 1-5 years' time within the three sustainability dimensions are prepared by SBB's management team in consultation with the Board of Director's Sustainability Committee and are adopted annually by the Board of Directors. The operational goals are specific, measurable, set within a time frame and assigned to the responsible manager.

All employees are responsible for knowing and understanding Vision 2030 and goals, understanding how they relate to their own role and contributing to achieving them by applying and further developing SBB's working methods and methods for sustainable community building.



Governance and Responsibility

SBB must be transparent in its follow-up and reporting of environmental goals, impact and risks.

The CEO is ultimately responsible for the identification and management of sustainability related risks. The risk assessment is carried out together with senior management, the Head of Sustainability, and external experts in material topics such as climate risk. In property transactions, sustainability risks are included in the mandatory due-diligence process.

The CEO and the responsible manager for each goal continuously follow up the sustainability goals in consultation with the Head of Sustainability. Fulfilment of the goals is compiled and reported quarterly to the Board of Director's Sustainability Committee and annually to the Board of Directors and in the Annual Report. The Board of Director's Sustainability Committee is responsible for review and progress of the work with the sustainability goals, management of sustainability risks and compliance with the Sustainability Policy and Code of Conduct.

An internal Sustainability Council consisting of key employees from different parts of SBB including representatives from senior management works with the execution of the operational sustainability goals. Internal regulations and a framework have been developed to support the fulfilment of the goals and ensure a consistent and high quality:

- Environmental- and Quality Management System
- Sustainability Annex for projects
- SBB's Sustainable Financing Framework
- Other official policies approved by the Board of Directors

SBB's environmental impact and environmental risks are monitored and reported annually in the Annual Report. The Board of Director's Sustainability Committee is tasked with ensuring transparency and reliability in sustainability reporting, the Sustainability Committee is also responsible for appointing an independent auditor to review the sustainability reporting. Focus areas and relevant indicators for accounting are designated in dialogue with stakeholders, such as tenants, investors, lenders, employees and with research-based knowledge of the business' sustainability-related risks and opportunities.

Read in conjunction with

- Code of Conduct
- Whistleblower Policy
- Environmental- and Quality Management System
- SBB's Sustainable Financing Framework