



# SUSTAINABILITY REPORT

## 2024

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# GENERAL INFORMATION

**The purpose of this report is to explain how Olav Thon Eiendomsselskap takes a strategic approach to sustainability.**

Since 2012, Olav Thon Eiendomsselskap has participated in the UN initiative Global Compact and in 2022, became a member of Ethical Trade Norway. Both organisations are based on principles related to human rights, working conditions, society, the environment and anti-corruption. The company has adopted ambitious targets in order to contribute to sustainable development in society. This is done to achieve values in the long term.

## Basis for preparation

### GENERAL BASIS FOR PREPARATION

*ESRS 2 BP-1*

In 2023, the new EU Corporate Sustainability Reporting Directive (CSRD) was implemented in Norwegian law. The company is monitoring the development of the Omnibus proposal from the EU in relation to whether the company will be subject to the CSRD in the years ahead. In preparation for the possible new legal requirement, this report was prepared in keeping with the directive's reporting framework European Sustainability Reporting Standards (ESRS), but is not a full ESRS report.

#### Consolidation and scope

The sustainability report was prepared at the same consolidation level as the financial statements and includes both the parent company and underlying companies in which the company's ownership share is more than 50%. Some data points may deviate from this rule. If so, this is specified in the individual cases.

Olav Thon Eiendomsselskap's (the company) upstream and downstream value chain is taken into account in the Olav Thon Group's (the group) double materiality assessment of impacts, risks and opportunities. In addition, certain targets and actions of the group's

sustainability strategy include parts of the value chain. This is specified in more detail under the relevant topics.

### SPECIAL CIRCUMSTANCES

*ESRS 2 BP-2*

Olav Thon Eiendomsselskap's greenhouse gas accounts are prepared annually to calculate and report on both direct and indirect greenhouse gas emissions from our operations. The greenhouse gas accounts include activity data, financial data and some estimates in certain categories. There is some uncertainty around certain data points in Scope 3 due to the estimates made. See the chapter entitled Transition to a low carbon society and climate risk on page 12 for more detailed information. We work continuously to improve our data, so that the results are more accurate and representative of actual conditions.

The sustainability report is based on the ESRS framework, unlike previous sustainability reports, which were prepared in accordance with GRI. The structure of the report reflects the recommended ESRS structure and the chapters below aim to respond to ESRS disclosure requirements. Any other changes from last year's report in specific topics or data points are accounted for in each chapter.

# Governance

## BOARD OF DIRECTORS, MANAGEMENT AND ADMINISTRATION

ESRS 2 GOV-1

### Roles and responsibilities

The board of directors of Olav Thon Eiendomsselskap ASA manages and oversees the management of the company. The highest level of authority in the company is the general meeting, which represents Olav Thon Eiendomsselskap's shareholders. The CEO is responsible for the day-to-day operations of the company.

Apart from the CEO, the company does not have its own administrative division. A business management agreement with Olav Thon Group's central management company, Thon Holding AS, means that the company can draw on group resources within property management and general business operations at any time. The company is therefore subject to the group's sustainability efforts and follows the group's strategies, action plans and sustainability guidelines.

Roles and responsibilities in relation to sustainability are delegated and defined in governing documents, including the Olav Thon Group's sustainability manual, sustainability policy and action plan. The board of directors of Olav Thon Eiendomsselskap ASA is responsible for the company's sustainability efforts and for approving the company's sustainability report. As the work is carried out as part of the group's overall work, there is continuous dialogue between the company's board of directors and the group's board of directors to ensure coordination. The targets set in the strategy have been adopted by the group's board of directors.

The audit committee (AC) is a working committee for the company's board of directors. The sustainability report is submitted each year to the audit committee before being discussed by the Olav Thon Eiendomsselskap ASA board. The AC will monitor the group's double materiality project in 2025 on behalf of the company's board of directors.

The executive management of the Olav Thon Group has overall responsibility for achieving the targets in accordance with the sustainability strategy in daily operations. The executive management participated in the previous double materiality assessment project and development of the sustainability strategy. This means that they have supervised the process and were responsible for setting targets. They will play a similar role in the project to update the double materiality assessment and sustainability strategy in 2025. The sustainability department provides executive management with quarterly updates on the achievement of targets in accordance with the sustainability strategy, as well as an annual status and evaluation of the previous reporting year.

### Access to expertise and competence

The group has a dedicated sustainability department with competence and expertise in sustainability. This department has overall responsibility for this area and monitors the group's various departments, as well as executive management. Throughout the year, they provide advice and support where necessary to ensure progress and that targets are achieved on all levels. Management can also draw on the expertise of several other operational and specialist departments, including property services, HR, purchasing, development, etc., each of which has responsibility within their respective specialist areas.

### Board of directors

As of 31 December 2024, Olav Thon Eiendomsselskap ASA's board of directors has four members, including two independent members. All are non-executive board members. The board of directors consists of 75% women and 25% men. None of the members are representatives of employees or non-employed workers. The company has an audit committee consisting of two members of the board of directors.

For an overview of Olav Thon Eiendomsselskap's board and management, see page 18 of the annual report.

For more information on the company's corporate governance, see [olt.no](https://olt.no).

## INFORMATION SUBMITTED TO AND ASSESSED BY GOVERNING BODIES

ESRS 2 GOV-2

Throughout 2024, the group's executive management held quarterly status meetings with the sustainability department to discuss the status of sustainability efforts. This is to ensure that actions are handled effectively and that executive management is kept up to date on the topic. Through regular status meetings, executive management has the opportunity to evaluate sustainability efforts, the group's impact and progress.

The sustainability department also held meetings three times over the course of the year with the company's audit committee, in which the CEO also participated. During these meetings, relevant sustainability-related topics were presented and discussed.

See page 34 of the appendix for a list of topics submitted to and reviewed by management and the audit committee.

## INTEGRATION OF SUSTAINABILITY INTO BONUS SCHEMES

ESRS 2 GOV-3

Remuneration to the company's board of directors and management is reported in items 11 and 12 of Olav Thon

Eiendomsselskap's Corporate Governance at olt.no. See also the Executive salary report for the company's bonus schemes.

## **RISK MANAGEMENT AND INTERNAL CONTROL PROCESSES**

*ESRS 2 GOV-5*

Risk management related to sustainability reporting takes place primarily at a general level. The group's business insights department works systematically with data collection and ensuring data quality for quantitative data. To ensure compliance with legal requirements, close dialogue is maintained between the sustainability department and

the auditor, as well as the financial reporting department. Ongoing dialogue also takes place with executive management and Olav Thon Eiendomsselskap's audit committee on the work with sustainability, strategic goals and other sustainability-related topics included in the report.

The group does not take a systematic approach to risk assessment and prioritisation of sustainability reporting or have a strategy for risk mitigation. However, work is underway to develop a holistic approach to interdisciplinary risk management, which will also include sustainability-related risks.

# Strategy

**This chapter explains the company's strategy and how it relates to or affects sustainable matters, as well as our business model and value chain, our stakeholders and the outcome of the company's assessment of material impacts, risks and opportunities.**

## **STRATEGY, BUSINESS MODEL AND VALUE CHAIN**

*ESRS 2 SBM-1*

Olav Thon Eiendomsselskap's main activity is the rental of premises, primarily in shopping centres, but also in commercial properties. The real estate portfolio is mainly located in the Oslo area, but also includes properties in other Norwegian and Swedish cities. The most important customers are tenants, who largely consist of corporate customers in retail and catering, as well as other corporate customers with a need for office premises.

As at 31 December 2024, the company had 543 employees in Norway and 17 employees in Sweden.

### **Strategy**

Table 1 provides an overview of Olav Thon Eiendomsselskap's sustainability-related targets. The targets are based on the group's sustainability strategy and include targets that are relevant for the company to report. The rental of premises, especially in shopping centres, entails frequent tenant changes, which often involves renovating and adapting premises to meet the needs of new tenants. In this process, it is mainly the tenant who specifies the design requirements. The company's sustainability targets are therefore primarily aimed at the operation and maintenance of the properties, with particular emphasis on actions that contribute to reduced energy consumption and emission cuts, as well as facilitating waste sorting for tenants and customers. In the case of tenant adjustments, the company's most significant opportunity to influence is related to waste management in the construction process.

Olav Thon Eiendomsselskap's main strategy is to acquire, develop and own real estate. For more details, see the section on Main Strategy in the company's annual report on page 3.

Investing in real estate with development potential creates an opportunity to adapt properties to meet future requirements in a sustainable future. In the short term, this may result in increased costs and investments, but in the longer term, is expected to contribute to increased tenant satisfaction, stable returns and safeguarding the company's strong financial position. The challenge lies in identifying the right properties and actions for investment, while meeting customer needs. It is important to find solutions that have both a positive sustainability effect and align with customer wishes and goals.

### **Business model and value chain**




The company's business model is based on rental activities. The value chain covers the entire process, from real estate acquisition to rental and value creation for tenants.

Upstream activities include both the acquisition of central real estate with development potential and the acquisition of services and building materials to develop the properties. The company often uses a turnkey contractor, who procures both services and building materials for the projects.

The business continuously seeks to attract solid tenants through trust and adaptation of premises. Efficient operations, including maintenance, and a focus on tenant satisfaction help to create long-term value for both the company and tenants.

The company's closest and most important downstream stakeholders are the tenants. In addition, the tenants' customers, shopping centre customers, are also important stakeholders downstream in the value chain. As a strong real estate player in Norway and Sweden, the company contributes to creating value for society in general through property and urban development, excellent customer

**TABLE 1:** Sustainability targets

Pillar	Material topics	Targets	Ambition
 <b>Climate and nature</b>	<b>Transition to a low-emissions society</b>	60% reduction in own emissions (Scopes 1 and 2) by the end of 2030	<b>Net zero by 2050</b>
	<b>Climate impact</b>	Report climate risk in accordance with TCFD by 2025	<b>Net zero by 2050</b>
	<b>Customer preferences</b>	70% of all food and drinks must be locally sourced by 2030	<b>Nature-positive</b>
	<b>Conservation of natural resources and biodiversity</b>	Green areas on 60% of existing properties by the end of 2030	<b>Nature-positive</b>
 <b>Circular solutions</b>	<b>Circular habits</b>	70% sorting rate at hotels and shopping centres by 2030	<b>70% circular by 2030</b>
	<b>Circular buildings</b>	Reuse rate in construction projects in line with the EU Taxonomy for climate (90%) by 2030	<b>70% circular by 2030</b>
 <b>Social justice</b>	<b>Inclusive workplace</b>	40% of each gender overall and on management levels 1-3 by 2030	<b>Representative management</b>
	<b>Human rights and transparency</b>	Report on transparency, diversity and inclusion from 2027	<b>Full insight into value chain</b>
	<b>Responsible business practices in value chain</b>	Supply chain mapping for 100% of product categories by the end of 2030	<b>Full insight into value chain</b>

experiences at shopping centres and central office premises for the business community. Sound property management and strategic investments also contribute to stable and competitive returns for shareholders and investors.

#### INTERESTS AND VIEWS OF STAKEHOLDERS

*ESRS 2 SBM-2*

Based on the group's stakeholder assessment, the following stakeholder categories have been assessed as the most relevant stakeholders for Olav Thon Eiendomsselskap: Employees, the financial sector, tenants end users, governments, suppliers and communities.

Supplier surveys and dialogue with both employees and external stakeholders on a regular basis throughout the year have helped to identify what is important to them in terms of sustainability. Among other things, sustainability and human rights due diligence assessments were included on the agenda during supplier meetings in 2024. The goal

has been to learn more about the supplier's sustainability work and work with the Transparency Act, and to create a relationship for good collaboration in the future.

#### MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

*ESRS 2 SBM-3*

The group's material impacts, risks and opportunities are based on a double materiality assessment, carried out in line with the process described in the chapter Impacts, risks and opportunities on page 7. As a result of the assessment, the group has developed a sustainability strategy.

Table 1 shows the material topics covered by the strategy, as specified through this process. The topics are based on three pillars: Climate and nature, circular solutions and social justice, with associated long-term ambitions. For each topic, specific targets have been established to support these ambitions.

The following chapters provide a more detailed account of each topic, including associated impacts, risks and opportunities. Also described are the definition and scope of the topics and their relation to the group's business and value chain.

The group's overall goal is to have a common system for the group's sustainability efforts. The sustainability strategy has helped us to systematise and operationalise our sustainability efforts. To ensure a correct, relevant and good flow of information, the system is communicated through the group's sustainability handbook. The sustainability strategy has enhanced integration

between sustainability efforts and the group's business areas. The importance of sustainability has become more prominent at every stage of the business. The various specialist departments and operating units have been given a clearer role in sustainability efforts and held more accountable.

We expect the group to continue to undergo a number of changes in order to achieve the targets in the strategy, particularly with regard to procedures and processes. It takes time to adapt, so we also have a long-term perspective on the group's sustainability efforts and system.

## Impacts, risks and opportunities

**This chapter describes the process for identifying the material impacts, risks and opportunities that form the basis for Olav Thon Eiendomsselskap's sustainability reporting.**

### **PROCESS FOR IDENTIFYING AND ASSESSING MATERIAL IMPACTS, RISKS AND OPPORTUNITIES**

*ESRS 2 IRO-1*

In 2022, the Olav Thon Group conducted a double materiality assessment to identify and assess the most relevant topics for the group. The assessment consisted of two main components: An impact assessment and a stakeholder and megatrend assessment. The results form the basis for the group's sustainability strategy, which serves as a guide for sustainability efforts through to 2030.

#### **Impact assessment**

Table 2 illustrates the company's potential impact on climate, the environment and people throughout the value chain, differentiated by positive or negative impact and degree of impact (high or medium). The impact assessment examines the group's impact on the climate, environment and people through its operations. A mapping was carried out of all group business areas, both core activities and more peripheral activities. An impact assessment of the entire value chain was carried out for the most significant business areas (properties, hotels and shopping centres).

The impacts were grouped into two main categories: climate & environment and people. The categories were then grouped into sub-categories, inspired by relevant frameworks, such as GRI<sup>1</sup>, SASB<sup>2</sup>, TNFD<sup>3</sup> and WEF<sup>4</sup>, to structure their impacts.

Relevant documents, such as the sustainability report, greenhouse gas inventory, 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 assessment, a literature assessment 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 assessment was carried out based on an overview from SASB and TNFD of topics that are relevant to the respective sectors in which we operate.

The identified impacts were discussed with a reference group representing all specialist and business areas in the company. 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 was assessed as either high, medium or low and in a negative or positive sense using both a qualitative and quantitative approach. Most data was available in the part of the value chain that covers 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 impacts were considered in relation to group operations and revenue. The assessment of the impacts was discussed and established through

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

**TABLE 2:** Impact assessment

	OWN ACTIVITIES			DOWNSTREAM	
	UPSTREAM	Expansion and renovation	Operation of property	Tenant/end user	Hotel guest
Climate and environment	<ul style="list-style-type: none"> <li>Emissions from building materials</li> <li>Water and chemical consumption</li> <li>Material consumption</li> <li>Waste management</li> <li>Natural intervention</li> </ul>	<ul style="list-style-type: none"> <li>Emissions from construction sites</li> <li>Reuse of materials</li> <li>Waste management</li> <li>Depletion of nature</li> </ul>	<ul style="list-style-type: none"> <li>Emissions from building operations</li> <li>Sorting rate</li> <li>Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Emissions from customer journey</li> <li>Energy consumption in shopping centres</li> <li>Frequent interior changes</li> <li>Energy consumption in shopping centres</li> </ul>	<ul style="list-style-type: none"> <li>Water consumption</li> <li>Food waste</li> </ul>
Social matters	<ul style="list-style-type: none"> <li>Diversity and inclusion</li> <li>Decent working conditions and human rights</li> <li>HSE</li> <li>Anti-corruption</li> <li>Privacy policy</li> </ul>	<ul style="list-style-type: none"> <li>Equality</li> <li>Decent working conditions and human rights</li> <li>Create meeting places</li> </ul>	<ul style="list-style-type: none"> <li>Equality</li> <li>Decent working conditions</li> <li>Skills development</li> <li>Local value creation</li> <li>IT security</li> <li>HSE</li> </ul>	<ul style="list-style-type: none"> <li>HSE</li> <li>Local value creation</li> <li>Privacy policy</li> </ul>	<ul style="list-style-type: none"> <li>HSE</li> <li>Local value creation</li> <li>Privacy policy</li> </ul>

High potential negative impact

High potential positive impact

Medium potential negative impact

High potential negative impact

interviews with the reference group, as well as Olav Thon Group's executive management.

### Stakeholder and megatrend assessment

A stakeholder assessment was conducted through a desktop assessment to identify the expectations of group stakeholders in terms of our sustainability efforts. The results of the stakeholder assessment, together with insights from interviews with employees who have direct contact with different stakeholders, have contributed to the assessment of how people, society and the environment impact the company. Table 3 provides an overview of the results of the stakeholder assessment.

In 2025, dialogue will be conducted with the group's internal and key external stakeholders in connection with an update of the double materiality assessment.

A megatrend assessment 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, transition to a circular economy, transition to the conservation of nature and biodiversity, digital transformation and transition to social justice. These were analysed in relation to three different transition scenarios: fast, slow and no transition.

Furthermore, the group's material risks and opportunities in relation to the megatrends were identified through interviews with a reference group. Workshops were held in which all business and specialist areas were represented. During these workshops, risks and opportunities were assessed as having a low, medium or high impact, and probability based on the different transition scenarios.

After the workshops, it became clear that all risks and opportunities were considered important. An assessment was therefore made in which the various topics were evaluated for relevance and materiality in relation to group operations.

Figure 1 illustrates the company's identified risks and opportunities based on the stakeholder and megatrend assessment. These are mainly related to social, customer-related and regulatory changes within climate, nature, circular solutions and social matters in our own operations and throughout the value chain.

See the document Double materiality assessment at [thon.no](https://thon.no) for more details.

### Result

Based on workshops and interviews in the reference group, as well as the group's executive management, nine material topics were defined within the three pillars,



**TABLE 3: STAKEHOLDER ASSESSMENT**

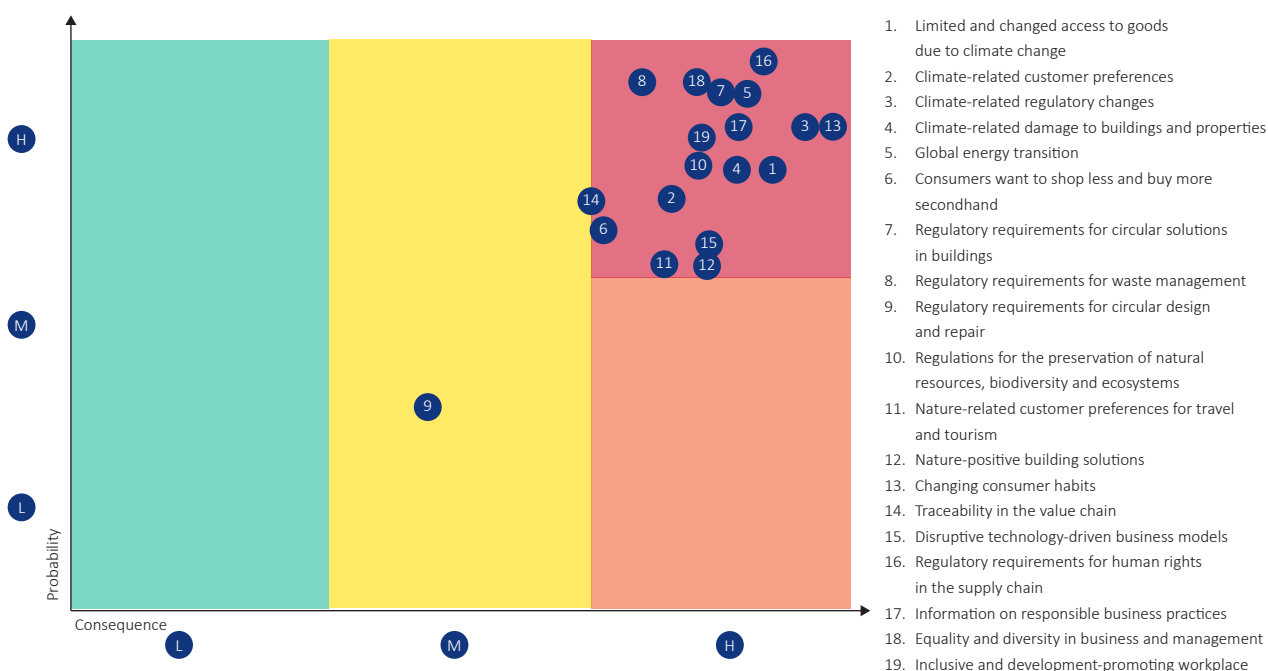
Stakeholders	Views and interests
<b>EMPLOYEES</b>	The employees are very important to the group, as their competence and engagement is essential for achieving results. Young applicants and employees are finding sustainable companies increasingly attractive. In addition, expectations for an inclusive workplace, skills development and development opportunities are becoming increasingly higher.
<b>FINANCIAL SECTOR</b>	Dependence on the financial sector to finance the business. Investors and banks have a growing interest in sustainability and are introducing information and reporting requirements. The EU Taxonomy is an example of how financing conditions can be linked to documented sustainability activities.
<b>TENANTS AND END USERS</b>	There has been a change in preferences and increased awareness among the group's end users and tenants in terms of sustainability requirements. End users want complete product information, evidenced by the implementation of the Norwegian Transparency Act. Surveys also show that location is no longer the most important factor for commercial property tenants.
<b>SUPPLIERS</b>	More openness and transparency in the supply chains make actual conditions in the value chain more visible. Production workers gain a louder 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.
<b>AUTHORITIES</b>	With the increase in requirements for waste management, circularity, emission cuts, openness, transparency and so on, authorities are holding companies increasingly accountable for sustainability. There has been a constant stream of new requirements for information and reporting, as well as sustainable activities.
<b>LOCAL COMMUNITIES</b>	Through the development and operation of properties and hotels, the group has a significant presence in local communities. This creates expectations for contributions to good local environments and urban spaces, low pollution and general consideration of the surroundings. There is also a strong focus on how companies impact indigenous peoples and minorities.

which constitute the group's sustainability strategy. The sustainability strategy is anchored in the board of Olav Thon Gruppen AS and applies to all businesses in the company. The strategy was adopted by the board in June 2022 and was launched in the second half of 2022. The board of Olav Thon Eiendomsselskap ASA decided to monitor the areas in the group's sustainability strategy that are relevant to the company.

The group's double materiality assessment will be updated in 2025 in accordance with the requirements of the ESRS

framework. This is done both to ensure reporting in line with current legislation and to update the assessment after three years of application.

In connection with the update, the company will also review governing documents related to sustainability. Policies, guidelines, action plans and procedures will be revised, updated, prepared or discontinued to strengthen the systematisation of sustainability efforts in accordance with the ESRS framework.

**FIGURE 1: Megatrend assessment**




# ENVIRONMENT

This chapter deals with the pillars, climate and nature, and circular solutions from the group's sustainability strategy. Olav Thon Eiendomsselskap's material topics within these pillars are mapped against, and structured according to, the environmental categories of the ESRS framework.

TABLE 4: CLIMATE							
2023	2025	2027	2030				
<b>Transition to a low carbon society (E1-Climate change)</b>							
	→	Establish STB <sup>5</sup> for own emissions and define a baseline	Reduce emissions in Scopes 1 and 2 by 45%	Reduce emissions in Scopes 1 and 2 by 60%			
Emissions-free construction sites in Oslo <sup>6</sup>	✓		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 energy label A	✓						
Map renewable production at properties	✓						
		All new builds must be BREEAM NOR Very Good or equivalent					
			All new builds in accordance with the EU taxonomy criteria for climate				
		15% of shopping centres and hotels must achieve at least BREEAM In-Use Very Good rating	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			
		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			
<b>Climate impact (E1-Climate change)</b>							
Map climate risk in own operations	✓	Report climate risk in accordance with TCFD framework	✗				
Include questions in communications with suppliers	→						

Net zero by 2050



**TABLE 5: NATURE**



2023	2025	2027	2030	
<b>Conservation of natural resources and biodiversity (E4-Biodiversity and ecosystems)</b>				
	Conduct an impact assessment on 50% of development projects	Conduct an impact assessment of all development projects		Nature-positive
Green areas/pocket forests for all new buildings	✓			
Set requirements for suppliers relating to impact on biodiversity and nature	→			
Develop green areas, roofs and walls at 10% of existing properties	→	Develop green areas, roofs and walls at 20% of existing properties	Develop green areas, roofs and walls at 30% of existing properties	



**TABLE 6: CIRCULAR SOLUTIONS**



2023	2025	2027	2030	
<b>Circular habits (E5-Resource use and circular economy)</b>				
Set specific targets and expand the area of use for Thon Gjenbruk	→			70% circular
Expand waste management projects to 15% of shopping centres	→	Expand waste management project to 50% of shopping centres	Expand waste management project 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	
Establish a working group to map upcoming requirements for circular solutions in construction	✓			
Include in the project design phase that opportunities related to reuse for building materials have been 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	Reuse rate of non-hazardous waste in construction projects is in line with the EU taxonomy for climate	
Map current and potential use of recycled materials in construction projects	✓	Establish requirements for the percentage of reused materials according to the EU taxonomy for circular economy (30%)	Percentage of reused materials in line with the EU taxonomy for circular economy (30%)	

5 Science Based Target

6 Construction sites must be emissions-free in line with the municipality of Oslo's guidelines for emissions-free and fossil-free construction sites. In some cases, deviations may occur due to limited access to emissions-free construction equipment in the supply chain. In such cases, the construction site must be fossil-free as a minimum.

# Transition to a low carbon society and climate risk

## E1 Climate change

The company's material topics, transition to a low carbon society and climate risk, are included in the ESRS standard E1 Climate change. This chapter describes the company's efforts in relation to climate change, including greenhouse gas emissions, energy and climate risk.

### MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

#### ESRS 2 SBM-3

Olav Thon Eiendomsselskap contributes to climate change through its greenhouse gas emissions in both its own operations and in the upstream and downstream value chain. These emissions are related to the extraction, production and transportation of goods in the upstream value chain, energy consumption from operations, maintenance and renovation in our own operations and waste in the downstream value chain. Emissions from the value chain can contribute to local pollution and global warming, which in turn can lead to climate-related health issues or a shortage of raw materials due to climate change.

There is also 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 melt, rainfall and more precipitation can lead to an increased risk of flooding, which in turn can cause major damage to buildings. The risk of climate-related damage to buildings can result in increased costs for upgrades and renovations to reduce exposure and prepare for potential future climate damage. Transition risks and opportunities related to the market and regulations are most relevant in the short term, while physical climate risks are more material in the long term.

#### Physical risks

Out of the potential physical climate risks, the company can be particularly exposed to extreme precipitation, snowfall, flooding and extreme winds under a high-emissions scenario. The risk of climate events related to snow has increased compared to historical exposure, but is expected to decrease in the long term under a future high-emissions scenario. On the other hand, the risk of forest fires increases significantly in a high-emissions scenario and can affect up to 70% of properties. The assessment is based on the geographical area only and does not take into account the condition of the property or quality of the building.

Assessments have been carried out per property for the risk areas, but the company has not quantified the financial effect of the risk identified. At the time of the presentation of the financial statements, no climate risks have been identified that will have an effect on the accounting, so climate risks are therefore not taken into account in determining real value.

### Transition risk

Apart from physical risks, this may result in increased costs associated with insurance policies and building insurance. Suppliers of raw materials and raw material producers may be affected by climate change through 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. We have also seen an increase in climate-related legislation introduced in recent years. It is important for the company to comply with these laws in a proper and appropriate manner, and increased efforts to reduce climate emissions are an important means of doing so.

By mapping both transition risks and physical risks, the company can adapt its operations to better manage potential challenges. This work not only contributes to increased preparedness, but can also uncover new business opportunities that strengthen the company's long-term sustainability and competitiveness.

### IDENTIFICATION AND ASSESSMENT PROCESS

#### ESRS 2 IRO-1

#### Climate risk mapping

Based on the findings of the double materiality assessment, the group conducted an overall climate risk project to identify exposure to climate-related risks and opportunities in the real estate portfolio. The project was carried out in 2023 and based on the Task Force on Climate-related Financial Disclosures (TCFD) framework. The purpose of the project was to carry out an overall mapping in order to identify exposure to risks and opportunities associated with the group's various business areas.

These included a desktop assessment of low-emissions scenarios (RCP2.6) and high-emissions scenarios (RCP8.5). Interviews were also conducted with representatives from various specialist areas in the company to gain insight into internal stakeholders' assessments of climate exposure, risks and opportunities.

Identified risks and opportunities were assessed using the company's existing framework for assessment of both physical climate risk and transition risk. A practical and qualitative methodology was used to prioritise climate exposure in the medium and long term.

In addition, a climate assessment tool was used to assess the company's property exposure to various physical climate risks. The tool assesses the vulnerability of properties based on factors such as geographical location, sector and energy consumption, and uses recognised research models from the Intergovernmental Panel on Climate Change (IPCC) to evaluate climate risk. Each property is assigned a risk value from very low to very high based on predicted values for relevant indicators.

The assessment was carried out within the scenarios RCP4.5 (moderate transition) and RCP8.6 (slower transition), with time horizons for 2030, 2040 and 2050. The assessed climate events include drought, extreme precipitation, storm, forest fire, sea level rise, flood and snow.

In 2024, the assessment was updated to include additional relevant risks from Appendix A in the Taxonomy, including cold waves and heat waves, as well as geotechnical risks. The update is based on the latest climate model, CMIP6, which was also used by the IPCC in their 2023 report. The year's results show that the company's properties are most exposed to extreme precipitation, snowfall, flooding and extreme winds, based on a high-emissions scenario.

The results of the assessment form the basis for further assessments of the company's properties and their vulnerability to climate-related risks, so that any physical risks can be managed proactively.

## **CLIMATE TRANSITION PLAN AND GUIDELINES**

### *E1-1 and E1-2*

Climate change, including greenhouse gas emissions and climate risk, is integrated into the group's sustainability policy and strategy, with associated roadmaps and set targets. At present, no transition plan, own strategy or specific guidelines have been developed for efforts related to greenhouse gas emissions and climate risk. The need for this will be assessed in connection with the updated double materiality assessment in 2025 and the application for the Science Based Target initiative (SBTi).

## **ACTIONS RELATED TO CLIMATE CHANGE**

### *E1-3 and MRD-A*

An action plan is prepared annually for the group's sustainability efforts, in line with the sustainability strategy's targets and prioritised activities. Responsibility for implementation is divided among the relevant specialist and business areas. In light of the planned update of the company's double materiality assessment in 2025, adjustments are expected to both the strategy and action plan. To ensure reporting in accordance with next year's ESRS, opportunities for more comprehensive action plans are also being considered, including any specific action plans per topic.

Table 7 on page 14 provides a summary of actions planned, initiated or completed during 2024.

## **Energy**

The Olav Thon Group works systematically with energy to reduce its negative impact on the climate and environment. The sustainability strategy focuses on energy reduction and increased consumption of renewable energy. There is also a focus on energy management through awareness-raising, training and increased expertise. These activities are followed up by the Property Services department, which has overall responsibility for activities related to energy and environmental management, energy and technical advice, as well as energy optimisation. Energy-reducing activities are included in the daily technical property operations at the properties.

Four focus areas have been defined within the energy activities to help the company achieve its targets for reducing emissions: energy management, maintenance, energy-saving measures and renewable energy. The type of energy used at the properties is also material for greenhouse gas accounting. The group therefore wants to invest more in renewable energy and efforts are currently being made to map the opportunities.

Efforts are also being made to standardise energy-saving measures, such as quantity regulation, variable air quantities and lighting control, and to develop smart control systems, such as snow melting and various other standardised and locally adapted measures.

## **Climate risk**

In 2024, a climate risk survey was carried out on the group's properties with the highest exposure to climate risk. The purpose of the survey is to assess the actual situation and confirm or clarify the climate risks identified through the assessment. The results will form the basis for any action plans to manage and reduce relevant risks.

## **TARGETS RELATED TO CLIMATE CHANGE**

### *E1-4 and MRD-T*

An overview of the current targets is presented on page 10 under the climate and nature pillar and gives a complete picture of the company's climate targets. In addition, targets aimed at reducing emissions are shown in Table 9 on page 15. In light of the updated sustainability strategy and application to the SBTi, it is expected that there will be a need to adjust the targets. The ambition level must nevertheless be maintained.

The targets to reduce greenhouse gas emissions are set in absolute values and only apply to location-based emissions. At present, the targets for the group's total emissions in Scopes 1 and 2 apply. As part of the application for the SBTi, a target for Scope 3 will also be established by the end of 2025.

The set targets reflect a desire to raise the company's level of ambition in terms of sustainability by exceeding the expectations of the authorities and market, without necessarily taking on a pioneering role. Although the targets are not directly based on science-based scenarios,

**TABLE 7: ACTIONS RELATED TO CLIMATE CHANGE AND CLIMATE RISK**

Activities in the action plan	Status
<ul style="list-style-type: none"> <li>Set science-based targets for own emissions and define baseline</li> </ul>	<b>Ongoing:</b> Waiting for a new greenhouse gas accounting system in order to provide a better basis for the application. To be implemented in 2025.
<ul style="list-style-type: none"> <li>Expand scope for requirements for emissions-free construction sites</li> </ul>	<b>Completed.</b>
<ul style="list-style-type: none"> <li>Continue to establish EV charging stations at all hotels and shopping centres with parking</li> </ul>	<b>Completed.</b>
<ul style="list-style-type: none"> <li>Prepare requirements specifications for newbuilds in accordance with EU Taxonomy climate criteria</li> </ul>	<b>Completed:</b> Included in the environmental programme for newbuilds.
<ul style="list-style-type: none"> <li>Continue BREEAM In-use certification</li> </ul>	<b>Completed.</b>
<ul style="list-style-type: none"> <li>Prepare reporting on climate risk in accordance with TCFD</li> </ul>	<b>Discontinued:</b> Climate risk reporting is taken into account in the company's annual sustainability reporting in accordance with ESRS.

they are developed in the expectation that the European energy market will undergo a green transition. Moreover, they are set slightly above the political targets of Norway and the EU, both of which aim to reduce emissions by 55% by 2030.

Due to the extensive manual processes involved in preparing the greenhouse gas inventory, greenhouse gas emissions are currently only reported annually. This means that progress and results are assessed once a year. In 2025, the company will assess modern solutions for more continuous monitoring of emissions throughout the year. At the same time, detailed energy data from our majority-owned properties in Norway and Sweden, with near real-time updates, provides an opportunity for ongoing follow-up.

By 2027, the company aims to reduce Scope 1 and 2 greenhouse gas emissions by 45%. Compared to the reference year, emissions have already been reduced by 43%, indicating that the company is well positioned to achieve this target.

## ENERGY CONSUMPTION AND ENERGY MIX

### E1-5

The company's emissions related to its own operations are primarily the result of energy consumption at our properties and electricity use in particular. As a real estate player, energy has therefore been an important topic for the company. The focus is on energy management and energy reduction through the group's Property Services department, which works systematically to reduce emissions related to energy.

The company's energy mix is reported as fossil energy consumption. Almost all energy consumption originates from purchased electricity, heating and cooling for our properties in Norway and Sweden. Norway in particular has considerable hydropower and therefore a large share of renewable energy in the energy mix. However, as we do not purchase guarantees of origin or similar instruments, we cannot report this as renewable energy.

Trends in recent years show a clear decline in the company's energy consumption and therefore also emissions in Scopes 1 and 2. See Table 8 on page 15 for an overview of the company's energy consumption.

## GROSS SCOPE 1, 2 AND 3 GHG EMISSIONS AND TOTAL GHG EMISSIONS

### E1-6 and BP-2

Olav Thon Eiendomsselskap prepares an annual greenhouse gas accounting in accordance with the GHG protocol. The emissions factors used are collected from the IPCC (AR4). The greenhouse gas inventory is prepared for each calendar year – in this report for 2024 and for all of Olav Thon Eiendomsselskap's majority-owned properties. The most material emissions in Scopes 1, 2 and 3 are reported. Table 9 on page 15 shows an overview of the company's emissions, changes in emissions over time and the company's targets related to emissions.

Experience shows that achieving sufficient data quality can be time-consuming. We therefore work continuously to improve the quality of the data collected, so that it remains at a high level at all times and provides a reliable basis for further sustainability efforts. This may affect the result from year to year and may lead to the need to correct the previous year's results(\*). See the appendix on page 34 for more details regarding data sources.

### Scopes 1 and 2

The data in Scopes 1 and 2 is activity data (specific consumption) from the supplier of petrol and diesel and from the energy meters at the properties. This does not include energy meters owned by our tenants, only joint consumption at the properties.

As energy consumption is reduced, Scope 1 emissions and Scope 2 location-based emissions are also showing a downward trend, but at a somewhat faster pace. The primary reason for this difference could be the progressively cleaner energy mix in the market, resulting in lower emissions per kWh.

**TABLE 8: ENERGY CONSUMPTION AND MIX (E1-5)**

Energy source	Reference year 2019	Previous year 2023	Status 2024	Change from 2019	Change from 2023
Coal and coal products	-	-	-	-	-
Crude oil and petroleum products	255	121	75	-71%	-38%
Natural gas	189	205	160	-15%	-22%
Other fossil fuels	-	-	-	-	-
Purchased or acquired electricity, heat, steam and cooling from non-renewable sources	176,613	155,823	150,444	-15%	-3%
<b>Total fossil energy consumption</b>	<b>177,057</b>	<b>156,148</b>	<b>150,679</b>	<b>-15%</b>	<b>-4%</b>
<b>Percentage of fossil sources in total energy consumption</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>
<b>Consumption from nuclear sources</b>	-	-	-	-	-
<b>Percentage of nuclear sources in total energy consumption</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
Renewable sources, including biomass	-	-	-	-	-
Purchased or acquired electricity, heat, steam and cooling from renewable sources	-	-	-	-	-
Consumption of self-produced renewable energy	-	-	-	-	-
<b>Total consumption of renewable energy</b>	-	-	-	-	-
<b>Percentage of renewable sources in total energy consumption</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Total energy consumption</b>	<b>177,057</b>	<b>156,148</b>	<b>150,679</b>	<b>-15%</b>	<b>-4%</b>

**TABLE 9: GREENHOUSE GAS EMISSIONS (E1-4 and E1-6)**

Emissions	Reference year 2019	Comparison	Status 2024	Change in last year	Target 2027	Target 2030	Target 2050
<b>Scope 1 gross</b>	<b>95</b>	<b>-46%</b>	<b>51</b>	<b>-30%</b>	<b>-45%</b>	<b>-60%</b>	<b>Net zero</b>
<b>Percentage from regulated trading schemes for emissions allowances</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>			
Transport	60	-72%	17	-57%			
Stationary incineration	36	-3%	35	-17%			
<b>Scope 2 gross (location-based)</b>	<b>5,854</b>	<b>-43%</b>	<b>3,362</b>	<b>-15%</b>			
Electricity (location-based)	4,996	-42%	2,922	-1%	<b>-45%</b>	<b>-60%</b>	
District heating (location-based)	643	-39%	392	-5%			
District cooling (location-based)	216	-78%	48	1%			
<b>Scope 2 gross (market-based)</b>	<b>26,989</b>	<b>53%</b>	<b>41,201</b>	<b>17%</b>			
<b>Scope 3 gross</b>	<b>26,278</b>	<b>-22%</b>	<b>20,512</b>	<b>5%</b>			
Fuel and energy	4,161	-50%	2,061	5%			
Waste	4,197	-6%	3,957	-6%			
Business travel	154	-73%	41	-22%			
Employee commuting	143	-40%	86	-26%			
Leased assets	17,623	-18%	14,368	9%			
<b>Total emissions (location-based)</b>	<b>32,227</b>	<b>-26%</b>	<b>23,926</b>	<b>4%</b>	<b>-45%</b>	<b>-60%</b>	
Total emissions of Scopes 1+2 (location-based)	5,949	-43%	3,413	-2%			
<b>Total emissions (market-based)</b>	<b>53,362</b>	<b>16%</b>	<b>61,765</b>	<b>13%</b>			

The increase in market-based emissions in Scope 2 is due to changes in the residual mix, which reflects the energy mix after deducting renewable energy purchased with guarantees of origin. When more parties buy such guarantees, the proportion of non-renewable energy in the residual mix increases, making it more carbon-intensive. In addition, increased use of fossil energy sources can generally raise emission factors. Both factors contribute to higher market-based emissions for buyers without guarantees of origin.

### **Scope 3**

Scope 3 has a greater variation between activity data and spend data (financial data). Fuel and energy-related activities are based on the same data as Scopes 1 and 2. Business travel is activity data collected directly from the company's travel agency.

Waste data is collected directly from waste disposal providers in Norway and Sweden, which ensures a high quality of aggregated data. However, the treatment method per waste fraction has been mapped manually, resulting in some uncertainty in the calculated emissions from waste treatment. This is because the same waste fraction can be handled differently at different waste disposal plants, while the data assumes one treatment method per fraction. Waste includes waste from the properties' own operations, the tenants' operations and the shopping centres' customers.

For employee commuting, calculations have been made based on the number of man-years in the company, the national average distance between home and workplace and a national distribution of modes of transport used to commute. Such an estimate makes it challenging to work strategically in reducing emissions related to employee commuting.

Leased assets include the tenants' energy consumption in the company's properties. This is currently based on estimated consumption data per square metre, as the company does not have access to specific data. At present, this constitutes the company's largest emissions category within Scope 3. The company wishes to collect specific activity data from the properties and tenants to enable more precise calculations and facilitate cooperation on reducing emissions to help achieve the targets in Scope 3 once they have been set.

In addition, purchased goods and services, as well as capital goods, are relevant Scope 3 categories for the company. However, challenges in collecting data mean that these cannot be reported for 2024. As part of the SBTi application, a solution will be established by the end of 2025 and it is expected that all material categories will be included in next year's reporting.



# Conservation of natural resources and biodiversity

## *E4 Biodiversity and ecosystems*

Awareness of the impact of property development on nature is increasing and the conservation of nature and biodiversity is gaining increasing attention through international agreements and national legislation. As a result, the conservation of natural resources and biodiversity are considered a material topic for the company.

### **IMPACTS, RISKS AND OPPORTUNITIES**

#### *E4-1 and ESRS 2 SBM-3*

Most of Olav Thon Eiendomsselskap's properties are located in already built-up areas. But the company still has a significant impact on nature and biodiversity – and vice versa. The extent of this impact largely depends on how the properties are managed and developed. In urban areas, there are significant opportunities to boost the positive impact on nature and biodiversity through targeted actions.

A detailed robustness analysis of Olav Thon Eiendomsselskap's strategy and business model with regard to biodiversity and ecosystems has not yet been carried out. No material risks related to this topic have therefore been identified at a general level.

#### **Transition risk**

The conservation of natural resources and biodiversity is increasingly in the spotlight, both on the part of authorities and society in general. This can result in increased development costs, as nature-positive solutions need to be integrated to a greater extent. Furthermore, changes in regulations may affect the supply chain, such as through price increases for materials as a result of forest conservation or restrictions on the import of timber. At the same time, financial institutions and investors are setting increasingly stricter requirements for sustainability reporting and green financing, reinforcing the need for a holistic approach to nature and climate risk.

#### **Opportunities**

Solutions that contribute to nature and biodiversity, such as the establishment of green areas, pocket forests and planted roofs and facades, the establishment of birdhouses, insect hotels and bathouses, etc. can both protect properties from natural impacts and contribute to the conservation of ecosystems. Such actions also have positive effects on local communities, as vegetation improves air quality and promotes health and well-being for residents, customers and visitors.

### **IDENTIFICATION AND ASSESSMENT PROCESS**

#### *ESRS 2 IRO-1*

See the Process for identifying and assessing material impacts, risks and opportunities on page 7 for how this was done in connection with the double materiality assessment.

#### **Nature risk assessment**

In 2024, a nature risk project was carried out to identify the group's assets and interface with vulnerable nature. The project was based on the LEAP (Locate, Evaluate, Assess and Prepare) methodology from the Taskforce on Nature-related Financial Disclosures (TNFD). Through the assessment, we located where our properties may have cross-overs with vulnerable nature.

A nature risk tool was used that is based on nature-related map layers with Norwegian and global coverage. Based on coordinators, it performs an automated geographical assessment of a large number of properties to assess the nature sensitivity and prioritisation of locations. To ensure that the entire potential area of influence of the assets is captured, we used buffer zones. These are set at one and three kilometres, together with a direct point of impact at zero kilometres.

An overall sensitivity assessment is used to map prioritised assets. This is calculated from points of impact with prioritised natural areas in which the different areas are weighted differently.

#### **Properties in or near sensitive areas**

The assessment identified that the company has two properties with direct touch points with the protected area. These properties border on a unique protected area. In addition, 240 of the group's properties are located within a three-kilometre radius of a protected area and may therefore have a potential impact on these areas. This includes 51 unique protected areas.

In addition, one of the group’s properties has a point of impact with a KBA (Key Biodiversity Area – globally prioritised nature) and 240 of the group’s properties are located within a radius of three kilometres from a KBA. The areas of influence include 14 unique KBAs.

A total of 22 properties with a direct point of impact with an ecological climate corridor and 47 properties within a radius of three kilometres from an ecological climate corridor were also identified.

Individual assessments per property have not yet been carried out to determine the actual impact of our activities in these areas. It is therefore too early to draw conclusions about concrete impacts, risks or opportunities. The purpose of the assessment was to provide an overall overview of areas where the company could potentially have a negative impact and thereby identify which aspects should be considered more closely in further work.

### Water availability

Water availability is assessed based on the ratio between water withdrawal in an area and the annual inflow from surface and groundwater. The assessment indicates that four of the company’s properties are located in an area with very limited water resources north of Stockholm, Sweden. In addition, the assessment shows that areas around Oslo have more challenges related to water availability than the rest of Norway, but this risk is considered to be low to moderate. At present, a risk of such magnitude has not been identified that it has been necessary to take specific actions.

### GUIDELINES FOR NATURE

*E4-2 and MDR-P*

Natural resources and biodiversity are integrated into the group’s sustainability policy and strategy, with corresponding roadmaps and set targets. No separate strategy or specific guidelines have been developed yet for this, but this will be considered in connection with the updated double materiality assessment in 2025.

### ACTIONS AND TARGETS RELATED TO NATURE

*E4-3 and E4-4*

Targets, actions and activities related to nature and biodiversity are set out in the group’s sustainability strategy and annual sustainability action plan. Responsibilities are assigned to different disciplines and business areas. All actions and targets encompass all the group’s properties and KPIs are set based on this. Table 5 on page 11 provides an overview of targets related to the conservation of natural resources and biodiversity. Table 10 shows an overview of actions from 2024.

#### Green areas

In order to strengthen the company’s positive contribution to nature and biodiversity, increased emphasis is placed on establishing green areas on the properties. This means that all new construction projects must take natural and biodiversity into account by facilitating green spaces. To ensure this, specific requirements have been incorporated into the requirements specifications for turnkey contractors.

The group is also working to establish green areas around existing buildings, but this has proven to be more challenging. Many buildings have limited load-bearing capacity in the roof, making them unsuitable for green roofs. In addition, a significant percentage of the property portfolio is located in urban areas, where the possibilities for ground-level green areas are limited.

With older city buildings, challenges can include both reduced roof load-bearing capacity, pitched roofs and limited available space. In addition, there is often a trade-off between different sustainability actions, such as whether green roofs and green areas should be prioritised rather than the installation of solar panels. Achieving the right balance between biodiversity actions and climate adaptation is important and it is essential to find holistic and sustainable solutions.

Work is currently underway to develop a method for establishing green areas on existing properties.

**TABLE 10: ACTIONS RELATED TO CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY**

Activities in the action plan	Status
<ul style="list-style-type: none"> <li>Develop and establish a concept for green areas for all newbuilds</li> </ul>	<b>Completed.</b>
<ul style="list-style-type: none"> <li>Establish a concept for green areas at the group’s existing properties</li> </ul>	<b>Completed:</b> Prepare requirements specifications in collaboration with ecologist
<ul style="list-style-type: none"> <li>Establish procedures for implementing a nature impact assessment in all construction projects</li> </ul>	<b>Completed:</b> Defined method in the environmental programme for newbuilds. Use the BREEAM NOR method if the building is to be BREEAM certified

# Circular buildings and behaviours

## E5 Resource use and circular economy

In this chapter, we combine the material topics of circular construction and circular behaviours from the sustainability strategy so that the contents of this chapter align with the ESRS standard for resource use and circular economy.

Regulatory requirements for circularity and waste management are becoming increasingly tighter, with expected increases in costs for waste incineration and stricter sorting requirements, among other things. As a real estate company, much of the company's waste is related to tenants and customers, packaging from purchased goods and construction projects. This provides opportunities to influence through facilitation, requirements and collaboration in the value chain.

Material reuse reduces the need for raw materials and helps minimise the environmental impact of the construction sector. The construction industry is a major source of waste and resource use, and the company's operations involve both high material consumption and significant waste from tenant adaptations. To reduce the impact on the climate and nature, it is therefore crucial to find effective circular solutions.

### IDENTIFICATION AND ASSESSMENT PROCESS

ESRS 2 IRO-1

See the process for identifying and assessing material impacts, risks and opportunities on page 7 for how this was carried out as part of the double materiality assessment.

In addition, over several years of data collection, waste data reporting and the preparation of the greenhouse gas inventory, we have ascertained and identified where impacts, risks and opportunities are greatest.

### GUIDELINES FOR CIRCULAR BUILDINGS AND BEHAVIOURS

E5-1 and MDR-P

Olav Thon Eiendomsselskap's work with circular buildings and behaviours is also integrated in the group's sustainability policy and sustainability strategy, with corresponding roadmaps and targets.

Guidelines have also been prepared for waste sorting and waste management plans prepared for the various units in the business. The waste management plans were developed in close dialogue with our provider of waste disposal services and contribute to better waste management at our properties.

### ACTIONS RELATED TO CIRCULAR SOLUTIONS

E5-2 and MDR-A

Actions and activities related to circular solutions are set out in the group's annual sustainability action plan. The actions cover all of the group's properties. Table 11 shows an overview of actions from 2024.

**TABLE 11: ACTIONS RELATED TO CIRCULAR SOLUTIONS**

Activity in the action plan	Status
<ul style="list-style-type: none"><li>Establish a working group to map upcoming requirements for circular solutions in construction</li></ul>	<b>Completed.</b>
<ul style="list-style-type: none"><li>Establish procedures for opportunities for reuse in construction projects</li></ul>	<b>Ongoing:</b> A method is being developed to systematise this
<ul style="list-style-type: none"><li>Map the current potential for use of recycled materials in construction projects</li></ul>	<b>Completed.</b>
<ul style="list-style-type: none"><li>Establish collection of data on waste sorting at construction sites</li></ul>	<b>Completed:</b> Addressed in accordance with TEK 17 and construction planning
<ul style="list-style-type: none"><li>Set targets and expand the area of use for Thon Gjenbruk</li></ul>	<b>Ongoing:</b> Work is being done to systematise this and gain a better overview before setting targets.
<ul style="list-style-type: none"><li>Continue expansion of waste management project</li></ul>	<b>Completed.</b>

## TARGETS RELATED TO CIRCULAR SOLUTIONS

E5-3 and MDR-T

Targets related to circular solutions are established in the group's sustainability strategy. Table 6 on page 11 provides an overview of targets related to circular solutions. The company's targets focus on material reuse and waste management, with absolute targets measured as a percentage. These targets express the company's increased level of ambition in terms of sustainability.

### Reuse rate

When the targets were set in 2022, the use of reused materials in construction projects was a relatively new focus area, so the targets were aligned with upcoming regulatory requirements, in particular the EU Taxonomy. So far, the work has focused on data collection on the use of materials in construction projects and mapping opportunities for reused materials.

### Sorting rate

Waste treatment has an impact on our greenhouse gas emissions and our contribution to the circular economy. The opportunity for further treatment of waste depends on sorting the waste into pure fractions. The sorting rate of our waste has therefore become an important metric for the company's sustainability efforts. Waste sorting has been part of the company's efforts for several years and the target figures are set based on experience and level of ambition. The initiative for expanding waste management

at the company's shopping centres is expected to contribute significantly to achieving these targets.

Waste data is received regularly from the group's two main waste disposal suppliers in the group's data warehouse. Progress towards the targets can therefore be monitored regularly during operations.

The company's shopping centres and commercial properties 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 best equipped for such facilitation and this is also where the largest amount of waste originates (approx. 90%). Commercial properties in the centre of Oslo are less adaptable for optimum waste management due to physical restrictions in the buildings and are therefore expected to have a somewhat lower sorting rate.

The goal to expand the waste management project is therefore expected to contribute to the goal to increase the sorting rate. The project involves testing new solutions for registering and tracking waste at shopping centres, the main goal of which is to reduce the percentage of residual waste. It also provides an overview of which fractions exist in a shopping centre and experiment with which downstream solutions can be found and/or developed for these fractions. The solution has

**TABLE 12: WASTE SORTING (E5-5)**

Waste	Previous year 2023	Status 2024	Change (kg)	Change (%)
<b>Derived from final processing</b>	<b>8,619,141</b>	<b>9,891,347</b>	<b>1,272,206</b>	<b>15%</b>
<b>Hazardous waste</b>	<b>29,920</b>	<b>31,336</b>	<b>1,416</b>	<b>5%</b>
Preparation for reuse	-	-	-	-
Material recovery	29,920	31,336	1,416	5%
Other recovery	-	-	-	-
<b>Non-hazardous waste</b>	<b>8,589,221</b>	<b>9,860,011</b>	<b>1,270,789</b>	<b>15%</b>
Preparation for reuse	-	-	-	-
Material recovery	8,589,221	9,860,011	1,270,789	15%
Other recovery	-	-	-	-
<b>Directed to final treatment</b>	<b>5,919,495</b>	<b>5,120,243</b>	<b>-799,252</b>	<b>-14%</b>
<b>Hazardous waste</b>	<b>16,411</b>	<b>16,503</b>	<b>93</b>	<b>1%</b>
Incineration	15,709	16,003	295	2%
Landfill	702	500	-202	-29%
Other final treatment	-	-	-	-
<b>Non-hazardous waste</b>	<b>5,903,085</b>	<b>5,103,740</b>	<b>-799,345</b>	<b>-14%</b>
Incineration	5,782,062	4,887,076	-894,986	-15%
Landfill	68,467	146,166	77,699	113%
Other final treatment	52,556	70,499	17,943	34%
<b>Total amount of waste</b>	<b>14,538,637</b>	<b>15,011,590</b>	<b>472,954</b>	<b>3%</b>
Total amount of non-recovered waste	5,919,495	5,120,243	-799,252	-14%
Percentage of non-recovered waste	40.7%	34.1%		
<b>Total hazardous waste</b>	<b>46,331</b>	<b>47,839</b>	<b>1,509</b>	<b>3%</b>
<b>Sorting rate</b>	<b>60.5%</b>	<b>61.0%</b>		

made it easier to engage tenants to sort and handle the waste better. The company's managers have faster and easier access to waste data through a factual status report, which makes it possible to immediately address deviations. This creates closer collaboration with tenants, which in turn contributes to higher sorting and cleaner fractions.

## **REUSE OF MATERIALS**

*E5-4*

In 2024, a working group for circular solutions was established, tasked with identifying requirements for circularity in buildings, developing procedures for reuse in construction projects and assessing the potential for recycled materials. In 2025, the group's input factors in construction projects will be mapped in line with the sustainability strategy, greenhouse gas accounting and work related to the Transparency Act. This will provide better insight into data and the ability to measure progress against set targets.

### **Thon Gjenbruk**

Thon Gjenbruk AS collects surplus goods and equipment from our projects and attempts to reuse them our own future projects. The concept also stipulates that the goods can be sold externally if appropriate. The initiative is established in Norway, where the majority of group activities are also located.

The main purpose of Thon Gjenbruk is to minimise the amount of waste in real estate projects in the group. The group is present in much 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 therefore takes place at the construction site.

Thon Gjenbruk has had limited activity to date. Targets have been set to expand the company's area of use. The target has been carried forward to 2025.

## **WASTE AND SORTING RATE**

*E5-5*

Table 12 on page 20 provides an overview of Olav Thon Eiendomsselskap's waste volumes in 2024. Total waste volume increased by 3% compared to the previous year, mainly due to a 15% increase in waste sent for recycling. At the same time, waste for final treatment, primarily incineration and landfill, has been reduced by 14%. Some of this waste has also been sent for composting.

Since the majority of the waste originates from customers and tenants at the company's shopping centres and commercial properties, this development may indicate an improvement in waste management among these groups. This is also reflected in an increase in the sorting rate of 0.5 percentage points.



# SOCIAL MATTERS

This chapter deals with the pillar of social justice from the group's sustainability strategy. Olav Thon Eiendomsselskap's material topics within these pillars are mapped against, and structured according to, the social topics in the ESRs framework.

TABLE 13: SOCIAL JUSTICE					5 GENDER EQUALITY	10 HUMAN RIGHTS
2023	2025	2027	2030			
Inclusive workplace (S1-Own workforce)						
Create a working group for equality, inclusion and diversity	✓		Hire a manager for equality, inclusion and diversity	✓	Representative management	
Equality, inclusion and diversity strategy	✓		Report on transparency, diversity and equality			
Human rights, transparency and responsible business practices (S2-Value chain workers)						
Human rights policy, code of conduct, ethical procurement requirements in line with the Transparency Act	✓	Ethical procurement strategy and procedures implemented			Full insight into value chain	
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				

# Inclusive workplace

## S1 Own workforce

### INTERESTS AND VIEWS OF STAKEHOLDERS

ESRS 2 SBM-2

See the stakeholder assessment on pages 9 and 10 for how employees and their interests and views were taken into account in the double materiality assessment. Representatives from both HR and HSE were also included in the project as experts. The company's HSE manager was the representative from the HSE department. The company's HSE manager also attends regular meetings of the working environment committee, where employees and their representatives can express their needs and opinions.

### IMPACTS, RISKS AND OPPORTUNITIES

ESRS 2 SBM-3

Olav Thon Eiendomsselskap has an impact on the workplace created by the company through its internal approach to equality, inclusion and diversity. With its own HR and HSE departments, the group focuses on how to best look after its employees by focusing on equality, inclusion, diversity, health, attendance and safety.

There are growing requirements for transparency in terms of equality and diversity in working life, both for employees and management. At the same time, there is increased focus on anti-discrimination and inclusion. A lack of an inclusive culture can affect the company's attractiveness as an employer, reduce employees' sense of belonging and increase reputational risk in the event of perceived discrimination or inequality in opportunities and pay.

Studies show that diverse companies perform better than less diverse, and that employees who undergo personal development thrive better and remain longer at a job. In addition, young employees are largely attracted to employers with a sense of responsibility.

In order to create a good working environment and ensure equal opportunities, Olav Thon Eiendomsselskap aims to work actively, purposefully and systematically to promote equality, diversity and inclusion, as well as prevent discrimination.

### GUIDELINES RELATED TO OWN WORKFORCE

S1-1

The work with equality, diversity and inclusion (EDI) is integrated in the group's HR and HSE activities and continuously safeguarded throughout the term of employment for all employees across the organisation. This work is rooted in several general documents, including:

- Ethical guidelines in the Olav Thon Group
- Strategy for equality, diversity and inclusion
- Sustainability policy
- Company instructions for personnel policy
- Company management instructions for personnel management
- Diversity and equality efforts in the Olav Thon Group
- Whistleblowing poster

Consideration of equality and non-discrimination is further incorporated in the group's personnel policy, as well as relevant policies and manuals.

The HR department prepares an annual equality report in accordance with the activity and reporting obligation. For more information, see [thon.no](https://thon.no).

In order to systematise equality, diversity and inclusion efforts, a designated working group was established in 2023, which developed a strategy for the group's efforts through to 2030. The strategy aims to ensure that the group remains an inclusive workplace and supports the target of representative management. A manager has also been appointed for these efforts and equality, diversity and inclusion have now been jointly established as a separate specialist area under the company's HSE manager.

### PROCESSES FOR ENGAGING WITH WORKERS AND WHISTLEBLOWING

S1-2 and S1-3

The group has several arenas in which employees and their representatives are involved for both information sharing and participation in matters that may affect them. These include:

- Quarterly management team meetings
- Department meetings (at least quarterly)
- Working Environment Committee (AMU)
- Safety officers
- Safety inspections
- Performance appraisals
- Employee surveys
- HSE emails

#### Working Environment Committee (AMU)

The AMU acts as an advisory and decision-making body to ensure compliance with working environment legislation. The committee participates in the planning of health, environment and safety activities and monitors the development of the working environment.



**TABLE 14: ACTIONS RELATED TO AN INCLUSIVE WORKPLACE**

Activities in the action plan	Status
<ul style="list-style-type: none"> <li>Project for equality, diversity and inclusion established as a specialist field</li> </ul>	<b>Completed:</b> Separate specialist field under HSE.

The group has a total of 13 working environment committees, including a central AMU for the hotel and restaurant business and 12 local AMUs, nine of which are linked to Thon Hotels. Over 90% of employees are represented through a formal AMU.

#### Reporting suspected wrongdoings

Olav Thon Eiendomsselskap follows the group's procedure for reporting suspected wrongdoings. The group encourages the reporting of suspected wrongdoings, as this may help to ensure that the situation can be resolved. 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 company. The group has engaged an external party to receive reports through the whistleblowing channel in order to safeguard any desired anonymity. The company CHRO and company HSE manager receive the reports and assess who is responsible for following up on each whistleblowing case.

The group has produced a whistleblowing poster, 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. The whistleblowing poster describes the company's procedures for reporting suspected wrongdoings, such as discrimination, harassment or bullying. The document is based on the fact that everyone in the group has equal worth, so such incidents should not occur. The threshold for reporting should be low so that anyone experiencing undesirable behaviour is taken seriously.

The group also has various systems in place for reporting and handling non-conformities. Non-conformities within safety, fire, privacy and HSE are reported here. Non-conformities can take different forms and do not have to concern suspected wrongdoings.

#### ACTIONS RELATED TO OWN WORKFORCE

S1-4

Actions and activities related to an inclusive workplace are set out in the group's annual sustainability action plan. Responsibilities are assigned to different disciplines and business areas. Table 14 shows an overview of actions completed in 2024.

#### TARGETS RELATED TO OWN WORKFORCE

S1-5

Targets related to an inclusive workplace are established in the group's sustainability strategy. See Table 13 on page 22 for a complete overview.

These targets are established in line with the company's ambition to promote equality, diversity and inclusion. Monitoring takes place quarterly through status updates to executive management, facilitated through the sustainability department together with other targets in the sustainability strategy.

**TABLE 15: EMPLOYEES (S1-6)**

Category	Number	Percentage
<b>Number of employees by gender</b>		
Women	337	54%
Men	279	45%
Not reported	6	1%
<b>Number of employees by country</b>		
Norway	605	97%
Sweden	17	3%
<b>Number of permanent employees</b>	<b>387</b>	<b>62%</b>
Women	180	
Men	207	
Not reported	0	
<b>Number of temporary employees</b>	<b>19</b>	<b>3%</b>
Women	12	
Men	7	
Not reported	0	
<b>Number of employees without guaranteed working hours</b>	<b>216</b>	<b>35%</b>
Women	145	
Men	65	
Not reported	6	
<b>Staff turnover</b>	<b>29%<sup>7</sup></b>	
Number of employees who have left the company	129 <sup>7</sup>	
<b>Total number of employees</b>	<b>622</b>	<b>100%</b>

<sup>7</sup> Includes only companies managed by the group



OUR EMPLOYEES

S1-6

Employee statistics are collected from the group’s HR system and from externally managed companies. The data is therefore based on every individual working in at least one of the companies that fall under Olav Thon Eiendomsselskap ASA in a full or part-time position in 2024. Unlike in previous years, this includes on-call and extra workers, but not temporary staff. This is to ensure that the statistics comply with the ESRS disclosure requirements. Gender is according to national gender recognition regulations, so the ‘other’ category is not relevant.

DIVERSITY METRICS

S1-9

The company aims to achieve a representative management group. In 2024, 62% of all managers in the company were women, while 38% were men. Table 16 shows the gender balance among company management, in addition to the different age groups.

ADEQUATE WAGES

S1-10

Olav Thon Eiendomsselskap ensures competitive and fair wage conditions for all employees in line with applicable laws, collective agreements and industry standards.

TABLE 16: DIVERSITY METRICS (S1-9)

Category	Number	Percentage
<b>Gender balance among management</b>	<b>42</b>	<b>100%</b>
Women	26	62%
Men	16	38%
<b>Number of employees under 30</b>	<b>289</b>	<b>47%</b>
Women	199	
Men	89	
Not reported	1	
<b>Number of employees aged 30-50</b>	<b>137</b>	<b>22%</b>
Women	57	
Men	80	
Not reported	0	
<b>Number of employees over 50</b>	<b>127</b>	
Women	41	<b>20%</b>
Men	86	
Not reported	0	
<b>Total number of employees</b>	<b>553</b>	<b>89%</b>
<i>(Remaining employees have not reported their age)</i>		

# Human rights, transparency and responsible business practices

## *S2 Workers in the value chain*

**Respect within the company for working conditions and human rights in the value chain is the subject of increasing focus. Olav Thon Eiendomsselskap purchases goods and services for NOK 2-3 billion each year. This entails a significant responsibility as a purchaser.**

### **STAKEHOLDER INTERESTS AND VIEWS**

#### *ESRS 2 SBM-2*

See the stakeholder assessment on pages 9 and 10 for how stakeholders and their interests and viewpoints were taken into account in connection with the double materiality assessment.

The group's purchasing department has overall responsibility for responsible procurement practices and following up on contract suppliers through regular dialogue. Human rights due diligence assessments are now an integral part of the agenda during these meetings to gain better insight into suppliers' value chain activities.

In the past, the group used annual supplier surveys to this end. In 2024, the focus was shifted to relationship building and skills development in prioritised risk areas. This takes place through a review of supplier policies and procedures, as well as supplier meetings. The aim is to understand their work, assess industry maturity and establish relationships that promote collaboration in due diligence assessments. This also provides valuable insight into supplier sustainability perspectives.

### **IMPACTS, RISKS AND OPPORTUNITIES**

#### *ESRS 2 SBM-3*

As a property owner and large-scale purchaser, Olav Thon Eiendomsselskap has the opportunity to influence human rights and workers' rights in the value chain. The choice of suppliers and products has direct consequences in these matters. The company purchases a wide range of goods and services from different suppliers, which entails complex supply chains and challenges in ensuring transparency at all stages.

A strategic approach to increasing insight in the value chain enables both the potential and actual risk of irresponsible behaviours to be identified and reduced. Better transparency can contribute to positive changes in the supply chain and provide valuable knowledge that strengthens transparency for customers and tenants. This facilitates more informed and ethical choices for end users.

In 2024, the group continued its work based on the results of the group's previous overall risk assessment. The risk assessment resulted in the following prioritised risk areas:

- Labour rights in construction projects and associated supply chains
- Working conditions at IT hardware production sites
- Working conditions in agriculture linked to the supply chain for dry goods

#### **Labour rights in construction projects and associated supply chains**

The construction industry, in which the company has a significant presence, is particularly vulnerable to occupational crime, high accident rates, a lack of trade union organisation and low wages, which increases the risk of violations of health, safety and labour rights. This is an area in which we invest heavily, have a high potential impact on and a central business relationship with.

In several construction and expansion projects, we use turnkey contractors, who both carry out the construction work and are responsible for the procurement of goods and services. This means that many input factors are provided by subcontractors, which makes it more difficult to maintain a full overview of origin.

Nevertheless, we have established guidelines for what is included in the project and how it is carried out, giving us an opportunity to influence the choice of materials and supply chains.

#### **Working conditions at IT hardware production sites**

The group's dependence on IT hardware entails material impacts, particularly related to resource extraction, production and disposal. Risks include human rights violations in the supply chain. The extraction of raw materials in particular involves an increased risk of violations of labour rights.

IT hardware consists of numerous components produced in countries with varying working conditions and complex supply chains that can make traceability challenging. This underscores the need for increased insight and

due diligence, as the greatest human rights risks are identified at the early stages of the value chain, in raw material extraction and production processes.

### **Working conditions in agriculture linked to the supply chain for dry goods**

Potential risks associated with dry goods are often related to labour rights among agricultural workers, particularly in the production and harvesting of raw materials in countries with a high risk of human rights violations.

In 2024, we chose to focus on coffee, cocoa, tea and sugar, as these are all high-risk products from the Norwegian Agency for Public and Financial Management (DFØ)'s list, as well as the fact that we buy a relatively large quantity of these products.

## **GUIDELINES RELATED TO VALUE CHAIN WORKERS**

### **S2-1**

To ensure that human and workers' rights are respected throughout the group's value chain, policies and guidelines, as well as ethical requirements, have been prepared for suppliers.

### **Responsible business practices policy**

The group's policy for responsible business practices commits the company to respect people, society and the environment. The policy covers requirements for own operations with regard to due diligence assessments, countries under trade boycott and requirements for conditions in the supply chain. It also describes the principles of responsible business practices to which we are committed through our membership in Ethical Trade Norway.

### **Company procurement policy and responsible procurement practices policy**

A company procurement policy has been prepared, as well as detailed procedures for supplier selection. This includes mapping several aspects of social responsibility relevant to the individual categories in which these considerations are integrated. In 2024, we revised our company procurement policy to include a commitment to work towards ensuring that all procurement takes place in accordance with the OECD guidelines for responsible business conduct.

During the autumn of 2024, a procedure for responsible procurement practices was drawn up. The goal was to obtain an overview how the work with responsible procurement practices is performed and will be performed in practice, as well as to specify the distribution of roles and therefore create internal anchoring within the company. The policy provides the basis for implementing our public commitments to responsible procurement in practice, as expressed in the company procurement policy and in the responsible business practices policy.

### **Ethical guidelines for suppliers**

The group has prepared a set of ethical guidelines with clear requirements for suppliers and subcontractors.

To clarify our expectations, the Olav Thon Group has developed requirements based on the UN conventions and ILO's core conventions. These cover topics such as human rights, forced labour, child labour, freedom of association, wages, discrimination, HSE, the environment, corruption and animal welfare, as well as improvement work related to these topics.

The ethical guidelines are attached as an appendix to all supplier agreements. When calling for tenders and concluding agreements, they are reviewed prior to any signing. Suppliers undertake to comply with these requirements and pass them on to their subcontractors. We also expect them to actively contribute to the compliance of subcontractors, while ensuring compliance in their own operations.

## **PROCESS FOR ENGAGING WITH VALUE CHAIN WORKERS**

### **S2-2**

The group's due diligence assessment activities are currently at a level in which dialogue primarily takes place with our suppliers (see Interests and views of stakeholders on page 27). This work will help to uncover possible risks of human rights and labour rights violations. But we are also fully aware that this means that we are currently not in direct contact with workers or their representatives in the value chain. This process is expected to develop over time as risks are identified and a need for more direct contact and procedures for this may arise.

## **MANAGEMENT OF NEGATIVE IMPACTS**

### **S2-3**

Through the group's responsible business practices policy and efforts related to due diligence assessments in accordance with the OECD's guidelines to responsible business conduct, the group is committed to and works strategically to ensure or contribute to remediation if we have caused or contributed to a material negative impact on value chain workers.

Identifying and dealing with any violations of labour rights in our construction projects and associated supply chains requires collaboration with key suppliers. Supplier dialogue has played a key role in our risk mapping in 2024, especially in attempts to understand the structure of our supply chains and our connection to any challenges. A concrete procedure for remediation of negative impacts has not yet been developed. This is being developed as needs are identified.

The group has a whistleblowing channel available at [thon.no](mailto:thon.no), open to anyone wishing to report suspected wrongdoings related to the business, including matters affecting workers in the value chain. All reported cases are investigated and the response is adapted to the nature and severity of the case. As we have not yet received any reports related to workers in the value chain, no specific procedure has been established for handling such cases. For further information on the whistleblowing channel, see the section on Reporting suspected wrongdoings on page 23.

Our ethical guidelines for suppliers also require that they “have a well-functioning system for handling complaints related to human rights, labour rights, the environment and corruption” and “ensure that such complaints can be made by workers and external parties, including local communities and civil society organisations”.

## ACTIONS

S2-4

A number of overall processes are set out in the group’s sustainability action plan. More concrete actions are defined in a separate due diligence action plan. This contains more concrete targets in relation to human rights due diligence assessments in accordance with the Transparency Act. Table 17 provides an overview of the actions in the action plan for due diligence assessments in 2024. Future actions for 2025 are also shown in Table 17.

In 2014, the focus was on further mapping and identifying risks within the prioritised risk areas in order to identify and if relevant, deal with actual and potential human rights violations.

### Labour rights in construction projects and associated supply chains

In 2024, the group prioritised internal skills development related to due diligence assessments in construction

projects and supply chains. This has strengthened the understanding of the group’s connection to potential violations of workers’ rights and laid the foundation for effective actions.

Desktop assessments of guidelines and procedures were carried out at six suppliers, followed by dialogue meetings to clarify approaches, expectations and opportunities for collaboration. Building relationships with suppliers is key to increasing transparency and accountability in the value chain.

Based on this work, we have identified two prioritised risk areas:

- Worker rights and risk of wage theft in Norwegian construction projects.
- Working conditions in the supply chain for building materials.

### Working conditions at IT hardware production sites

Internal skills development and relationship building have also been central to the risk assessment of the IT hardware industry. We have held a meeting with our IT hardware supplier to discuss their due diligence assessments and implementation of the Transparency Act. This laid the foundation for further cooperation on responsible business practices.

**TABLE 17: ACTIONS RELATED TO HUMAN RIGHTS, TRANSPARENCY AND RESPONSIBLE BUSINESS PRACTICES**

Activities in the 2024 action plan	Status
<ul style="list-style-type: none"> <li>• Hire a person responsible for the work with the Transparency Act and due diligence assessments.</li> </ul>	<b>Completed.</b>
<ul style="list-style-type: none"> <li>• Develop new and revise existing policies, procedures and guidelines for responsible procurement practices.</li> </ul>	<b>Completed.</b>
<ul style="list-style-type: none"> <li>• Map where in the company the majority of procurement and other activities that impact the work on due diligence assessments take place.</li> </ul>	<b>Completed.</b>
<ul style="list-style-type: none"> <li>• Build relationships with suppliers of IT hardware and improve competence in their due diligence assessments</li> </ul>	<b>Completed:</b> Ongoing work, but was carried out in 2024.
<ul style="list-style-type: none"> <li>• Build relationships with dry goods suppliers and improve competence in their due diligence assessments</li> </ul>	<b>Completed:</b> Ongoing work, but was carried out in 2024.
<ul style="list-style-type: none"> <li>• Improve competence in the work with due diligence assessments in the Norwegian construction industry, including the due diligence assessments of our largest suppliers in construction and civil engineering</li> </ul>	<b>Completed.</b>
Upcoming actions in the 2025 action plan	
<ul style="list-style-type: none"> <li>• Map input factors within the category of construction companies and small contractors, as well as geographical travel.</li> <li>• Map stakeholders in relation to labour rights at Norwegian (our) construction sites.</li> <li>• Initiate cooperation project on due diligence assessments with supplier(s) within the Major contractors category.</li> <li>• Further risk mapping related to IT hardware procurement.</li> <li>• Map the supply chain for prioritised risk products (coffee, tea, cocoa and sugar) within dry goods and work with the supplier to implement actions to reduce the risk of violations in cooperation with the main supplier</li> </ul>	

Close cooperation with the supplier is particularly important, as they are more closely connected to the links in the value chain with the highest risk of human rights and labour rights violations. Increased internal competence makes us better equipped to identify risks and cooperate on actions where necessary.

#### **Working conditions in agriculture linked to the supply chain for dry goods**

To strengthen insight into our dry goods supplier's activities in relation to due diligence and responsible sourcing practices, we conducted an analysis of their available policies and procedures. In autumn 2024, we established a sustainability committee in collaboration with the supplier to promote joint sustainability targets, clarify our expectations and lay the foundation for further cooperation on due diligence assessments. Among other things, we emphasised the need for increased traceability in the supply chain for better mapping of raw material origin.

To gain more insight into risk products, we have engaged in dialogue with relevant organisations about certification as a possible action. Participation in professional networks has also enhanced the group's understanding of industry risks in the agricultural value chain and international guidelines for responsible business practices.

## **TARGETS**

### *S2-5*

Targets related to human rights, transparency and responsible business practices are set out in the group's sustainability strategy. See Table 13 on page 21 for a complete overview.

These targets are set in line with the company's ambition to achieve full insight in the value chain. Since the previous knowledge base was limited, the first step has been to collect the necessary information. Through dialogue and collaboration with our closest suppliers, we expect to strengthen our understanding of the value chain, which will facilitate the identification and uncovering of actual and potential violations of human rights and labour rights.

Monitoring takes place quarterly through status updates to executive management, facilitated by the sustainability department, together with other targets from the sustainability strategy.

The sustainability department continuously monitors progress through defined actions and sub-goals in the action plan for human rights due diligence assessments. The action plan, which applies to the period 2024-2027, sets out concrete sub-targets, actions and further steps to ensure targets are achieved in line with the company's strategic priorities.

# UN GLOBAL COMPACT

The Global Compact is the UN initiative for cooperation with the business community to promote sustainable development. The letter below was sent to 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**

06.03.2025

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

# ESRS INDEX

Olav Thon Eiendomsselskap's sustainability report for 2024 is based on the ESRS framework for sustainability reporting. This index meets ESRS 2 IRO-2 disclosure requirements.

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S1-8	Collective bargaining coverage and social dialogue	Uses phase-in option
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S1-10	Adequate wages	Page 25
S1-11	Social protection	Uses phase-in option
S1-12	Persons with disabilities	Uses phase-in option
S1-13	Training and skills development metrics	Uses phase-in option
S1-14	Health and safety metrics	Uses phase-in option
S1-15	Work-life balance metrics	Uses phase-in option
S1-16	Remuneration metrics (pay gap and total remuneration)	Uses phase-in option
S1-17	Incidents, complaints and severe human rights impacts	Uses phase-in option

#### **S1 OWN WORKFORCE**

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ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and the business model	Page 26
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S2-2	Policies about engaging with value chain workers about impacts	Page 27
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S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	Page 28
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# APPENDIX

## Annex A

### **LIST OF TOPICS SUBMITTED TO AND ASSESSED BY THE GROUP'S EXECUTIVE MANAGEMENT**

- Status of the sustainability department's work in 2024, including SBTi and CSRD.
- Introduction to CSRD, ESRS and what this will mean for the Olav Thon Group.
- Laws and international agreements, including gender balance on the boards and COP28
- Quarterly status action plan, including EV chargers, BREEAM certification and gender balance among management.
- Nature impact assessment.

- Transparency Act and human rights due diligence assessments.
- The EU Taxonomy, including minimum social safeguards.
- Project plan, procedures and principles for double materiality project 2025.

### **LIST OF TOPICS SUBMITTED TO AND ASSESSED BY THE COMPANY'S AUDIT COMMITTEE**

- Sustainability reporting, including CSRD and ESRS and the changes these will bring about, as well as a presentation of the 2023 sustainability report.
- Review of data and internal controls, including greenhouse gas accounting, energy and waste.

## Annex B

### **DATA, ENERGY**

We have implemented an energy monitoring system (EOS) called Energinet. This is a tool for monitoring energy consumption to ensure effective development and optimisation of the property. Reported energy consumption is consumption that does not include the tenant's own consumption.

There is a difference between electricity in our Thon Innsikt database and the Energinet portal. For 2023, this difference was 0.02%. The reason for this lies in how the Olav Thon Group's hierarchy is structured 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 company's operations department, which means that there are continuous changes in meter value, area divisions, new/deleted buildings, etc.

Conversions from the actual consumption of petrol, diesel, gas and heating oil to energy consumption (MWh) are collected from our greenhouse gas inventory.

### **DATA, GREENHOUSE GAS ACCOUNTING**

The greenhouse gas inventory is prepared in collaboration with CEMAsys, which provides advice, as well as a solution for calculating the carbon footprint of Olav Thon Eiendomsselskap. Our greenhouse gas accounting complies with the GHG protocol and uses 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, as well as in the appendix. The complete greenhouse gas inventory and associated report on methodology from CEMAsys is available on the Olav Thon Eiendomsselskap website.

### **DATA, FUEL**

The fuel data is an extract from our fuel supplier. It is collected as a single extract for 2023 and grouped by company. We only have data available from when

the company card was 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.

#### **DATA, NATURAL GAS**

Natural gas is collected from Energinet and reported as actual consumption.

#### **DATA, AIR TRAVEL**

A single excerpt has been made from the travel agency that is the main supplier for air travel in the Olav Thon Group (including 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.

#### **DATA, EMPLOYEE COMMUTING**

Calculations have been made based on the number of employees in the company, the average distance between home and workplace and a national distribution of modes of transport used to commute to the workplace. The number of employees per mode of transport multiplied by the average distance provides the number of passenger kilometres per mode of transport, which is then multiplied by emission factors for the different modes of transport. Emission factors from Statistics Norway were used here.

#### **LEASED ASSETS FIGURES**

An assessment has been made of the level of energy intensity (kWh per square metre) of the different shopping centre and commercial property building categories. It is used to calculate an estimate of the buildings' total energy consumption. By then subtracting the company's total consumption, we can calculate each tenant's estimated consumption. The same energy intensity is used regardless of the year.

#### **DATA, WASTE**

The data for waste is collected from our waste disposal suppliers. All waste figures were collected for the entire calendar year of 2024. Data from our largest supplier is collected regularly from automated data. The sorting rate is calculated on the basis of waste volume and represents the company'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. NS codes are used in Norway, EAL codes are used in Sweden and the EU, while our supplier for greenhouse

gas accounting uses EF codes. There is currently no key to the relationship between the different codes. As a result, the Olav Thon Group team and consultants from our supplier have together attempted to establish a relationship between these categories. This was initially necessary to identify the relationship between the NS codes and EAL codes. It was also important to link these to the EF codes because the EF codes determine the calculation variable for the conversion of waste volume to CO<sub>2</sub> 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 find ways to access this data on a monthly basis.

#### **DATA, OWN EMPLOYEES**

Gender statistics are collected from the Olav Thon Group's HR system and manually from externally managed companies. The data is based on every individual working in at least one of the companies that fall under Olav Thon Eiendomsselskap ASA in a full or part-time position in 2023. This includes on-call and extra workers but not hired temporary workers.

The data for the gender balance among management is collected from the Olav Thon Group's HR system in Norway. All managers in the company are managerial level 4, in accordance with the group's definitions of managerial levels (see appendix to the Olav Thon Group's sustainability report).

The age statistics include both Norway and Sweden, but only companies managed by the group.

#### **DATA, AGE AND EMPLOYEE TURNOVER**

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 data is collected from the group's HR system in Norway and Sweden.

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.

Employee turnover is calculated based on the number of employees who have left the company during the reporting year divided by the average number of employees.



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