

CORPORATE SOCIAL RESPONSIBILITY ESG REPORT 2023

Our strategic, holistic and responsible approach creates innovative solutions that benefit tenants, investors and the surrounding environment.



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DEAS GROUP

Unless otherwise stated, this report contains data for the entire DEAS Group and properties DEAS Group manage for 2023 and follows the annual financial report. The report covers DEAS Group's obligations under section 99a of the Danish Financial Statements Act.

CONTINUING THE PROGRESS

As part of the real estate industry with a distinct focus on sustainability, we have great opportunities to make a real difference - it is a commitment that is fostered in our four core values: The four C's: Courage, Commitment, Caring and Curiosity. In other words, it is part of our DNA, and DEAS has a responsibility that we have the means and values to live up to.

While the focus is unchanged in the EU and across the real estate sector, it remains unchanged at DEAS: Sustainability, the demands it makes, and the challenges that come with it are what matter. The past year 2023 was no exception.

Digitalization and data are progressively more important in the journey towards a more sustainable society. At DEAS, we have created a setup that enables us to use data actively and advise investors and benefit the tenants. For example, in 2023, we acquired the energy management company IQ Energy Nordic. With the acquirement, we now have access to the Eniscope platform providing us with real-time data on utilities and thereby creating a solid foundation for advising our investors on energy consumption. Furthermore, we upgraded our Data, Analytics, and AI department with strong profiles and experts who are committed to making data and its use an increasingly bigger part of DEAS' core business. Entering 2024, human knowledge and expertise combined with data will form the basis for consulting services.

Another important top priority at DEAS is biodiversity and it was one of our focal points in 2023. This is reflected in the launch of a biodiversity index, a tool created to increase biodiversity in the outdoor areas around properties. It enables us to take stock of existing biodiversity, set a baseline, and eventually make an improvement plan for the area in question. As we approach our biodiversity efforts with a holistic mindset that encompasses aesthetics, social cohesion, and the environment, and we will continue this focus going forward.

With DEAS Groups role as a Nordic real estate end to end partner, being present in Denmark, Norway, Sweden, and Finland, we are committed to enhance your way of life. In 2023, we held yet another round of the 'Make a Difference Day' initiative, which initially had a kick-off in 2022. DEAS encourages our employees to participate in the initiative to ensure continued engagement.

We continue 2024 with the same high level of ambition and constant focus on requirements of the EU taxonomy, sustainability, digitization and ultimately improving the way we live.

Rikke Lykke (Group CEO)
June 2024



DEAS GROUP IN BRIEF

DEAS Group (DEAS Holding A/S) is a Nordic end-to-end strategic partner covering the entire value chain in the real estate industry.

DEAS Group acts as a partner and advisor for national and international investors in the Nordics, as well as other stakeholders, under two separate brands: DEAS Asset Man-

agement A/S and DEAS A/S, both of which are wholly owned subsidiaries of DEAS Group.

With a focus on our three core areas, 'Stakeholder Management', 'Social Impact', and 'Innovation', a dedicated team of real estate specialists with deep insights into the local markets provide advice and services within real estate.

MOST IMPORTANT STAKEHOLDERS

We advise and provide services for our investors and tenants, continually striving to build stable, long-term relationships while simultaneously complying with applicable legislation at all times.



- Fund Management licensed as a Nordic alternative investment fund manager (AIFM)
- Investment Management
- Asset Management
- Transactions & Advisory Services
- Development

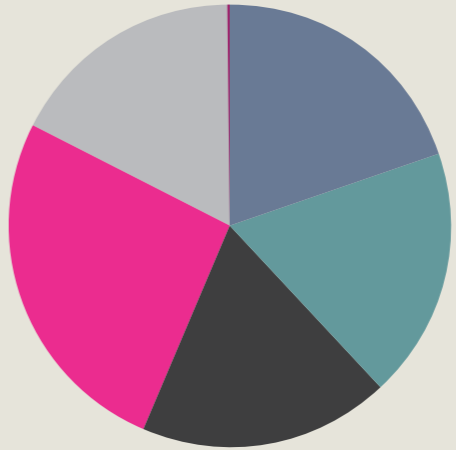
- Property Management
- Technical Real Estate Management
- Technical Building Consultancy
- Facility Services
- Residential Letting
- Commercial Letting
- Sustainability
- Public Private Partnerships (PPP)

EUR **122** m
revenue

EUR **17.4** m
paid taxes

850,5
full-time employees

OFFICES
Denmark, Norway,
Sweden and Finland



Age distribution of employees (years)

- ◆ 0,1% <20
- ◆ 19,88% 21-30
- ◆ 18,16% 31-40
- ◆ 18,26% 41-50
- ◆ 26,24% 51-60
- ◆ 17,36% >60

DEAS GROUP: INVESTORS AND TENANTS

DEAS Group manages assets on behalf of a wide range of investors from the Nordics and abroad.

DEAS Group operates with assorted types of mandates that require a variety of decision-making skills. As Asset Managers and Fund Managers, we work with discretionary licensing, which gives us a high degree of independence to make decisive decisions about the portfolios we manage. At the same time, we act as strategic advisors for our investors, where we are closely involved in individual decisions.

We calculate key figures for DEAS Group's consumption and emissions, which are areas that we can directly influence. In addition, we calculate key figures for the properties we manage on behalf of our investors. Our work gives us a unique opportunity to influence social, economic and environmental aspects of our investors' assets and our own business operations.

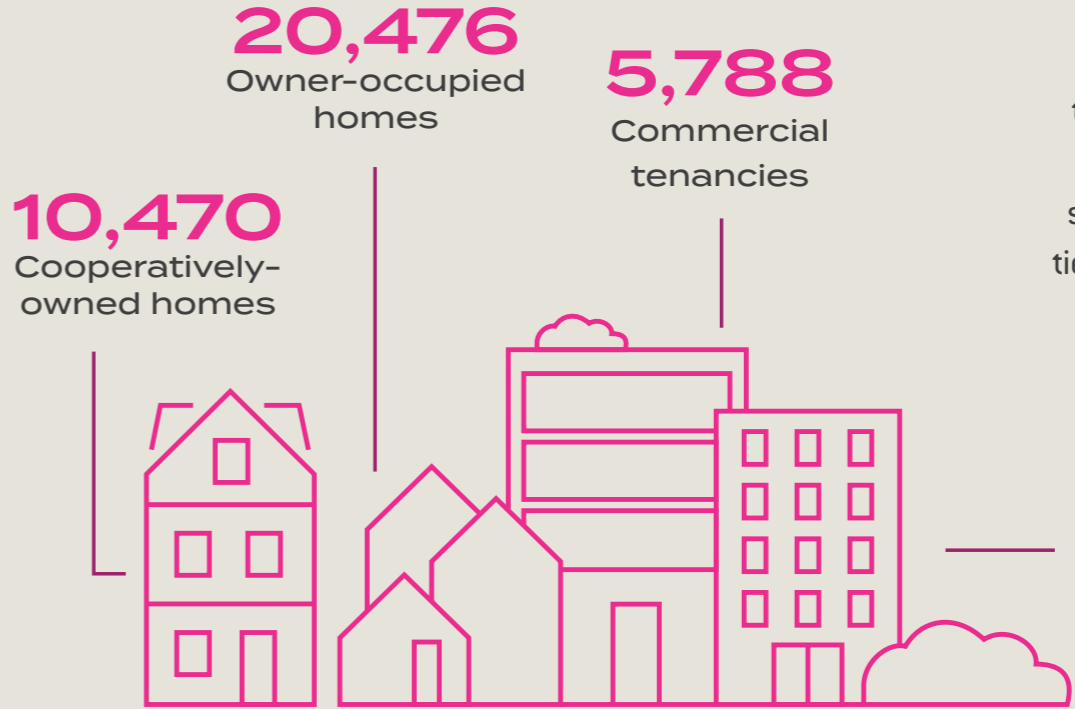
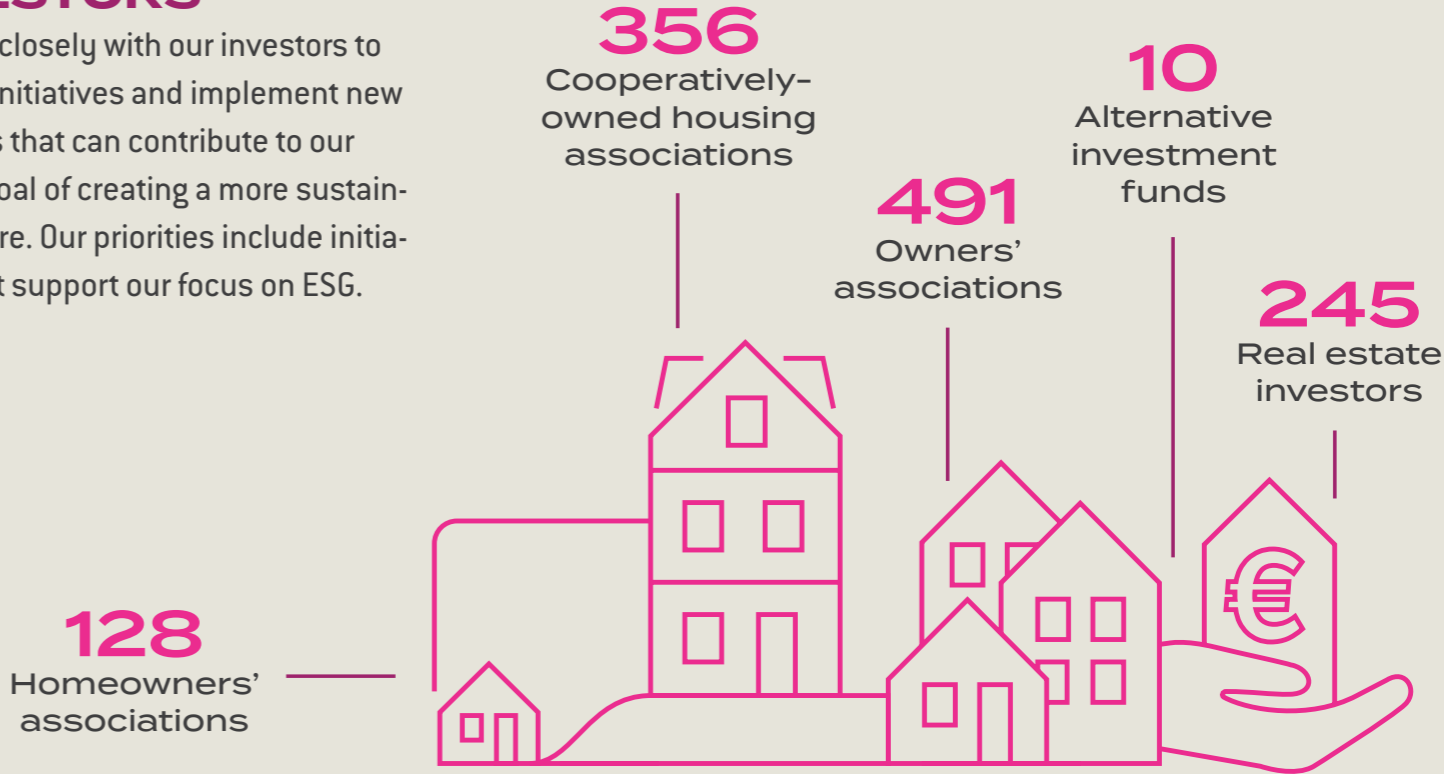


SOCIETY

We are resolute about accepting our responsibilities and playing an active part in creating meaningful change in society. We are proud of our resources and deploy them to make a difference in people's everyday lives. We also want to involve our employees in this work so that they can help contribute to our vision of enhancing your way of life. Learn more about our initiatives throughout the report.

INVESTORS

We work closely with our investors to identify initiatives and implement new practices that can contribute to our shared goal of creating a more sustainable future. Our priorities include initiatives that support our focus on ESG.



TENANTS

Our tenants are the foundation of our focus on improving health, well-being and inclusion in and around the properties we manage and in synergy with the local area.

ESG APPROACH AND STRATEGY

VISION AND PLEDGE – COMPANY APPROACH

At DEAS, we are dedicated to maintaining values and securing responsible economic growth by addressing our concerns for the future today. We believe that a systematic and informed approach to identify and manage ESG issues across a real estate portfolio will protect, and can significantly enhance, investment value. Agile measurement tools of a property's resource usage, combined with performance objectives, will enable us to reduce our sector's impact on climate and environment.

DEAS' overall vision is to ensure that the properties we are responsible for support the tenant's lifestyles to a greater extent and serve as more than just the backdrop of their lives. We have pledged to enhance your way of life, and this has become an integral part of our strategy.

Our strategy is linked to the UN Sustainable Development Goals on Sustainable Cities and Communities and Decent Work and Economic Growth and the EU Taxonomy classification system for environmentally sustainable investments.

We have selected three areas of change to focus our efforts and actively participate in the sustainable development of the Nordic commercial real estate market:

1. Stakeholders' Management: Changing climate and environment.

2. Innovation: Changing technology.
3. Social Impact: Changing demands for governance, engagement, and transparency.

By focusing on these three areas, we want to ensure that we have a positive impact on society, the environment, and the economy. We are committed to creating a more sustainable future for our investors, tenants, employees, and the community, and our vision and our pledge reflect this goal.

The ESG policies include "Investment Strategy & Process", "Capability & Collaboration" and "Transparency & Integrity".

LOOKING AT 2023 – AND AHEAD

A steering group comprising management and relevant professionals is working on a strategy pathing the way for new goals and guidelines for our work with sustainability. They develop a new direction by reviewing and updating our ESG strategy, which includes defining new targets and key figures following the EU Taxonomy for Sustainable Activities (EU Taxonomy), EU's Sustainable Finance Disclosure Regulation (SFDR), EU Corporate Sustainability Reporting Directive (CSRD), and the updated building regulations. This approach is applied at both the Group level and within specific Fund mandates.

At the Fund mandate level, the Fund Manager defines new ESG targets in line with the Fund mandate strategy and pre-contractual obligations.

SIX FUNDS TRANSITIONING TO ARTICLE 8 FUNDS

At the end of 2023, six out of the ten funds, we manage across the Nordics in DEAS Fund Management are Article 8 funds. This designation means the funds promote environmental and/or social characteristics. At the end of 2022, two funds became Article 8 funds. During 2023, an additional four funds were characterized as Article 8 funds, with two of them being upgraded from Article 6 funds.

In this context, necessary pre-contractual documents, website disclosures, periodic reporting, etc., have been prepared

UNDERSTANDING SFDR – SUSTAINABLE FINANCE DISCLOSURE REGULATION

SFDR has since March 2021 been part of the EU's efforts to encourage investments that consider ESG factors. The main objective of the SFDR is to create more transparency and accountability around financial products. It is a framework for classifying funds based on their sustainability objectives, where the funds report whether they have a sustainable investment objective or promote E and/or S characteristics and to what extent they take sustainability factors into account. This allows investors to make more informed decisions about their investments regarding ESG criteria.

It is worth noting that the SFDR is part of a wider initiative within the EU to promote sustainable finance and there will likely be changes and additions to the regulation in the future.

following disclosure regulations and specific goals for enhancing ESG characteristics in the portfolio. Furthermore, it describes how these specific goals are intended to be achieved. For the funds that became Article 8 in 2022, the periodic reporting was conducted at the beginning of 2023. The remaining Article 8 funds will conduct periodic reporting for the first time in connection with the 2023 annual report. The periodic reporting is included as an appendix to the annual report and shows whether ESG characteristics are fulfilled, and it will provide a transparent basis for comparison by investors to see whether the fund's performance aligns with ESG characteristics.

By the Disclosure Regulation's requirements for transparency on the fund management level, DEAS Fund Management has published its sustainability- and remuneration policies on the website, as well as the PAI consideration statement.

CLASSIFICATION OF FUNDS IN SFDR

Articles 6, 8 and 9 of the SFDR refer to different categories of funds based on their sustainability profile and how they integrate ESG factors.

Article 6: Funds without a sustainability scope.

Article 8: Funds that promote environmental or social characteristics.

Article 9: Funds that have sustainable investment as their objective. During 2023 DEAS did not manage any Article 9 funds.

SUSTAINABLE DEVELOPMENT IS BASED ON IMPORTANT REQUIREMENTS

The requirements for sustainability, especially the documentation for sustainable development, have through 2023 been a key focus area. Therefore, this is a great deal of attention spent on delivering the necessary documentation to meet the requirements set. This applies not least to the requirements from the European Union, which sets the framework for sustainable development.

THE EU TAXONOMY'S 6 AREAS OF FOCUS

- 1. Climate change mitigation – by reducing CO2 emissions or lowering energy consumption.
- 2. Climate change adaptation – for example, climate screening that identifies the impact of climate change on a building and ways of adapting it.
- 3. The sustainable use and protection of water and marine resources.
- 4. The transition to a circular economy.
- 5. Pollution prevention and control.
- 6. The protection and restoration of biodiversity and ecosystems.

EU TAXONOMY

The EU Taxonomy sets a series of criteria that companies within each sector must be able to document compliance with before an economic activity can be categorized as sustainable. Only two of six criteria have been rolled out as of 2023.

To be recognized as environmentally sustainable, an investment must contribute significantly to meeting at least one of these six environmental objectives and fulfill minimum criteria that ensure no adverse effect on the other five environmental goals. Moreover, the activity must comply with the Organization for Economic Co-operation and Development (OECD), UN, and International Labour Organization (ILO) principles of human and employee rights. All of this, of course, must be documented and explained.

Throughout 2023, DEAS had a dedicated focus on providing the necessary data from property screenings required for the taxonomy alignment of properties. By the end of the year, we succeeded in being one of the first advisors within the Danish real estate sector to deliver the necessary data that document the fulfillment of the first of the taxonomy's six criteria in section 7.7 "Acquisition and ownership of buildings".

Going into 2024, we anticipate an even higher demand for data for the taxonomy alignment of properties.

CASE:
DEAS REACHED AN IMPORTANT MILESTONE IN TAXONOMY SCREENING IN 2023

In 2023, DEAS became one of the first property managers/advisors to have approved data sets documenting that properties under 7.7 "Acquisition and ownership of buildings" fulfill the first two environmental objectives of the EU Taxonomy Regulation. The approved data sets originate from screenings conducted by DEAS on behalf of PFA Properties.

"As a property manager, we have a responsibility to give our investors the opportunity to minimize risks and damage to properties as a consequence of the climate crisis we are facing. The approval is a seal of approval that our screenings are at the highest level and that we can now prepare our investors even better for the climate reality we are facing," says Helle Hangaard, Senior Team Manager, Sustainability, DEAS.

The development of DEAS A/S' method for documenting the significant contributions has been done in close cooperation with the Danish Council for Sustainable Building. DEAS A/S performs technical screenings focusing on several climate-related risk profiles targeted at individual property. The collaboration also optimizes the process of implementing future additions from the EU.



MORE CLASSIFICATIONS ON THE HORIZON

CSRD (Corporate Social Responsibility Directive) is an EU directive that requires certain companies to report on their sustainability work. The first companies have had to report from the fiscal year 2024.

Thus, all large publicly listed companies with more than 500 employees are subject to the directive from 2024. Hereafter, other large companies as well as small and medium-sized enterprises are required to comply by 2026.

DEAS has in 2023 further developed its data and documentation work in order to be able to deliver data to report in accordance with the directives. This includes data on biodiversity, data from property screenings, and specialized energy monitoring.

CASE:

GRESB - GLOBAL SECTOR LEADER STATUS

The entity with the top GRESB Score, as well as the entities with a score within 1 point of the top score in a category, will be recognized as Sector Leader. In Norway, the funds DEAS Eiendomsfond Norge 1 and DEAS Norway Balanced Property Fund achieved 93 and 92 points respectively, resulting in the status of "Global Sector Leader".

DOCUMENTATION CONTINUES TO BE CRUCIAL

Because we wish to be transparent and measure ourselves in the sector in terms of benchmarks such as the Global Real Estate Sustainability Benchmark (GRESB), we report data within the framework of our Asset and Fund Management in Sweden and Norway.

Participation in the survey provides us with a robust third-party assessment of our sustainability data and serves as an important tool for improvement.

For the reporting year 2023, we achieved significant progress in the number of scores for the number of scores for all our reporting funds. All funds were awarded "GRESB 5 green stars," which are given to those scoring among the top 20% of all participants in the peer group.

A CONSTANT DEVELOPMENT IS NECESSARY

Our work with sustainability is an ongoing evolving process, where we continually explore new paths, opportunities, objectives, and KPIs. We have continued this work throughout 2023, and this dynamic approach will also define the future direction for the benefit of DEAS as well as the many tenants and investors we collaborate with.

As the requirements for documentation on sustainability are only getting stricter, it becomes an ongoing necessity to evolve. Therefore, our focus is also to work towards an alignment with all 6 criteria in section 7.7 "Acquisition and ownership of buildings" of the EU taxonomy.

We are also working with DGNB certifications to strategically establish the status of parameters for sustainable development to analyse and outline the best measures for an indi-





vidual building or project economically, environmentally, and socially. Certification of buildings is one of the most important tools for enhancing sustainability and can also be used as an effective path to align properties for the criteria within the EU Taxonomy.

At DEAS, we have during 2023 revised our work with biodiversity, searching for new opportunities in the area of circular economy and focused on reducing Scope 3 emissions further, which encompass indirect emissions which we do not own, e.g. from our value chain.

Implementing a holistic strategy that increases the demands on ourselves and our value chain ensures that we can continue to create value for our tenants, investors, and the surrounding environment.

CASE:
DEAS IN COLLABORATION
WITH FISCHER LIGHTING ON
RECYCLING LAMPS

Every year DEAS renovates and develops a large number of commercial properties, which each time leaves behind furniture that is no longer needed or does not fit into the new design. This includes large batches of fully functional office and retail lamps.

The lifespan of the lamps is now being extended thanks to an upcycling collaboration between the lamp manufacturer Fischer Lighting and DEAS. Here, the old lamps are being collected by DEAS to be recycled and upgraded into new designs by Fischer Lighting.

"At DEAS, we want to lead the way in how we can recycle more, and we are always looking for new methods and collaborations that can promote the circular economy. Therefore, it was obvious to reach out to Fischer Lighting when we heard about their circular approach to lamps. What makes the collaboration unique is the potential to upcycle lamps in a volume that also makes it interesting for the large property projects we work with," says Anne-Marie Adolph Larsen, Director, Commercial, Space Planning & Refurbishment, DEAS.

REASON WHY

Digitalization and data are progressively becoming more important in DEAS' journey towards a more sustainable society. With an improved setup consisting of human knowledge, expertise and data, we advise investors and benefit the tenants.

PRIORITY 1

DATA IS THE FUTURE – SUSTAINABILITY IS MORE THAN ENERGY IN A BUILDING

IN TERMS OF data collection, DEAS is currently on a journey and has been over the last 7-8 years." We started out reading meters on a monthly basis, and today we have the means to collect data on an hourly basis from the majority of utilities. By itself, that is a big leap, but we are still only talking about master meter data.

In March 2023, DEAS acquired the energy management company, IQ Energy Nordic. This has given us access to the Eniscope platform, which allows property managers to monitor energy consumption in a given property while meeting the increasing demands for transparency, optimisation and reporting. Using Eniscope, we can start working with real-time data, which means we no longer have to wait a few days to get data from the utilities. Ultimately, it creates a solid foundation for consulting our investors.

Most importantly, once we have this data, we need to use it – otherwise, we might as well not collect it at all. This data helps our clients ensure that their properties are running well, and the more we use it the more it pays off.

SUPPORTING CUSTOMERS - BUT RAISING THE AMBITION LEVEL

It is important for DEAS to support our customers where they are at any given time, but we would also like to raise their ambition level if they want to move from monthly readings to the new solution with detailed data, sub-metering and all the other options that Eniscope offers.

In the past, we have operated with statutory energy labels on the buildings, where we have worked with calculated energy consumption. However, this has some clear disadvantages, as it does not take changing behaviour and different uses of the buildings into account. Furthermore, they only tell us something about the shell around the building with the fixed installations.

Many of our buildings are characterised by the fact that they are large and therefore occupied by many tenants. If we are to continue on this journey in terms of doing something about the energy consumption of the buildings in operation, we need to get to grips with the consumption of the individual tenants. Whether it is a commercial or residential building, it is necessary to get closer to the actual consumption of each individual consumer, otherwise, we will never get consumers to change their behaviour.

Historically, this has been impossible, but with the current technological advances we have the means to get much closer to the specific energy consumption by establishing more precise measuring points, and thus it allows us to develop and improve our energy management business.

CLIMATE DATA AND CLIMATE IMPROVEMENTS

Data collection is not only relevant in relation to energy consumption but also as far as the climate and lifestyle go. For instance, we can make calculated assumptions on the proba-

CASE:

AI AND DATA PROVIDE US WITH NEW OPPORTUNITIES

Climate change has led us to a new weather reality. Cloudbursts, floods, storms, and storm surges are becoming more frequent, demanding that we act more swiftly and effectively with interventions on properties at risk during extreme weather events.

Building on our work with climate proofing and the delivery of data for taxonomy alignment, in 2023 we developed a completely new data- and AI-driven digital climate monitoring system. This enables us to anticipate potential damages that an extreme weather event might cause to any of the properties we are responsible for. Here, we utilize our extensive data from the large property portfolio we manage, combined with external geographical and weather data.

With this monitoring tool, we can advise on which properties it is most necessary and effective to implement specific climate protections. Ultimately, with the help of data, we can effectively secure a larger portion of the Danish building stock against weather damage caused by climate change.

The climate monitoring tool has been developed during 2023 and was launched at the beginning of 2024. It will be continuously developed and updated to become even more adequate over time.

bility of a basement flooding by using publicly available data sources, such as the Norwegian weather service YR, looking at a given property and its collected data, the water table, and the precipitation that is in sight. Furthermore, we can collect insurance data going back ten years, and based on that, we can estimate the risk of insurance damage to a given property in the event of a certain amount of precipitation.

Data collection can be used for both active and passive monitoring. One option is doing climate screening, and effectively making climate improvements on a property to meet the tenants' challenges arising due to climate changes.

While energy efficiency in the building falls under environmental goal 1 in the EU Taxonomy, protection against climate changes that have already happened falls under environmental goal 2. So far, these are the two goals that have been rolled out for properties in operation.

At DEAS, we help our investors get the right measured data, and from there we can supplement with consultancy services in the energy department and the climate protection department. Once the baseline has been established in one way or another, it allows us to improve it.

APARTMENT MODERNISATIONS - TURNING WASTE INTO RESOURCES

In the modernisation team, we modernise residential apartments, and we put a significant amount of effort into finding materials with certifications, i.e. the Nordic Swan Ecolabel, the FAC label, etc. to be as sustainable and mindful as possible.

We have prepared a material catalogue in which you can see all the materials we have chosen. We work continuously to keep up to date on what materials are available, and if there

are developments in the market, we update the catalogue on an ongoing basis. We also ask our contractors to document that they are using the right materials, so we ensure compliance.

We have transferred many of the materials to commercial interiors, but our focus in the commercial sector is to look critically at the demolition process - and especially at which materials we can reuse.

In addition to recycling light fixtures, we recycle ceiling tiles, plasterboard, glass partitions, doors, etc. We recycle as much as possible, which can either be used in our own building or a building owned by someone else. The idea is to look at things as resources instead of waste, which has been the case in the past in the past when remodelling.

SUSTAINABLE APPROACH TO APARTMENT MODERNISATION WITH KITCHEN MODULES

A second key part of apartment modernisation is the process from one tenant moving out to a new tenant moving in. In general, apartments need to be upgraded to a certain standard if investors are going to demand a desired level of rent. The key is to carry out modernisation in the most sustainable way possible.

A good example is kitchens, where we know they can withstand around 3-4 different tenants using the same kitchen. However, we have now started using modular kitchens, so we can easily replace individual elements. Here, it is also possible to upgrade the kitchen by getting new fronts, and the old ones can be sent back and renewed with new paint. This solution is cheaper and more sustainable, which is why we hope to use it more widely in the future.

WORKING TOWARDS CERTIFICATION OF UNITS IN LARGER PROPERTIES

We strive to get to a point where we can certify units within a larger property - for example, awarding the Nordic Swan Ecolabel to an apartment modernisation. However, as it stands right now, the Nordic Ecolabel cannot certify individual units in larger properties.

Initially, we are aiming to be able to certify commercial properties, but we hope to eventually be able to include residential properties in the programme to enable property labelling. That way, it will be easier for people to relate to, because they know what the Nordic Swan Ecolabel (as an example) is. If such a certification becomes more common, it would, hopefully, contribute to more people wanting to live in these certified leases and perhaps also paying slightly higher rent than their neighbours, because they know that the materials used are sustainable.

DEAS works purposefully and actively in the development of these certification schemes. Among other things, we are involved in different pilot projects that are targeted at commercial interiors, where we are working to get proof that we have built sustainably - and this is done according to instructions from the Danish Council for Sustainable Building.

REASON WHY

We are devoted to increase biodiversity in the surrounding areas of the properties DEAS manage and beyond. We are approaching our effort with a holistic mindset that encompasses aesthetics, social cohesion, and the environment.

PRIORITY 2

A LOT OF POTENTIAL IN SURROUNDING AREAS TO BUILDINGS

ANOTHER CONSEQUENCE stemming from climate change is the loss of biodiversity. Therefore, it has rightly come on the agenda in the EU, and so it has in DEAS. Here, we work with biodiversity on outdoor areas surrounding properties, that are managed by DEAS just as we also advise clients with outdoor areas who do not already have properties managed by DEAS.

THE IMPORTANCE OF ONSITE BIODIVERSITY

When talking about biodiversity in the current DEAS context, we are referring to the physical onsite biodiversity. We are not talking about the indirect impact of trade and our manufacturing operations.

We have developed a biodiversity index which enables us to take stock of the existing biodiversity in a given area and put it into numbers. This way, we set a baseline, for example on a portfolio, by looking at outdoor areas and determining what the current biodiversity is there. From there, we can work to improve the biodiversity in the areas in question. We also use the index as a planning tool for entirely new areas where nature projects are to be established from scratch. In this way, the index can effectively show the path to efficiently create the most possible biodiversity.

The big debate in the industry is whether we are creating real biodiversity this way. Common figures state you need more than 5,000 hectares in total to be able to talk about biodiversity. Our position is that it is better to do something than

nothing, and if our activities equal more green areas in the cities, then we are in fact contributing to biodiversity on a larger scale.

LOOKING AHEAD - BIODIVERSITY IN EU TAXONOMY

The Biodiversity Index is a dialogue tool that we use in the outdoor areas of the buildings. Here, the area in question is given a score that will be updated concurrently with our improvements. In other words, it is a very dynamic and operational tool that we use in our housing projects. The idea is to look at the sites annually and check whether the biodiversity is still thriving. We prefer to only submit landscape projects where we are also allowed to submit an operation and care plan so that we can ensure the areas are managed properly.

The Biodiversity Index also has a strategic purpose. Furthermore, we use it to set a baseline and make a potential analysis of possible improvements in the given area. Ideally, we set a goal and make a plan, that we will eventually present to our stakeholders.

Biodiversity is included in both the CSRD and the EU Taxonomy. In other words, the index plays an important role in future reporting as we have to present the numbers. Furthermore, we are excited to see what role the index will play in terms of Science Based Targets for Nature (SBTN). It has not been fully defined yet; however, we expect to be able to use the Biodiversity Index in that direction as well.

CASE:
WILD NATURE IN VEJLE

One place where you can encounter DEAS' biodiversity efforts is in the outdoor areas at the psychiatric ward in Vejle.

In the nature project that DEAS has initiated and financed a biodiversity plan, a somewhat wilder nature is being created. Initially, this has meant that the mown grass areas have been transformed into more natural meadows. There will also be large boulders, a new softly shaped terrain and wild herbs and perennials to increase flowering and nectar. Together, the project will not only enhance biodiversity and create new habitats for animals and insects. It also creates areas that will give patients and visitors more opportunities to spend time in nature.

"On the nature project at the psychiatric ward in Vejle, DEAS has invested in a long-term plan and strategy to increase biodiversity. Here, we have a unique opportunity to demonstrate and test several new methods and ideas we are working with within biodiversity," says Helle Hangaard, Senior Team Manager, Sustainability, DEAS.

It is expected that by spring 2024, the first major difference will be seen and measured, including increased flowering and more flying insects.

The hospital is built in a public-private partnership (offentlig-privat partnerskab (OPP)), and the experienced consortium Team OPP is behind the award-winning project. The consortium consists of MT Højgaard Property Development A/S, property management company DEAS and investors PensionDanmark, PKA and Sampension.

SOCIAL SUSTAINABILITY IN OUTDOOR SPACES

One thing is the Biodiversity Index tool and the focus on measuring and reporting biodiversity. In our Sustainability efforts, we also focus on the social aspects of it. One could argue that allotment gardens do not have the highest value in terms of biodiversity. However, we believe that they contribute to a just as important purpose as they encourage people to get out into nature and socialize with each other. Therefore, the social aspect also has a say when reporting biodiversity. Social sustainability applies to both residential and commercial properties. As last mentioned, it is a matter of giving people the opportunity to have meetings and breaks, etc. outside when the weather permits.

E-MOBILITY AND BIODIVERSITY

One of the initiatives DEAS has taken to support the sustainable transition in 2023 is to enter into a strategic partnership with Clever to help our residents in the associations to choose a hybrid or electric car.

We have made a projection based on Statista's data that suggests the number of individuals purchasing electric cars and using this, we have concluded that by 2032, 35% of the residents in our associations will own an electric vehicle. In other words, the need for charging stations in both private homes and workplaces will only increase.

The collaboration with Clever is about making an easy transition. In terms of biodiversity, this partnership is a conscious choice. Clever works purposefully to ensure that their charging stations do not have too much of a negative impact on biodiversity and the surrounding ecosystems by, among other things, collaborating with landscape architects and generally having a strong focus on where and how the charging stations are built.



REASON WHY

As a Nordic real estate end-to-end partner covering Denmark, Norway, Sweden, and Finland, we are dedicated to enhancing the way you live by taking responsibility in community work, investing in our social footprint, and having satisfied employees.

PRIORITY 3

MAKING A DIFFERENCE THROUGH SOCIAL WORK AND VOLUNTEERING

IN DEAS WE WORK with social impact on various levels and in different ways, having established the 'DEAS Care Impact Board'. This board, comprised of DEAS employees, is mandated to form partnerships with relevant organizations regarding social impact and our support.

We aim for our social impact to be as broad as possible, and with the board's partnerships, we can address social impact from multiple angles—financially, business-wise, and by offering work hours through our employees' "Make a Difference Day".

This initiative provides every employee the opportunity to take one workday off each year to participate in voluntary work of different kinds, and the potential is significant. If 30% of the employees volunteered this one day, it would equate to the equivalent of more than one full-time position each year.

Therefore the board actively encourages DEAS employees to use their 'Make a Difference Day'.

In addition, we have an independent strand, Real Care, which has its own board of directors and chairman. DEAS is currently a partner in Real Care and was involved in founding the organization in 2022. While DEAS aims to focus as broadly as possible in terms of social impact, Real Care specifically focuses on vulnerable children and young people.

MAKE A DIFFERENCE DAY – THE YOUTH ISLAND (UNGDOMSØEN)

It is important for us not only to donate funds but commit ourselves to an extent where we use our employees as resources, too. This is where the Make a Difference Day comes into its own.

One of the organisations we have an active partnership with within the DEAS Care Impact Board is FRAK, an establishment that assists young people with difficulties in obtaining part-time employment.

FRAK has a project on Ungdomsøen, an old military fortress outside Copenhagen, which aims to help young people away from their troubled environments and provide them with new opportunities. The goal is to give them work experience and a stepping stone to a vocational training program in the real estate industry.

This summer, several DEAS employees and CEO Rikke Lykke spent a day at Flakfortet on Ungdomsøen helping with various practical tasks such as gardening, painting walls, collecting rubbish, and building benches.

The collaboration with FRAK is a great example of what can be achieved with a collective volunteer day.

LOOKING AHEAD – MORE EMPLOYEES VOLUNTEERING EVERY YEAR

DEAS Care Social Impact has big ambitions, and therefore we are working on motivating our employees to use DEAS' offer of spending a work day volunteering day can be utilised.

Our volunteer day had a kick-off in 2022 and since then, the support and participation have been growing at a steady pace. We are on the right track, and obviously, we want to increase participation. Furthermore, we are looking into broadening our horizon in terms of the organisations we work with.

A focus is to raise awareness of all the different opportunities to spend a day doing something other than what you normally do. In relation, we are working on concrete proposals to streamline the process. Specifically, we intend to make possibilities, processes and everything in relation to the volunteer day as manageable as possible to ensure a high number of volunteers and satisfied employees. For example, by paving the way to various forms of employment, we can utilize our entire professionally diverse workforce and make it even more attractive. This includes, for instance, the ability to help and work for a good cause from the office, where one normally works from.

FRAKTIER

Another way DEAS has supported FRAK is by buying so called 'fraktier' - a special kind of stock offered by FRAK. Essentially a 'fraktie' means that we have bought working hours and thereby invested in the organisation. With a fraktie, the young people help us at DEAS with various tasks.

EXAMPLES OF WHAT DEAS EMPLOYEES HAVE SPENT THEIR VOLUNTEER DAY ON

- Volunteering at 'Ungdomsøen'
- Wrapping presents on Children's Aid Day
- Attending Mind Your Own Business. Initiative to help socially disadvantaged young boys build their own business
- Spending Christmas Eve with vulnerable families
- Collecting and selling clothes with proceeds going to Kofoed School. Also using internal resources to create a visual campaign.
- Spreading the word about Bedre Psykiatri
- Designing Interior for battered women
- Volunteering as a watchwoman
- Being a prison visitor for inmates

CASE:

REAL CARE PROJECT: MIND YOUR OWN BUSINESS

One of the ways you can spend your volunteer day is by becoming a mentor for socially disadvantaged young boys.

"For me, it was a no-brainer when I heard I could spend some evenings with boys in vulnerable positions and actually get a day off. It's the coolest job, and it creates a completely different energy to be with these guys says Signe Hybholt. Real Care has partnered with the NGO Mind Your Own Business which creates work groups for young socially vulnerable boys aged 12-17. DEAS is involved as a mentor company along with other companies in the real estate industry, helping the boys to set up a micro-enterprise and giving them an idea of what it will be like to enter the labour market one day.

Some come from socially disadvantaged families, while others have academic disadvantages.

"I use my background in People and Culture, and I have helped them with company values and with creating a staff policy on how they should behave towards each other," says Signe Hybholt. She continues: "I don't think I would have been involved in this process if it wasn't for the fact that it was offered to me, and I was shown a plan. After the first few times I was there, I just left with a lot of positive energy."

The project ends 26th of May 2024. Here, the boys will attend a business award and present and sell their product together with other young people who have participated in similar projects.



REASON WHY

Together with our staff, we want to run a financially profitable business centred on our tenants and partners while also fulfilling our legal and ethical responsibilities.

OUR FOUNDATION

LEGAL & ETHICAL RESPONSIBILITY

Our responsibility consists of running a financially profitable business that focuses on short- and long-term goals and on the impact our actions have on people and the environment. This fundamental understanding underpins everything we do. Only with this groundwork can we truly facilitate a sustainable transition.

PROACTIVE PROCEDURES ARE A SAFEGUARD FOR INVESTORS AND STAFF

DEAS takes a targeted and proactive approach to quality assurance, management, and the structuring of our process in close cooperation with managers and employees. For us, quality means delivering what we have promised or what tenants and investors can rightly expect. We perform our tasks responsibly and by applicable legislation, official regulations, and industry standards.

DEAS Group processes data on properties and operations. We do this to classify, renew, and improve the products and services that we deliver.

At the same time, we are required to handle any collected data with respect and consistency, which is why we are committed to using and handling data securely and transparently, when relevant and with respect for privacy. Our data ethics policy will continually develop in step with the general development of society and according to our observations in connection with our work.

HANDLING PERSONAL DATA

Looking after the personal information we handle and store

about our tenants, the contact person for our tenants, investors and suppliers, and our staff is a major responsibility. We take this responsibility seriously and perform a yearly external audit of our GDPR processes via the assurance standard ISAE 3000 – type 2, provided by Deloitte, which handles DEAS Group’s compliance with GDPR/personal data and the audit of our processes. The assurance means that our tenants have a concrete guarantee of the verifiable systematic nature and quality of our work regarding GDPR/personal data and continual auditing of our processes.

DATA BREACHES	
2022 10	2023 34

During 2023, we did have data breaches. Though, the vast majority were minor cases such as e.g. sending an e-mail to the wrong tenant with a lease agreement or similar.

Two of the breaches were of a severity that required us reporting them to the Danish Data Protection Authority.

A SECURE LINE OF INFORMATION WE CAN ACT UPON

In 2023, we experienced for the first time that our whistleblower scheme was used, underlining the importance of having a secure and confidential channel where employees at DEAS and others can report important information and potential wrong doings.

USE OF THE WHISTLEBLOWER SCHEME

2022
0

2023
1

Since 2022, we have entrusted the running of our whistleblower scheme to the law firm Poul Schmith. This has since boosted the quality and security of the scheme.

REPORTED INCIDENTS OF CORRUPTION AND MONEY LAUNDERING

2022
0

2023
0

If suspicious, we monitor compliance with the sanctions list from the EU, US and Britain, e.g. Russian connections in the wake of the ongoing war in Ukraine. DEAS Asset and Fund Management has digitalized the customer knowledge process. This is an ongoing process and in 2023, we maintained this focus.

NEW CODES OF CONDUCT SET THE STANDARDS

In 2023, we worked on a new and revised version of our code of conduct, which sets the standards and requirements for the subcontractors DEAS collaborates with. It specifies the standards within ethical, social, and environmental requirements that suppliers to DEAS are obligated to adhere to.

As a large organization with many different departments and business activities, we must regularly update our requirements to match the reality we operate in.

In our updated 'Supplier Code of Conduct', which was

launched by the spring of 2024 we have tightened the requirements for suppliers' compliance with human rights and competition rules, as well as tax and payment practices. We have further clarified DEAS' option to audit the supplier's compliance with the Supplier Code of Conduct.

Furthermore, we have developed a new DEAS Group Code of Conduct designed to inform and direct all employees regarding the ethical standards expected of all DEAS employeee to act upon. All employees must undergo training in the new Code of Conduct and all new hires will be required to complete the same course upon joining the organization.

PROFESSIONAL STANDARDS ENSURE DEVELOPMENT AND RETURNS

DEAS Asset and Fund Management already has ethical and professional standards in its policies for all areas and applies to more or less all companies, including the Code of Conduct and Sustainability Policy. Since the companies are under supervision of the financial supervisory authorities, we have a framework with which we must comply, and we are monitored by the depositary of our funds. Thus, our regulated business is at present subject to more internal frameworks and rules than the rest of our business.

There is solid cooperation between our investment teams in Denmark, Norway, Sweden, and Finland, which ensures high-quality knowledge sharing. Efforts towards integration and alignment have been and will continue to be ongoing to achieve uniform business processes across the investment funds in our charge.

We have three overarching focus areas to ensure environmentally feasible development and sustainable financial returns:

- Risk managing our activities, i.e. addressing ESG risk factors across all our activities, will increase the chance of risk-adjusted returns for our investors.
- Seizing opportunities. We are developing tools and procedures to identify opportunities for improving ESG aspects of our portfolio of the properties we manage on behalf of our investors, creating long-term value for them.
- Long-term goals, i.e. developing lasting ESG goals together with our investors that match investment goals.

We already have a due diligence regime in place and carry out legal, financial, technical, and environmental due diligence on the investments we make on behalf of our investors.

BOARD OF DIRECTORS COMMITMENT TO SAFEGUARDING THE COMPANY

Our board of directors, like the rest of the company, has ambitious aims when it comes to diversity but always appoints its members according to their qualifications rather than criteria such as sex or age.

WOMEN ON BOARD OF DIRECTORS

2022
20%

2023
20%

MANAGEMENT BOARD MEETING ATTENDANCE

2022
98.2%

2023
100%

Over a series of years with exceptionally high attendance rates at board meetings, the attendance rate has increased yet again

this year, and we have now achieved a complete attendance rate.

This once again demonstrates that activities within DEAS have been prioritized in 2023 so that decisions can be made to further strengthen the organization.

ESG KEY FIGURES

This overview presents the 2023 ESG key figures for DEAS Group.

DEAS Group publishes its ESG key figures to create transparency for investors, tenants, employees and other stakeholders, but also to be held accountable for the objectives we prioritise.

FIGURES FOR DEAS GROUP AND THE PROPERTIES WE MANAGE

We disclose key figures for DEAS Group's consumption and emissions that we have a direct influence on, as well as for the properties we manage based on a discretionary mandate on behalf of our investors or for which we act as an advisor.

DATA FOR DANISH LOCATIONS AND ENTIRE DEAS GROUP

In 2021 DEAS Group acquired Aberdeen Standard Investments' Nordic asset management business and a

combined portfolio comprising EUR 1.7 billion in the Nordics on behalf of Aberdeen Standard Investments' European and global funds, expanding DEAS Group's business in the Nordics with employees, locations and activities in Norway, Sweden and Finland.

In 2022 and 2023 we obtained key figures and data for all parts of the business across the entire group, while in 2021 most of our key ESG figures exclusively comprised data from the Danish part of the business. Because of this we only include data from 2022 and 2023 in this report to set a reasonable comparison, since these are all from the entire DEAS Group unless stated otherwise.

We explain our key figures in detail throughout the report.

Environmental: ESG figures for consumption and emissions for DEAS Group and the properties we manage					
ESG figures – consumption and emissions for DEAS Group own footprints	Unit	Target	2023	2022	Scope 2023
CO ₂ – Scope 1	tons	0 in 2030	290	356	Group
CO ₂ – Scope 2	tons	0 in 2030	60	138	Group
Energy consumption	GJ	10% reduction in 2025	4879	5228	Group
Water consumption	m ³	10% reduction in 2027	3235	3481	Group
Yearly food waste	Kg	10% reduction in 2028	3324	9234	Group
Share of certified own office locations	Pct	100	100	100	Group
ESG figures – consumption and emissions for properties managed by DEAS Group					
Energy labelling (weighted average)	1-7 (A-G)	3 (C)	2,74	2,92	Group
Share of certified m ² managed by DEAS Group with certifications	Pct	10 in 2025	15,6	12,4	Group
Properties with energy management (m ²)	Pct	50 in 2025	53%	42	Group
CO ₂ emissions	Kg/m ²	10,5 in 2025	6,0	6,6	DK

See also NOTES, pp. 36-38. t: tonnes; GJ: gigajoules

Social					
ESG figures – DEAS Group	Unit	Target	2023	2022	Scope 2022
Number of employees	Headcount	N/A	950	1002	Group
Full time workforce	FTE	N/A	850,5	944	Group
Employee satisfaction	E-NPS	N/A	<10	14	Group
Gender diversity	% of women	50	41	42	Group
Gender diversity, management level	% of women	50	44	33	Group
Sick leave	Days/FTE	7	7,8	6,39	Group
Accidents	Incidents	0	15	9	DK
Accidents at construction sites managed by DEAS Group	Incidents	0	2	1	DK
Paid taxes, corporation taxes	EUR m	N/A	1,1	1,6	Group
Paid taxes, VAT	EUR m	N/A	16,3	21	Group
"Satisfaction with DEAS Group Associations"	CSAT	80	86	89	Group
"Satisfaction with DEAS Group apartments"	CSAT	65	58	60	Group

Governance					
ESG figures – DEAS Group	Unit	Target	2023	2022	Scope 2022
Gender diversity of the Board of Directors	Pct.	50	20%	20	Group
Board members attendance at board meetings	Pct.	95	100%	98,2	Group
Corruption and money laundering	Incidents	0	0	0	Group
GDPR	Incidents	N/A	0	10	Group
Whistleblowe scheme	Incidents	N/A	1	0	Group

See also NOTES, pp. 36–38.



NOTES

The terms listed below further clarify and explain the data and results for selected ESG figures.

We disclose key figures for DEAS Group's consumption and emissions that we have a direct influence on, as well as for the properties we manage based on a discretionary mandate on behalf of our investors or for which we act as an advisor.

KEY FIGURES FOR DEAS GROUP'S OWN LOCATIONS CO2 EMISSIONS

DEAS Group's goal is to go net zero for Scopes 1 and 2 by 2030 at our Danish locations based on our 2020 baseline, which is the year our journey to reach this goal began.

It is worth mentioning that the 2020 baseline was set before the acquisition of the previously mentioned Aberdeen Standard Investments' Nordic asset management business in 2021 with a number of new funds and thus a larger property portfolio. This means that the baseline may provide a comparison that does not accurately reflect current conditions and size of DEAS.

Scope 1 is direct emissions from the business, e.g. combustion of oil and gas.

Scope 2 is indirect emissions associated with energy purchased, e.g. electricity and district heating.

Scope 3 is indirect emissions from everything else in the value chain. According to the Confederation of Danish Industry Scope 3 often comprise 75–95% of a company's total emissions. In 2023 DEAS Group started focusing on activities within Scope 3. We began working on our new Code of Conduct that sets standards for subcontractors, which was published at the beginning of 2024. We expect this to have a positive impact on future Scope 3 measurements.

SCOPE 1:

In 2023 we managed to reduce emissions from fossil fuels by 18,5% compared to 2022. This was achieved by implementing electric vehicles to our fleet which was a part of the strategy to be free of all fossil fuels and reach net zero emissions by 2030.

SCOPE 2:

The primary use of electricity originates from our main office at Flintholm Company House. In 2023, we managed to reduce a significant portion of our electricity usage at this office, which has been an important factor in achieving a 57% reduction from 2022 to 2023.

ENERGY CONSUMPTION

Energy consumption of DEAS Group has decreased in 2023 from 5228 GJ to 4879 GJ resulting in a 6.68% decrease. This is a positive result which brings us closer to the goal of a 10% decrease by 2025.

WATER CONSUMPTION

The reduction on water consumption from 2022 to 2023 is estimated to 7,07%. This is a promising result in reaching the goal of a 10% reduction by 2027.

FOOD WASTE

These figures only cover DEAS Group's headquarters at Flintholm Company House in Copenhagen, which is also the largest canteen. The canteen in Flintholm Company House is also being used by other companies, renting office spaces in the building. This, however, does not change the fact that this is where the biggest number of DEAS employees consume their lunch.

In 2023 we reached a reduction of 5910 kg in food waste which is a decrease of 63.93%. This positive effect has been reached by changing suppliers in the canteen.

KEY FIGURES FOR PROPERTIES MANAGED BY DEAS GROUP

SHARE OF CERTIFIED M² MANAGED BY DEAS GROUP:

These figures cover the square metres that DEAS Group manages in Denmark and the Nordics that are certified by recognised labels, e.g. DGNB, Nordic Swan Ecolabel, BREEAM and LEED.

SHARE OF REVENUE FROM CERTIFIED M²:

As a larger number of properties become certified it is currently not possible to equitably distribute revenue between certified and uncertified properties. As a result, this key figure, which appeared in our recent reports, has been omitted.

PROPERTIES WITH ENERGY MANAGEMENT:

The number of properties with energy management in DEAS Group's Danish portfolio at the end of 2023: 388, correspond-

ing to 3,312,865 m². For the entire Nordic region there are 586, which corresponds to 4,680,810 m².

Energy management comprises the use of both DEAS' standard energy management service and purchased services to create an overview of ongoing energy consumption.

CO2 EMISSIONS:

CO2 emissions are calculated solely based on the Danish property portfolio we manage on behalf of our investors, which represent more than 85% of DEAS Group's total managed area. This is, however, not related to our scopes, but the properties managed by DEAS A/S.

OTHER KEY FIGURES

NUMBER OF EMPLOYEES:

The number of employees is based on a headcount.

GENDER DIVERSITY:

The distribution of women and men among all employees.

GENDER DIVERSITY, MANAGEMENT:

This includes the executive board, group vice presidents and senior management. DEAS Group's 2023 Annual Report describes this in further detail.

SICK LEAVE:

This includes illness (with pay), child's first sick day, long term illness and section 56 sickness benefits agreements.

ACCIDENTS:

This denotes accidents resulting in absences.

TAXES PAID:

In 2023 DEAS Group (DEAS Holding Group) paid EUR 1,1 million

in corporate taxes but also pays in the form of duties and other indirect taxes, including VAT and withholding taxes. DEAS Group does not have companies in countries other than Denmark, Norway, Sweden and Finland and does not engage in extraordinary activities to reduce or avoid paying taxes.

SATISFACTION MEASUREMENT WITHIN DEAS GROUP:

In 2023, DEAS Group implemented a revised method for evaluating the overall satisfaction levels of our investors and tenants. This involved transitioning from the Net Promoter Score (NPS) to the Customer Satisfaction Score (CSAT), aimed at providing a more transparent assessment across a scale of 0 to 100. This approach ensures a nuanced understanding of satisfaction without discounting the value of detailed feedback inherent in NPS.

Our CSAT calculation methodology varies based on the specific segment being assessed. For investors, we employ a top-2 approach, while for tenants, we utilize the CSAT Average Score. This tailored approach allows us to effectively gauge satisfaction levels within each group, enabling targeted improvements and informed decision-making.

ASSURING QUALITY AND SECURING SATISFACTION THROUGH SURVEYS:

Annually, we conduct online surveys to measure the satisfaction levels among our cooperative Housing and Owners associations and tenants.

The feedback from our associations remained positive throughout 2023. Specifically, they highlighted their satisfaction with the day-to-day cooperation with their designated contact person, the quality of our accounting, budgeting, and annual reports, as well as our prompt and qualitative responsiveness to inquiries. While the overall satisfaction in 2023 remains high, we observed a slight decrease in the CSAT score from 89 to 86. Nonetheless, this score still surpasses our target of 80, signifying an excellent result that aligns with

the industry's 'golden standard' for exceptional performance.

Our annual residential tenants' survey in Denmark provides invaluable insights that enable us to identify needs and make informed decisions regarding future initiatives.

In 2023, our CSAT score experienced a slight regression from 60 to 58. However, it's worth noting that this score still falls within the 'safe zone', as the majority of tenants perceive the service provided as fair. This ongoing feedback mechanism plays a crucial role in ensuring that our services meet the expectations and requirements of our valued tenants.

GENDER DIVERSITY, BOARD OF DIRECTORS:

DEAS Group's 2023 Annual Report describes this in further detail.

CORRUPTION AND MONEY LAUNDERING:

Our investors must at all times have complete confidence in DEAS Group as a partner; there must be no doubt as to our integrity and credibility. This means that we do not engage in business activities that can reasonably be assumed to affect business operations, that fall outside the scope of normal business practice or that are prohibited under applicable legislation.

Our guidelines are described in detail in our previous mentioned Codes of Conduct, which is publicly available on our website and revised most recently in 2024.

GENERAL DATA PROTECTION REGULATION (GDPR):

In 2023 there were 34 data breaches, two of which was reported to the Danish Data Protection Agency due to its scope, while the others were classified as minor.

WHISTLEBLOWER SCHEME:

As part of DEAS Group's monitoring efforts employees are able to anonymously report suspected violations of the law in our whistleblower scheme, which an external third party manages.



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DEAS Group

Dirch Passers Allé 76

2000 Frederiksberg, Denmark

Telephone: +45 7030 2020

deas.dk / deasgroup.com

