



SUSTAINABILITY REPORT 2022

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FOREWORD FROM THE CEO



It is with pleasure that I present the Olav Thon Eiendomsselskap ASA Group's first independent sustainability report, which has been prepared to highlight our work on sustainable development.

Olav Thon Eiendomsselskap is proud to announce that we are now increasing our level of ambition within sustainability and are looking forward to being able to show how our sustainability work supports our strategy of acquiring, developing and owning properties.

Our work with sustainability takes place in collaboration with the Olav Thon Group's other companies. The Olav Thon Group has since 2012 participated in the UN initiative Global Compact and in 2022 became a member of Ethical Handel Norge (Ethical Trading Initiative). Our affiliation with Global Compact and Ethical Handel Norge is based on a desire to do our best to pursue our business in line with these principles. Global Compact is the world's largest initiative for corporate social responsibility. Etisk Handel Norge is a member organisation and resource centre for sustainable trade. Both players are based on principles in the areas of human rights, working conditions, society, the environment and anti-corruption.

Happy reading!

A handwritten signature in black ink, appearing to read 'Dag Tangevald-Jensen'. The signature is stylized and fluid.

Dag Tangevald-Jensen
Chief Executive Officer

THIS IS OLAV THON EIENDOMSSSELKAP

Olav Thon Eiendomsselskap ASA is a property player with operations within shopping centre and commercial properties. The company's head office is centrally located in Oslo, while the properties stretch from Svalbard in the north to Kristiansand in the south, as well as Sweden.

Olav Thon Eiendomsselskap ASA was established in 1982, and the shares listed on the Oslo Stock Exchange in 1983. The company has grown significantly since then. Since the early 1990s, the most important investment area has been shopping centre property. Today, Olav Thon Eiendomsselskap is Norway's leading shopping centre operator and also a significant player in the Swedish shopping centre market.

About Olav Thon Eiendomsselskap

Olav Thon Eiendomsselskap ASA is a public limited company listed on the Oslo Stock Exchange with a total of 292 man-years. The company has a varied property portfolio consisting of the two main segments: shopping centre properties and commercial properties. Of the total property value, 73% of the property portfolio consists of shopping centre properties with 56 shopping centres in Norway and 4 in Sweden. The remaining 27% of the property portfolio consists of commercial properties, including retail, office, logistics and hotel properties, in addition to around 400 rental properties primarily in the Oslo area.

STRATEGY AND GOALS

Olav Thon Eiendomsselskap's main strategy is to invest in properties with development potential within various property segments. Development potential in the property portfolio is realised through active further development, efficient management and high tenant satisfaction. In a capital intensive industry, it is imperative that the company has an unconditionally strong financial position.

The combination of consistently high returns on the property portfolio and

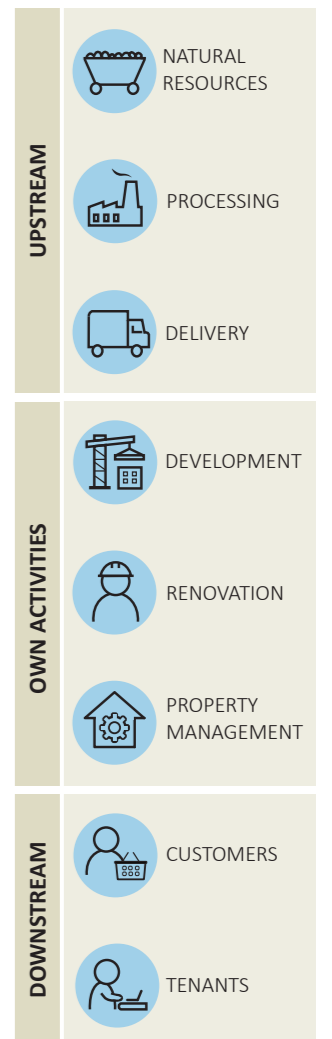
value creation as a result of active property development is expected to ensure maximum value growth in both a short and long-term perspective. Olav Thon Eiendomsselskap also aims to create shareholder value in a sustainable way.

The overall objective for Olav Thon Eiendomsselskap is to achieve maximum growth in equity per share, so that in the long term, shareholders achieve a return that is competitive in relation to comparable investment alternatives.

OUR VALUE CHAIN

Olav Thon Eiendomsselskap is a group with several different business areas. Buying, construction and property rental are examples of different areas and activities that in themselves have complex value chains. That is why Olav Thon Eiendomsselskap's value chain is broad and varied. Below we summarise the main aspects of our value chain concerning our core business. We divide our value chain into three parts: upstream, our own activities and downstream.

Upstream includes the entire supply chain, from when a raw material is



VESTKANTEN STORSENTER

extracted from the environment to when a product is delivered to us. There are different degrees of processing raw materials in our value chain and therefore also different complexities and distances upstream. In some cases, it only involves the simple processing of the raw material before it is refined into the product delivered to us. In other cases, there are many stages of processing the raw material before the raw material can be converted into a product. There may also be many stages in the actual assembly phase of production.

Own activities consist of own operations on own property. Development and renovation of our properties is carried out, and we have our own operations in various types of buildings.

Downstream includes our customers' use of the products and services offered by Olav Thon Eiendomsselskap. It consists of the customers in our shopping centres and tenants in our rental premises. Downstream consists of different types of customer journeys and different ways of having an impact.

Ownership and Corporate governance

OWNERSHIP AND STRUCTURE

Olav Thon Eiendomsselskap ASA is part of the Olav Thon Gruppen AS group, which is Norway's largest private real estate player. The Olav Thon Group owns 73.9% of Olav Thon Eiendomsselskap ASA, while the remaining 26.1% is owned by other shareholders. The Olav Thon Group is again owned by the Olav Thon Foundation. Olav Thon Eiendomsselskap ASA includes several companies that include properties such as shopping centres, commercial properties and hotels. The property company does not have its own administration, but a business management agreement with Olav Thon Group's central administration company, Thon Eiendomsdrift AS, which means that the company can at any time draw on the group's resources within property management and general business operations.

CORPORATE GOVERNANCE

The top authority in Olav Thon Eiendomsselskap ASA is the general meeting, which represents Olav Thon Eiendomsselskap's shareholders. The board of directors of Olav Thon Eiendomsselskap ASA facilitates the participation of shareholders in the company's general meeting. The board and the general meeting manage and oversee the management of the company.

Olav Thon Eiendomsselskap's board consists of a chairman, CEO and 3-5 members, who are elected by the general meeting for two years at a time. The general meeting must also elect an alternate with a term of office of one year. At least two of the board members are independent of the company's senior executives, significant business associates and the company's major shareholders. The general meeting elects the chairman of the board separately. To date, this has been the company's founder, Olav Thon.

The board has overall responsibility for the management of Olav Thon Eiendomsselskap ASA and the implementation of the company's strategy. The board appoints and exercises a right to instruct the CEO, who is responsible for the company's day-to-day operations.

AUDIT COMMITTEE

Olav Thon Eiendomsselskap's audit committee consists of two of the board's external members. The sustainability report is submitted each year to the audit committee before being taken up by Olav Thon Eiendomsselskap's board for consideration.

CONFLICTS OF INTEREST

Olav Thon Eiendomsselskap follows the Olav Thon Group's guidelines for handling conflicts of interest. In order to reduce and prevent conflicts of interest, it is stipulated in contracts and job descriptions, as well as other governing documents, that involvement in other activities that may be considered to be competitive or similar, directly or indirectly, is not permitted. In addition, we have a standing order that all other connections to companies outside the Olav Thon Group must be reported to the immediate manager, who will then assess whether further measures are needed. In 2023, a clearer policy for dealing with conflicts of interest will be drawn up.

GUIDELINES FOR REMUNERATION

Olav Thon Eiendomsselskap's biggest owner presents proposed remuneration guidelines to the company's ordinary general meeting. The company's remuneration guidelines are that the company's board fees should be moderate, but reflect the responsibilities of the board members. Find out more about our remuneration guidelines on the Olav Thon Eiendomsselskap website.

REPORTING MISCONDUCT

Olav Thon Eiendomsselskap follows the Olav Thon Group's procedure for reporting misconduct. In the Olav Thon Group it is encouraged to report misconduct, as this may help to ensure that the conditions can be rectified.

It is desirable that this is primarily done internally. Internal reports can be made to the line manager, a manager higher up in the line, a safety representative or employee representative. Our whistleblowing channel is available to parties wishing to remain anonymous or who are not an employee of the group. The Olav Thon Group has chosen to use an external party to receive reports through

the whistleblowing channel to safeguard any desired anonymity. The Group Director for HR, Organisation and Administration and CEO HSE receive the reports and assess who is responsible for following up the individual whistleblowing case. The Olav Thon Group has produced a notice about whistleblowing, describing what whistleblowing is, the options and rights of a whistleblower, and what happens when a report is made. A procedure has also been drawn up describing what someone wishing to make a report needs to do. In 2022, one report came

in through our whistleblowing channel. Whistleblowing cases may also have been raised directly with the HR or HSE department. But we do not have any figures at this time.

In addition, the Olav Thon Group uses various systems for reporting and handling non-conformities within different fields. Non-conformities within safety, fire and privacy, as well as non-conformities regarding OHS matters are reported here. Non-conformities can take different forms and do not have to concern unacceptable circumstances.

The board and management of Olav Thon Eiendomsselskap

OLAV THON

Chairman
D.o.b.: 1923

Olav Thon is the founder of Olav Thon Eiendomsselskap ASA and has been the chairman of the board since the establishment of the company in 1982. From the 1940s, he ran an extensive business, which is now part of the Olav Thon Group and Norway's leading player within the real estate and hotel business.

In December 2013, the Olav Thon Foundation was established, and all shares in Olav Thon Gruppen AS were gifted by Thon to the foundation. Olav Thon is the chairman of the Olav Thon Group and is also chairman of the board of the Olav Thon Foundation, Olav Thon Gruppen AS and Thon Holding AS.



SISSEL BERDAL HAGA THON

Board member since 2010
D.o.b.: 1940

Sissel Berdal Haga Thon has a law degree from the University of Oslo. She has been a deputy judge in Drammen and at the Oslo County Court, chief executive at the Ministry of Justice, acting judge at the Eidsivating/Borgarting Court of Appeal, and from 1985 to 2010, judge at Oslo City Court/Oslo District Court. Between 1991-2010 she acted as head of the Norwegian Klagenemnden for Verdipapirsentralen (Appeals Committee for Securities).

Sissel Berdal Haga Thon works actively as a design manager for all Olav Thon Group properties. She is a board member of the Olav Thon Foundation and Olav Thon Gruppen AS, chair of Olav Thons Legat, and board member of the Olav Thon DNT Foundation.



LINE NORDBYE

Board member since 2014
D.o.b.: 1971

Line Norbye has a Master's degree in Economics and Business Administration from the Norwegian School of Economics and also undertook additional studies as an Authorised Financial Analyst here. She is the general manager of E6 Eiendom AS, which owns and manages commercial property in Norway, specialising in service buildings such as warehouses, workshops and trade. She holds positions of trust in a number of companies, primarily property development and property management companies.





ELISABETH HOLVIK
Board member since 2021
D.o.b.: 1970

Elisabeth Holvik has a Master's degree in Social Economics from the University of Bergen. She has extensive experience from the financial industry and has worked for Norges Bank, SEB Norge, Nordea, Glitnir/BN Bank and has been chief economist at the SpareBank 1 group since 2009. She has worked as a consultant at McKinsey & Company and at a fish farm alongside her studies.

Elisabeth Holvik is a member of the working committee for Senter for Pengepolitikk (Centre for Monetary Policy) at BI and is a member of the board of directors of Viken Pensjonskasse and Homely. She was a member of the government-appointed committee "Norge mot 2025" (Norway up to 2025).



STIG O. JACOBSEN
Board member since 2005
D.o.b.: 1955

Stig O. Jacobsen has a business education from, among others, Varehandelens Høyskole. Since the early 1980s, he has been a co-owner and manager of the Berg Jacobsen Group in Molde, where the core business was retail trade and real estate. He has also been the owner and chairman of the shopping centre company Møresenterne AS for 20 years, and has developed the largest shopping centres in Møre og Romsdal.

Today, Stig O. Jacobsen holds a number of board positions related to his own business activities, including as chairman of the board of the Angvik companies, Berg Jacobsen AS and Angvik Ekornes Eiendom AS. He has held several positions of trust for many years, including as a board member at a bank and supervisory board member at Oslosenteret for fred og menneskerettigheter (Oslo Centre for Peace and Human Rights).



KJETIL NILSEN
Alternate since 2022
D.o.b.: 1966

Kjetil Nilsen has been employed by the Olav Thon Group in various management positions within project management since 1995. He took over as CEO on 1 May 2022 after Olav Thon announced his resignation. Kjetil Nilsen is a board member of the Olav Thon Foundation and of Olav Thon Gruppen AS.



DAG TANGEVALD-JENSEN
CEO since 2000
D.o.b.: 1960

Dag Tangevald-Jensen holds a Master of Science degree in Economics from Copenhagen Business School. He has held various senior positions within the Olav Thon Group since 1990 and has been a member of group management since 1992. Dag Tangevald-Jensen holds a number of board positions and other positions of trust, including member of the board of the Olav Thon Foundation and Handelsbanken Norge.

Financial social contribution

Olav Thon Eiendomsselskap is a commercial player, so turnover and profit are key areas of focus. The economic aspect also means contributing to society in the form of taxes and duties, employees' salaries and benefits, as well as investing in the expansion of the business, in turn leading to new jobs.

Amount in MNOK				
Category	2021	2020	2022	Percentage
Revenue	4,094	3,968	4,382	-
Operating costs	-1,299	-1,253	-1,505	45.2%
Employee salaries and benefits	-160	-154	-82	2.5%
Payment to suppliers of capital	-1,236	-758	-1,461	43.9%
Payments to authorities	-250	-215	-270	8.1%
Investments in society	-0	-1	-9	0.3%
Financial values retained in the company	1,149	1,588	1,055	-

REVENUE AND PROFIT

In 2022, Olav Thon Eiendomsselskap had NOK 4,382 million in operating revenues. Of these revenues, NOK 1,055 million were financial values retained in the group. The financial values retained in the group are used to follow the strategy of acquiring, owning and developing properties in a central location. A further explanation of these financial figures can be found in the appendix (pg. 57).

FINANCIAL SOCIAL CONTRIBUTION

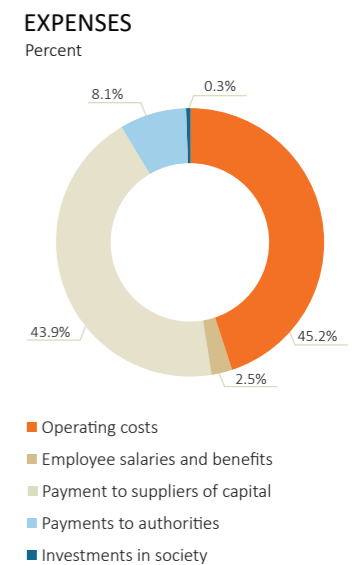
The company contributes financially to society in several areas. The operating costs contribute, among other things, to other Norwegian companies having revenues from the sale of their goods and services, and are therefore indirectly a socio-economic contribution.

A more direct contribution is the payment of employees' salaries and benefits. In 2022, Olav Thon Eiendomsselskap paid NOK 82 million in salaries and benefits to employees. This is significantly lower than the NOK 154 million paid in salaries and benefits to employees in 2021. The reason is

that some companies were moved from Olav Thon Eiendomsselskap ASA to Thon Holding AS in 2022. Employees' salaries and benefits contribute to the economy in that they affect the individual employee's personal finances and maintains employees' purchasing power. In addition, employees contribute to society by paying taxes and duties.

The Olav Thon Eiendomsselskap is also a direct contributor to society through the payment of taxes and duties. In addition, the economic values retained in the business contribute to creating jobs and value for Norwegian society as they are used to expand the business.

Furthermore, Olav Thon Eiendomsselskap contributes to investments in society in accordance with GRI Standards. Such social investments include investing funds in society where the benefits lie outside the business. This does not include statutory or commercial activities. In 2022, this sum corresponded to NOK 9 million.



Security and anti-corruption

At Olav Thon Eiendomsselskap we follow the Olav Thon Group's security work. This involves the security of both people and equipment. In 2022, the coronavirus pandemic continued to affect our security and emergency response work. We train and work actively with digital attacks.

RISK ASSESSMENT

Olav Thon Eiendomsselskap did not experience any particular changes in the risk picture in 2022 compared with 2021. The number of ordinary incidents such as burglary and vandalism has remained at a consistently low level. The Olav Thon Group's IT department, on the other hand, has been experiencing high numbers of cyber threats. Several of these involved digital fraud in which our brand names were copied or abused. Olav Thon's name has also been actively used in false advertising.

Since the pandemic, we have been experiencing a return to higher crime figures at our shopping centres. This is largely related to itinerant criminals who steal for large sums of money over a few days and then move on.

EMERGENCY DRILLS

The Olav Thon Group has a central emergency response team that handles incidents when support is needed at the operating units. In 2022, the emergency response team focused on handling digital threats alongside other threats.

EMERGENCY RESPONSE INCIDENTS

As a major business player, the Olav Thon Group occasionally experiences incidents of a different security nature. The risk and threat situation within the Olav Thon Group is considered to be at an acceptable level and has not changed significantly since 2018. However, we experienced several serious incidents on our properties in 2022 of various kinds, which are to be expected for a business of the Olav Thon Group's size and nature:

- Fire at a Thon Hotel in Brussels
- Two fires involving tenants in our commercial premises
- Some minor fires in waste bins and electrical installations
- Riots in Sweden, which meant that we had to close down a shopping centre twice
- Discovery of explosives/bomb outside a shopping centre in Sweden
- One of our hotels was heavily involved in the shooting and handling of casualties in connection with Pride on 25 July
- Murder in a parking garage at a shopping centre
- Armed threats against guards
- Burning of the Koran outside a shopping centre
- Some burglaries at shops in our shopping centres
- Falls on stairs and in doorways
- Wind blowing down large signs in the car parking outside a shopping centre
- Several large incidents of water damage due to rain or burst pipes

ANTI-CORRUPTION

As part of the group's security work, we work systematically with anti-corruption. We offer courses in how to detect and deal with embezzlement; the head of security conducts an annual overall review with the auditor to assess embezzlement and corruption in the past year; we have clear processes for cash sales; and a check of cash and card sales is carried out each year.

Embezzlement of cash is mainly revealed through control and follow-up, which emphasises the importance of clear, controlled procedures. Control also involves cooperating with banks and reporting of suspicious activity. As cash becomes scarcer, we are seeing a tendency among some parties to try and appropriate money through goods or by correcting transactions so they are converted into money, which is then appropriated.

Incidents among our tenants are followed up, and if necessary we cooperate with the police. This helps us to identify weaknesses so that we can draw up new procedures.

We send out an annual supplier survey to our contract suppliers. Among other things, it includes questions about anti-corruption. The suppliers were asked about their experience with the Olav Thon Group with regard to rules, corruption and embezzlement. None of our suppliers reported experiencing pressure in connection with this in 2022.

We have found that reports of theft and other crimes on our properties are largely dropped. This is problematic, as these cases account for losses of large amounts. Once dropped, it is difficult to get compensation. In addition, if cases are continuously dropped, perpetrators will carry on committing such offences on our properties, since there are no consequences.

THE DIGITAL THREAT

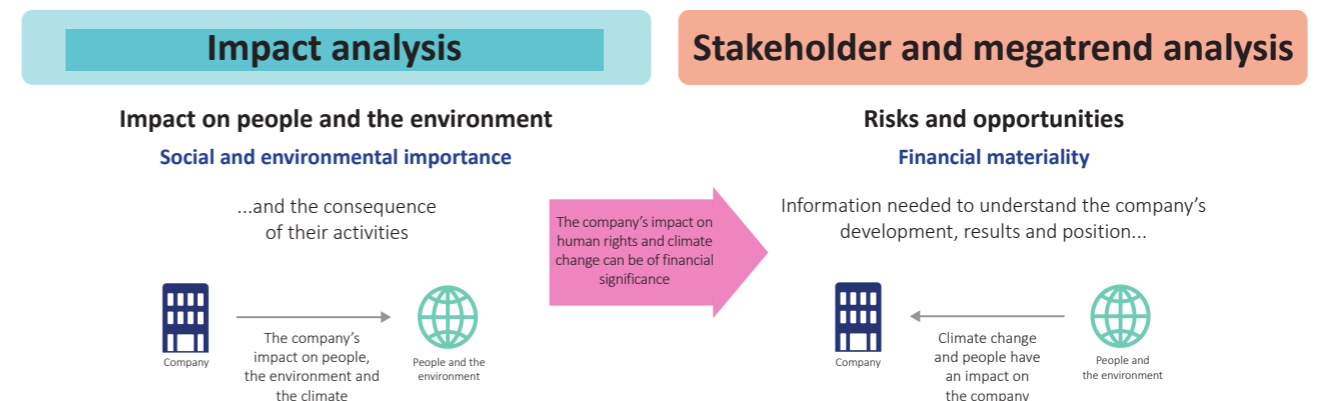
The digital threat has continued to increase and we experienced an increasing number of attacks on our users and systems in 2022 as well. The new hybrid working day and new online solutions are two of the most important challenges for maintaining IT security this year. The attacks are becoming more advanced and this trend is continuing. In 2022, the group's IT department worked on 1773 cases related to IT security. By comparison, there were 623 cases in 2021. One of the reasons this has increased is that the number of records we receive is growing, parts of our infrastructure have changed and new IT systems have been implemented.

MATERIALITY AND STRATEGY

As part of the Olav Thon Group, Olav Thon Eiendomsselskap is governed by the group's sustainability work in the areas that are relevant to the company. In 2021, the Olav Thon Group started a project to develop a proposal for a sustainability strategy. The strategy was finalised, dealt with by the board and launched in 2022. It will be a guide for how the group works with sustainability until 2030.

The Olav Thon Group's sustainability strategy is based on a double materiality analysis. Materiality has always been the basis for where the group has focused its sustainability work and has been central to the group's sustainability reporting. The group's first materiality analysis was carried out in 2013 to identify which topics were most significant and relevant for the group to report on at that time. Since then it has been revised once in 2016/2017, and now we have carried out a new double materiality analysis in 2021/2022.

A double materiality analysis looks at both how the Olav Thon Group, including Olav Thon Eiendomsselskap, affects the climate, the environment and people, and how the outside world affects the group. The following sub-chapters describe how the group conducted a double materiality analysis by means of an impact analysis and a stakeholder and megatrend analysis. The result of the analysis revealed the important topics that laid the foundation for the sustainability strategy. We will continue working on the strategy until 2030.



Impact analysis

In 2022, an impact analysis was carried out that looked at the Olav Thon Group's impact on the climate, environment and people through the group's activities. A survey was carried out of all the group's business areas, both core activities and more peripheral activities.

An impact analysis of the entire value chain was carried out for the most significant business areas (property, hotel and shopping centre). This was to reflect the group's activities as best as possible.

The impacts were grouped into two main categories: climate and environment, and people. The categories were the grouped into sub-categories, inspired by relevant frameworks such as GRI¹, SASB², TNFD³ and WEF⁴, to structure their impacts.

IDENTIFICATION OF IMPACTS

Relevant documents such as the sustainability report, carbon accounting report, waste reports, spend reports, supplier surveys, policies and guidelines were reviewed to identify various impacts the group has on the climate, environment and people. As part of the impact analysis, a literature analysis was carried out by sector supervisors, similar companies and others at the same sector level to identify potential impacts in the value chain. A sector analysis was carried out based on an overview from SASB

and TNFD of the topics that are relevant to the respective sectors in which we operate.

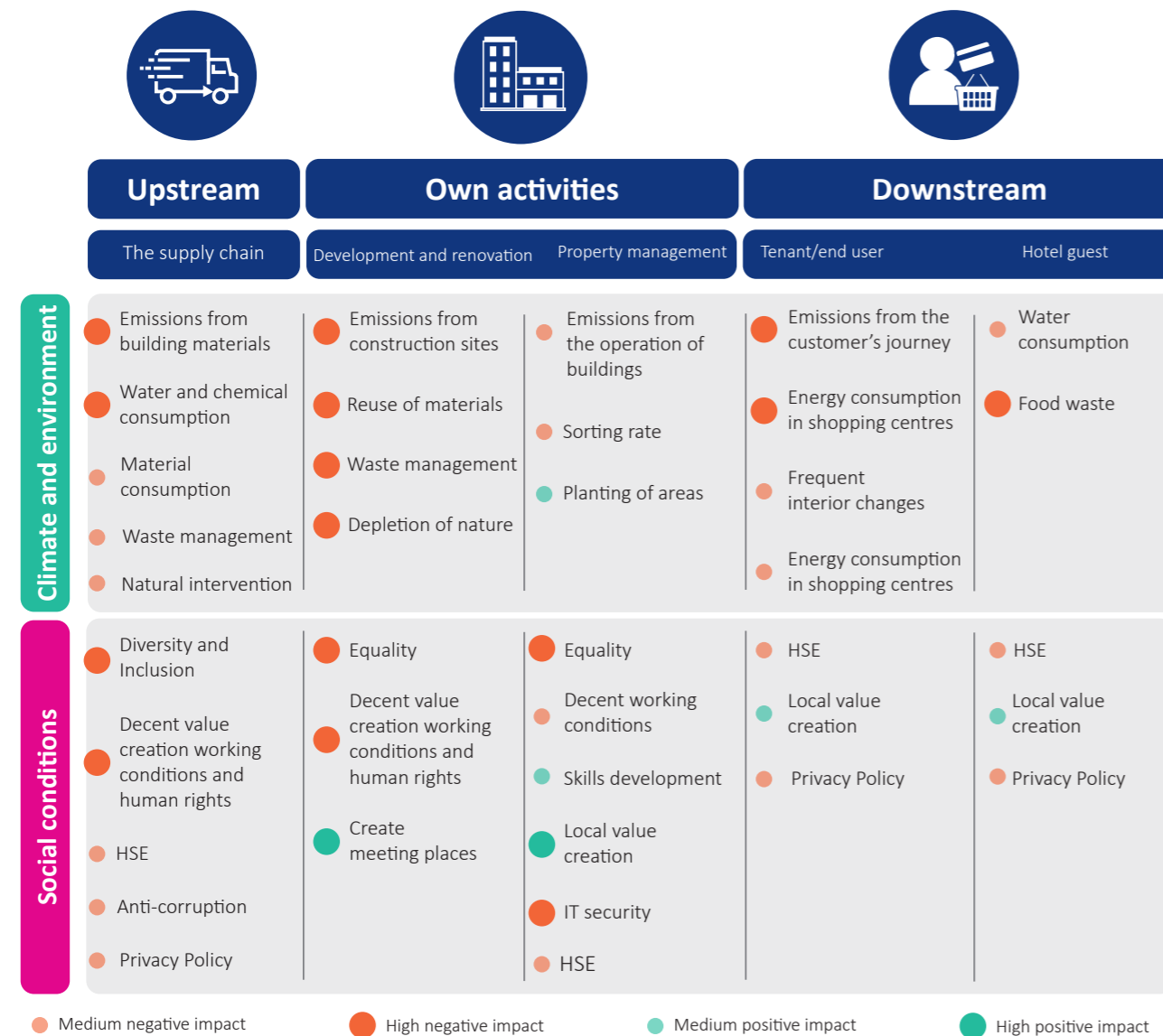
The identified impacts were discussed with a reference group representing all different specialist and business areas in the group. The reference group also had the opportunity to provide input on other influences that may not have been identified. This was done through interviews.

IMPACT ASSESSMENT

The impacts were assessed as having either high, medium or low impact, in a negative or positive sense, through both a qualitative and quantitative approach. Most data was available in the part of the value chain covering the company's own activities. Upstream and downstream were therefore largely based on general information

about the sector, reports and assumptions. This was done in an attempt to create a picture of the entire value chain. The impacts and occurrence of the impacts were seen in relation to the group's operations and turnover. The assessment of the impacts was discussed and established through interviews with the reference group, as well as group management.

The illustration below shows an overall picture of the results with the most important impacts we have on the climate and the environment, as well as people, through our value chain. The full result can be found in the Materiality Analysis document, which is available on the Olav Thon Group's website.



Stakeholder and megatrend analysis

In order to identify the impacts that climate, environment and people have on the Olav Thon Group, a stakeholder analysis and a megatrend analysis were carried out.

The group's prioritised stakeholders for this purpose are employees, the financial sector, tenants, end users and hotel guests, authorities, suppliers and local communities.

STAKEHOLDER ANALYSIS

The stakeholder analysis helped us identify which topics our key stakeholders are most concerned with. The analysis had both a present and a future perspective.

A desktop analysis was conducted to identify the expectations our stakeholders have of our sustainability work. In addition, dialogues with employees and supplier surveys have helped identify what is important to them.

EMPLOYEES

Our employees are very important to the group as we rely on their expertise and commitment to create results. Young applicants and the younger generation of employees are finding sustainable companies increasingly attractive. In addition, expectations for an inclusive workplace, skills development and development opportunities are becoming increasingly higher.



FINANCIAL SECTOR

We depend on the financial sector to finance our operations. Investors and banks have a growing interest in sustainability and are placing requirements on information and reporting. The pending EU taxonomy is an example of how, in the future, financing terms can be agreed if sustainable activities can be documented.



TENANTS, END USERS AND HOTEL GUESTS

There has been a change in preferences and an increase in awareness among our end users, tenants and hotel guests in terms of sustainability requirements. End users want complete product information, which the implementation of the Norwegian Transparency Act shows. Surveys also show that location is no longer the most important factor for commercial property tenants. There are also more people wanting climate-neutral travel, and hotel guests are increasingly demanding environmental profiles at hotels.



SUPPLIERS

More openness and transparency in the supply chains makes actual conditions in the value chain more visible. Production workers get a bigger voice and suppliers are more able to demand fair pricing for their products. Technological development and the digitisation of trade are also increasing traceability in the value chain, and consequently transparency.



AUTHORITIES

With the increase in requirements for waste management, circularity, emission cuts, openness, transparency and so on, it is becoming more notable how authorities are holding companies accountable in sustainability matters. There has been a constant stream of new requirements for information and reporting, as well as sustainable activities.



1 Global Reporting Initiative
 2 Sustainability Accounting Standards Board
 3 Taskforce on Nature-related Financial Disclosures
 4 World Economic Forum



LOCAL COMMUNITIES

Through the development and operation of properties and hotels, we have a large presence in local communities. This creates expectations for contributions to good local environments and urban spaces, low pollution and general consideration of the surroundings. In addition, there is a strong focus on companies' impact on indigenous peoples and minorities.

MEGATREND ANALYSIS

As part of the work on the sustainability strategy, a megatrend analysis has been carried out to provide an overview of the Olav Thon Group's risks and opportunities in relation to key megatrends. Five relevant megatrends were identified: climate change, a transition to a circular economy, a transition to the conservation of nature and biodiversity, digital transformation, and a transition to social justice. These were analysed in the light of three different transition scenarios; fast, slow and no transition.

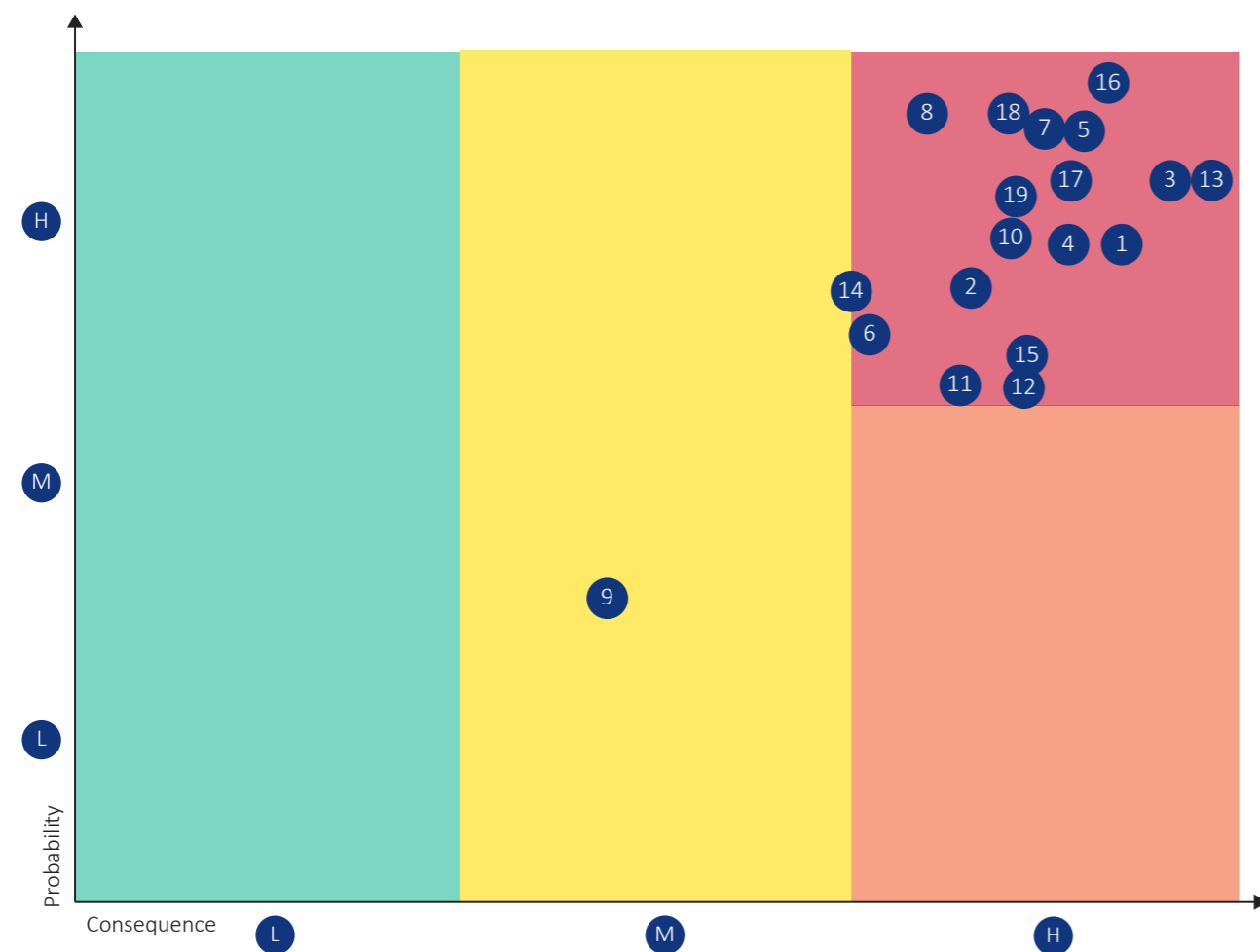
Furthermore, the group's significant risks and opportunities in relation to the megatrends were identified through interviews with a reference group in the group. Workshops were held with all business and specialist areas represented. In these workshops, the risks and opportunities were assessed as having low, medium

or high impact and probability based on the different transition scenarios.

The risk matrix below shows the results from the workshops:

1. Limited and a change in the availability of goods
2. Climate-related customer preferences
3. Climate-related regulatory changes
4. Climate-related damage to buildings and property
5. Energy transition
6. Consumers wanting to shop less and buy more secondhand
7. Regulatory requirements for circular solutions in buildings
8. Regulatory requirements for waste management
9. Regulatory requirements for circular design and repair

RISK MATRIX: STAKEHOLDER AND MEGATREND ANALYSIS RESULT



10. Regulations for the preservation of natural resources, biodiversity and ecosystems
11. Nature-related preferences for travel and tourism
12. Nature-positive building solutions
13. Changing consumer habits due to digitisation
14. Traceability in the value chain
15. Disruptive technological business models
16. More regulatory requirements for human rights in the supply chain
17. Information on responsible business practices
18. Requirements for transparency in equality and diversity in business and management
19. Inclusive and developing workplace

After the workshops, it became clear that all risks and opportunities were considered important. An assessment was therefore made where we weighed the results for the various themes against relevance and materiality in relation to the Olav Thon Group's operations.

No detailed analyses of the risk areas have been carried out per property, and it is therefore too early to determine whether climate risk should be taken into account when determining the fair value of the property portfolio.

Find out more about the megatrend analysis in the Materiality Analysis document on the Olav Thon Group's website at olavthon.no.

Our sustainability strategy

The Olav Thon Group's sustainability strategy defines what the group, including Olav Thon Eiendomsselskap, must do and achieve by 2030. The strategy means we must be much more ambitious and put considerably more effort into the sustainability work in the organisation. We must be ambitious in our goals to contribute to sustainable development in society. We do this to ensure value in a long-term perspective, while at the same time being creative in the work we do today.

THE STRATEGY PROCESS

In 2021, it was decided by the group management of the Olav Thon Group draw up a proposal for a sustainability strategy. The decision was taken based on a desire for the Olav Thon Group to contribute more to sustainable development. In addition, there has been greater expectation from society for the business community to contribute to sustainable development.

At the end of 2021, a project was launched to draw up a proposal for a sustainability strategy, with the initiation of a double materiality analysis, which was described earlier in the report. To ensure the strategy was firmly established across all the group's business areas, a reference group was created with representatives from the various specialist and business areas in the group. The reference group was involved through interviews and workshops. Group management has been involved the whole way from start to finish, through interviews, own workshops and regular update meetings.

As mentioned, the strategy is based on a double materiality analysis, i.e. an analysis of the group's impact on people and the environment, as well as the impact of the outside world on the group. Based on workshops and interviews in the reference group, as well as group management,

we defined nine significant topics within three different pillars, which constitute the group's sustainability strategy.

As part of the project, a maturity assessment was also carried out by the Olav Thon Group to see how mature the group's governance is on sustainability-related topics. The assessment was made in order to obtain a good picture of the current situation and better identify the realistic goals and measures. Maturity was at that time assessed as medium⁵ to low⁶. In assessing the level of the Olav Thon Group's ambition within the field of sustainability, it became clear that we want to be a committed player in sustainable development, and will therefore have goals, measures and ambitions that reflect this. The Olav Thon Group believes that sustainability is the right and smart way to go and will proactively engage customers and suppliers to achieve sustainability goals.

Measures and targets have been drawn up to help us on our way to achieving our ambitions. As part of the project, a list of proposed goals and measures related to each important topic was drawn up, which were assessed as compliant⁷, low hanging fruit⁸, must win battle⁹ or bold move¹⁰. Roadmaps related to each pillar were developed through workshops with group management, as well as advice from the relevant specialist departments.

⁵ Implies that the company has some maturity in its governance, but with room for improvement

⁶ Means that there are few or no forms of governance in place

⁷ Actions to be taken due to regulations

⁸ Requires little effort but can have a high impact

⁹ Strategically important and must be done to stay engaged on an ambition level

¹⁰ Precursors: high effort, high profit, strategically relevant, but with a certain risk

The sustainability strategy is anchored in the board of Olav Thon Gruppen AS and applies to all companies in the group. The strategy was adopted by the board in June 2022 and was launched in the second half of 2022. Furthermore, the board of Olav Thon Eiendomsselskap has decided to follow the areas in the Olav Thon Group's sustainability strategy that are relevant to the company.

The group management of the Olav Thon Group has overall responsibility for achieving the objectives in accordance with the strategy. The various operating units are responsible for implementing the necessary measures. The different specialist departments in the Olav Thon Group are technically responsible for their areas. The sustainability team in the Olav Thon Group has overall responsibility and follows up on the group's various departments, as well as group management. They provide

advice where necessary throughout the year to ensure progression at all stages. Group management has monthly status meetings with the sustainability team, which reports on the status of the sustainability work. This is to ensure measures are handled effectively and that group management is kept up to date on the topic. In addition, the sustainability team provides group management with a quarterly status of the achievement of strategy objectives and an annual status of the previous reporting year. Through regular status meetings, group management is able to continuously evaluate the sustainability work, the group's impact, and our progress.

The administration has kept the board of Olav Thon Eiendomsselskap up to date through the strategy project and the preparation of the sustainability report. The board approves both the sustainability strategy and

the sustainability report, and presentations and briefings on the topic have been held in this connection.

STRATEGY

The Olav Thon Group's sustainability strategy consists of three pillars: climate and nature, circular solutions and social justice. Long-term ambitions have been defined for the various pillars. The pillars each have their own key topics, goals for 2030 and sub-goals along the way, which build on the long-term ambitions.

Within each pillar there are several important topics. These are the topics identified through the dual materiality analysis. Each topic is described in the following chapters. This describes the definition and scope of the topics, as well as how they relate to the Olav Thon Group's operations.

Roadmaps have also been created for each topic. The roadmaps illustrate the path we must take, the measures we need to take and the sub-goals that need to be achieved in order for us to achieve our main goals by 2030. Goals and sub-goals have been set for 2023, 2025 and 2027. The sub-goals will help us to continuously

progress towards our long-term goals by 2030. These goals will further contribute to achieving the longer-term ambitions. While the goals of the strategy are concrete and measurable, the ambitions are something the group must strive towards in our sustainability work. Some of the ambitions extend to 2030, while others are planned right through to 2050.

The illustration on the left shows the main features of the strategy. It indicates all the key topics related to the key goals for 2023 and 2030, the core indicators for measuring progress, as well as the long-term ambitions. Going forward, we will continue to work on implementing the strategy and expanding our sustainability work. As mentioned, group management will be kept up to date on its status, and we will report on the achievement of targets internally and externally in accordance with the strategy on an annual basis. This will then be primarily set out in our annual sustainability report. We expect the group to undergo a number of changes in order to achieve its goals, particularly with regard to routines and procedures. It takes time to adapt, and we therefore also have a long-term perspective on what the Olav Thon Group's sustainability work and system should look like.

Pillar	Key topics	Indicator	Goals 2023	Goals 2030	Ambition
 Climate and nature	Transition to a low-emission society	Number of tCO2e	Setting SBT for own emissions and defining a baseline	60% reduction in own emissions (scope 1 and 2)	Net zero by 2050
	Climate impact	-	Map climate risk in own operations	Report climate risk in accordance with TCFD by 2025	Net zero by 2050
	Customer preferences	Proportion of locally sourced food/drinks (%)	20% of all food and drink must be locally sourced	70% of all food and drink must be locally sourced	Nature positive
	Conservation of natural resources and biodiversity	Percentage of properties with green areas (%)	Green areas/pocket forests for all new buildings	Green areas on 60% of existing properties	Nature positive
 Circular solutions	Circular habits	Sorting rate (sorted/total waste)	Require hotels and tenants to commit to a 60% sorting rate	70% sorting rate at hotels and shopping centres	70% circular by 2030
	Circular buildings	Reuse rate (reused material/total material)	Map current potential for use of recycled materials in construction projects	Reuse rate in building projects in line with the EU taxonomy for climate (90%)	70% circular by 2030
 Social justice	Inclusive workplace	Gender balance in managerial positions (%)	Strategy for equality, inclusion and diversity	40% of each gender overall and on management levels 1–3	Representative management
	Human rights and transparency	-	Ethical purchasing requirements in line with the Norwegian Transparency Act	Report on transparency, diversity and inclusion from 2027	Full insight into the value chain
	Responsible business practices in the value chain	Number of supply chains mapped	Supply chain mapping for 1–3 of product categories	Supply chain mapping for 100% of product categories	Full insight into the value chain

UN Sustainability Goals

As a member of the UN Global Compact, the Olav Thon Group, including Olav Thon Eiendomsselskap, wants to contribute to achievement of the UN's sustainability goals for 2030 by minimising the negative, as well as increasing the positive impact on these. The Olav Thon Group is a group with many suppliers, customers and employees. It is a cornerstone company and operations developer and can contribute in several ways.

PRIORITISED SUSTAINABILITY GOALS

The Olav Thon Group is of the opinion that in order to create an actual contribution to the UN agenda for 2030 and the sustainability goals, it is essential to point out the most relevant goals that the group can contribute to achieving. In 2019, a project was carried out to identify the most relevant.

In 2022, the sustainability goals were revised in accordance with the strategy to have a clearer link between significant topics, action and the sustainability goals. The strategy will also lead to a clearer operationalisation and a more concrete and clearer contribution to the goals.

A prioritised sustainability goal is linked to each pillar of the strategy. This goal is what we consider most important for each pillar. Climate and nature and social justice also have other relevant sustainability goals linked to them. For each goal, sub-goals have also been identified that we want to focus on in our work with the sustainability goals. All the sub-goals are linked to goals in the strategy. A sustainability goal can be linked to several of our goals, also across the pillars.

OUR CONTRIBUTION

Through our work on equality, inclusion and diversity, the Olav Thon Group will contribute to the SDG 5 – gender equality. Despite a relatively good distribution between women and men in the group, this is considered as an important topic that we must continue to work on. Currently we only have one woman in the group management of the Olav Thon Group. We want to achieve a representative leadership, and through our work on equality, inclusion and diversity we want to ensure that women have real participation and equal opportunities for senior positions as men. Going forward, we will make strategic choices to ensure that we safeguard and develop diversity within the group.



Pillars: Social justice

Key topic: Inclusive workplace and human rights and transparency


Actions: Establish a working group and create a strategy for equality, inclusion and diversity, achieve 40% of each gender on the board of the Olav Thon Group.

UN sub-goals:

- 5.1 End all forms of discrimination against girls and women around the world
- 5.5 Ensure women's full and real participation and equal opportunities for leading positions at all levels where decisions are made, in political, economic and public life

immigrants, and workers in an unsafe working environment.

- 8.9 By 2030, develop and implement policies to promote a sustainable tourism industry that creates jobs and promotes local culture and products.



7 CLEAN ENERGY FOR EVERYONE

OUR CONTRIBUTION

Through systematic work with a focus on energy efficiency improvement and optimisation, the Olav Thon Group will contribute to sustainability goal 7 – clean energy for everyone. The operation of property involves high energy consumption, which gives us the opportunity to influence energy production and access. The Olav Thon Group wants to contribute to an increased share of renewable energy at a global level by establishing renewable production at its own properties. In addition, we want to reduce our energy consumption so that more people have access to energy.

Pillars: Climate and nature

Key topic: Transition to a low-emission society

Actions: Map renewable production on properties, energy label A on all new builds, BREEAM certification of buildings, renovations in accordance with the EU taxonomy criteria for climate, reduction in emissions in scopes 1 and 2.

UN sub-goals:

- 7.2 By 2030, significantly increase the share of renewable energy of the world's total energy consumption
- 7.3 By 2030, make the improvement in energy efficiency worldwide go twice as fast.

OUR CONTRIBUTION

Through our renovation and development projects, the Olav Thon Group will contribute to sustainability goal 9 – industry, innovation and infrastructure. As a major real estate player, the Olav Thon Group wants to develop reliable, sustainable and solid buildings. Through renovations in accordance with the EU taxonomy criteria for climate, we will work to upgrade our properties to become more sustainable. We will focus on more efficient use of resources by increasing the degree of recycled materials in buildings. The Olav Thon Group wants to be part of a sustainable transformation in business and industry.



Pillars: Climate and nature, and circular solutions

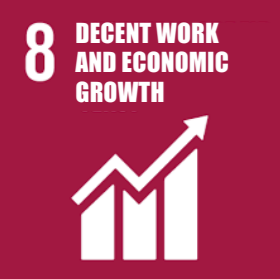
Key topic: Transitioning to a low-emission society, climate impact, circular habits and circular buildings

Actions: renovations in accordance with the EU taxonomy criteria for climate, BREEAM certification of buildings, developing green areas, roofs and walls on 60% of existing properties, green areas/pocket forests on all new buildings, recycling rate of non-hazardous waste in construction projects must be 90% and rate of recycled materials in line with the EU taxonomy (30%)

UN sub-goals:

- 9.1 Develop reliable, sustainable and robust high-quality infrastructure, including regional and cross-border infrastructure, to support economic development and quality of life with an emphasis on affordability and equal access for all
- 9.4 By 2030, upgrade infrastructure and transform the business to become more sustainable, with more efficient use of resources and more extensive use of clean and environmentally friendly technology processes, where all countries make an effort according to their own ability and capacity

It is too early to give an estimate of future expenses for this type of climate action, and it is therefore not taken into account in the financial statements of the group.



8 DECENT WORK AND ECONOMIC GROWTH

OUR CONTRIBUTION

Through our work on equality, inclusion and diversity, as well as human rights and transparency in the value chain, the Olav Thon Group will contribute to sustainability goal 8 – decent work and economic growth. We respect human and labour rights and will actively work to gain full insight into the value chain and ensure compliance with our requirements for equal pay for equal work, the abolition of forced labour and child labour, the protection of workers' rights and safe working environments.

Pillars: Social justice

Key topic: Inclusive workplace, responsible business practices in the value chain and human rights and transparency

Actions: Conduct risk assessment, map the supply chain to product categories, ethical purchasing strategy and procedures, report on transparency, diversity and equality

young people and people with disabilities, and achieve equal pay for equal work.

- 8.7 Take immediate and effective action to abolish forced labour, end modern slavery and human trafficking and ensure that the worst forms of child labour – including the recruitment and use of child soldiers – are prohibited and abolished, and by 2025 abolish all forms of child labour.
- 8.8 Protecting workers' rights and promoting a safe and secure working environment for all workers, including migrant workers and especially female

OUR CONTRIBUTION

Through the work on equality, inclusion and diversity and human rights and transparency, the Olav Thon Group will contribute to sustainability goal 10 – less inequality. A working group for equality, inclusion and diversity will be established to draw up a strategy for this work. It will aim to address the inclusion and equality of everyone regardless of gender, age, race, disability, national origin, religion, ethnicity or economic or other status.



Pillars: Social justice

Key topic: Inclusive workplace, human rights and transparency and responsible business practices in the value chain

Actions: Establish a working group and create a strategy for equality, inclusion and diversity, achieve 40% representation of each gender on the board of the Olav Thon Group.

UN sub-goals:

- 10.2 By 2030, ensure empowerment and promote the social, economic and political inclusion of all, regardless of age, gender, disability, race, ethnicity, national origin, religion or economic or other status.



OUR CONTRIBUTION

By strengthening sustainability in all of our stages in the development and renovation of properties, the Olav Thon Group will contribute to sustainability goal 11 – sustainable cities and local communities. As a major real estate player, we have a major impact on both cities and local communities. The impact can be both positive and negative based on the considerations we take at the construction site or the operating area. The Olav Thon Group wants to create an inclusive and sustainable urban space. We will therefore contribute by, among other things, reducing emissions from our construction sites and developing green areas, roofs and walls on all buildings.

Pillars: Climate and nature

Key topic: Transition to a low-emission society

Actions: Reduce emissions in scope 1 and 2, emission-free construction sites, develop green areas for roofs and walls, conduct an impact analysis, renovations in accordance with the EU taxonomy criteria for climate

UN sub-goals:

11.3 By 2030, we will contribute to strengthening inclusive and sustainable urbanisation and the opportunity for participatory, integrated and sustainable community planning and management in the countries in which we operate.

11.4 We will contribute to strengthening efforts to protect and secure the world’s cultural and natural heritage

11.6 We will contribute to reducing the negative impact of cities and local communities on the environment (measured per capita), with particular emphasis on air quality and waste management.

11.7 We will contribute to ensuring that everyone has access to safe, inclusive and accessible green areas and public spaces.



OUR CONTRIBUTION

By focusing on waste management and the use of recycled materials, the Olav Thon Group will contribute to sustainability goal 12 – responsible consumption and production. Large amounts of materials go into the construction and renovation of properties, as well as a lot of waste resulting from the operation of the properties. The Olav Thon Group therefore wants to focus on what the business of building materials and other raw materials involves, as well as focus on waste management and food waste. This will help us achieve sustainable management and efficient use of natural resources by 2030.

Pillars: Climate and nature and circular solutions

Key topic: Customer preferences, circular habits and circular buildings

Actions: Increase the proportion of locally produced food and drink, increase the proportion of recycled materials, increase the sorting rate, reduce food waste

UN sub-goals:

- 12.2 By 2030 achieve sustainable management and efficient use of natural resources
- 12.5 By 2030, significantly reduce waste through prevention, reduction, material recycling and reuse

- 12.3 By 2030, halve global food waste per capita, both in retail and among consumers, and reduce waste in the production and supply chain, including post-harvest waste
- 12.8 By 2030 ensure that all people throughout the world have relevant information and understanding of sustainable development and a way of life in harmony with nature
- 12.b Develop and implement methods to measure the impact of sustainable tourism that creates jobs and promotes local culture and products

OUR CONTRIBUTION

By reducing emissions and strengthening the group’s ability to adapt to climate change, the Olav Thon Group will contribute to sustainability goal 13 – stop climate change. Reducing emissions will help reduce global warming and climate change. The Olav Thon Group believes that this is essential in order to contribute to this sustainability goal. With the assumption that some climate change will occur regardless of whether we manage to achieve the goals for reducing emissions, the group must map climate-related risks in order to prepare and adapt the business.



Pillars: Climate and nature

Key topic: Transition to a low-emission society and climate impact

Actions: Map and report on climate risk for own activities and for the most important suppliers, reduce emissions in scopes 1 and 2 by 60%

UN sub-goals:

13.1 Strengthen the ability to withstand and adapt to climate-related hazards and natural disasters in all countries

13.3 Strengthen the ability of individuals and institutions to counteract, adapt and reduce the consequences of climate change and their ability to provide early warnings, as well as strengthen knowledge and awareness of this.

OUR CONTRIBUTION

By taking nature and biodiversity into account in the development and renovation of our properties, the Olav Thon Group will contribute to sustainability goal 15 – life on land. The construction of properties leads to the depletion of nature and has a negative effect on biodiversity and ecosystems. Although our properties are largely located in already developed areas, we have the opportunity to build up some of the nature that was once destroyed. The Olav Thon Group wants to contribute by establishing green areas, roofs and walls, as well as pocket forests on both new and existing properties. In addition, we will conduct nature impact analysis on all development projects to get a clearer picture of our impact on nature.



Pillars: Climate and nature

Key topic: Customer preferences and conservation of natural resources and biodiversity

Actions: Conduct an impact analysis of all development projects, green areas/pocket forests for all new buildings and develop green areas, roofs and walls on 60% of existing properties

UN sub-goals:

- 15.1 By 2030, the sustainable use of freshwater ecosystems and services utilising these ecosystems,

on land and inland areas, in particular forests, wetlands, mountains and drylands, will be preserved and restored, in accordance with the commitments of international agreements

- 15.5 Take immediate and comprehensive action to reduce the destruction of habitats, stop loss of biodiversity and protect endangered species by 2030 and prevent their extinction

OUR SUSTAINABILITY WORK

As part of the Olav Thon Group, Olav Thon Eiendomsselskap is subject to the group's sustainability work, and follows the group's sustainability strategy, organisation of the work, as well as adopted guidelines and policies.

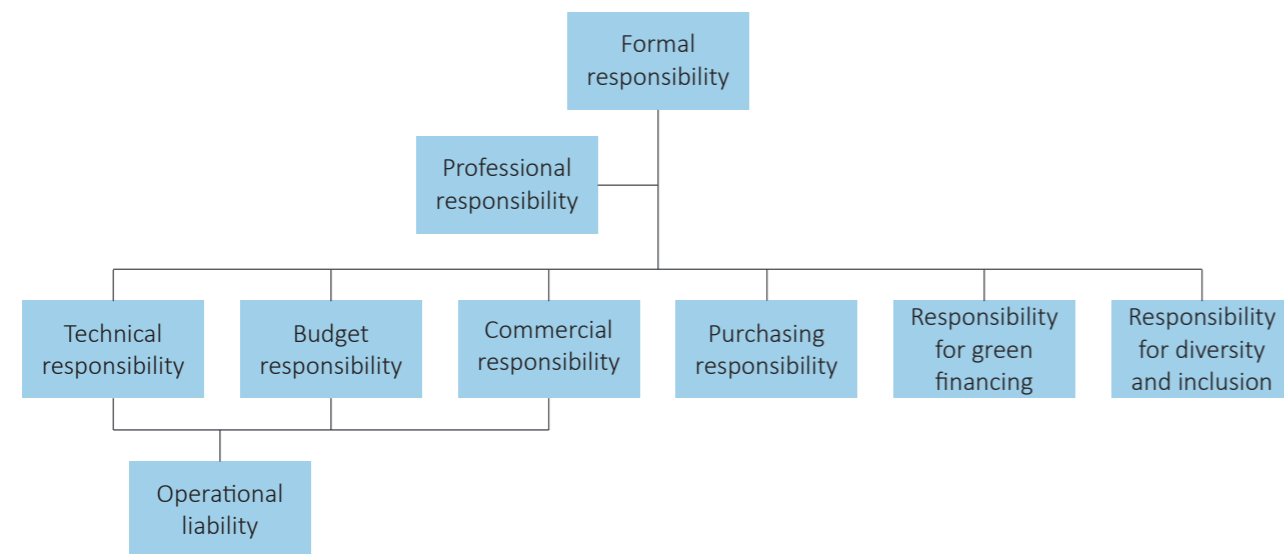
In order to integrate respect for the climate and nature, circular economy, human rights, equality and other social conditions, as well as combat corruption, the Olav Thon Group has prepared a sustainability strategy, several policies and guidelines, signed up to the UN Global Compact, prepared an annual report in accordance with GRI Standards since 2013, and has a dedicated sustainability team that holds monthly status meetings with the group management. Below you can read about how we organise ourselves in our sustainability work.

Organisation of the work

The Olav Thon Eiendomsselskap follows Olav Thon Group's strategy, action plan, guidelines, peocedures and organisation of the sustainability work on a daily basis. The Olav Thon Group's overall goal is to have a common system for the group's sustainability work. The new sustainability strategy helps us to systematise and operationalise our sustainability work.

In light of the new strategy, an internal sustainability handbook was prepared. To ensure the correct, relevant

and good flow of information, the system is communicated through the Olav Thon Group's Sustainability Handbook. The sustainability strategy increases the integration between the sustainability work and Olav Thon Group's business areas. The importance of sustainability is becoming more prominent at every stage of the business. The various specialist departments and operating units will have a clearer role in sustainability work and will be more accountable.



The formal responsibility lies with the board and group management. The Olav Thon Group's board is responsible for the sustainability strategy and decisions related to it. Group management has overall responsibility for the work and achievement of objectives, and each executive vice president has the main responsibility for sustainability work within his/her respective business areas. Through monthly status meetings with the Sustainability Team, group management is kept up to date on the status of the sustainability strategy and sustainability work in particular. This is to ensure measures are handled effectively and that group management is kept up to date on the topic.

Professional responsibility and daily responsibility for reporting, strategy development, facilitation and coordination have been assigned to the HSE department by the group's sustainability team. The sustainability team consists of a sustainability consultant, who has technical responsibility for sustainability and a sustainability

consultant, who has main responsibility for reporting. The sustainability team is also responsible for the overall measurement and reporting of strategic objectives.

In the sustainability handbook, responsibility for day-to-day follow-up and achievement of goals is delegated to the relevant departments. It is defined which departments have professional responsibility for relevant specialist areas. It is also defined which departments are responsible for operations, budgets, technical conditions, commercial responsibility, purchasing, green financing, as well as diversity and inclusion. The sustainability handbook and action plan for the Olav Thon Group clarify the responsibility of the various departments in ensuring the group achieves its goals by 2030.

The work with social responsibility and sustainability must be made visible internally and externally through the annual sustainability report as well as internally through the use of own tools for internal communication.

Policies and guidelines

The Olav Thon Group has several policies and guidelines to facilitate good and structured sustainability work.

SUSTAINABILITY POLICY

The group has previously had a corporate social responsibility policy that described the group's goal to strive for the most sustainable development possible in its business operations. The group's corporate social responsibility and sustainability work are based on Norwegian legal requirements and standards, as well as the principles of the UN Global Compact and the guidelines of the Global Reporting Initiative (GRI).

In 2022, a new policy was developed in accordance with the Olav Thon Group's sustainability strategy; policy for sustainability. The policy sets out the fundamental guidelines in the group's sustainability work and provides guidance to all managers and employees on how the Olav Thon Group should work with sustainability. It is based on Norwegian law, guiding principles, international frameworks, and the group's sustainability strategy.

SUSTAINABILITY ACTION PLAN

In connection with the new sustainability strategy, an overall action plan for sustainability work in 2023 was prepared across the group's various units. The action plan includes the goals and measures set for 2023 in the strategy, as well as other sustainability-related activities to be carried out throughout the year.

The group management approves and adopts the action plan, while the Sustainability Team manages the action plan. Each department that has been given responsibility

for the measures/activities in the action plan must ensure that time and capacity are allocated to implement the individual measures/activities. Measures/activities in the action plan follow the group's sustainability strategy and associated roadmap.

ETHICAL CODES OF CONDUCT

The Olav Thon Group's ethical guidelines must ensure that our employees take our shared values with them in all parts of our work. They underpin the group's vision, purpose and shared values. The document must provide a framework for what is perceived as responsible behaviour. This is important to our employees, guests and customers, partners, suppliers, business partners, and to society as a whole. Ethical codes of conduct contribute to mutual respect and trust, which are important for operating business practices today as well as in the future. Find out more about our ethical codes of conduct on the Olav Thon Group's website.

ETHICAL REQUIREMENTS FOR SUPPLIERS

The Olav Thon Group sets requirements for our suppliers to safeguard our sustainability work at all stages of our supply chain. To clarify what we expect from our suppliers, we have drawn up a set of requirements based on the UN conventions and ILO core conventions. The requirements cover topics such as human rights, forced labour, child labour, freedom of association, wages, discrimination, HSE, the environment, corruption and animal welfare.

The ethical requirements oblige our suppliers to comply with these, and it is expected that these, or requirements at least as extensive, will be passed on to

their subcontractors. We also expect them to contribute to the subcontractors' compliance with the requirements, as well as working to comply with the requirements on their own behalf.

OTHER POLICIES AND CODES OF CONDUCT

The Olav Thon Group has several policies and guidelines within social responsibility and sustainability.

Policies:

- Environmental policy
- Policy for diversity and gender equality work
- Group policy for procurement
- Travel policy

Guidelines:

- Guidelines for source sorting
- Guidelines for company car/service vehicle
- Routine for responsible procurement
- Guidelines for construction projects

Reporting practices

The purpose of this report is to describe how Olav Thon Eiendomsselskap strives to work responsibly and more sustainably. We are part of the Olav Thon Group and are subject to the group's sustainability work. This report is therefore based on this group-wide work.

This is Olav Thon Eiendomsselskap's second independent sustainability report, and we report in accordance with the Global Reporting Initiative's (GRI) reporting framework. This report complies with GRI Standards. The Sustainability Team is responsible for preparing the Sustainability Report. The report must be approved by the board of Olav Thon Eiendomsselskap, and be presented to the audit committee.

DEFINITION AND REPORTING PERIOD

This sustainability report is aimed at our customers, guests, employees, investors, suppliers, the communities

in which we operate, interest groups and public authorities. We regard all of you who are influenced by and have a great influence on our business as stakeholders.

Like the annual report, the data discussed in this report is for all companies in Olav Thon Eiendomsselskap, meaning units where the ownership is more than 50%. Exceptions are stated in the explanation associated with the individual data.

The report deals with the calendar year 2022 and has been prepared in Norwegian and English. The group has an overall annual reporting cycle for both financial and non-financial reporting from 01.01 to 31.12, and the next report will be published in Q1 2024. The previous report was published in March 2022.



CLIMATE AND NATURE

TRANSITION TO A LOW-EMISSION SOCIETY

Building and renovating properties has a major impact on the climate. Here there is a big opportunity for the Olav Thon Group, and hence Olav Thon Eiendomsselskap. With the focus on the transition to a low-emission society, we can reduce our negative impact, and increase our positive impact, on emission-related climate change.

The construction industry generally accounts for approximately 40% of the world's greenhouse gas emissions. Olav Thon Eiendomsselskap contributes to greenhouse gas emissions at all stages of our value chain. Transitioning to a low-emission society has become a key

topic of our sustainability work to minimise our negative impact on the climate.

The Olav Thon Group has greenhouse gas emissions linked to all links in the value chain. From upstream, emissions

TRANSITION TO A LOW-EMISSION SOCIETY			
2023	2025	2027	2030
Setting STB11 for own emissions and defining a baseline		Reduce emissions in Scope 1 and 2 by 45%	Reduce emissions in Scope 1 and 2 by 60%
Emission-free construction sites in Oslo		50% of construction sites in Norway must be emission-free	All construction sites in Norway must be emission-free
30% of renovation according to the EU taxonomy for climate	45% of renovations in accordance with the taxonomy	60% of renovations in accordance with the taxonomy	100% of renovations in accordance with the taxonomy
EV charging at all shopping centres			
All new buildings must have an energy label A	All new builds must be BREEAM NOR Very Good, or equivalent	All new builds in accordance with the EU taxonomy criteria for climate	
Map renewable production on properties	15% of shopping centres and hotels must be at least BREEAM In-use Very Good	30% of shopping centres and hotels must be at least BREEAM In-use Very Good	60% of shopping centres and hotels must be at least BREEAM In-use Very Good
Purchase guarantees of origin for electricity consumption	10% of existing buildings must be BREEAM In-use certified	25% of existing buildings must be BREEAM In-use certified	50% of existing buildings must be BREEAM In-use certified

Net zero in 2050

are linked to raw materials and the production of goods. In our own activities, emissions come from the development, renovation and operation of properties, as well as a large proportion coming from the group's energy consumption. From downstream, emissions are largely related to the tenant's and end-user's energy consumption. The emissions from the value chain can help to cause local pollution and global warming, which in turn can lead to climate-related health issues or a lack of raw materials due to climate change.

We therefore want to reduce our greenhouse gas emissions in order to minimise the negative impact it can have on people and nature. In addition, we are experiencing an increase in climate-related legislation that has been passed in recent years. It is important for

the Olav Thon Group to comply with these laws in a good and appropriate way, and increased efforts to reduce climate emissions are an important means of doing so. In this context, we have set goals and sub-goals for the next few years to reduce our greenhouse gas emissions by 2030. This will help us well on our way towards the group's long-term ambition of becoming net zero by 2050.

Since 2020, the Olav Thon Group has prepared an annual carbon accounting report. This has been the basis for the work to reduce emissions. Energy and waste that have been key topics since our first materiality analysis in 2016 remain important topics for the group as this is where our biggest emissions come from (find out more about energy page 29 and waste page 37).

Carbon accounting report 2022

The Olav Thon Group's carbon accounting report has been prepared in accordance with the GHG protocol and satisfy the requirements of GRI's standard for carbon reporting¹². The emission factors used are taken from the IPCC (AR4). The carbon accounting report has been prepared for the calendar year 2022.

We have identified the most significant emissions in scope 1, 2 and 3. This has been done for the Olav Thon Group with all underlying business areas. All categories are included in the various companies' carbon accounting, and this therefore also applies to Olav Thon Eiendomsselskap.

Emissions in tCO ₂ e					
Reduction in emissions per scope	2020	2021	2022	Change (Compared to last year)	Goals 2030
Scope 1	73.8	72.0	56.4	- 15.6% (- 22%)	(- 60%)
Transport	73.8	66.2	52.8		
Stationary combustion	-	5.8	3.6		
Scope 2	4,702	4,520.6	5,402.3	+ 881.7 (20%)	(- 60%)
Power	4,702	3,967.8	3,185.2		
District heating	-	552.8	2,156.2		
Remote cooling	-	-	60.7		
Scope 3	3,443.2	4,556.8	4,790.5	+ 233.7 (5%)	
Waste	3,437.2	4,521.6	4,666.8		
Business travel (flights)	5.9	35.2	122.2		
Total	8,219.0	9,149.4	10,249.2	+ 1,099.8 (12%)	-

2021 TO 2022 DEVELOPMENT

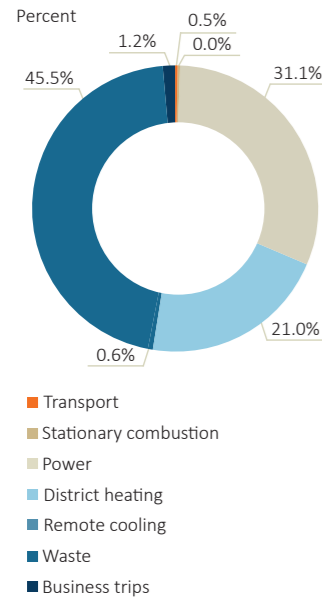
We are constantly working on improving the data in our carbon accounting, and an increase in reported emissions due to improvements in the data may occur. In 2022, we mapped local district heating emission factors for several of our properties with district heating consumption. Previously, we have used an emission factor based on a

Norwegian mix, but our supplier has some emission factors related to specific areas. By using these on the properties that belong to the same concession area as the emission factors, we achieve more accurate carbon accounting. For the properties that were not located in a concession area that also had an associated emission factor, we used the Norwegian mix.

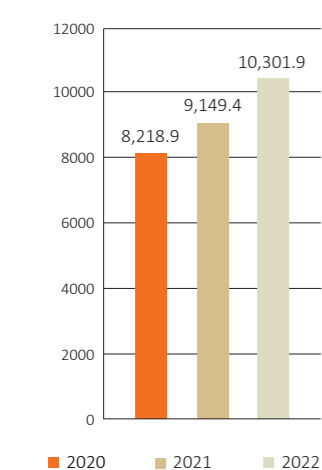
11 SBT – Science Based Targets

12 See GRI Index for complete reporting according to GRI Standards on page 52.

EMISSIONS PER CATEGORY



EMISSIONS 2020–2022



Olav Thon Eiendomsselskap's greenhouse gas emissions increased by 12% in 2022 compared to the previous year. This proportion corresponds to 1,099.8 tCO₂e. Despite the fact that we also lived through a corona pandemic in 2022, it was a considerably more normal year of operation due to reopening and minor lockdowns than in the previous two years. The increase in emissions was therefore expected. Normalisation has probably led to an increase in both consumption and emissions, and there is therefore reason to believe that normalisation of operations is the main reason for the increase in emissions.

There has been a change in emissions for all emission categories. The increase is largely related to district heating, but also district cooling, waste and business travel (including air travel) have seen an increase in emissions. There has also been an increase in volume in all these categories, which is probably the reason for increased emissions. The other categories, transport, stationary combustion and electricity, on the other hand, have seen a decrease in emissions.

SCOPE 1

Scope 1 is the smallest emissions category in our carbon accounting. It consists of emissions linked to transport and stationary combustion. The transport category contains consumption of diesel and petrol. Stationary combustion includes gas (including propane and natural gas).

Scope 1 accounts for 0.6% of the group's emissions. This is equivalent to 56.4 tCO₂e. This is a decrease of 22% compared to 72.0 tCO₂e in 2021. This decrease is due to a decrease in reported consumption of both diesel and petrol (-20%), as well as gas (-38%). We calculate the consumption of gas based on spend and invoice. As a result, these figures differ slightly from the actual consumption. Since the rates we use to calculate consumption change from year to year, comparing reported gas consumption with the previous year can be a bit tricky. We are working to put in place a more efficient and reliable method for improving the quality of the data, and the possibility of a credible comparison from year to year. Find out more about the data in the appendix (pg. 58).

SCOPE 2

Scope 2 is the group's emissions linked to our own energy consumption, including electricity, district heating and district cooling. In 2022, this was the largest emissions category with 5,402.3 tCO₂e. This corresponds to 52.7% of the group's total emissions. Compared to 2021, there has been an increase in emissions by 19%.

Electricity is the largest source of emissions in scope 2. Emissions related to electricity were 3,185.2 tCO₂e in 2022. This is a 20% reduction compared to 3,967.8 tCO₂e the previous year. There can be several reasons for this. Among other things, we have worked for several years on energy measures to streamline and optimise our energy consumption. 2022 was also characterised by high electricity prices, which may have caused lower electricity consumption due to greater awareness of the use of electricity. War in Europe has also spurred the production of renewable energy, which may have resulted in electricity with a lower conversion factor (emissions per kWh of electricity). According to our carbon accounting report, this had a decrease of 16% from 2021 to 2022.

On the other hand, emissions from the consumption of district heating and district cooling have increased. Last year, there were no emissions linked to district cooling. This is probably because both the consumption of district cooling and the conversion factor (emissions per kWh of district heating) are very low. In 2022, emissions from district cooling were 60.7 tCO₂e. The biggest increase comes from increased consumption of district heating. There was an increase in reported district heating consumption by 118.7%. This resulted in an increase in emissions of 290% which corresponds to 1,603.4 tCO₂e. In addition, the conversion factor has probably increased somewhat.

Of the categories with increased emissions, district heating has increased the most. The increase in emissions linked to district heating of 1,603.4 tCO₂e is more than the total increase in emissions of 1,099.8 tCO₂e. We can therefore conclude that the main reason for increased emissions in Olav Thon Eiendomsselskap in 2022 is probably increased emissions linked to district heating due to both consumption and emission factors.

Emissions in scope 2 are closely linked to our energy consumption as mentioned. Therefore, emissions in scope 2 will be reduced in line with the reduction of our energy consumption. Both BREEAM certification and the EU taxonomy emphasise the need to reduce energy consumption in buildings. Our goal to BREEAM certify both existing and new buildings, as well as to develop new builds in accordance with the taxonomy, is therefore committed to reducing energy consumption, which will be reflected in our emissions. This is action that we want to implement, among other things, in order to achieve our goal of a 60% reduction in emissions in scope 1 and 2 in 2030. Find out more about our energy consumption and how we work with energy measures on page 29. A reduction of 60% in scope 1 and 2 is an ambitious goal, and we are also dependent on a change in the energy market to achieve this long-term goal.

SCOPE 3

Scope 3 is an area that is still under development. It is expected that it will comprise the largest proportion of Olav Thon Eiendomsselskap's emissions when we have mapped several scope 3 emission sources. Scope 3 emissions are linked to our emissions from upstream and downstream processes. As of now, this entails emissions from waste and business travel (flights). Scope 3 accounted for 46.5% of the group's emissions in 2022. This corresponds to 4,790.5 tCO₂e, of which 97.4% originate from waste. Compared to 2021, there was an increase in scope 3 emissions of 5% in 2022.

In 2022, waste was Olav Thon Eiendomsselskap's largest emissions category with 4,666.8 tCO₂e. This is a small increase from 2021 of 3%, corresponding to 145.2 tCO₂e. This is despite the fact that the volume of waste has decreased by 4% from 2021 to 2022. The reason for increased emissions may therefore be due to the treatment of the waste. Different waste fractions have different emissions during treatment. Among other things, the conversion factor for plastic waste is higher than the conversion factor for residual waste. Find out more about our waste volume and how we work with waste management on page 37.

As mentioned, scope 3 is a development point for us. This is why we have not set targets for reducing emissions in scope 3. On the other hand, we aim to set SBTs during 2023. This project anticipates a need to map scope 3. Consequently, we will also set targets for scope 3.

How much of scope 3 we manage to include in the first instance is uncertain, but in the long term this also includes emissions from, among other things, our construction sites. Our goal of emission-free construction sites will play an important role here in minimising emissions associated with scope 3. Electric car chargers will also help to reduce emissions as we facilitate more of our end users to use electric cars for our properties, rather than petrol and diesel cars that have significantly higher emissions.

FUTURE OUTLOOK

In 2023, Olav Thon Eiendomsselskap is expected to continue to work on improving the data for our carbon accounting. Among other things, we aim to set Science Based Targets (SBTs) during 2023. This will require us to map scope 3 to a much greater extent than we have done so far.

Furthermore, Olav Thon Eiendomsselskap must reduce emissions in scope 1 and 2 by 45% by 2027 and 60% by 2030. This means the total emissions for scope 1 and 2 combined, compared with emissions from the base year. As of now, we have not defined a base year, but we are striving to measure future emissions against a calculated base year in 2019. This will probably be part of the work when we set SBTs in 2023.

The reason we choose 2019 as our base year, rather than 2020, from which we have already calculated emissions, is that 2020 is not considered a good basis for comparison. The reason for this is twofold; 1) 2020 was characterised by a pandemic and shutdown, and therefore an abnormal operation that does not reflect a normal year for us; 2) the carbon accounting report that were prepared for 2020 are not considered to be sufficient, since errors have been found in the data.

Our targets for BREEAM certification and buildings according to the taxonomy will also help us cut emissions.



By 2030, 50% of the Olav Thon Group's existing properties must be **BREEAM In-use certified**.

Energy

Energy has been one of the main focus areas of the Olav Thon Group within the environment and green operations. As high emissions are linked to energy consumption, it is still considered an important topic to achieve a 60% reduction in emissions by 2030. As part of the Olav Thon Group, the focus is on energy management and reduction in energy consumption through better systems and more frequent reporting in Olav Thon Eiendomsselskap.

WORK WITH ENERGY

Olav Thon Eiendomsselskap works systematically with energy consumption to protect the external environment. The group's environmental policy focuses on energy management through awareness-raising, training and increased expertise. In addition to this, the focus is on energy reduction as well as phasing out fossil fuels. This is achieved by, among other things, active use of the energy monitoring system, focus on LED lighting, water consumption and demand management.

The work is followed up by a separate energy department, which has the overall professional responsibility for work with energy management and energy optimisation in the Olav Thon Group. Implementation and follow-up are carried out by the individual operator at the property.

The remaining 0.1% is energy consumption linked to non-renewable fuel. This means petrol, diesel and gas. In 2022, this category had a decrease of 19.3% of the total reported energy consumption. This is a relatively small category. As a result, this decrease has a minimal effect on total consumption.

FUTURE OUTLOOK

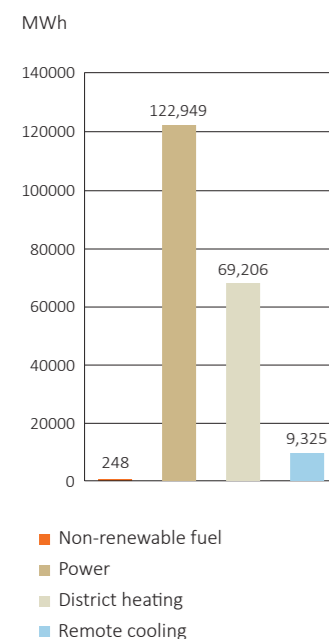
In 2023, we are expected to continue to increase internal expertise and awareness of energy optimisation. In addition, we will be mapping opportunities for renewable production on our properties in order to be able to demonstrate good solutions for self-produced renewable energy in the future. In addition, all new builds

from 2023 must have energy label A, and 30% of renovations must comply with the EU's criteria for climate.

We will explore possibilities for classifying and structuring data in such a way that in the next report we can report specified consumption (kWh/m²). These are important metrics for being able to measure actual performance over time. Total consumption fluctuates with activity, temperature and any changes in the portfolio. Specified consumption will increase comparability across properties and over time. This will therefore be an important development point in the reporting context going forward.

MWh	2020	2021	2022	Percent	Change <small>(compared to last year)</small>
Energy consumption					
Non-renewable fuel	323	307	248	0.1%	125 (+ 40.7%)
Renewable fuel	-	-	-	-	-
Power	114,682	127,994	122,949	60.9%	5,045 (- 3.9%)
District heating	-	31,639	69,206	34.3%	37,567 (+ 118.7%)
Remote cooling	-	7,096	9,325	4.6%	2,229 (+ 31.4%)
Total energy consumption	115,005	167,036	201,728	100%	34,877 (+ 20.9%)

CONSUMPTION PER CATEGORY



ENERGY CONSUMPTION

The figures are taken from our energy portal Energinet. This contains properties and meters associated with the individual property. For more information on the data basis, see Appendix (pg. 57). Categories for reporting follow from GRI Standards.

Olav Thon Eiendomsselskap's total reported energy consumption in 2022 was 201,728 MWh. This is an increase of 20.8% (34,693 MWh) compared to 2021. As with greenhouse gas emissions, it is assumed that the increase is related to the normalisation of operations after the pandemic, compared with the previous two years. In addition, we are constantly working on the data to improve this.

The majority of energy consumption comes from electricity consumption. In 2022, electricity consumption was 122,949 MWh, representing 60.9% of

the total reported energy consumption. This is a decrease of 5,045 MWh, equivalent to 3.9% from 2021. It is difficult to pinpoint the reason why electricity consumption has decreased, but it may probably have a connection with increased electricity prices that have made users more energy-conscious.

It is also conceivable that there is a correlation with the increased use of district heating and district cooling. District heating and district cooling account for 38.9% of the total reported electricity consumption. That is 78,530 MWh, of which 85.6% is district heating. District heating alone has increased by 118.7%. This corresponds to 37,567 MWh, which is more than the total increase in energy consumption. The consumption of district cooling has also increased by 31.4% compared to 2021.

CLIMATE IMPACT

Olav Thon Eiendomsselskap affects the climate via greenhouse gas emissions in the value chain. Equally, these climate changes impact us in return. It is expected that we will experience this to a greater extent in the future, which will expose the group to several different types of risks linked to climate change.

Olav Thon Eiendomsselskap impacts climate risks for the business indirectly through the impact we have on the climate, as well as how we improve on such risks. To know how to deal with climate risks, we need to get an overview of the risks we face. This has not been done yet for either Olav Thon Eiendomsselskap, or the Olav Thon Group.

However, when conducting the double materiality analysis, several risks were identified in the real estate industry related to climate change. There is a general physical risk in the real estate industry linked to extreme weather events that can result in damage to buildings and infrastructure. Among other things, snow melting, landslides and more rain can lead to an increased risk of flooding, which can cause major damage to buildings.

Risks of climate-related damage to buildings can result in the risk of increased costs of upgrading and renovation to reduce exposure and be prepared for potential future climate damage. In addition, this may result in increased costs associated with insurance policies or building insurance.

Climate change can also lead to changed or limited access to goods. Suppliers of raw materials and raw material producers may be affected by climate change such as droughts, floods or water shortages which may change the industry's access to raw materials. Different types of raw materials may also be at risk of becoming depleted. This can result in reduced access and increased price fluctuations.

As a large company, Olav Thon Eiendomsselskap can actively work to reduce its impact on the climate. This will to some extent reduce the likelihood and extent of climate change exposing the business to risks. In addition, we can adapt our business to better prepare for the risks that may occur. This can make it easier for us to manage the risks when they occur.

Identifying climate risks will help us identify how we can best manage the risks of preventing or reducing the damage they can cause to the group, as well as how we best adapt our business to manage the risks that arise. Therefore, climate impact has become an important topic at Olav Thon Eiendomsselskap.

Future outlook

The above-mentioned risks are probably just a few of many climate-related risks. The Olav Thon Group, including Olav Thon Eiendomsselskap, must therefore carry out a project to map climate risks in its own operations. The project will be based on the Task Force on Climate-related Financial Disclosures (TCFD) framework. The purpose of the project is to carry out an overall mapping to identify the risks and opportunities associated with the group's various business areas. As part of the project, forward-looking climate scenarios will therefore

be developed that take into account identified risks and opportunities, seek to quantify possible costs related to physical risk and carbon costs, identify risk-reducing measures, and develop climate risk reporting.

Objectives have been set for the project to be completed during the first half of 2023. During the second half of the year, we will include questions concerning climate risk in enquiries to both our existing and any new suppliers in order to gain insight into climate risk in the value chain.



CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY

There is an increased awareness of society regarding the impact on nature associated with the development of property. In addition, the conservation of nature and biodiversity is gaining more attention through international agreements and national legislation. Therefore, the conservation of natural resources and biodiversity has been regarded as an important topic for Olav Thon Eiendomsselskap.

Most of Olav Thon Eiendomsselskap's properties are in already built-up areas. Nevertheless, we can have a significant impact on nature and biodiversity, and vice versa. Regardless of where the property is located, it is what we choose to do with the property that determines whether we have a positive or negative impact on the environment and the surrounding landscape. In already built-up areas, there are great opportunities to increase the positive impact on nature and biodiversity. Nature-positive solutions for properties include green areas or pocket forests and planting on roofs and walls. Such solutions can help protect buildings and property from destroying nature while preserving nature and ecosystems. For example, tree planting can reduce the risk of flooding, stabilise soil and prevent landslides. In addition, this contributes positively to the local community, as trees and plants have a purifying

effect on the air, which provides health benefits and well-being for the population, as well as our customers.

We are seeing an increase in the focus on the conservation of natural resources and biodiversity both in politics and in society in general. This may entail a higher risk of increased costs and prices for development due to the expected integration of nature-positive solutions. This can also present challenges in the supply chain with increased prices of materials due to the conservation of forest areas, for example, or with a shortage of goods due to, for example, zero tolerance of timber from rain forests, which will increase the pressure on Norwegian and European forests. In addition, financial institutions and investors are expected to impose greater requirements for reporting and the opportunity to receive green financing.

As a major real estate player, conservation of natural resources and biodiversity is an important topic for Olav Thon Eiendomsselskap. Here there are both risks

and opportunities for the business that we consider important to address.

2022 status

The focus in the sustainability work of Olav Thon Eiendomsselskap has not been aimed specifically at the conservation of natural resources and biodiversity in the past. However, some sporadic measures have been taken. Among other things, several of our properties now have beehives on the roof. In 2022, the Olav Thon Group entered into a business partnership with ByBi (queen partner).

PARTNERSHIP WITH BYBI

The background to the partnership is an ambition to help highlight the importance of pollinators, urban agriculture and biodiversity in the city. The partnership's purpose is therefore to increase the knowledge of pollinating insects and biodiversity within the organisation, in line with the Olav Thon Group's sustainability strategy. ByBi will also be a competence partner for the Olav Thon Group and provide advice and guidance to ensure that

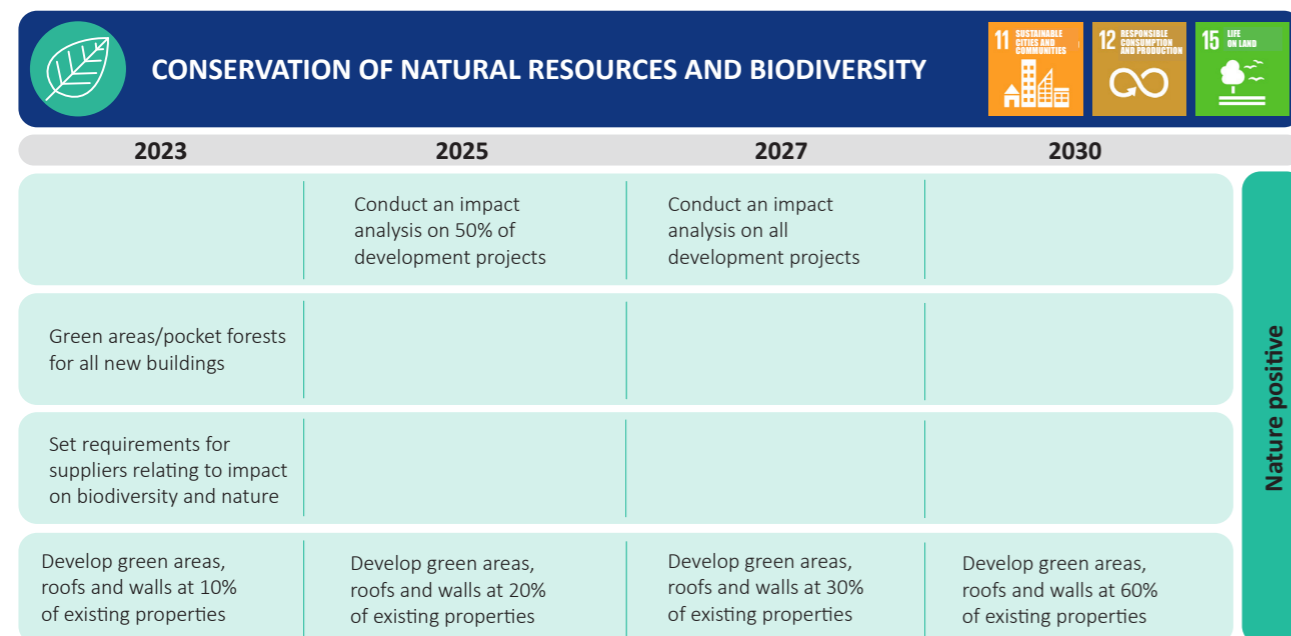
correct considerations are taken into account when establishing green areas and developing our properties.

ByBi offers talks for the Olav Thon Group's employees, on the smoking and operation of the Olav Thon Group's own beehives, honey tasting, visits to the beehives with beekeeping and ecology as a theme, honey from the beehives, advice on real estate projects, etc.

ByBi is an environmental organisation and Norway's largest local association, organised under the Norwegian Beekeeper Association. ByBi offers guidance, advice and courses related to the world of bees, as well as the care of bees and honey production as a service. ByBi focuses on safe urban beekeeping, the use of Norwegian honey and increased awareness of the importance of bees. They actively work to promote green urban development and increased facilitation of biodiversity.



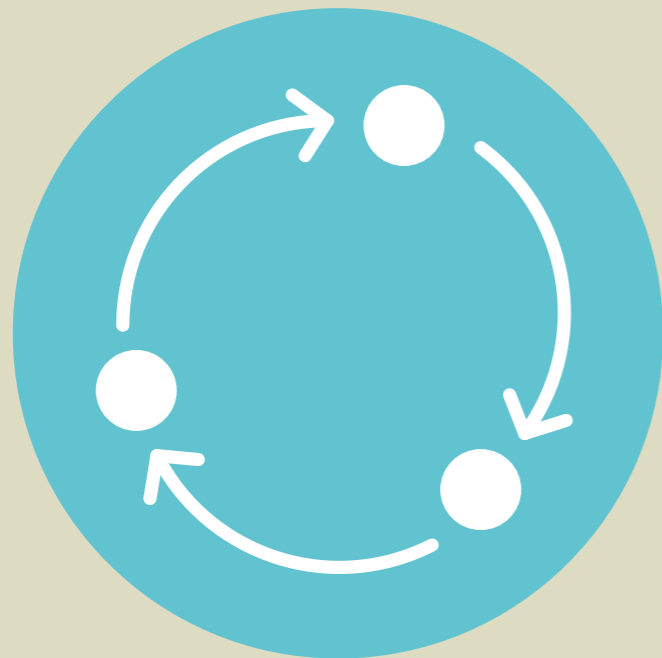
In 2022, the Olav Thon Group placed beehives on the roof of a shopping centre in cooperation with ByBi.



Future outlook

In accordance with the new sustainability strategy of the Olav Thon Group, Olav Thon Eiendomsselskap will now focus more on the conservation of natural resources and biodiversity. Among other things, more systematic and continuity in the work is expected, as this is necessary to achieve our long-term ambition to become nature positive.

In 2023, green areas or pocket forests will be established at all new buildings. In addition, we will develop green areas, roofs and walls on 10% of all existing buildings. The latter will be continuously worked on, so that we can establish green areas, roofs and walls on 60% of our existing properties by 2030. In addition, we will set requirements for our suppliers related to biodiversity and impact on nature.



CIRCULAR SOLUTIONS

CIRCULAR HABITS

Circular solutions are essential for Olav Thon Eiendomsselskap to reduce the use of natural resources and minimise emissions. We work actively with waste management and working on putting a recycling system in place to minimise this impact.

Olav Thon Eiendomsselskap has an impact on the climate and nature through our circular habits. In short, by circular habits we mean our consumption of goods and handling of waste. High consumption of new goods and products requires a certain degree of use of natural resources, leading to emissions in processing processes and transport stages. When this becomes waste, it has a further impact on the climate and nature, either through emissions from recycling processes or because it ends up as landfill. Circular habits are a key topic of our sustainability work to reduce this negative impact on the climate and nature.

There is an increasing degree of regulatory requirements for circularity and waste management. This is due to a desire to reduce greenhouse gas emissions and minimise the negative impact of high consumption with associated waste on the climate and nature. Among the risks we may face, we expect, among other things, increased prices for the incineration of waste, as well as stricter requirements for waste management.

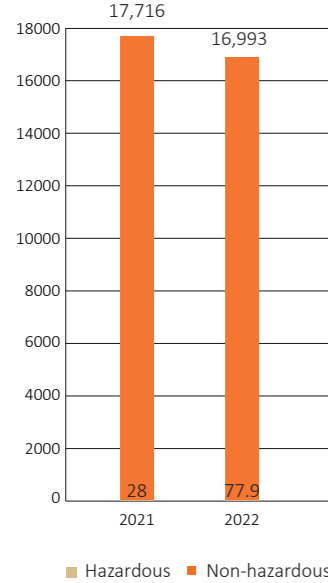
A large part of Olav Thon Eiendomsselskap's activities are related to the operation of properties, in the form of rental of various types of premises – including retail premises at shopping centres and office premises in commercial buildings. Waste from this type of property operation is therefore often linked to our tenants, as well as our customers at the shopping centres. In addition, there is waste associated with the purchase of goods, including packaging. Here there are opportunities for Olav Thon Eiendomsselskap to reduce the negative impact on climate and nature.

Since much of our waste comes from upstream and downstream sources in the value chain, the greatest opportunities lie in facilitating, encouraging and setting requirements for suppliers, tenants and customers. In addition, we must look at our own circular habits and what opportunities Olav Thon Eiendomsselskap has to reuse rather than buy new. This will reduce waste as well as reduce our negative impact on the climate and nature.

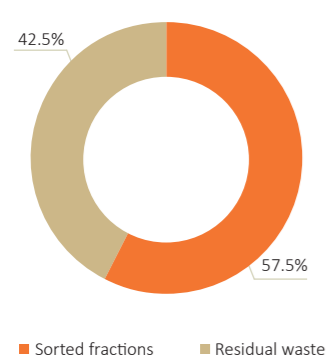
CIRCULAR HABITS				12 RESPONSIBLE CONSUMPTION AND PRODUCTION
2023	2025	2027	2030	70% circular by 2030
Set specific goals and expand the area of use for Thon Gjenbruk				
Expand waste management projects to 15% of shopping centres	Expand waste management projects to 50% of shopping centres	Expand waste management projects to all shopping centres		
Require tenants to commit to a 60% sorting rate		Require tenants to commit to a 65% sorting rate	Require tenants to commit to a 70% sorting rate	

Waste

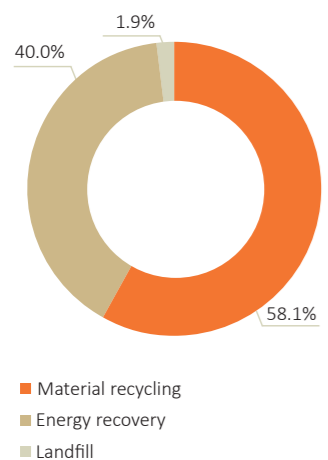
WASTE VOLUME



SORTING RATE



WASTE TREATMENT



Waste has been a focus of the Olav Thon Group’s sustainability work for several years. As part of the Olav Thon Group, Olav Thon Eiendomsselskap aims to reduce the amount of waste the business produces and be able to demonstrate an increase in its sorting rate. This will help to increase circularity in the business and consequently reduce the burden on the climate and nature.

WORK WITH WASTE

The Olav Thon Group, including Olav Thon Eiendomsselskap, has had a stated goal of achieving a 65% sorting rate. This has now developed into an ambition to be 70% circular by 2030. To achieve this, separate guidelines for source sorting and waste plans have been developed for the various units in the business. All this has taken place in close dialogue with the provider of waste disposal services. Status meetings are arranged with suppliers on a regular basis. Waste is a recurring topic in our internal communication channels, as well as a topic at status meetings between the Olav Thon Group’s group management and the group’s sustainability team.

WASTE VOLUME

The total reported volume of waste in 2022 was 16,999 tonnes. This is a slight decrease of 4.1% compared to the previous year. After the pandemic, it was expected that the volume of waste would increase as a result of a more normalised operation of the properties. However, the results show the opposite.

SORTING RATE

The sorting rate describes how much of the waste is sorted from the residual waste. This is a significant target, since residual waste is mainly sent for incineration (energy recovery), and large greenhouse gas emissions are linked to this incineration. The waste that is sorted out is primarily sent for material recycling and is given a new life in new products. This contributes to reduced greenhouse gas emissions and a growing circular economy.

The average sorting rate in Olav Thon Eiendomsselskap was 57.5% in 2022. Compared to the previous year, this is a marginal increase in sorting rate by 0.1 percentage points. As almost all waste comes from our customers and tenants in shopping centres and commercial properties, this indicates a small change in sorting among them.

In 2023, we will require tenants to commit to a 60% sorting rate. Olav Thon Eiendomsselskap’s portfolio indicates that this should be achievable. The various businesses depend on good planning for waste management and sorting, as well as the tenants’ commitment and procedures for good waste management. The shopping centres in the portfolio are to the greatest extent equipped for this facilitation. Commercial properties in the centre of Oslo are not very adaptable for optimum waste management due to physical restrictions in the buildings and are therefore expected to have a somewhat lower sorting rate.

As part of the Olav Thon Group, we have experience in testing various solutions to optimise waste management. Promising solutions and technology are being developed that can contribute to increasing the sorting rate (see separate section under “waste management project”).

WASTE TREATMENT

The treatment of waste has an impact on our climate emissions and our contribution to the circular economy. The possibility of further treatment of the waste depends on sorting the waste in pure fractions. This is therefore closely linked to our sorting rate performance.

In cooperation with our suppliers of waste disposal, we can generally gain insight into the treatment methods for the various fractions. This allows us to calculate how much of the waste is recycled, as well as in what way the materials are recycled. In 2022, the Olav Thon Eiendomsselskap had a material recycling rate of 58.1%. In

addition, 40.0% went to energy recovery and 1.9% to landfill. The main part of the waste that goes to energy recovery is residual waste. The consequence of a good sorting rate is therefore a higher proportion of material recycling, which is more sustainable than energy recycling. Compared to 2021, there has been an increase in the proportion of waste for material recycling. This is a positive development towards our ambition to become 70% circular by 2030, as it reduces the use of natural resources and increases our recycling rate.

WASTE MANAGEMENT PROJECT

In 2020, the Olav Thon Group entered into an agreement with Carrot (formerly Waste IQ) for a pilot project at Vestkanten Storsenter. The project aimed to test new solutions for registration and tracking of waste at shopping centres with the main goal of reducing the proportion of residual waste. In addition, the project aimed to provide a picture of which fractions exist in a shopping centre and experiment with which downstream solutions can be found and/or developed for these fractions. This way you can increase the circular aspect of the shopping centre’s operations.

The project was expanded in time and was also ongoing in 2022. The results show that the project is very successful and has resulted in a large decrease in residual waste at the shopping centre. Before the project started, Vestkanten Storsenter had a sorting rate of 54%. By the end of 2022, the average sorting rate increased 65.5%. This is an increase of as much as 11.5%. The solution has made it easier to engage tenants to sort and handle the waste better. Our operators get easier and faster access to waste data through an actual current picture, which makes it possible to address deviations immediately. This creates a closer collaboration with the tenants, which in turn contributes to increased sorting and cleaner fractions.

Due to the project’s success, it is planned to expand cooperation in

2023. Vestkanten Storsenter has this as a permanent solution for waste management. In addition, several other shopping centres have started their own pilot projects.

THON GJENBRUK

In 2020, the Olav Thon Group established the company Thon Gjenbruk AS. This is a new recycling concept where the Olav Thon Group, including Olav Thon Eiendomsselskap, collects surplus goods and equipment from its own projects, which are mainly sought to be recycled in their own projects. The concept also stipulates that the goods can be sold externally, if appropriate. The initiative is established in Norway, where the majority of the Olav Thon Group’s activities are located.

The main purpose of Thon Gjenbruk is to minimise the amount of waste in real estate projects in the group. The Olav Thon Group is present in large parts of Norway. Efforts are therefore made to transport the goods as little as possible. Collection for intermediate storage for use in a separate project, or sale to external parties, is therefore made from the construction site where the refurbishment has taken place.

The company has so far had limited activity. Therefore, the goal has now been set to expand the area of use for Thon Gjenbruk in 2023.

FUTURE OUTLOOK

It is expected that we will continue to work on the sorting rate at our properties. In 2023, we will require all our tenants to commit to a 60% sorting rate. With a sorting rate of 57.5%, we consider this to be very achievable. The waste management project will also be extended to 15% of the shopping centres. With the good results this has had so far, there is good reason to believe that this will have a positive effect on the sorting rate. In addition, we will expand the area of use for Thon Reuse and set concrete goals.

CIRCULAR BUILDINGS

Reusing materials minimises the need for virgin materials and therefore results in less pressure on natural resources. In order to minimise the impact on the climate and nature, it is essential for Olav Thon Eiendomsselskap to look at opportunities for circular buildings.

The construction industry produces a lot of waste and requires large quantities of materials, which is both emission- and resource-intensive. Olav Thon Eiendomsselskap's projects involve the development of buildings. This type of project requires input in the form of building material. With high consumption of materials, Olav Thon Eiendomsselskap puts pressure on, and use of, natural resources. Furthermore, there is a lot of waste associated with renovations. This waste consists largely of building materials, furniture and fittings. Such waste increases greenhouse gas emissions associated with

the business. To minimise this negative impact on natural resources and emissions, it is essential for Olav Thon Eiendomsselskap to find circular solutions for its buildings.

Regulatory requirements for circular solutions in buildings are increasing. Circular principles for restoration, demolition and new builds are making their way into legislation in both Norway and the EU. Among other things, the EU has a target of 70% recycling in the construction industry and sets legal requirements for recycling rates and maximum waste volumes through the EU taxonomy.

As a consequence of regulations and taxes on virgin building materials, there may be an increasing risk related to changes in availability and the price of necessary resources and materials. It is therefore important for Olav Thon Eiendomsselskap to look at the opportunities we

have to increase our rate of recycled materials. This is necessary in order to avoid increasing the risk of stranded assets¹³ and increasing the possibility of better financing terms. Therefore, circular buildings are regarded as an important topic for Olav Thon Eiendomsselskap.

Future outlook

In 2023, a working group will be established for circular solutions in buildings. Among other things, this working group will identify the current and potential use of recycled materials in construction projects. At our construction sites, we use hired contractors who are responsible for the physical execution of building renovation. This also involves the purchase of various building materials. This requires good cooperation with our contractors to achieve our 2030 target of a 30% rate of recycled materials, which is in line with the EU taxonomy for the circular economy. In 2023, it is expected that this work will start by ensuring that opportunities related to reuse and "end-of-life" for building materials are explored are included in the planning phase.

Furthermore, we will require the reuse rate of non-hazardous waste in construction projects to be 70%. This is a goal in line with the EU taxonomy for climate. Currently we do not have any data on waste from our construction sites. Getting this insight requires good cooperation with both our renovators and our contractors. This work is expected to start in 2023. When previously collecting data, we have found that the data quality of new sources is often variable. It is therefore important to ensure that the quality of waste data from construction projects is good, and we expect a constant focus on improving the data. We expect to start getting some overview of waste from construction sites during 2023.

CIRCULAR BUILDINGS				12 RESPONSIBLE CONSUMPTION AND PRODUCTION
2023	2025	2027	2030	70% circular by 2030
Establish a working group to map upcoming requirements for circular solutions in buildings				
Include in the project design phase that opportunities related to re-use and end-of-life for building materials are explored				
Require that the reuse rate of non-hazardous waste in construction projects is in line with the EU taxonomy for climate (70%)		Require that the reuse rate of non-hazardous waste in construction projects is in line with the EU taxonomy for climate (90%)	Reuse rate of non-hazardous waste in construction projects is in line with the EU taxonomy for climate (90%)	
Map current and potential for use of recycled materials in construction projects				
		Set requirements for the proportion of reused materials to be in line with the EU taxonomy for circular economy (30%)	Percentage of recycled materials in line with the EU taxonomy for circular economy (30%)	

¹³ Stranded assets are assets with possible reduced or no value due to changes in external framework conditions related to climate change



SOCIAL JUSTICE

INCLUSIVE WORKPLACE

As Olav Thon Eiendomsselskap is a large employer with many employees, it is essential that it is an inclusive workplace so employees are happy to be at work. In the Olav Thon Group, we strive for real equality and good diversity among our employees.

The Olav Thon Eiendomsselskap has an impact on the workplace the group creates through how it works with equality, inclusion and diversity internally. With its own HR and HSE department, the group focuses on how best to look after its employees by focusing on equality, inclusion, diversity, health, attendance and safety.

There is increasing demand for transparency regarding equality and diversity among employees and management in our own activities. There is also an increased focus on diversity and anti-discrimination in the workplace. A lack of focus on an inclusive culture in the group can affect our attractiveness as an employer and a sense of belonging among employees. In addition, discrimination, as well as a lack of equal opportunities

and pay for employees, can increase reputational risk and reduce trust among employees. Employees who experience personal development stay longer in the job and perform better. In addition, young applicants and employees are attracted to responsible employers, and it has been shown that diversified companies perform better than companies that are not as diversified.

By focusing on equality, diversity and inclusion, the Olav Thon Group has the opportunity to have a positive impact in the workplace and create a working environment where employees want to be. We must therefore work actively, purposefully and systematically to promote equality, diversity and inclusion, and prevent discrimination.

INCLUSIVE WORKPLACE				5 GENDER EQUALITY	10 LEADERSHIP
2023	2025	2027	2030		
Create a working group for equality, inclusion and diversity		Hire a manager for equality, inclusion and diversity		Representative management	
Strategy for equality, inclusion and diversity		Report on transparency, diversity and equality			
			40% of each gender on the board of the OTG Group		

The work is included in the company's HR and HSE work. It is a continuous work that must be taken care of throughout the employment relationship, from the recruitment of new employees to the end

of the employment relationship, for each individual employee at all levels in the entire group.

The work and goals involving equality, diversity and

inclusion are anchored in several overarching documents. These documents include:

- Ethical codes of conduct in the Olav Thon Group
- Sustainability policy
- Group instructions for personnel policy
- The group's management instructions for personnel management
- Diversity and equality work in the Olav Thon Group
- Warning poster

In 2018, we prepared new guidelines for systematising diversity and gender equality work with the aim of promoting gender equality and preventing discrimination. The guidelines are described in the document "Diversity and gender equality work in the Olav Thon Group". This document was updated in 2020. Considerations of equality and non-discrimination are otherwise included in the other personnel policy and described in all relevant parts of our policies and personnel handbooks.

The whistleblowing poster is a document that describes the company's procedures for reporting in the event of perceived discrimination, harassment or bullying. The document is based on the fact that in the Olav Thon

Group all people are equally valuable and there should therefore be no discrimination, harassment or bullying. The threshold must be low to report matters worthy of criticism, and everyone must be taken seriously if they feel exposed to such things. Find out more about our whistleblowing channel on page 6.

The HR department prepares an annual gender equality report for the Olav Thon Group in accordance with the activity and reporting obligation. For more information about this, visit the Olav Thon Group's website.

In order to systematise the equality, inclusion and diversity work, it has been decided in the sustainability strategy that a working group will be established for this work during 2023. The main responsibility for the working group lies with the HR department, but representatives from several parts of the group shall be included. Over the course of the year, the working group will draw up a strategy for the work on equality, inclusion and diversity. The strategy will be a guide to how the Olav Thon Group will work with equality, inclusion and diversity in the years leading up to 2030, to ensure that we are an inclusive workplace. In addition, this will help us towards achieving our ambition of having a representative management.

middle managers, there is a more even gender distribution among middle managers with 44% women, and 56% men. The biggest difference is among the top managers where women make up 34%, while men hold two out of three management positions. The proportion of women among all managers of 38% is also a decrease of 6 percentage points compared to the previous year. This underlines the importance of equality work in accordance with the sustainability strategy. Despite the fact that in several areas we have achieved some form of equality, we must actively work to keep it that way.

AGE DISTRIBUTION

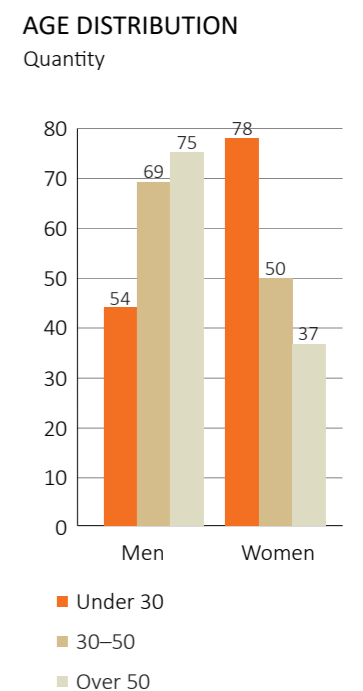
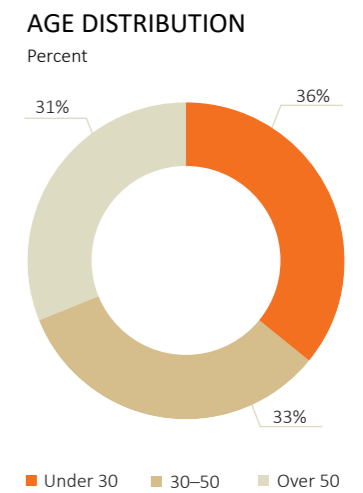
Olav Thon Eiendomsselskap has an even age distribution among its employees, with each age group representing approximately one third.

The largest group of employees, at 36%, is in the age group below 30. Compared to 2021, this is a significant increase in the proportion of employees, as the group represented 27% of employees in the previous year. The group is the only age group with more women than men, with 59% women and 41% men. This is equivalent to 47% of all women in the company. In other words, almost half of the women in the company are under 30 years old. 38% of employees under the age of 30 were also hired in 2022, and the group has a turnover of 30%. This is probably related to the fact that the group consists of many women, who are also a group with a high turnover rate.

The 30-50 age group comprises 33% of all employees in the company. The group has a gender distribution of 42% women and 58% men. Compared to 2021, there has been a decrease in this age group. In 2021, the group represented 43% of all employees, and was therefore the largest age group. In 2022, however, we could see a more even distribution. The turnover rate for this age group is 23% and is therefore somewhat lower than the group under 30 years of age.

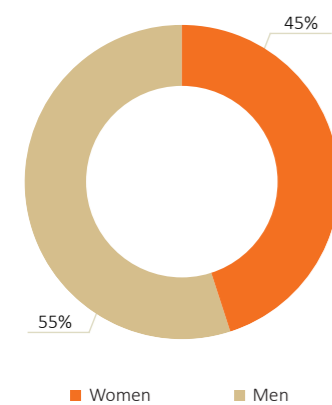
The over 50 age group is the smallest age group at 31%. Here, the gender distribution is somewhat worse than in the other groups, as women comprise just 31% of employees over the age of 50. The group has remained relatively stable from the previous year, when it comprised 30% of employees. In addition, the group has the lowest turnover rate of 12%. The turnover rate in the different age groups shows that the rate decreases when the age group gets older. It could probably be that fewer people switch jobs at an older age, compared to the younger ones, and this is the reason for this trend in the company. As this is the first year we are reporting on turnover, it is difficult to say anything about the normality of the figures. This will become clearer in the coming years.

The bar chart on the left shows that men over 50 and women under 30 are the most represented groups in Olav Thon Eiendomsselskap. We also saw a trend towards this in 2021. It's difficult to say what the reason is.



Gender and age

GENDER DISTRIBUTION
Percent



The Olav Thon Group has worked for equality and diversity among employees for a long time. This means that we can demonstrate an even gender distribution and age distribution among Olav Thon Eiendomsselskap's employees.

In 2022, Olav Thon Eiendomsselskap had 363 employees. The figure includes the number of persons with either permanent or temporary employment within Olav Thon Eiendomsselskap, in the companies managed in our central HR system. See Appendix (pg. 58) for more information about which companies this applies to. There is a decrease in the number of employees from 2021 to 2022. The main reason for this is that during 2022 some of the companies in Olav Thon Eiendomsselskap ASA were transferred with their employees to Thon Holding AS.

GENDER DISTRIBUTION

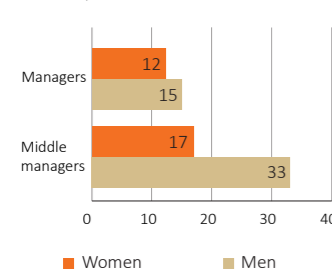
Olav Thon Eiendomsselskap has an even gender distribution between women and men. This is reflected in the graph on the left, which shows that in 2022,

the proportion of women was 45% and the proportion of men was 55%. There has been an increase in the difference between women and men compared to 2021, which was 48% women and 52% men. Compared to 2021, there was a decrease of -36% women in the company. For men, this decrease was -29%. There has therefore been a greater decrease in the number of women than men, and the gap has therefore increased.

Women also have a higher turnover than men. While total turnover in the company was 20%, women had a turnover of 25% and men 17%. If we look more closely behind the figures, we see that there were more women hired in 2022 and who left the company than men.

The difference between women and men becomes significantly greater when we look at gender distribution between managers. The proportion of women among all managers in Olav Thon Eiendomsselskap is at 38%. If we differentiate between managers and

GENDER DISTRIBUTION
MANAGERS AND
MIDDLE MANAGERS
Quantity



Health, safety and the environment

The health, safety and environment work (HSE) at Olav Thon Eiendomsselskap is part of Olav Thon Group's HSE work. The aim of the work is to create a safe and secure company with good working conditions and well-being among employees and managers. This work is related to the group's work with employee rights.

ABOUT THE HSE WORK

The HSE vision for the group is "visible focus on health, environment and safety". The Olav Thon Group works to have a uniform, simple and effective system for the HSE work. Among other things, a common HSE system has been developed for the entire Olav Thon Group.

Plans, routines and guidelines are drawn up to meet legal requirements and contribute to achieving HSE goals and performance requirements. The group's HSE goals include:

- We will strengthen the safety culture internally
- No serious injuries
- Lower sick leave than the national average
- Satisfied and engaged employees
- Reduce the environmental impact

In addition, an action plan is prepared annually for the HSE work in the coming year, as well as an internal annual report for the past year.

Various types of risk assessment are carried out in the group's divisions/units. The method is chosen based on what is to be risk assessed: building stock, technical installations, fire, safety and accessibility, working conditions or working environment. Procedures have been prepared for the different methods.

All employees also have access to the Olav Thon Group's HSE handbook. The handbook is central to the company's internal control and HSE system.

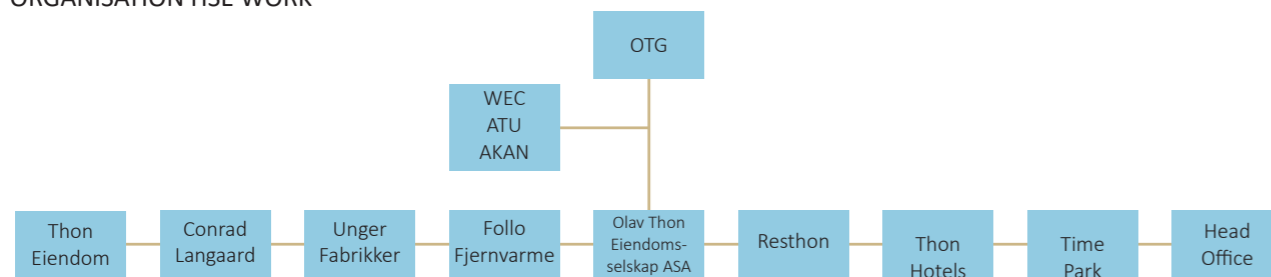
ORGANISATION

The group management is the highest body for HSE matters. The key guidelines are taken further in the Working Environment Committee (WEC) in the various divisions and units.

The group management has a minimum of four HSE meetings per year where key guidelines for HSE work are prepared. The HSE department is delegated the professional responsibility for the systematic HSE work in the group. The department offers all of the group's units and companies professional, operational support and training, and helps to carry out assessments of health and ergonomic conditions in the workplace.

The group HSE manager leads the health, safety and environment work and has established a network with working environment committees at company level. The local unit managers are responsible for HSE in their unit and have a duty to follow up requirements in HSE legislation.

ORGANISATION HSE WORK



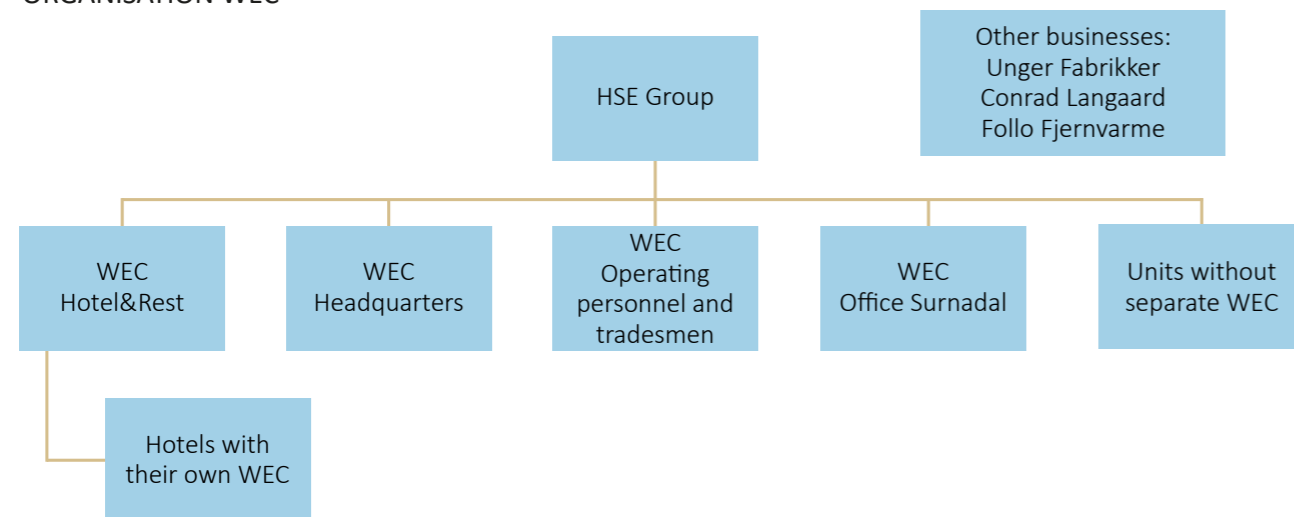
WORKING ENVIRONMENT COMMITTEE (WEC)

WEC is a decision-making and advisory body tasked with implementing workplace health and safety legislation in the company. The committee must participate in the planning of the protection and environmental work in the company and closely monitor developments

in the working environment. There are a total of 13 WECs in the Olav Thon Group.

There is one central WEC for hotels and restaurants. In addition, there are 12 local WECs, nine of which are affiliated with Thon Hotels. More than 90% of the group's employees are represented via a formal WEC.

ORGANISATION WEC



SICKNESS ABSENCES

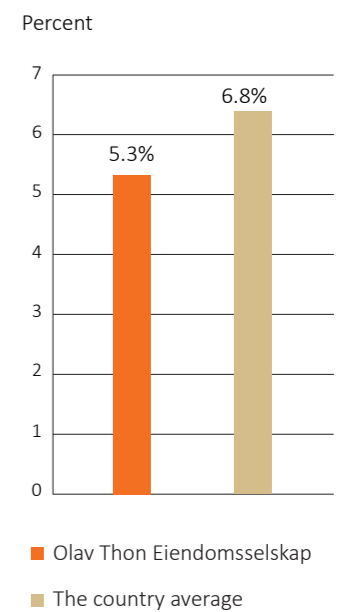
As a goal for HSE work, the Olav Thon Group must work at absence due to illness that is lower than the national average.

In 2022, sick leave at Olav Thon Eiendomsselskap was 5.3%, while the national average was 6.8%. The figures from Olav Thon Eiendomsselskap include both doctor-certified and self-certified sick leave. In comparison, sick leave in the company was 3.8% in 2021. The increase can be related to the reopening of society where more employees returned to the office, and on a general basis, people were more exposed to various diseases that we were protected against in 2021.

On the other hand, the rate of attendance tells us how many people have been working in the same period. It deals with factors such as belonging, loyalty, collegiality, motivation, professional pride, responsibility, being able to utilise their own prerequisites, leadership skills and caring for each other. In 2022, Olav Thon Eiendomsselskap had an attendance percentage of 94.7%.

To further increase this percentage, sick leave and attendance are always on the agenda of each WEC meeting. In addition, local social activities are arranged that promote a better working environment.

ABSENCE



Employee development

As part of the Olav Thon Group's work on social issues and employee rights, the group works continuously with employee development. This entails courses and training opportunities that are put in the system and followed up by the HR department.

management, IT systems, sales and introduction day for new employees.

COURSES AND SKILLS DEVELOPMENT

Courses and skills development are considered very important for the group's development and the HR department that is responsible for this area. Information about courses and registration is communicated via a separate course portal. The group's course catalogue consists of various courses within first aid, safety and emergency preparedness, system training, food and drink, HSE,

Olav Thon Eiendomsselskap had a total of 235 course participations divided into 22 different courses. Mostly, these were mandatory e-learning courses related to phishing and non-conformance. Otherwise, courses regarding the sustainability strategy and GDPR have also been popular.

The overview only includes internal courses. It is important to point out that many employees also attend external courses, webinars, seminars and other platforms to learn more about their areas of expertise outside our course portal. We don't have an overview of these.

HUMAN RIGHTS, TRANSPARENCY AND RESPONSIBLE BUSINESS PRACTICES

Companies' respect for working conditions and human rights in the value chain is increasingly gaining attention. Olav Thon Eiendomsselskap purchases goods and services for NOK 2-3 billion per year. This entails a great responsibility as a purchaser.

As a major buyer and property owner, Olav Thon Eiendomsselskap has the opportunity to influence conditions with regard to human rights and employee rights in the value chain. Based on which suppliers we choose to use and which products we choose to buy, we make choices that affect these conditions.

There is an increased focus and regulatory requirements to ensure employee rights and human rights in the supply chain and its own operations. The Norwegian Transparency Act that came into force in 2022 is

an example of this. In addition, the EU will also have more requirements in the future, which will ensure that we gain better insight into the value chain. Consumers, investors and other stakeholders expect, to a greater extent than before, access to information regarding responsible business practices. It is expected that we have both more information about conditions in the value chain and that we are more open about them.

We purchase many different products and services from many different suppliers. Consequently, this also includes

many different supply chains. This makes it challenging to keep track of conditions at all levels. In addition, the construction industry is one of the industries with the most work-related crime and most reported work accidents. The industry is associated with a high risk of health and safety violations, a lack of trade union organisation and low wages.

By mapping value chains and risk assessing our purchases, we have the opportunity to reduce the risk of violations of human rights and employee rights. It can also help

us uncover irresponsible conditions in the value chain. Insights into the value chain can lead to a positive change in our supply chains, as well as constantly acquiring new knowledge and information that helps us to be transparent with our customers and tenants. This gives the end user the opportunity to buy more ethically. Hence, both human rights and transparency, as well as responsible business practices, are important topics for Olav Thon Eiendomsselskap. These two themes are closely interlinked, and the work on the themes is often overlapping.

Human rights and transparency

The Olav Thon Group has set requirements for suppliers with regard to human rights, employee rights, climate and nature, and anti-corruption since 2016. This has been followed up annually with a supplier survey and subsequent dialogues with suppliers. In 2022, as a result of the Norwegian Transparency Act and the sustainability strategy, we were given greater responsibility with regard to human rights and transparency in the value chain. Consequently, we have focused on more systematic work to ensure that human rights and employee rights are respected throughout the group's value chain.

TRANSPARENCY ACT

In 2022, the Norwegian Transparency Act came into force, which obliged Olav Thon Eiendomsselskap to work further on human rights and transparency. We spent the first half of the year preparing for and facilitating compliance with the Transparency Act.

A landing page was created in 2022 for the Norwegian Transparency Act on the Olav Thon Eiendomsselskap website. This is initially intended as a contact point for those who want information regarding human rights, employee rights and responsible business practices in Olav Thon Eiendomsselskap's value chain.

Internal procedures were also drawn up for how the group handles incoming information requests. The procedures include division of responsibilities and flow of information.

In 2022, the Olav Thon Group became a member of Etisk Handel Norge (Ethical Trading Initiative) – a member organisation and a resource centre for sustainable trade. They aim to promote responsible business practices in supply chains so that trade contributes to safeguarding human and employee rights, society and the environment. We believe that the membership helps us in our work with due diligence assessments and responsible business practices.

FIRMLY EMBED HUMAN RIGHTS

To ensure that human rights and employee rights are respected throughout the Olav Thon Eiendomsselskap's value chain, policies, guidelines and ethical requirements have been developed for both our own employees and suppliers. Olav Thon Eiendomsselskap follows the policies and guidelines of the Olav Thon Group in this work.

The Olav Thon Group works with category-based procurement. A procurement policy has been drawn up as well as thorough procedures for supplier selection. This includes mapping of several aspects of social responsibility, relevant to the individual categories, where these considerations are integrated.

The Olav Thon Group has drawn up a separate set of ethical requirements that place strict requirements on suppliers and subcontractors. The requirements focus on human rights, working conditions,



In 2023, the Olav Thon Group became a member of **Etisk Handel Norge** (Ethical Trading Initiative).

HUMAN RIGHTS, TRANSPARENCY AND RESPONSIBLE BUSINESS PRACTICES			
2023	2025	2027	2030
Human rights policy, code of conduct, ethical purchasing requirements in line with the Norwegian Transparency Act	Ethical purchasing strategy and procedures implemented		
Human rights landing page and public request management system			
		Report on transparency, diversity and equality	
Supply chain mapping for 1-3 product categories		Supply chain mapping for 50% of product categories	Supply chain mapping for 100% of product categories
Conduct an overall risk assessment			
	Separate guidelines for high-risk human rights violations		

Full insight into the value chain

the environment, anti-corruption, and improvement work related to these topics. These are attached as appendices to all our supplier agreements. When calling for tenders and concluding agreements, they are reviewed prior to any signing. It is noted that the supplier must fulfil these requirements and/or have a good account of how they strive to fulfil them. Find out more about our ethical requirements on page 23.

In 2019, ethical guidelines were drawn up for employees in the Olav Thon Group, including Olav Thon Eiendomsselskap. These must ensure that all employees in the group employ our shared values in all parts of our work, including respect for human rights and employee rights. Find out more about our ethical guidelines on page 23 or on the Olav Thon Group's website.

one country, but you can enter up to five countries. There is also no requirement for risk related to the country(s) chosen to be stated, and high-risk countries can therefore be ignored.

12 suppliers responded that they have uncovered breaches of their ethical guidelines in the past 12 months. This corresponds to 6% of the suppliers who responded to the survey. This is an increase from 5%, i.e. 4 suppliers, in 2021. Of the 12 who have uncovered breaches in the past 12 months, 9 suppliers state that they have carried out improvement measures related to ethical guidelines in the past 12 months. In 6 of these cases, the occurrence of forced labour, slave labour or involuntary work at subcontractors have been uncovered, and improvement measures have been implemented.

To questions that follow up on compliance with our ethical requirements for suppliers, the suppliers generally responded very positively. There are some suppliers who have given answers that should be followed up. This is done by our purchasing department in a meeting with the individual supplier.

RISK ASSESSMENT

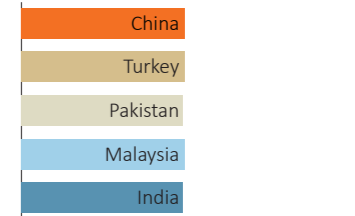
Part two of due diligence assessments involves mapping and risk assessment

of the supply chain. An overall risk assessment was carried out in which the supplier survey was viewed in connection with spend and production country per product category. The assessment was based on the different product categories rather than our suppliers to avoid the discussion and assessment being influenced by the business relationship and the cooperation we have with our suppliers. The risk score was then assessed against spend, which gives a picture of our impact and the extent of our impact.

The result of the risk assessment will be further used to identify where the need for further mapping is greatest. Following the risk assessment in 2022, it was decided that we should focus on construction companies and contractors, IT hardware and consultants, and dry goods. The level of severity of the risk in these categories is considered very high and the reversibility is relatively low. In addition, high spend indicates that there are categories in which we are a major purchaser. This means that both the extent and the impact can probably be high.

Our statement of the Norwegian Transparency Act is published annually on the Olav Thon Eiendomsselskap website.

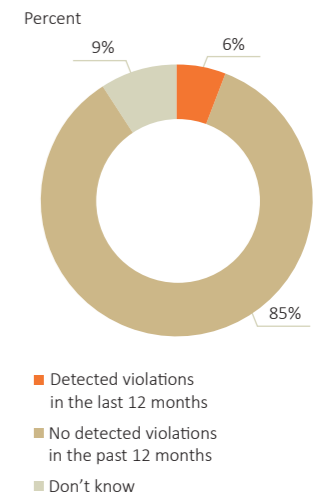
TOP 5 HIGH RISK COUNTRIES*



The Olav Thon Group's suppliers shop from

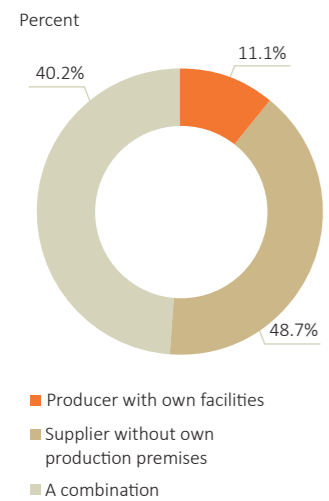
* Based on risk score of ITCU rating and number of suppliers listed in the country

DETECTED VIOLATIONS



Responsible business practices in the value chain

OUR CONTRACTED SUPPLIERS



To ensure that we actually strive for responsible business practices, we need to gain better insight into the value chain. This is done in accordance with the Norwegian Transparency Act through due diligence assessments. In 2022, this work began with mapping and a risk assessment. In addition, we conduct an annual supplier survey.

ANNUAL SUPPLIER SURVEY

Every year, the Olav Thon Group carries out checks of the supply chain. In 2019, we entered into an agreement with Factlines to ensure a broader and more systematic follow-up of the supply chain. The annual check is a survey that has previously been sent out to approximately 100 suppliers. These suppliers have been selected on the basis of the supplier category, results of previous surveys and any incidents related to the suppliers. In 2022, the survey was sent out to all contract suppliers. This is equivalent to 330 suppliers. The decision is based on an increased commitment to gaining insight.

In 2022, the supplier survey was conducted in Q2 and Q3. It had a response rate of 61%, compared with 91% in 2021 and 88% in 2020. The main reason for this is that we included all our contract suppliers. A good number of the suppliers are smaller service providers, sometimes with only one or two employees, which the survey does not take into account. One experience we have gained here is that next year we will have to look at the possibility of

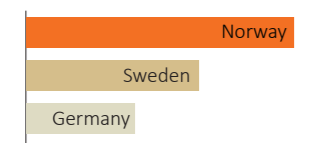
adapting the survey to different types of suppliers so that more people find it manageable to complete.

The survey awards points to each question based on the answers given. The average score was 74% of the possible top score. This is a decrease of 6 percentage points compared to the previous year. This can probably be justified by several suppliers, including smaller suppliers who do not have the capacity to acquire full insight into the value chain. The results show that a relatively high proportion have anchored accountability in terms of, among other things, the strategy for social responsibility or sustainability and ethical guidelines.

It also became apparent that almost half of the suppliers who responded to the survey are suppliers without their own production facilities. Over 60% also buy products and services from suppliers with a combination of with and without their own production facilities. This suggests that there can be up to several links down to some of our first level producers¹⁴, which can make our supply chains long. Several links between us and our subcontractors will probably make it more challenging to obtain information as there is a certain distance between us.

Based on the answers in the supplier survey, our suppliers buy from a total of 40 different countries. There is reason to believe that this list is longer as not all suppliers responded. In addition, the survey requires you to enter only

TOP 3 COUNTRIES



The Olav Thon Group's suppliers shop from

14 The first level producer is our nearest producer link, i.e. where the product is produced/completed.

Future outlook

In 2023, we are expected to continue our work with due diligence assessments in accordance with the Norwegian Transparency Act. After a year of experience, a process for due diligence assessments will be drawn up to ensure systematic and continuity of the work. In addition, the need for revision of existing processes, guidelines and policies must be assessed. These were revised in 2022, but we believe that it may be useful to revise them after one year of experience.

We will continue with mapping and risk assessment of our supply chain. The goal for 2023 is to map the supply chain into 1-3 product categories (at a more granular level than the previous risk assessment). Whether it will be one, two or three product categories depends on how demanding it is to map one supply chain. This is an area we have little experience with from before, and there is therefore some

uncertainty related to this goal. In 2022, we selected three product categories that we want to focus on. However, these are not specific enough to map the supply chains. It will therefore be necessary to carry out further risk assessments to specify which product categories' supply chains will be mapped in 2023.

In addition, a goal has been set to establish a landing page for the Norwegian Transparency Act on the Olav Thon Group's website. The landing page itself was published in 2022, before the Norwegian Transparency Act came into force to ensure a point of contact for anyone wishing to contact us in connection with the Norwegian Transparency Act. It is expected that this will be further developed so that it becomes a page with information about our value chain and how we work with due diligence assessments.

SARTOR STORSENTER



UN GLOBAL COMPACT

The Global Compact is the UN's initiative for cooperation with the business community to create sustainable development. The letter below was sent to the then UN Secretary-General, H.E. Ban Ki-moon and confirms that the Olav Thon Group is a participant in the Global Compact initiative and that the group promises to integrate the ten basic principles into its strategy and daily operations. The next letter is a confirmation that the Olav Thon Group is still a Signatory in the UN Global Compact initiative and that the group's work will be presented in an annual report (Communication on Progress).



02.05.2013

H.E. Ban Ki-Moon
Secretary-General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary-General,

I am pleased to confirm that *Olav Thon Gruppen* supports the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption.

We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Millennium Development Goals. Olav Thon Gruppen will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the Global Compact, and annually thereafter according to the Global Compact COP policy.

Sincerely yours,

Mr. Dag Tangevald-Jensen
CEO, Olav Thon Gruppen



OLAV THON GRUPPEN

13.04.2023

To our stakeholders;

I am pleased to confirm that Olav Thon Gruppen reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In the annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Mr. Kjetil Nilsen
CEO, Olav Thon Gruppen

GRI-INDEX

Olav Thon Eiendomsselskap's sustainability report for 2021 is based on GRI's standards for sustainability reporting.

GRI 2 – General information

ORGANISATION AND REPORTING PRACTICES

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GRI 2-2	Units included in the sustainability report	Page 7
GRI 2-3	Reporting period, frequency and point of contact	Page 24
GRI 2-4	Information implementation	None
GRI 2-5	External audit	None

ACTIVITIES AND WORKERS

GRI 2-6	Activities, value chain and other business relationships	Pages 5 and 6
GRI 2-7	Employees	Page 5
GRI 2-8	Workers who are not employees	Lack of overview

GOVERNANCE

GRI 2-9	Management structure and composition	Page 6
GRI 2-10	Nomination and election of the highest governance body	Page 6
GRI 2-11	Head of the highest governance body	Page 7
GRI 2-12	Role of the highest governing body in the management of impacts	Pages 15, 22 and 24
GRI 2-13	Division of responsibilities	Pages 15 and 22-23
GRI 2-14	Role of the highest governance body in sustainability reporting	Page 24
GRI 2-15	Conflicts of interest	Page 6
GRI 2-16	Communication of misconduct	Page 6
GRI 2-17	Knowledge of the highest governance body	Page 7-8
GRI 2-18	Evaluation of the highest governance body's performance	Page 15
GRI 2-19	Guidelines for remuneration	olt.no
GRI 2-20	Process for determining remuneration	Page 6
GRI 2-21	Annual compensation rate	Olav Thon Eiendomsselskap's executive salary report.

STRATEGY, GUIDELINES AND PRACTICES

GRI 2-22	Sustainability strategy statement	Page 3
GRI 2-23	Mandatory guidelines	Page 23-24
GRI 2-24	Anchoring of mandatory guidelines	Page 22-24
GRI 2-25	Process for compensating negative impact	Page 6, 23
GRI 2-26	Mechanisms for seeking advice and raising concerns	Page 6
GRI 2-27	Compliance with laws and regulations	No violations

GRI 2-28	Membership in associations	No such membership
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STAKEHOLDER ENGAGEMENT

GRI 2-29	Approach to stakeholder engagement	Page 13-14
GRI 2-30	Collective agreements	Up to 25%

GRI 3 – Key topics

FINANCE

GRI 201-1	Direct economic impact	Page 8-9
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TRANSITION TO A LOW-EMISSION SOCIETY

GRI 305-1	Direct greenhouse gas emissions (Scope 1)	Page 28
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- a. 91.2 tCO₂e
- b. All are included
- c. No biogenic emissions in Scope 1
- d. N/A
- e. The GWPs used in the calculation of tCO₂e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period.
- f. Operational control and financial control
- g. Standards, methods and requirements: These points are described in the documentation on our website.

GRI 305-2	Energy-related indirect greenhouse gas emissions (Scope 2)	Page 28
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- a. 5,420.2 tCO₂e
- b. 34,874.6 tCO₂e
- c. All are included
- d. N/A
- e. The GWPs used in the calculation of tCO₂e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period.
- f. Operational control
- g. Standards, methods and requirements: These points are described in the documentation on our website.

GRI 305-3	Other indirect greenhouse gas emissions (Scope 3)	Page 29
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- a. 4,790.5 tCO₂e
- b. All are included
- c. No biogenic emissions in Scope 3
- d. Emissions in Scope 3 are calculated for the following categories: waste (residual waste for incineration/sorting) and business trips (flights). See page 16 of this report for figures by category.
- e. N/A
- f. The GWPs used in the calculation of tCO₂e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period.
- g. Standards, methods and requirements: These points are described in the documentation on our website.

GRI 302-1	Energy consumption	Page 30-31
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CIRCULAR HABITS

GRI 306-3	Total generated waste	Page 38
GRI 306-4	Waste for recycling or reuse	Page 38-39
GRI 306-5	Waste to landfill	Page 38-39

INCLUSIVE WORKPLACE

GRI 406-1	Cases of discrimination	
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RESPONSIBLE BUSINESS PRACTICES

GRI 407-1	Follow-up of suppliers (freedom of association)	Page 50-51
GRI 408-1	Follow-up of suppliers (abolish child labour)	Page 50-51
GRI 409-1	Follow-up of suppliers (forced labour)	Page 50-51

APPENDIX

FINANCIAL FIGURES

The Olav Thon Eiendomsselskap ASA group reports in accordance with IFRS, which affects some of the reported figures on the group's financial contribution to society.

The reported figures have the following distribution:

1. Revenue: the group's total operating revenues.
2. Operating costs: other operating costs and cost of goods for housing.
3. Employee salaries and benefits: salary costs, as well as employer's contributions and other personnel costs.
4. Payments to suppliers of capital: allocated dividends/dividends paid and interest costs.
5. Payments to authorities: tax payable, correction tax in previous years and property tax.
6. Investments in society: investments in local communities in connection with construction projects.

The Olav Thon Foundation's contribution to scientific research and charitable causes can be linked to the group's activities, as the contributions are obtained from the Olav Thon Eiendomsselskap ASA group. These figures are reported in the Olav Thon Group's sustainability report, and are not included in the calculation of the group's investments in this report, as the reporting only covers the Olav Thon Eiendomsselskap ASA group.

NUMERICAL BASIS WASTE

The numerical basis for waste is collected from our suppliers for waste disposal. This mainly means that the figures come from Retura and Norsk Gjenvinning for waste in Norway, and Stena Recycling for waste in Sweden. All waste figures have been obtained for the full calendar year 2021. The sorting rate is calculated on the basis of waste volume and represents the group's sorting rate in its entirety.

The Olav Thon Group has an overview of which waste fractions are used in sorting at source. Different codes are used in the mapping of fractions depending on the country. In Norway NS codes are used, in Sweden and the EU EAL codes are used, while the supplier of our carbon accounting tool, CEMAsys, uses EF codes. There is currently no key to the relationship between the different codes. As a result, the team in the Olav Thon

Group and consultants from CEMAsys have together made an attempt to form a relationship between these categories. This was first necessary to find the relationship between the NS codes and the EAL codes. It was also important to link these to the EF codes, as it is the EF codes that determine the calculation variable for the conversion of waste volume to CO2 equivalents.

Food and residual waste from Sweden is managed by Swedish municipalities and these figures were excluded due to limited data access. We only have access to the number of waste collections, but not the actual volume of waste. Nor was an estimation made of what these figures could be. For future reporting, we will strive for ways to access this data on a monthly basis.

Data from Retura and Norsk Gjenvinning are retrieved regularly from automated data. In 2022, there were some issues with not all waste data relating to a company or department in our database. The company and department were therefore left blank. This data is then difficult for us to link to Olav Thon Eiendomsselskap ASA or Thon Holding AS. Based on who the waste management company had stated as a "customer", we were able to map the companies and link them to either Olav Thon Eiendomsselskap or Thon Holding.

NUMERICAL BASIS ENERGY

We have implemented an energy monitoring system (EOS) called Energinet. This is a tool for monitoring energy consumption to ensure good development and optimisation of the property. In 2021, a lot of work was done to collect data from meters that were previously not entered in Energinet. Reported energy consumption is consumption excluding the tenant's own consumption.

There is a difference between electricity in our ThonInnsikt database compared to the EnergiNet portal. The reason for this lies in how the Olav Thon Group's hierarchy is built up in the portal and how extraction is done through an API. For example, a meter may be located under several buildings with a percentage distribution that cannot be retrieved. The meter will then be registered as if there were two meters in our database. Another important factor is that EnergiNet is a tool used daily by the group's operations department, which means that there are

continuous changes in meter value, area divisions, new/deleted buildings, etc.

Conversions from actual consumption of petrol, diesel and propane to energy consumption (MWh) are taken from our carbon accounting report.

NUMERICAL BASIS FOR CARBON ACCOUNTING

The carbon accounting report has been prepared in collaboration with CEMAsys, who provides advice, as well as a solution for calculating the carbon footprint of Olav Thon Eiendomsselskap. Our carbon accounting complies with the GHG protocol and use emission factors from the IPCC (AR4). An account of the data basis in general is described for the individual data in the various parts of the report, and in the appendix. The complete carbon accounting report, with the associated report on methodology from CEMAsys, are available on Olav Thon Eiendomsselskap's website.

NUMERICAL BASIS FUEL

The fuel data is extracted from our fuel supplier. This is extracted as a one-off excerpt for 2022, distributed per company. We only have data available where the company card has been used at the supplier's stations. We do not have data available for any other fuel consumption, and consumption is not included in the report in this case.

FOSSIL GAS

There are over 20 suppliers in the Olav Thon Group's purchasing system for the purchase of fossil gas (the system is also used by Olav Thon Eiendomsselskap's businesses).

Due to the large and dispersed selection, a decision was made to estimate consumption using invoiced sales. To ensure the most accurate estimation possible, invoices from the top five suppliers (85% of turnover) were analysed. It was discovered that more invoices contained shipping, environmental charges and other costs than pure gas purchases. In the majority of cases, the invoices contained the specified volume of gas. The analysis of the invoices was used to create a calculation model to estimate the volume purchased gas. With varying gas prices and different formats for invoices, attempts have been made to overestimate somewhat rather than underestimate the volume of purchased gas. In 2022, there were a number of changes in prices and the rates from 2021 were no longer correct. New rates have therefore been used in the same way as in 2021, in order to take this into account. This exercise must therefore be carried out annually. There are therefore some uncertainties with the figures for fossil gas.

AIR TRAVEL

A single excerpt has been made from the travel agency, who is the main supplier for air travel in the Olav Thon Group (this includes Olav Thon Eiendomsselskap), with information about passenger kilometres per company. If business trips have been booked outside of the travel agency, we do not have data available and this is not included in this report.

NUMERICAL BASIS GENDER AND AGE

The gender and age statistics are taken from the Olav Thon Group's personnel system. The data basis is therefore based on each individual who worked for at least one of the companies under Olav Thon Eiendomsselskap ASA in full or in part in 2021. This does not include on-call or extra workers or hired temporary workers. The figures only include employees from companies that are managed by our HR system due to limited access to such data from other companies.

The age distribution is calculated based on the year each employee was born and categorised into the three categories under 30 years, 30-50 years and over 50 years.

The data for gender distribution among managers is taken from the Olav Thon Group's payroll system in Norway. The system can distinguish between senior manager and middle manager. The number of these is compiled by gender and then a simple percentage calculation of gender distribution for the categories senior manager, middle manager and the overall picture.

The list below includes companies in Olav Thon Eiendomsselskap which are managed by the Olav Thon Group's head office HR and payroll department. The companies that are not included in the list are excluded as we do not have available data.

COMPANIES MANAGED IN THE OLAV THON GROUP'S PAYROLL AND HR SYSTEM

Amfi Bygg Longyearbyen AS	OTE Eiendom AS
Amfi Bygg Moa AS	OTI-Senteret Eiendom AS
Baardshaug Nord AS	Straume Restaurantdrift AS
Bergen Storsenter AS	Sørlandscenteret Eiendom AS
Bowling 1 Vestkanten AS	Thon Kjøpesenter Midt AS
Coop Rørvik Eiendom AS	Thon Kjøpesenter Nord AS
Drøbak City AS	Thon Kjøpesenter Sør AS
Fastighets AB Hageby Centrum	Thon Kjøpesenter Vest AS
Fastighets AB Sollentuna Centrum	Thon Kjøpesenter Øst AS
Fastighets AB Överby Köpcentrum	Thon Storo AS
Gardermoen Park AS	Time Park Service AS
Komsa Parkering AS	Vannkanten Badeland AS
LA Meyer Eiendom AS	Vestkanten AS
Mitticity i Karlstad Fastighets AB	Åsane Storsenter DA
Olav Thon Eiendomsselskap ASA	

NUMBER BASIS EMPLOYEE DEVELOPMENT

The data is taken from our course system and the figures show the number of participations per course. It is difficult to say how many individual people have attended a course. The reason for this is that the system only keeps track of the number of participants and not which persons participated.

NUMERICAL BASIS SUPPLIER CHAIN

The figures are based on a Factlines survey conducted in the first quarter of 2021. The Factlines system is used to

control and follow up any risk in the Olav Thon Group's supplier chain.

The survey was sent out to all of Olav Thon Group's contracted suppliers. The survey has two parts, one of which is a standard form based on the ten principles of the UN Global Compact, while the second part is additional questions based on the Olav Thon Group's own ethical requirements for suppliers.

Part 1 covers the following areas:

- CSR strategy and ethical code of conduct
- Insight into and control of the supplier chain
- The supplier's self-assessment of the risk in the country where they purchase from
- Management systems in the business

Part 2 covers the following areas:

- Forced labour/slave labour
- Union and collective actions
- Child labour, discrimination and brutal treatment
- Health, Safety and Environment
- Salaries, working hours and regular employment
- Marginalised population groups
- Environment, corruption and animal welfare

Each question gives points based on the importance of the question and the supplier's answers. Part 1 with standard questions is linked to a risk profile, and each supplier receives a risk profile based on the response to the standard report. This risk profile is of great importance for further follow-up.



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