

# Akelius Residential Property AB (publ)

## sustainability report 2019



Alte Jakobstraße 75, Mitte, Berlin

Akelius upgrades for better living  
roof, basement, facade insulation  
real energy savings 19 percent

buildings are preserved to serve community the next 50 years

**Akelius**

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In the event of a conflict in interpretation or differences between this report and the Swedish, the Swedish version shall have priority.



379 Washington Avenue, Brooklyn, New York  
urban gardens for tenants

# sustainability at a glance

## energy consumption down by 6.8 percent

6.8 percent energy consumption reduction compared to 2016, like-for-like

5.5 percent water consumption reduction compared to 2016, like-for-like

44 hours education per employee

no discrimination cases or work accidents

	<b>2019 Jan-Dec</b>	<b>2018 Jan-Dec</b>	<b>2017 Jan-Dec</b>	<b>percent change 2018-2019</b>
<b>environmental, like-for-like</b>				
electricity, MWh	37,846	38,481	39,188	-1.7
district heating, MWh	152,232	156,210	166,816	-2.5
heating fuel, MWh	162,738	169,383	172,614	-3.9
water, million m3	5.64	5.66	5.97	-0.4
<b>environmental absolute</b>				
energy intensity, kWh per sqm	144	149	158	-3.4
water, million m3	5.64	5.66	6.00	-0.4
water intensity, m3 per sqm	2.85	2.87	3.09	-0.7
<b>social, absolute</b>				
number of employees	1,456	1,326	876	+9.8
of which female	606	533	366	+13.7
of which male	850	793	510	+7.2
manager gender diversity, portion female percent	42	-	-	-
staff training, hours per employee	44	22	-	+100
<b>governance, absolute</b>				
independent board member	1	1	1	-
average tenure board member	6.5	6.5	6.5	-
percentage of on-site supplier audits	13	11	-	-

Environmental data for 2019 is projected based on consumption forecast and executed efficiency and renewable projects.

# main targets by 2025

## environmental



- 50 percent reduction in intensity of greenhouse gas emissions
- 15 percent reduction in energy consumption
- 5 percent increase in the amount of reused components
- 100 percent of components have sustainability documentation

## social



- 2 percent or less sick leave rate
- 13 percent or less staff turnover rate
- 20 percent improvement in customer satisfaction
- 100 percent of construction projects have inspections to assess health, safety and environmental risks

## governance



- certified sustainability management system
- supplier sustainability management program
- 100 percent of the Board's decisions to be made considering environmental, social and governance issues
- 100 percent of company processes audited to ensure compliance with the guidelines



Manhattan, New York

## the right thing to do

Being sustainable is on the top of most companies' agenda.  
It is on top of most people's agenda.  
Whatever the underlying reasons may be, it is the right thing to do.  
It is not only an honorable thing to do, it is also the path to long-term success.

### environment in crisis

An overwhelming majority of scientists say that global carbon emissions need to decrease substantially in order to avoid irreversible harm to the planet.

Akelius therefore targets a 50 percent reduction in the company's greenhouse gas emissions until 2025.

### restoring and modernizing old buildings

Akelius restores and modernizes buildings with the aim to extend properties' lifetime and to provide a better living to tenants. Maintaining the cultural heritage of the neighbourhood is honourable.

By modernizing, Akelius aims to decrease the properties' impact on the environment. This can be by reducing energy consumption or implementing correct waste management.

### staff expect it

The company needs to act sustainably and honorably in order to attract new staff. Without motivated and talented staff an organization cannot succeed and grow. Without motivated and talented staff an organization is doomed.

### investors expect it

Banks, pension funds, asset managers and clients expect businesses to act sustainably.

### EUR 100 million in donations

Akelius main owner is the Akelius Foundation.  
This means that dividends received are used for charitable purposes.  
During the past 10 years, the foundation has donated more than EUR 100 million to organizations such as SOS Children's Villages, Doctors Without Borders and UNICEF.

Pål Ahlsén,  
CEO and Managing Director



# apartments for metropolitans

City	Lettable space residential		Fair value		Population growth 2020 to 2030*	Walk score
	units	thousand sqm	EUR million	EUR/sqm**	percent	
Berlin	14,038	882	3,038	3,193	1	91
London	2,242	88	951	9,106	10	86
Hamburg	3,601	198	816	3,901	0	91
Paris	1,550	48	402	7,559	6	97
<b>Europe</b>	<b>21,431</b>	<b>1,216</b>	<b>5,207</b>	<b>5,940</b>	<b>7</b>	<b>91</b>
Stockholm	5,921	423	1,657	3,625	11	69
Malmö	4,078	266	970	2,773	10	91
Copenhagen	1,031	82	322	3,649	7	95
<b>Scandinavia</b>	<b>11,030</b>	<b>771</b>	<b>2,949</b>	<b>3,349</b>	<b>9</b>	<b>79</b>
New York	1,719	117	943	7,785	6	96
Toronto	3,506	181	908	4,884	10	81
Montreal	3,860	258	828	3,187	8	87
Boston	974	63	541	8,342	6	90
Washington D.C.	1,238	93	444	4,576	10	88
<b>North America</b>	<b>11,297</b>	<b>712</b>	<b>3,664</b>	<b>5,755</b>	<b>8</b>	<b>87</b>
Other	468	25	144	5,560	7	93
<b>Total/ Average</b>	<b>44,226</b>	<b>2,724</b>	<b>11,964</b>	<b>4,031</b>	<b>7</b>	<b>89</b>

\*) Source: United Nations

\*\*\*) Includes commercial lettable space of 244,000 sqm

## 44,000 apartments

Akelius owns and manages attractive apartment buildings in 12 metropolitan cities in Western Europe and in North America.

## upgrade for a better living

The past five years Akelius invested EUR 1.7 billion in modernizing its portfolio.

## a property portfolio to last

Akelius analyzes the energy consumption and environmental risks during the acquisition of new properties. In Europe more than 90 percent of properties have an energy performance certificate.

Akelius restores and upgrades older buildings in attractive locations. This consumes less resources and is more cost efficient than new construction. Akelius upgrades to improve quality, reduce energy and water consumption, and to increase the life-span of the properties.

## 89 average walk score

Walkability is a key factor in the process of choosing a property. A high walkability index supports a healthier and more sustainable lifestyle.

Walkability encourages people to travel on foot or by bicycle, rather than taking the car, resulting in healthier and happier citizens. Transportation by foot or bicycle leaves no impact on the climate.

## highly efficient management

At Akelius the digitalization of processes contributes to becoming more sustainable.

The majority of the digital applications are self-developed and therefore tailor-made for the business.

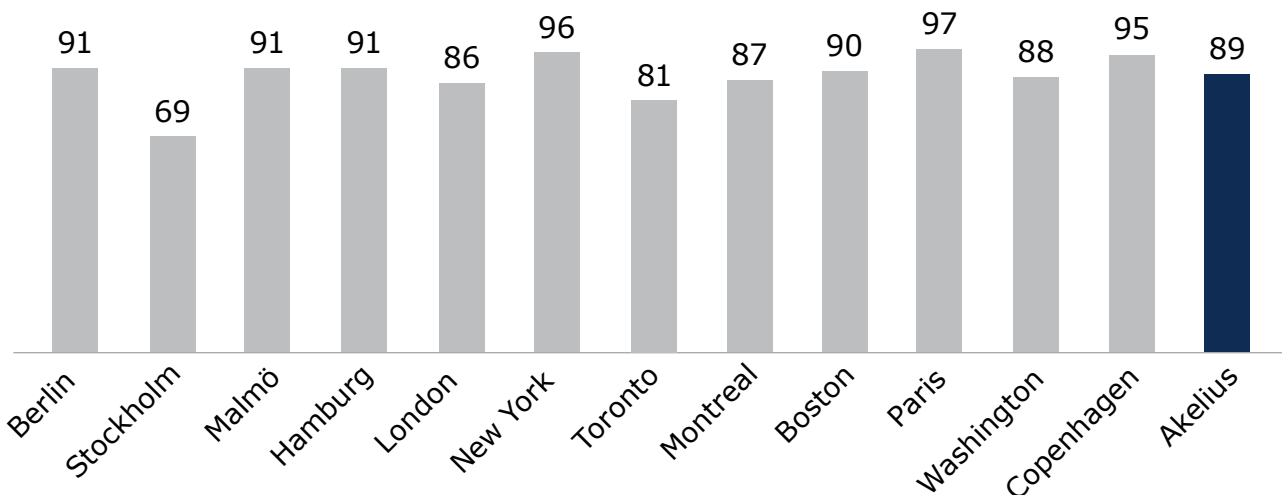
The Property Compliance Application supports the management of Akelius' property compliance obligations to ensure the health and safety of tenants.

The Inspection and Case Management Applications record all maintenance issues to ensure that buildings have a high operational safety and are neat and tidy.

Smart meters and the Energy Application helps staff to identify potential for energy and water efficiency savings by analyzing real-time consumption data.

The Inventory Application helps to keep track of all used appliances and materials, to allow for their re-use.

89 average walk score  
walkscore.com





# setting the goals

In 2019, Akelius conducted another materiality analysis. The materiality analysis is a formal process to identify environmental, social, governance

issues that impact the company's business and stakeholders. This analysis formed the basis of the company's sustainability targets.



The materiality analysis was implemented in four steps.

## identify issues

What environmental, social and governance issues are most relevant to the company?

To identify these issues Akelius

- conducted research
- evaluated and mapped current business processes
- benchmarked the company against competitors
- consulted sustainability experts

## ask the stakeholders

Who are the company's stakeholders?

- tenants
- staff
- management team
- suppliers
- banks and investors
- local and national authorities

The sustainability team interviewed Akelius' management teams regarding which environmental, social or governance issues were most relevant for the company.

## rate the significance

Stakeholders were given the list of issues from step one and two.

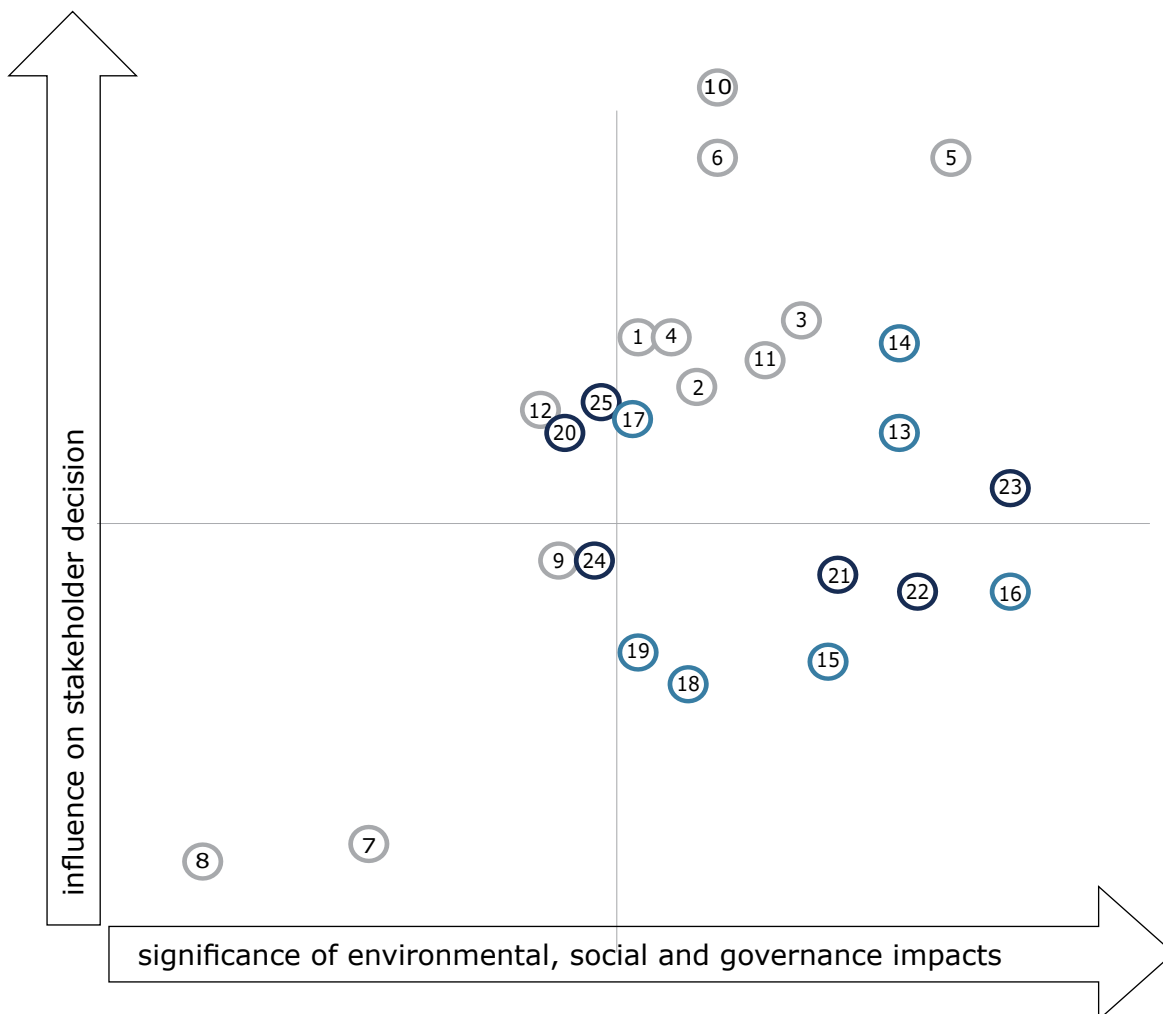
They were then asked about the importance and the impact each issue had on the company.

The result of their feedback is plotted in the materiality matrix on page 10.

## develop targets

Akelius used the materiality analysis to set sustainability targets to be reached no later than 2025 using 2020 as a baseline.

## 2019 Akelius materiality analysis



### environmental

- 1 materials use
- 2 sustainable procurement
- 3 energy management
- 4 renewable energy procurement
- 5 energy efficiency of buildings
- 6 water management
- 7 wastewater
- 8 biodiversity
- 9 emissions to air
- 10 greenhouse gas emissions
- 11 waste management
- 12 land degradation

### social

- 13 occupational health and safety
- 14 tenant health and safety
- 15 staff management
- 16 non discrimination
- 17 sustainable supply chain
- 18 property maintenance
- 19 communication

### governance

- 20 due diligence and compliance
- 21 risk management
- 22 business ethics
- 23 anti-corruption
- 24 building certification
- 25 building sustainable design

# targets

## environmental

### **reduce carbon intensity by fifty percent**

- screen the inventory and monitor scope three emissions
- obtain a third party verification of carbon emissions
- 12.5 percent reduction in natural gas by the use of renewable energies
- 10 percent of renewable heat procured or self-generated
- 30 percent of renewable electricity procured or self-generated
- 70 percent substitution of fuel oil with high efficiency gas or renewable energies
- 15 percent reduction of energy consumption

### **reduce waste and the use of materials by five percent**

- implement office waste recycling guidelines
- realize potential for recycled and reused waste during construction
- realize potential for reuse of building components

### **increase the use of sustainable materials**

- ensure suppliers and contractors comply with company's chemicals standard
- enforce a standard for toxic construction material and sustainable components
- show the sustainability rating of products used in construction

### **develop a climate risk management strategy**

- apply actions for climate change risks in line with the Task-Force on Climate-related Financial Disclosures, TCFD framework
- assess financial impacts on the company from climate change
- identify strategies to mitigate the impacts on the company from climate change

### **increase investments in energy**

- add energy and sustainable building certificates information to the property catalog
- issue energy and sustainable building certification of all new offices

### **certify properties**

- add energy and sustainable building certificates information to the property catalogue
- issue energy and sustainable building certification of all new offices

## social

### **enhance diversity and equal opportunity**

- track discrimination cases in the work environment
- track metrics for gender and pay ratio
- regularly update gender and pay ratio targets
- analyze data regarding equal pay for equal work

### **best educated staff**

- Akelius Business School to create best educated staff
- mandatory education in sustainability topics including Code of conduct and health and safety standards

### **increase customer satisfaction**

- measure and monitor customer satisfaction using key performance indicators
- implement action plans to improve customer satisfaction

### **ensure a motivating work environment and the well-being of staff**

- identify drivers impacting staff turnover
- staff turnover rate below 13 percent
- identify drivers for sick leave
- sick leave rate below 2 percent

## governance

### **certify Akelius sustainability management system**

- audit all internal processes for compliance with the sustainability policy
- report sustainability performance in accordance with ISO standards
- evaluate the benefits of adopting the ISO 50001 standard

Achieve certification of

- ISO 14001, environmental management systems
- ISO 45000, occupational health and safety
- ISO 50001, energy management

### **Board oversees sustainability**

- annually reviews sustainability risks and approved sustainability targets
- 100 percent of Board's decisions were made considering environmental, social and governance issues

### **implement a supplier sustainability management program**

- ensure all suppliers acknowledge the Akelius Code of conduct
- audit suppliers from sustainability standpoint
- develop supplier assessment tool
- inspect health, safety and environmental risks during construction

### **property compliance**

- monitor incidents of non-compliance with regulations and standards for tenants' health and safety
- increase safety and reduce risks in property projects

### **enhance business ethics and improve the whistleblower procedure**

- train staff on the Akelius Code of conduct and Akelius Anti-corruption policy
- best practice whistleblower process
- maintain efficient channels for reporting business ethics violations

### **improve sustainability reporting**

- digitalize the sustainability report
- assess and improve tax transparency in reporting standards
- achieve third party audit from 2020 sustainability report

### **green bonds issuances**

- issue green bonds when beneficial

# environmental

## water consumption down 7 percent

property portfolio

energy, water and GHG emissions absolute performance

EPRA-code	indicator	unit of measure	2018	2017	change percent
Elec-Abs	electricity	MWh	60,890	43,485	+40.0
	measured portfolio	sqm `000	3,011	2,510	+19.9
	portfolio with electricity	sqm `000	3,011	2,510	+19.9
	portion of total portfolio	percent	98	90	+8.9
	portion from renewable sources	percent	5	2	+150.0
DH&C-Abs	district heating	MWh	165,931	169,816	-2.3
	measured portfolio	sqm `000	3,011	2,510	+19.9
	portfolio with district heating	sqm `000	3,011	2,510	+8.9
	portion of total portfolio	percent	50	55	-9.1
	portion from renewable sources	percent	35	35	-
Fuels-Abs	fuel	MWh	221,957	183,368	+21.0
	measured portfolio	sqm `000	3,011	2,510	+19.9
	portfolio with fuel	sqm `000	1,413	1,236	+14.3
	portion of total portfolio	percent	46	45	+2.2
	portion from renewable sources	percent	-	-	-
Energy-Int	building energy intensity	KWh/sqm/ year	149	158	-5.7
GHG-Abs	direct, scope one	tonnes	37,018	-	-
GHG-Dir	indirect, scope two	tonnes	45,471	-	-
GHG-Indir	measured portfolio	sqm `000	2,610	-	-
GHG-Int	CO2 intensity, scope 1 and 2	kg per sqm	33	-	-
Water-Abs	measured portfolio	sqm `000	2,610	2,499	+4.5
	total water consumption	million m <sup>3</sup>	7.50	7.73	-2.9
Water-Int	water consumption intensity	m <sup>3</sup> per sqm	2.87	3.09	-7.1

## energy, water and GHG emissions, like-for-like

<b>EPRA-code</b>	<b>indicator</b>	<b>unit of measure</b>	<b>2018</b>	<b>2017</b>	<b>change percent</b>
Elec-Lfl	electricity consumption	MWh	38,481	39,188	-1.8
	measured portfolio	sqm '000	2,499	2,499	-
	portfolio with electricity	sqm '000	2,499	2,499	-
	portion of total portfolio	percent	81	90	-10.0
	portion from renewable sources	percent	3	2	+50.0
DH&C-Lfl	district heating consumption	MWh	156,210	166,816	-6.4
	measured portfolio	sqm '000	2,499	2,499	-
	portfolio with	sqm '000	1,499	1,499	-
	portion of total portfolio	percent	49	54	-9.3
	portion from renewable sources	percent	35	35	-
Fuels-Lfl	fuel consumption	MWh	169,383	172,614	-1.9
	measured portfolio	sqm '000	2,499	2,499	-
	portfolio with fuel	sqm '000	1,166	1,166	-
	portion of total portfolio	percent	38	42	-9.5
	portion from renewable sources	percent	-	-	-
Water-Lfl	water consumption	million m3	5.66	5.97	-5.0
	measured portfolio	sqm '000	2,499	2,499	-

## waste, absolute performance

<b>EPRA-code</b>	<b>indicator</b>	<b>unit of measure</b>	<b>2019</b>	<b>2018</b>	<b>percent</b>
Waste-Abs	weight of waste produced	tonnes	8,319	-	-
	of which non-hazardous	percent	100	-	-
	amount of waste sent recycled	tonnes	3,360	-	-
	percentage recycled	percent	40	-	-
	of which non-hazardous	percent	100	-	-
	amount of waste send to landfill	tonnes	1,663	-	-
	percentage sent to landfill	percent	20	-	-
	which non-hazardous	percent	100	-	-
	amount of waste sent to incineration	tonnes	3,296	-	-
	percentage sent to incineration	percent	40	-	-
	of which non-hazardous	percent	100	-	-
	coverage	number of assets	865 of 1,115	-	-

## energy certificate

EPRA-code	indicator	unit of measure	2019	2018	percent
Cert-Tot	portfolio certified building level	percent	75	-	-
	portfolio certified apartments level	percent	96	-	-
	coverage	number of assets	1,115 of 1,115	-	-

## Akelius targets 2020

indicator	unit of measure	2019	2018	change percent
90 percent coffee and fruit suppliers have eco-label		100	97	3.1
100 percent offices are bottle free	percent	85	-	-
100 percent new pool cars are electric	percent	77	90	-14.4
reduce energy consumption	percent	-7.6	-4.7	-61.7
reduce water consumption	percent	-7	-5	-40.0
100 percent of the company's properties have recycling facilities	percent	95	92	3.3
100 percent of tenants receive information regarding proper methods for recycling and garbage collection	percent	100	100	-
100 percent of the cities to implement the guidelines for cleaning products	percent	58	-	-

## Akelius environmental risks

- adding to global warming
- lack of documentation and methodologies for calculating and tracking greenhouse gas emissions
- assets destroyed by rising sea levels
  
- physical changes in climate and natural resources
- changes in regulations, taxes and resource prices
- resources with potential for recycling are wasted
- negative health consequences caused by harmful and toxic substances



Akelius' electric pool cars

## managing environmental impacts

According to United Nations Environmental Program, building construction and operations accounted for 36 percent of the global energy use and nearly 39 percent of energy-related carbon dioxide emissions in 2017.

In 2017, Akelius decided to act. In 2019, Akelius systematically worked to reduce the consumption of water, energy, chemicals and harmful materials.

Akelius defined a greenhouse gas accounting methodology following the Greenhouse Gas Protocol Standard.

The accounting of greenhouse gas emissions is the first step of Akelius' strategy to reduce the environmental impact.

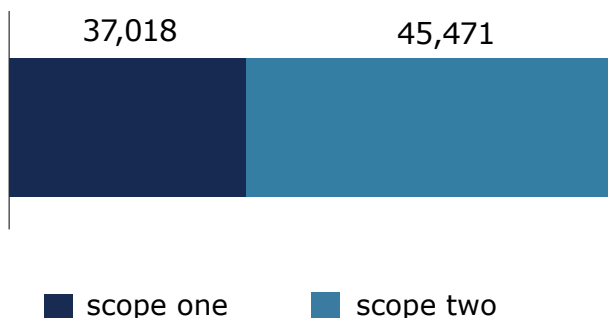
The Board of directors has approved a reduction target for the carbon emissions intensity of fifty percent by 2025 compared to 2018.

The target follows the Science Based Targets methodology.

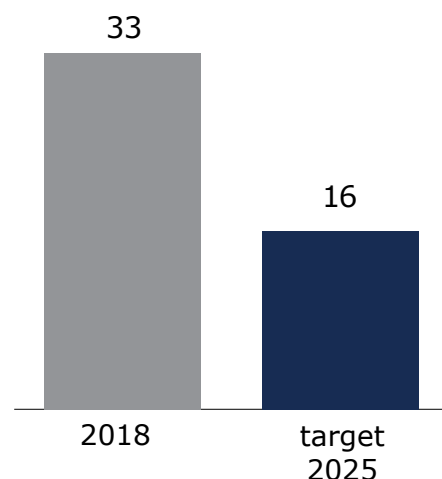
Akelius is committed to reducing the environmental impacts by managing its

- logistics
- mobility
- energy and water consumption
- waste
- offices
- cleaning products

2018 global emissions, tCO<sub>2</sub>e



emissions intensity, tCO<sub>2</sub>e per sqm







## Akelius' bicycles

### managing logistics

The Procurement Department limits the impact by coordinating transports and filling the containers to maximum capacity.

The logistics set-up in North America includes local warehouses, four in the US and two in Canada.

For Europe and Scandinavia, one central warehouse is located in Hanover among six smaller local warehouses in other cities.

That way, Akelius keeps transports for inbound and outbound deliveries as short as possible.

### managing mobility

In 2018, Akelius approved a policy for pool cars.

Every new pool car must be electric.

Currently, 77 percent of the global fleet of pool cars is entirely electric.

In some cases, hybrid vehicles were procured.

In addition, the offices in Stockholm and Copenhagen provide bicycles to employees. In Berlin and Paris offices employees can use e-bikes for business purposes.

The initiative saves carbon emissions, and also encourages a healthier lifestyle among employees.

### managing energy and water

In 2019, Akelius improved the management of energy and water consumption.

In doing so, Akelius is reducing

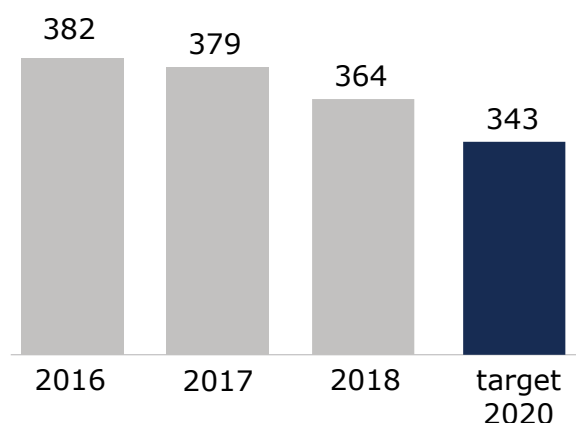
- greenhouse gas emissions
- consumption of finite resources such as gas and oil
- utility costs

In 2017, Akelius set a target to reduce the total energy and water consumption by ten percent by 2020, using 2016 as a baseline.

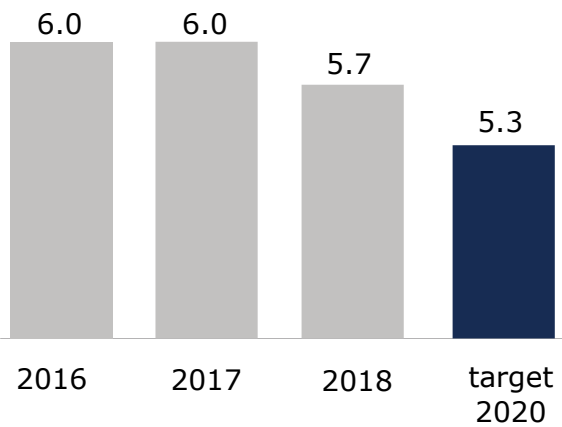
In order to achieve this goal, Akelius is

- investing in energy and water efficiency
- investing in renewable energy projects
- procuring renewable energy
- monitoring energy and water data

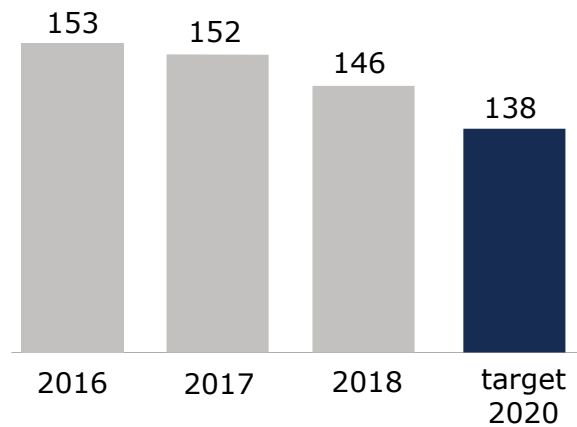
energy, like-for-like, GWh per sqm



water consumption, like-for-like,  
million m<sup>3</sup>



energy intensity, like-for-like,  
kWh per sqm



## efficiency

Akelius prioritizes refurbishment measures that will improve buildings' efficiency such as

- heating system upgrade
- wall insulation
- roof insulation
  
- pipe insulation
- window insulation
- lighting upgrade
  
- low flow appliances
- water leakages detection

In 2018, the normalized energy consumption for heating and property electricity in the comparable portfolio decreased by 4 percent year-on-year.

The decrease in the like-for-like value includes the range of yearly variations of electricity consumption patterns.

Heating consumption decreased 1 percent compared to the previous year while electricity consumption decreased 2 percent.

Since 2016, energy consumption has decreased by a total of 4.7 percent. Since heating oil is also replaced by natural gas, the aggregated value does not reflect this change entirely.

It is expected that the effects of modernization will show more significantly in the coming years.

Water value includes tenant area consumption as well and is, therefore, depending on tenant patterns within the assets as well as on individual consumption behavior.

## procuring renewables

Renewable energy procurement is key to reduce the carbon footprint associated with purchased electricity.

To achieve the greenhouse gas emission target, Akelius aims to increase green energy procurement

- at least twenty percent renewable energy
- maximum fifty percent of a renewable energy source
- renewable energy sources guaranteed by green energy certificates

## certified assets

Energy performance certificates guide Akelius through apartment upgrade decisions.

75 percent of the Akelius portfolio in Europe and Scandinavia has energy performance certificates on building level.

96 percent of the Akelius portfolio in Paris and London has energy performance certificates on apartment level.



Akelius' solar project in Washington D.C.

## renewables and co-generation

Akelius invests in renewable energy and co-generation projects at its properties. Renewable energy and co-generation projects lead to the reduction of energy consumption, greenhouse gas emissions and utility costs.

Akelius has invested in

- solar photovoltaic
- co-generation

### **solar photovoltaic**

The community solar project in Washington D.C. is the first Akelius renewable energy project.

The solar photovoltaic system has an output of 54.7 kilowatt.

This system is estimated to generate 66,000 kilowatt-hours of electricity annually. This is also equivalent to three hundred percent of Akelius anticipated annual electricity usage at the property.

Excess power is credited to another property.

The project emissions reduction estimation is 36.4 tonnes of carbon dioxide equivalent.

### **co-generation**

Co-generation helps Akelius to meet the goal of reducing energy consumption.

While the company's typical heating systems have an efficiency of about forty to fifty percent, the new co-generation systems' efficiency is up to eighty percent.

Akelius' co-generation unit in Berlin





## Akelius' energy application

### energy and water data

On the basis of smart metering, Akelius can monitor energy and water data such as

- consumption
- intensity
- peak demand
- cost

In 2019, Akelius launched the self-developed energy application. Stakeholders have the possibility to

- view historical, live and forecast data
- be informed about irregular consumption
- benchmark properties over time
- identify energy efficiency and renewable energy potential
- automatically identify high consumers and leakages
- offer monetary incentives for lowering consumption
- contract a competitive energy supplier

In the future the energy application will help to

- obtain building energy certifications
- crosscheck utility bills
- feed a future tenant application for tenants' consumption
- allow tenants to identify high consuming appliances
- balance the national grid to increase security of energy supply
- increase the degree of self-sufficiency

### managing waste

Akelius started the development of a global waste management process for all activities performed.

#### facility waste

Structured waste disposal minimizes the amount of waste going to landfills or incineration.

Since 2017, Akelius has been working on two global targets.

The first target is to guarantee that all properties have country applicable sorting stations.

The second target is to inform tenants how to sort household waste.

Akelius hands out information to all tenants about what type of garbage needs to be disposed in which bin.

In 2019, Akelius has equipped some buildings with trash compactors, that compress waste. This reduces the number of disposal transports.

#### construction waste

During Akelius' property upgrades, construction works generate hazardous and non-hazardous waste.

Akelius works with contractors to minimize and recycle construction waste, and reuse materials.

Construction contractors have to manage waste in a responsible way and comply with local regulations.

# social

## the company's impacts on staff, tenants and society

EPRA Code	indicator	unit of measure	2019		2018		change percent
			Male	Female	Male	Female	
Diversity-Emp	employee gender diversity - employees	percent	58	42	60	40	-2; +2
	employee gender diversity - manager	percent	58	42	-	-	-
	employee gender diversity - board	percent	100	-	100	-	-
Diversity-Pay	pay gender ratio, employees	percent	81		-		-
	pay gender ratio, manager	percent	73		-		-

EPRA Code	indicator	unit of measure	2019	2018	change percent
Emp-Training	training and development, direct employees	average number of hours	44	22	+100
Emp-Dev	employee performance appraisal	percent	62	-	-
Emp-Turnover	total number of new employee hires	total number	409	352	+16.2
	rate of new employee hires	percent	28	25	+12.0
	total number of employee turnover	total number	305	205	+48.8
	rate of turnover	percent	21	13	+61.5
H&S-Emp	employee health and safety, injury rate	per 100,000 hours worked	0.04	-	-
	employee health and safety, lost day rate	per 100,000 hours worked	-	-	-
	employee health and safety, absentee rate	percent	2.9	2.2	+31.8
	employee health and safety, fatalities	total number	-	-	-
H&S-Asset	asset health and safety assessments	percent of assets	78	-	-
	coverage	number of assets	1,115 of 1,115	-	-
H&S-Comp	asset health and safety compliance	number of incidents	21	-	-
	coverage	number of assets	1,115 of 1,115	-	-
Comty-Eng	community engagement, impact assessments and development programmes	percent of assets	6	-	-
	coverage	number of assets	1,115 of 1,115	-	-

## Akelius internal targets

<b>indicator</b>	<b>unit of measure</b>	<b>2019</b>	<b>2018</b>	<b>change percent</b>
100 percent of employees passed the Code of conduct training test	percent	98	89	+10.1
100 percent of employees passed the Sustainability training test	percent	75	-	-
turnover rate below fifteen percent	percent	21	12.6	+61.5
sick leave rate below two percent	percent	2.9	2.2	+31.8

## Akelius sustainability risks

- failure to minimize tenant's environmental risks in our properties
- high employee turnover and sick leave
- decreased staff motivation
- inadequate health and safety measures for employees

2019 is the first year of reporting according to EPRA for most of the indicators.



CEO, Pål Ahlsén and Lead Architect, Eftychia Kotsareli visiting a property

## social awareness increase

Akelius' commitment is to

- protect tenants' health and safety
- manage social impacts in operations
- offer staff the best working environment

### increasing tenants' health and safety

Akelius is committed to reduce and mitigate health and safety risks.

The company uses its own Property Compliance Application to ensure safety compliance and its Inspection Application to conduct health and safety inspection such as checking

- emergency lighting
- fire protection system
- electrical safety
- safe gas installations
- water purification systems
- ventilation systems
- conveyor installations

**78%**

of the portfolio has received a health and safety inspection in 2019

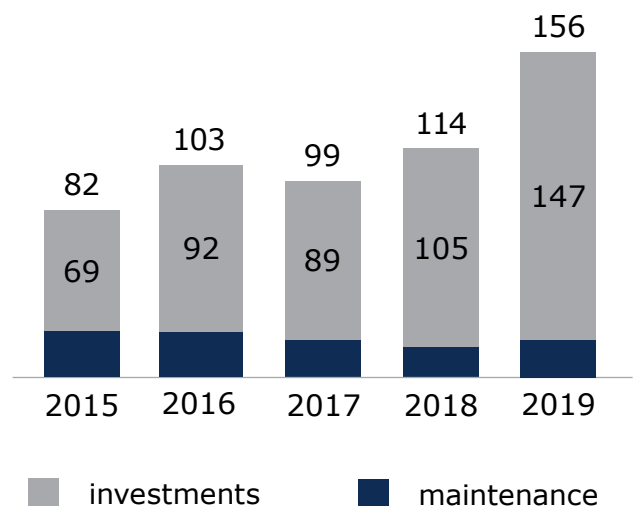
Akelius injected EUR 156 per square meter in the properties during 2019. A substantial part were to safeguard the properties safety and functionality.

Akelius restore old buildings while carefully preserving historic aspects and implementing modern standards.

This is positive for the local economy, it reduces the crime rate and it leads to more efficient properties.

Akelius contributes to the general development of the neighbourhood as well as contributing to the society and the environment.

EUR 156 per sqm investments and maintenance





SOS Children's Village school in Greece

## social responsibility

### a record breaking donation

During November and December 2019, the Akelius Foundation pledged to match the donations to

- Doctors Without Borders
- SOS Children's Villages
- UNICEF
- UNHCR

Private donations equaled EUR 30 million. The Akelius Foundation matched that amount, resulting in total donations of EUR 60 million.

### supporting the community

In Hamburg, Akelius leased a commercial space at a discounted rate to an organization that helps disadvantaged people find a job.

Since 2018, Akelius has rented 48 of its apartments to disadvantaged people who otherwise would have not found an apartment.

In Berlin, Akelius has signed a cooperation agreement with the district authorities to rent 100 apartments to organizations that house refugees.

Akelius offered built-in kitchens, internet connection and a flat rate telephone service.

Akelius staff involved in local community projects







Akelius CEO, Pål Ahlsén, and Ralf Spann, Head of Region Europe, conducting an employee training

## creating the best working environment

Akelius takes care of its personnel through a quick integration in the company culture, ample opportunities for job rotations, education and other benefits such as health insurance.

Staff benefits are among the best in the real estate industry.

Akelius offers a safe working environment. In 2019 Akelius had zero work accidents.

By creating the best working environment Akelius aims to minimize sick-leave and staff turnover.

This has great value both for the employees and Akelius.

## education leads the way

In 2019, each employee received on average 44 hours of education.

New employees are invited to Welcome to Akelius seminar that includes training on the Code of conduct and sustainability.

Akelius offers an internal MBA program in residential real estate, designed to increase and support employees

- expert skills
- personal development
- cultural awareness

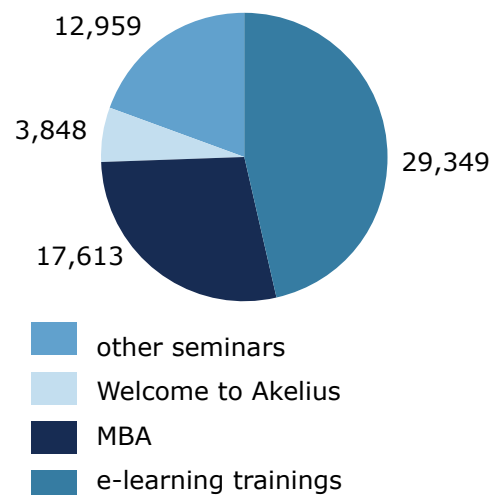
In 2019 all staff received professional training specific to their role and every employee receives a sustainability training related to

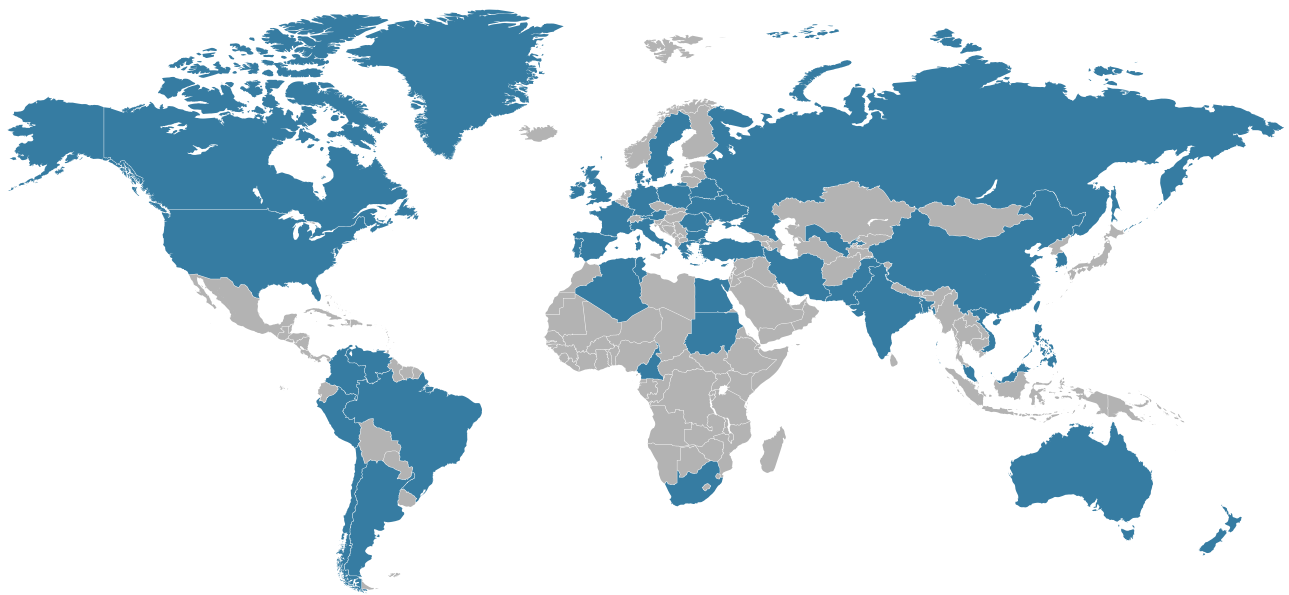
- environmental impacts
- social impacts
- economic impacts

Additionally, the sustainability training teaches staff

- how to integrate sustainability in business practices
- what corporate sustainability means
- sustainability's main areas of action
- the company's sustainability efforts
- best strategies and practices
- the role of innovation

2019 education hours





Akelius staff nationalities

## high diversity and equal opportunities

Akelius has diverse staff of different skills, age groups, genders, nationalities and cultures.

Akelius is committed to enhance and promote equal opportunities in managerial and all levels.

Remuneration is based on excellence and performance.

Salaries are based on experience and seniority.

Akelius believes cultural diversity helps to increase creativity, respect, understanding different viewpoints and cultural differences.

Working at an multicultural office, Akelius employees can strengthen a second or third language.

Akelius offers language courses to break down cultural barriers.

In 2019, there were no reported incidents of discrimination at Akelius.

## motivating infrastructure

Akelius offices are spacious and located in central locations.

Akelius supports every employee with an annual health benefit of EUR 500.

Akelius offers possibilities for a healthy work-life balance

- health-checks
- sporting and health activities contribution
- education

Akelius has fitness centers and yoga classes in its offices.

Akelius, along with the employees, takes precautions to ensure that the workplace is safe and compliant with applicable regulations.

Akelius reports, monitors and mitigates work related injuries and incidents.

zero

discrimination cases

zero

work accidents

# governance

## ensure transparency in decision making

EPRA Code	indicator	unit of measure	2019	2018	change percent
Gov-Board	number of executive board members	number	1	1	-
	number of independent or non executive board members	number	2	2	-
	average tenure on the governance body	number	6.5	6.2	-
	number of independent or non executive board members with competencies relating to environmental and social topics	number	1	1	-
Gov-Select	process for nominating and electing the highest governance body	description	page 28	-	-
Gov-Col	process for managing conflicts of interest	description	page 28	-	-

## Akelius internal targets

indicator	unit of measure	2019	2018	change percent
100 percent procurement supplier notified on Code of conduct	percent	100	-	-
100 percent logistic supplier notified on Code of conduct	percent	100	-	-
100 percent construction notified of Code of conduct	percent	83	-	-
100 percent procurement suppliers assessed	percent	90	-	-
100 percent logistics suppliers assessed	percent	11	-	-
10 percent procurement and logistics suppliers audited	percent	13	11	18.2

## Akelius sustainability risks

- corruption due to a capital intensive industry
- housing shortage in metropolitan cities
- human rights and labor rights violations in the supply chain
- suppliers not complying with legal regulation
- suppliers with a negative sustainability performance

# responsible corporate governance

Akelius responsible corporate governance refers to business responsibility and monitoring of the company. This involves contributing to climate protection and fulfilling Akelius responsibilities to its employees and to the society.

Akelius highest governance body is the Board of Directors. The Articles of Association does not contain any regulations on a specific procedure according to which the Board members are to be appointed.

The company has chosen not to establish a nomination committee since Akelius Foundation acts as controlling shareholder and controls board appointments.

The Annual General Meeting elects board members for one year at the time. The members have been in the Board for 6.5 years, on average.

The Board reviews and adopts its procedural rules at its constituent board meeting.

The Board of Directors determines and annually reviews Akelius' Code of conduct, Sustainability Policy and sustainability targets.

The Board is responsible for the

- strategic guidance of the company
- effective monitoring of management
- accountability to the stakeholders

Within the management the CEO is responsible for Akelius' sustainability work and reports to the Board and its committees.

The operational responsibility under the CEO is held by the Sustainability Manager who leads the sustainability team.

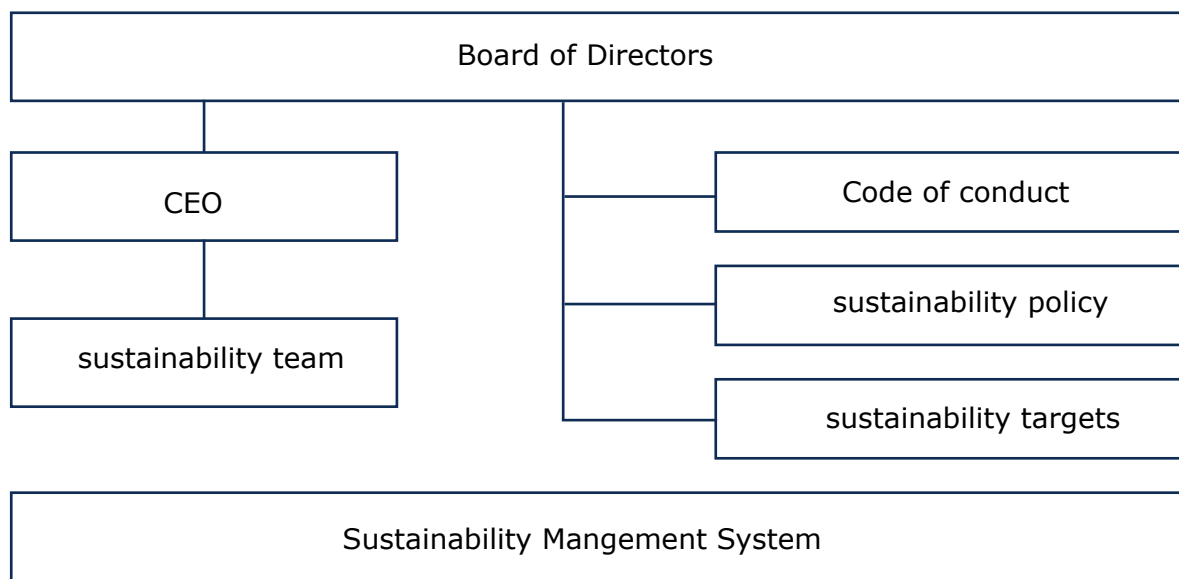
The sustainability team oversees the sustainability work and ensures transparency and dialogues with the company's stakeholders.

Akelius' sustainability progress is reviewed by management quarterly.

This is a cornerstone for constant improvements.

The development of a sustainability management system aims to ensure compliance, integrate sustainability in Akelius' operations and to assist in achieving the set targets.

## sustainability management system



## Board composition



Anders Lindskog  
Chairman, Board member since 2017  
born 1961

engineer with competencies relating to environmental topics  
dependent of major shareholders  
independent of the company and the company management



Igor Rogulj  
Board member since 2010  
born 1965

architect with competencies relating to environmental topics  
dependent of major shareholders  
dependent of the company and the company management



Lars Åhrman  
Board member since 2017  
born 1951

economist with competencies relating to social topics  
independent of major shareholders  
independent of the company and the company management



Pål Ahlsén  
Board member and CEO since 2010  
born 1972

executive officer, employed in Akelius  
independent of major shareholders  
dependent of the company and the company management



The sustainability team of the Property Department

## committees

The Board appoints committees to make decisions on the development of the company, including

- defining and applying Akelius' concepts within each area
- finding concrete solutions
- measuring the quality of the activities performed
- following-up of previous decisions, especially time frames

### **business committee**

The Business Committee consists of Pål Ahlsén, Anders Lindskog and Igor Rogulj. It has the mandate to decide on investments of up to EUR 100 million.

### **finance committee**

The Finance Committee consists of Pål Ahlsén, CFO Leiv Synnes and Lars Åhrman. It is authorized to enter into loans and other financial commitments up to the equivalent of EUR 100 million.

### **audit committee**

The committee consists of Anders Lindskog and Lars Åhrman. It oversees the internal control process, property valuations, tax management, risk and corporate governance issues.

## other committees

Other committees are

- construction, procurement, logistics
- customer
- IT
- property
- staff
- education

## sustainability team

The sustainability team consists of seven specialists who work together with the CEO to define and implement actions to continually improve the company's sustainability performance.

The sustainability team

- reviews and reports the sustainability targets
- oversees global strategies
- assesses international trends and emerging issues
- benchmarks against peers
- identifies risks and opportunities
- supports operations on sustainability issues
- consolidates and validates information and data for the quarterly reports of the committees



Akelius staff reviewing the Code of conduct

## Code of conduct

Akelius is committed to

- respect the rule of law and act in accordance with laws and regulations in all countries where business is conducted
- conduct business with integrity and honesty
- act in an environmentally and socially sustainable manner
- continuously develop the safety and quality of services

The Code of conduct implicitly states

- the environmental compliance of products as a requirement for suppliers
- that child labor, slavery or forced labor are not tolerated

The Code of conduct sets the expectations for employees and Akelius' business partners' management practices.

Akelius' Code of conduct

- is the basis of all business activities
- determines success as a long-term, sustainable business
- promotes excellence as a corporate culture

Akelius ensures that the Code of conduct is read and respected within the Akelius Group and throughout the entire supply chain.

### anti-corruption

The core ethical value for Akelius is being an honorable company. Corruption is a detractor from achieving sustainability goals.

Akelius' Code of conduct prohibits corrupt activities.

Additionally, Akelius has defined a gift policy applicable for all staff.

Acceptable gifts that are either given or received must fulfill all the following three requirements

- offered openly
- moderate
- not of such nature that influences behavior or how the recipient carries out work tasks

Akelius employees may never offer or accept any kind of benefit from government representatives.

**98 %**

of staff completed the Code of conduct test

## conflicts of interest

Board members, executives, are trained to

- avoid situations in which their professional loyalty may come into conflict with their personal interests
- not allow interests to affect their professional judgement

Board members or any manager must not take part in the consideration of decisions on issues of special importance to himself or herself or to anyone close to them.

## whistleblower

Akelius encourages employees to report suspected violations of the Code of conduct to their nearest supervisor as early as possible.

Code of conduct violations may lead to disciplinary measures including dismissal and prosecution.

Akelius will protect the anonymity of anyone who reports suspected misconduct. Suspected violations can be reported to [whistleblower@akelius.com](mailto:whistleblower@akelius.com)

## sustainability policy

The policy guides the company's approach to the environment, society, and the work environment.

It provides a framework for the development of company-wide sustainability practices.

The policy is applicable for all Akelius processes and employees worldwide and the goal is to share it with all internal and external stakeholders.

The policy is determined and reviewed annually after dialogue with the company's stakeholders.

## Akelius sustainability framework





## risk management

Akelius' managers continuously evaluate environmental, social and governance risks.

Risk management implies active decision making in terms of risk level evaluation, prioritization and composition.

Decision-making requires the analysis of risks in all parts of the business. Analysis requires comparable information including mitigation strategies and proposed corrective actions.

How Akelius evaluates sustainability risks is described in the stakeholder engagement and materiality section.

## compliance

Akelius legal team monitors and ensures compliance with laws and regulations.

Property compliance must address environmental, health and safety legal requirements such as

- waste disposal
- fire safety system
- noise and emissions

In 2019, Akelius developed a Property Compliance Application. The application supports handling of compliance tasks.

The benefits of the application are

- increased transparency
- facilitation of compliance tasks management
- accidents prevention
- legal compliance

As a result, Akelius takes immediate actions to correct any incidents of non-compliance with health, safety and environmental regulations.

## Sustainability Management System

In 2019, Akelius started the implementation of a global Sustainability Management System that will

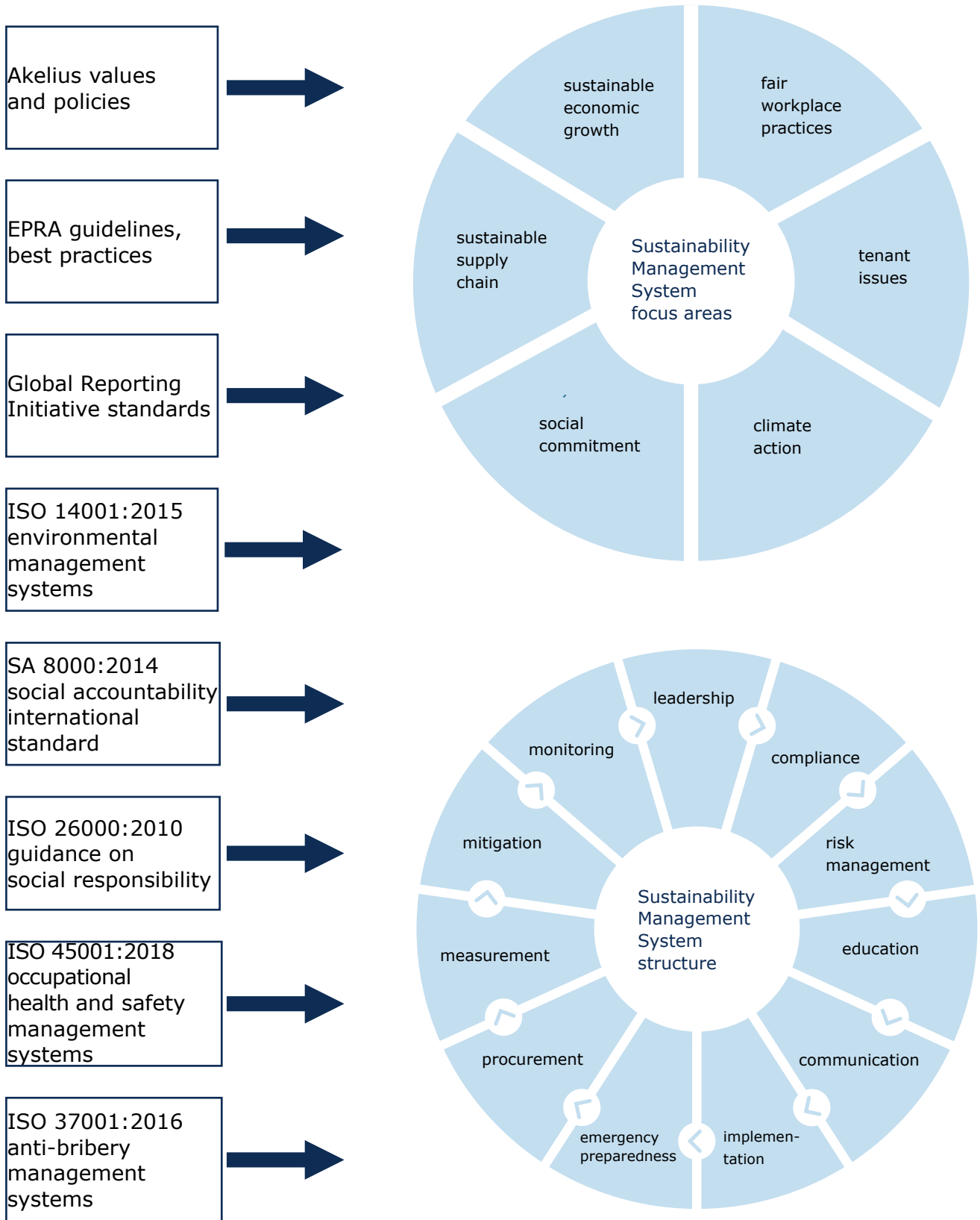
- integrate recognized standards in Akelius' operations
- improve likelihood of reaching targets

The digitalization of sustainability processes is also being addressed to

- collect and analyze relevant data
- monitor and evaluate performance
- facilitate internal and external reporting
- plan and track actions
- store and share documents
- support internal communication

The Sustainability Management System will include risk management and functions that facilitate compliance with laws and regulations.

# Sustainability Management System





Akelius' apartment kitchen components

## sustainable supply chain

Akelius supplier management commits to fair and decent working conditions, and reducing environmental impacts.

The Code of conduct is the foundation for this.

All of the Akelius main suppliers are notified of the Code of conduct.

All signed frame contracts incorporate to the Code of conduct.

Akelius wants its suppliers to manage the same risks as Akelius does.

### procurement

Akelius works intensely with the integration of the sustainability standards within the global procurement and logistics processes.

This entails

- updating guidelines
- examining processes
- the coordination of participation in external initiatives

During the supplier pre-qualification phase, Akelius evaluates

- the acceptance of the Akelius Code of conduct
- environmental performance of the supplier
- social performance
- governance performance
- compliance with applicable laws and regulations

Pre-qualified suppliers can take part in a tendering process. For final qualification, suppliers are required to provide evidence that they meet the sustainability requirements.

### construction

Responsible selection of construction material plays a significant role.

Akelius components are assessed considering

- water and energy efficiency
- carbon emissions
- life cycle information
- environmental health and safety

In Sweden, Akelius requires construction contractors to be compliant with the *Byggvarubedömningen* standard.

*Byggvarubedömningen* is an initiative that runs assessments of construction materials based on chemical content, life cycle and social responsibility at the supplier level.

**100 %** of procurement suppliers notified on Code of conduct

## supplier performance evaluation

In 2018, Akelius started the implementation of an evaluation process to identify high-risk suppliers.

The process consists of a self-assessment tool and on-site audits, based on international sustainability standards and principles.

As a result, every supplier showed a risk level to Akelius

- low risk if score is above or equal to seventy percent
- medium risk if is score is from 31 to 69 percent
- high risk suppliers if score is below or equal to thirty percent

In 2019, Akelius has assessed ninety percent of its procurement suppliers.

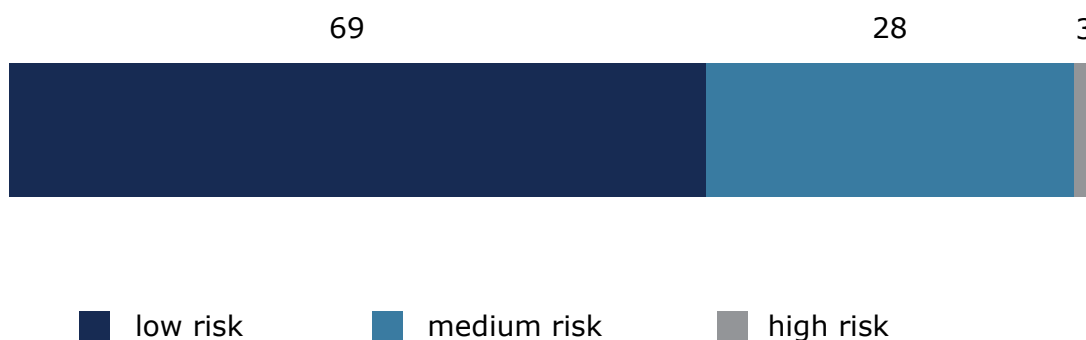
Going forward, the company target is to assess all procurement and logistic suppliers.

In 2019, five of Akelius main procurement and logistics suppliers were audited. The results showed no major concerns.

The on-site supplier audit assesses the supplier's structures for safety, social and environmental compliance.

Additionally, it assesses management systems and any practices implemented by the supplier to reduce environmental and social risks and impacts.

2019 global suppliers by sustainability risk level percent



# additional information

## about this report

This is Akelius Residential Property AB's sustainability report for the period 2019 in accordance with the EU directive 2014/95/EU, including its statutory sustainability report according to the requirements in the Swedish Annual Accounts Act (ÅRL).

The sustainability report includes Akelius Residential Property AB, corporate registration number 556156-0383, and its subsidiaries.

To be competitive Akelius must take advantage of this requirements and publish a good sustainability report.

Banks, investors, financial service companies, make in-depth environmental, social and governance analysis of the Swedish real estate sector.

Company's sustainability practices also influence current and potential employees and tenants decisions.

The report is prepared in accordance with the third edition of the EPRA Sustainability Best Practice Recommendations published in 2017 by the European Public Real Estate Association.

The report covers the global sustainability targets included in Akelius Sustainability Reporting document approved by the Board 2017-10-04.

Additionally, the report covers all areas where the company has to disclose sustainability performance figures according to EPRA.

The performance related to energy, Greenhouse gas emissions, water and waste impacts as well as on social and governance indicators requested by EPRA are reported in the key figures section.

Most of the indicators adopted by EPRA are based on the recommendations of the GRI Sustainability Reporting Standards published in 2016 by the Global Reporting Initiative. For that reason, the design and the structure of the report is also following the GRI reference option.

The GRI Standard indicators used are described in the section GRI Index.

The content of this report has been determined considering

- the material areas identified through the materiality analysis
- the company group sustainability targets

The materiality analysis is described in the section *setting the goals* of the report.

For a correct representation of the company's global performance and to ensure the reliability of the data, the use of estimates was limited as much as possible.

The data collection and control process was coordinated by the sustainability team, with the collaboration of the heads of all departments in charge, city managers, and companies falling within the boundary of reference.

## organizational boundaries

This report follows the operational control approach.

This approach includes only data that is under control of Akelius and therefore within our organizational boundaries.

In 2019, Akelius sold the full portfolio in Munich, Frankfurt, Cologne and Dusseldorf. The buildings and the offices sold during 2019 have not been included within the boundaries.

For the calculation of the greenhouse gas emissions Akelius discloses the scope one and two categories.

The scope one includes all direct emission sources.

This includes all use of fossil fuels for stationary combustion or transportation in owned, leased or rented assets.

It also includes any process emissions, for instance from chemical processes, industrial gases or direct methane emissions.

The scope two includes indirect emissions related to procured energy, such as electricity, heating or cooling, where the organization has operational control.

For the calculation of scope two emissions, Akelius adopts the location-based method, which reflects the average emissions intensity of the grid that Akelius is connected to.

## coverage

In the section *key figures* Akelius has specified the level of coverage for each portfolio asset-level performance measure. For Waste-Abs, Cert-Tot, H&S-Asset, H&S-Comp, Comty-Eng the level of coverage is disclosed in terms of number of assets. One asset equals one Akelius cost center.

## third party assurance

Akelius does not currently obtain third party assurance for any data reported in the section *key figures*.

## boundaries reporting on landlord and tenant utility consumption

Akelius calculates energy consumption and intensity based on the invoices and the building utility meters.

Akelius only reports the energy used and purchased by Akelius as a landlord. Therefore Akelius does report at least on common areas of their residential buildings. Akelius does neither report on tenant consumption, if the tenant is under a utility contract.

## normalization

For normalization, Akelius uses its own recorded vacancy rate and third party provider for metrological data such as heating degree days.

The following heating energy consumption figures, DH&C-Abs, DH&C-LfL, Fuels-Abs, Fuels-LfL, were adjusted to reflect weather conditions of the different country of operation.

Water data, Water-Abs, Water-LfL, relates to the Akelius portfolio sourced from

the municipal supplier and is taken from our main water meters.

There are no sub-meters for the individual spaces in parts of the Akelius portfolio.

It is therefore currently not possible to provide separate data for water consumption in the communal areas, which account for only a very small proportion, less than one percent of the total area.

The allocation according to the current category of energy efficiency of properties is therefore based solely on the classification in the accordance with the national or local energy ordinance.

## own offices

Disclosure on performance for Akelius office occupation is reported separately. Akelius has offices in twelve cities.

## reporting period

Where data is available, performance measures have been reported for the two most recent years

2018 – 1 January to 31 December

2019 – 1 January to 31 December

Most of the EPRA figures don't report 2018 data due to the fact that this is the first year of reporting according to EPRA guidelines. For the same reason Akelius does not report Waste LfL figures.

Regarding, Elec-LfL, Elec-Abs, DH&C-LfL, DH&C-Abs, Fuels-LfL, Fuels-Abs, Water-LfL, Water-Abs, GHG-dir-Abs, GHG-indir-Abs Akelius receives a material share of data regarding 2019 from suppliers after this report of legal reasons need to be published. The result will in these cases be presented in the next report.

Akelius is committed to improve the internal data collection and align with the reporting period of EPRA figures.

## contact

The sustainability team,  
sustainability@akelius.com

# key figures

## environment, like-for-like measure

Akelius portfolio

<b>EPRA code</b>	<b>indicator</b>	<b>unit of measure</b>	<b>2018</b>	<b>2017</b>
<b>Elec-LfL</b>	electricity consumption	MWh	38,481	39,188
	coverage	percent	90	80
<b>DH&amp;C-LfL</b>	district heating consumption	MWh	156,210	166,816
	coverage	percent	91	89
<b>Fuels-LfL</b>	fuel consumption	MWh	169,383	172,614
	coverage	percent	88	75
<b>Water-LfL</b>	total water consumption	m <sup>3</sup>	5,657,391	5,972,672
	coverage	percent	85	82

<b>EPRA code</b>	<b>indicator</b>	<b>unit of measure</b>	<b>2019</b>	<b>2018</b>
<b>Waste-LfL</b>	weight of waste produced	tonnes	31,605	15,695
	of which hazardous	percent	-	-
	of which non hazardous	percent	100	100
	amount of waste sent recycled	tonnes	1,725	2,200
	percentage recycled	percent	6	14
	of which hazardous	percent	1	-
	of which non hazardous	percent	99	100
	amount of waste sent to a landfill	tonnes	27,894	10,667
	percentage sent to landfill	percent	88	68
	of which hazardous	percent	-	-
	of which non hazardous	percent	100	100
	amount of waste sent to incineration	tonnes	1,985	2,829
	percentage sent to incineration	percent	6	18
	of which hazardous	percent	-	-
	of which non hazardous	percent	100	100
coverage	percent	99	99	

## environment, absolute measures

Akelius portfolio

<b>EPRA code</b>	<b>indicator</b>	<b>unit of measure</b>	<b>2018</b>	<b>2017</b>
<b>Elec-Abs</b>	electricity consumption	MWh	60,890	43,485
	electricity consumption from renewable sources	percent	5	2
	coverage	percent	98	90
<b>DH&amp;C-Abs</b>	district heating consumption	MWh	165,931	169,816
	district heating consumption from renewable sources	percent	35	35
	coverage	percent	50	55
<b>Fuels-Abs</b>	fuel consumption	MWh	221,957	183,368
	fuel consumption from renewable sources	percent	-	-
	coverage	percent	46	45
<b>Energy-Int</b>	building energy intensity	KWh/sqm/year	149	158
<b>"GHG-dir-Abs GHG-indir-Abs"</b>	scope 1	tonnes CO <sub>2</sub> eq	37,018	-
	scope 2		45,471	-
	coverage	percent	90	-
<b>GHG-Int</b>	GHG intensity	Kg CO <sub>2</sub> eq sqm/year	33	-
<b>Water-Abs</b>	total water consumption	m <sup>3</sup>	7,498,247	7,725,749
	coverage	percent	80	77
<b>Water-Int</b>	water consumption intensity	m <sup>3</sup> /sqm	2.87	3.09



Akelius portfolio

<b>EPRA code</b>	<b>indicator</b>	<b>unit of measure</b>	<b>2019</b>	<b>2018</b>
<b>Waste-Abs</b>	weight of waste produced	tonnes	8,319	-
	of which non hazardous	percent	100	-
	amount of waste sent recycled	tonnes	3,360	-
	percentage recycled	percent	40	-
	of which non hazardous	percent	100	-
	amount of waste sent to a landfill	tonnes	1,663	-
	percentage sent to landfill	percent	20	-
	of which non hazardous	percent	100	-
	amount of waste sent to incineration	tonnes	3,296	-
	percentage sent to incineration	percent	40	-
	of which non hazardous	percent	100	-
	coverage	number of assets	865 of 1,115	-
<b>Cert-Tot</b>	portfolio certified building level	percent	75	-
	portfolio certified apartment level	percent	96	-
	coverage	number of assets	1,115 of 1,115	-

Akelius offices

EPRA code	indicator	unit of measure	absolute	
			2018	2017
<b>Elec-Abs</b>	electricity consumption	MWh	583	537
	electricity consumption from renewable sources	percent	-	-
	coverage	percent	80	80
<b>DH&amp;C-Abs</b>	district heating consumption	MWh	108	120
	district heating consumption from renewable sources	percent	-	-
	coverage	percent	80	80
<b>Fuels-Abs</b>	fuel consumption	MWh	374	128
	fuel consumption from renewable sources	percent	-	-
	coverage	percent	80	50
<b>"GHG-Dir-Abs GHG-Indir-Abs"</b>	scope 1	tonnes CO <sub>2</sub> e	572	-
	scope 2		99	-
	coverage		90	
<b>Waste-Abs</b>	weight of waste produced	tonnes	248	-
	of which non hazardous	percent	100	-
	amount of waste sent recycled	tonnes	39	-
	percentage recycled	percent	16	-
	of which non hazardous	percent	100	-
	amount of waste sent to a landfill	tonnes	208	-
	percentage sent to landfill	percent	84	-
	of which non hazardous	percent	100	-
	amount of waste sent to incineration	tonnes	-	-
	percentage sent to incineration	percent	-	-
of which non hazardous	percent	100	-	

social

EPRA code	indicator	unit of measure	2019		2018	
			Male	Female	Male	Female
<b>Diversity-Emp</b>	employee gender diversity, direct employess	percent	58	42	60	40
	employee gender diversity, manager	percent	58	42	-	-
	employee gender diversity, board	percent	100	-	100	-
<b>Diversity-Pay</b>	pay gender ratio, direct employess	percent	81		-	
	pay gender ratio, manager	percent	73		-	

EPRA code	indicator	unit of measure	2019	2018
<b>Emp-Training</b>	training and development - direct employess	average number of hours	44	22
<b>Emp-Dev</b>	employee performance appraisal	percent	62	-
<b>Emp-Turnover</b>	total number of new employee hires	total number	409	352
	rate of new employee hires	percent	28	25
	total number of employee turnover	total number	305	205
	rate of turnover	percent	21	13
<b>H&amp;S-Emp</b>	employee health and safety - injury rate	per 100,000 hours worked	0.04	-
	employee health and safety - lost day rate	per 100,000 hours worked	-	-
	employee health and safety - absentee rate	percent	2.9	2.2
	employee health and safety - fatalities	total number	-	-
<b>H&amp;S-Asset</b>	asset health and safety assessments	percent of assets	78	-
	coverage	number of asset	1,115 of 1,115	-
<b>H&amp;S-Comp</b>	asset health and safety compliance	number of incidents	21	-
	coverage	number of asset	1,115 of 1115	-
<b>Comty-Eng</b>	community engagement, impact assessments and development programmes	percent of assets	6	-
	coverage	number of asset	1,115 of 1,115	-

<b>EPRA code</b>	<b>indicator</b>	<b>unit of measure</b>	<b>2019</b>	<b>2018</b>
	number of executive board members	total number	1	1
	number of independent or non executive board memebbers	total number	1	1
<b>Gov-Board</b>	average tenure on the governance body	average tenure	6.5	6.2
	number of independent or non executive board members Number of independent/non-executive board members with competencies relating to environmental and social topics	total number	1	1
<b>Gov-Select</b>	process for nominating and electing the highest governance body	-	page 28	-
<b>Gov-Col</b>	process for managing conflicts of interest	-	page 28	-

# GRI content index

## organizational profile

<b>GRI standard indexes</b>	<b>disclosure</b>	<b>page</b>	<b>omissions</b>
102-1	name of the organization	1	-
102-2	activities, brands, products and services	7, 8	-
102-3	location of headquarters	7, 8	-
102-4	location of operations	7	-
102-5	ownership and legal form	-	page 86 in the annual report
102-6	markets served	7	-
102-7	scale of the organization	7, 8	-
102-9	supply chain	-	-
102-10	significant changes to the organization and its supply chain	-	-
102-11	precautionary principle or approach to risk management	33	-

## strategy

102-14	statement from senior decision-maker	6	-
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## ethics and integrity

102-16	values, principles, standards, and norms of behavior	31, 32	-
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## governance

102-18	governance structure	29	-
102-22	composition of the highest governance body and its committees	29	-
102-24	nominating and selecting the highest governance body	28	-

**GRI  
standard disclosure  
indexes**

**page omissions**

stakeholder engagement

102-40	list of stakeholder groups	9	-
102-43	approach to stakeholder engagement	9	-
102-44	key topics and concerns raised	10	-

reporting practice

102-46	defining report content and topic Boundaries	38	-
102-47	list of material topics	10	-
102-49	changes in reporting	-	-
102-50	reporting period	37, 38	-
102-51	date of most recent report	-	-
102-52	reporting cycle	37, 38	-
102-53	contact point for questions regarding the report	38	-
102-55	GRI content index	45, 48	-

## environmental

<b>GRI standard indexes</b>	<b>disclosure</b>	<b>page</b>	<b>omissions</b>
<b>energy</b>			
302-1	energy consumption within the organization	39, 40, 42	-
302-3	energy intensity	39, 40, 42	-
<b>water</b>			
303-1	water withdrawal by source	39, 40, 42	-
CRE2	building water intensity	39, 40, 42	-
<b>emissions</b>			
305-1	energy direct (scope 1)	39, 40, 42	-
305-2	energy indirect (Scope 2) GHG emissions	39, 40, 42	-
CRE3	greenhouse gas (GHG) emissions intensity building energy consumption	39, 40, 42	-
<b>waste</b>			
306-2	waste by type and disposal method	41, 42	-
<b>supplier environmental assessment</b>			
308-1	new suppliers that were screened using environmental criteria	36	-
<b>certified assets</b>			
CRE8	type and number of sustainability certified asset	41	-

## social

<b>GRI standard indexes</b>	<b>disclosure</b>	<b>page</b>	<b>omissions</b>
<b>employment</b>			
401-1	new employee hires and employee turnovers	43	-
401-2	benefits provided to full-time employees that are not provided to temporary or part-time employees	25, 26	-
<b>occupational health and safety</b>			
403-2	types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	43	-
<b>training and education</b>			
404-1	average hours of training per year per employee	43	-
404-3	percentage of employees receiving regular performance and career development reviews	43	-
<b>diversity and equal opportunity</b>			
405-1	diversity of governance bodies and employees	44	-
405-2	ratio of basic salary and remuneration woman to men	43	-
<b>local communities</b>			
413-1	operation with local community engagement impact assessments and development program	43	-
<b>supplier social assessment</b>			
414-1	new suppliers that were screened using social criteria	36	-
<b>customer health and safety</b>			
416-1	assessment of the health and safety impacts of product and service category	43	-
416-2	incidents of non-compliance concerning the health	43	-



# EPRA content index

## environment

<b>EPRA code</b>	<b>indicator</b>	<b>unit of measure</b>	<b>page</b>
Elec-Abs	total electricity consumption	MWh/year	40, 42
Elec-LfL	total electricity consumption, like-for-like	MWh/year	39
DH&c-Abs	total district heating consumption	MWh/year	40, 42
DH&c-LfL	total district heating consumption, like-for-like	MWh/year	39
Fuels-Abs	total fuel consumption	MWh/year	40, 42
Fuels-LfL	total fuel consumption, like-for-like	MWh/year	39
Energy-Int	building energy intensity from Akelius apartments	KWh/sqm/year	40
GHG-Dir-Abs	scope 1	tonnes CO <sub>2</sub> eq	40, 42
GHG-Indir-Abs	scope 2	tonnes CO <sub>2</sub> eq	40, 42
GHG-Int	building GHG intensity from Akelius apartments	Kg CO <sub>2</sub> eq/sqm/year	40
Water-Abs	total water consumption	m <sup>3</sup> /year	40
Water-LfL	total water consumption, like-for-like	m <sup>3</sup> /year	39
Water-Int	water intensity from Akelius apartments	m <sup>3</sup> /sqm	40
Waste-Abs	total weight of waste	tonnes/year	42
Waste-LfL	total weight of waste, like-for-like	tonnes/year	39
Cert-Tot	type and number of sustainability certified asset	number	43

## social

<b>EPRA code</b>	<b>indicator</b>	<b>unit of measure</b>	<b>page</b>
Diversity-Emp	employee gender diversity	percent	43
Diversity-Pay	pay gender ratio	percent	43
Emp-Training	training and development	number	43
Emp-Dev	employee performance appraisal	percent	43
Emp-Turnover	employee turnover and retention	number and percent	43
H&S-Emp	employee health and safety	percent	43
H&S-Asset	asset health and safety assessment	number	43
H&S-Comp	asset health and safety compliance	number	43
Comty-Eng	community engagement, impact assessments and development programmes	percent	43

## governance

<b>EPRA code</b>	<b>indicator</b>	<b>unit of measure</b>	<b>page</b>
Gov-Board	composition of the highest governance body	number	44
Gov-Select	process for nominating and electing the highest governance body	narrative	44
Gov-Col	process for managing conflicts of interest	narrative	44

## overreaching recommendation

<b>indicator</b>	<b>unit of measure</b>	<b>page</b>
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coverage	-	37, 38
thirdy party assurance	-	37, 38
boundaries - reporting on landlord and utility consumption	-	37, 38
normalization	-	37, 38
own offices	-	37, 38
reporting period	-	37, 38
contact	-	37, 38

# auditor's report on the statutory sustainability statement

To the general meeting of the shareholders of Akelius Residential Property AB (publ), corporate identity number 556156-0383

## engagement and responsibility

It is the Board of Directors who is responsible for the statutory sustainability statement for the year 2019 and that it has been prepared in accordance with the Annual Accounts Act.

## the scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability statement*.

This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

We believe that the examination has provided us with sufficient basis for our opinions.

## opinions

A statutory sustainability statement has been prepared.

Stockholm 12 March, 2020

Ernst & Young AB

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Ingemar Rindstig  
Authorized Public Accountant

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Jonas Svensson  
Authorized Public Accountant

**Head office, Sweden**

Svärdvägen 3A  
Box 104, S-182 12 Danderyd  
+46 (0)8 566 130 00  
akelius.com

**Sweden**

Rosenlundsgatan 50  
Box 38149  
100 64 Stockholm  
+46 (0)10-722 31 00  
akelius.se

**Germany**

Erkelenzdamm 11-13  
D-10999 Berlin  
+49 (0)30 7554 110  
akelius.de

**Canada**

289 Niagara Street  
Toronto M6J 0C3  
+1 (416) 214-2626  
akelius.ca

**England**

10 Bloomsbury Way  
London WC1A 2SL  
+44 (0)2 078 719 695  
akelius.co.uk

**France**

24 rue Cambacérès  
75008 Paris  
+33 1 40 06 85 00  
akelius.fr

**United States**

300 A Street, 5th Floor  
Boston, MA 02210  
+1 857 930-39 00  
akelius.us

**Denmark**

Nørre Voldgade 80, 2. floor  
1358 Copenhagen K  
+45 88 62 62 78  
akelius.dk