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Sustainability Policy

Version history:

Version	Date	Approved by	Comments
1.0	14 Dec 2011	Board	Original version
2.0	21 Oct 2015	Board	Revised version
3.0	26 Apr 2017	Board	Revised version
3.1	26 Apr 2018	Board	Revised version
3.2	17 Jun 2020	Board	Revised version
3.3	29 Apr 2021	Board	Revised version

1. Introduction

Hemsö's vision is to strengthen the backbone of our society. The properties that we develop and manage have a major impact on society. Hemsö's business concept is to sustainably own, manage and develop properties for public use. This involves being a long-term and responsible property owner that conducts sustainable business in all parts of its operations. Hemsö's properties are part of the social infrastructure and our premises create conditions for education, health care and justice system services – all of which are fundamental to a sustainable society. The aim of this policy is to define sustainability and the overall objective of Hemsö's sustainability efforts.

2. Control of sustainability efforts

Hemsö's sustainability efforts are targeted and prioritised on the basis of the activities we conduct, the relevant stakeholders and the areas in which our efforts can be most effective in accordance with the Global Reporting Initiative (GRI) framework. The Sustainability Policy and targets are reviewed annually to ensure that sustainability efforts are moving in the right direction and to address the sustainability aspects that are most relevant to our operations. The material sustainability aspects for the operations are described in detail in Hemsö's sustainability guidelines. Targets are established in the company's business plan. Sustainability activities are monitored regularly in accordance with the sustainability guidelines.

3. Sustainability for Hemsö

For Hemsö, sustainable business means taking responsibility for the impact of our operations on people, society, the economy and the environment.

- Social sustainability – is about our contribution to developing a society based on respect for people's equal value, with a focus on human needs and well-being. For Hemsö, this pertains to the users of our properties, as well as employees, suppliers and partners.
- Ecological/environmental sustainability – entails that the natural limits on resource use and environmental impact provide the framework for how material resources can be used without compromising the ability of future generations to meet their own needs. For Hemsö, this involves resource-efficient and environmentally aware construction and property management.
- Economic sustainability – to create social value, profitability and economic growth through responsible transactions within the framework of the above. For Hemsö, this is about being a stable employer that uses its operations to generate long-term returns for the Swedish pension system and contributing to society's social infrastructure needs.

In everything that it does, Hemsö proceeds from the fundamental view that all people are equal. The company's work climate should be characterised by respect, understanding and knowledge of other people. Everyone at Hemsö should work together to create confidence in Hemsö's operations, and to prevent bribery and corruption. Hemsö considers the applicable laws and other regulations and international standards on human rights, labour and the environment as a minimum level and, as a responsible and progressive player, helps to drive development forward in the areas that are relevant to Hemsö's operations. We aim to maintain long-term relationships with the company's stakeholders, and high ethical standards in our business operations.

Hemsö's priority areas within sustainability:

- offer secure, healthy and safe environments for all of the people who use our buildings and properties
- be an attractive employer for current and potential employees
- contribute to social development by working with development and innovation of public properties in our day-to-day operations.
- ensure effective use of human and natural resources
- take responsibility for any negative impact on society, the environment and climate generated by Hemsö's operations and minimise this
- show long-term, sustained financial growth in accordance with yield requirements

4. Roles and responsibilities

This policy applies for all employees and all parts of Hemsö's operations. The operations in Germany and Finland are covered in all parts possible with consideration for national conditions.

4.1. Board of Directors

The Board of Directors determines the policy and makes regular annual assessments of the policy's relevance as well as decisions on any revisions.

4.2. CEO

Determines Hemsö's sustainability guidelines.

4.3. Head of Communication

The person responsible for sustainability issues in Hemsö's Group Management.

5. Administration of this policy

Activity	Description
Maintenance and updates	The Sustainability Manager presents updated proposals for the CEO's approval. The policy is to be reviewed at least annually or whenever necessary due to changed conditions at Hemsö.
Approval	The Board approves the policy and any updates.
Implementation	The Sustainability Manager ensures that this policy is communicated, and that the organisation has sufficient information about the content and its significance.
Monitoring and control	The Sustainability Manager monitors the sustainability targets and reports any deviations to Hemsö's Group Management.