Sponda's ESG requirements and targets for major development projects:

SPONDA

**Climate Change Mitigation**

Sponda's properties operate on 100% emission free energy following our climate roadmap and targets validated by the SBTi. Life cycle emissions are determined and minimized in development projects.

Energy class target is A in new construction and B in major renovation projects.

Potential of **on-site renewable energy production** is studied, and feasible solutions are implemented.

**Life cycle assessment (LCA)** is carried out, and comparative carbon footprint calculations are compiled to find low-caron solutions and cut scope 3 embodied emissions. Projects must comply with Sponda's threshold levels set for embodied carbon. Projects must also meet the national threshold levels for life cycle carbon footprint as well as thrive to meet the levels of the next threshold period (2029 levels).

**Climate Change Adaptation**

**Physical climate risk and flood risk assessments** are carried out, and adaptation solutions are implemented for the most important identified risks.

**Green Building Certification**

All major development projects will be certified. Target level is **LEED® Platinum** or **BREEAM® Excellent**.

**EU Taxonomy**

All new construction and major renovation projects (CCM7.1 and CCM7.2) are **taxonomy aligned**, including the DNSH-criteria, for example:

At least 70 % of the non-hazardous construction and demolition waste generated on the construction site is prepared for reuse, recycling and other material recovery.

New constructions are not built on arable land and crop land, greenfield land of recognized high biodiversity value and land that serves as habitat for endangered species, land matching the definition of forest.

**Circular Economy**

We aim to promote circular economy and the reuse of construction materials and products in our projects.

A pre-demolition audit and an assessment and inventory of construction materials and products suitable for reuse are prepared as early as possible.

Where possible, the project schedule allows time for light demolition works and dismantling of building components suitable for reuse.

The project design aims for durability and adaptability throughout the life cycle and promotes dismantlability at the end of the life cycle.

Procurements consider the requirements of certification systems and the EU taxonomy such as the use of certified wood and environmental product declarations (EPD's) and possibility to reuse products.

**Sustainable Transportation**

Sponda's development projects are located within centers of growth by existing services and transport connections.

Solutions are implemented within the projects that support the use of **emission-free transport**, such as bicycle storage, showers and locker rooms and charging stations for electric vehicles.

**Biodiversity**

**Ecological features** of the site are assessed by an ecologist before commencement of the works and possible features of ecological value are protected, if possible, based on the recommendations of the ecologist.

We investigate and improve management of supply chain biodiversity impacts, such as those of construction material production and procurement.

**Social Responsibility and Gorvernance**

We want to be involved in developing the **safety and the human rights practices** of the sector.

Our goal is 0 critical accidents on our construction sites.

We carry out annual ESG audits to identify and mend any identified risks in co-operation with our partners.

Our partners, such as contractors, are required to commit to our **Code of Business Conduct**. It is the responsibility of our partners to ensure that subcontractors also follow the guidelines.

We use internal and external tools for **supplier management**, such as supplier register and Valvoja service by Vastuu Group and our KYC process.

Possible nuisances, such as noise, dust and light pollution, are assessed and minimized throughout the project through e.g., air quality and rainwater management during works.

Safe use of premises and **health and well-being** of future building users is promoted through the following, for example:

Requirement to use CE marked products, M1 certified surface materials and provide safety data sheets for used chemicals.

Design solutions that support acoustic performance, thermal comfort and lighting quality (natural and artificial), and indoor air quality of the spaces.

Possibility to apply for WELL®-certification is studied in large projects.