

ESG Report 2021

Environmental | Social | Governance

kereby

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About Us



Nørrebro



Hellerup



We provide places for people to live and work in Copenhagen, through leases on residential and commercial properties. We keep our properties up to date, maintaining, renovating, and developing the offices, shops and homes we own and manage. We take pride in the attractive housing and modern tenancies we provide within our historic city.

We have invested more than 900 million DKK to renovate our buildings and homes and have ambitious plans to go further while preserving the unique cultural heritage of the Danish capital's traditional housing stock. Kereby is investing significant long-term capital into our properties, boosting economic growth and creating jobs.

Copenhagen is our home. We recognise our responsibility to the positive development of the city. Our top priority is providing responsive, professional management of homes that are modern, high quality and as environmentally sustainable as possible, while supporting the local communities of the people who live in them.

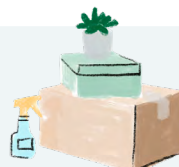
Kereby was founded under the name 360 North in 2017. In May 2019, Blackstone acquired 360 North, and subsequently changed its name to Kereby. In June 2019, Blackstone appointed Lars Pærregaard as the new CEO of Kereby, who then expanded the Executive team with COO Kenneth Ohlendorff and CFO Ole Markussen.



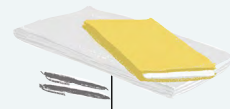
120
employees



159
properties managed
in Copenhagen



Approx. 2,350
residential
leases



Approx. 560
commercial
leases

A Message from our CEO

Environmental, social and governance matters have never been more important to our business. Providing homes that promote a happy and healthy lifestyle — while making a positive contribution to our communities and limiting the toll taken on the planet — is what Kereby is all about. I am proud to introduce our first ESG Report, which sets out how we will accelerate our sustainability priorities, with transparency and openness.

Our customers are our priority, so we will continue to listen closely, respond in a timely manner, and maintain good relationships with them. Our employees are essential to the success of our business. Kereby takes responsibility for the wellbeing of our employees, our suppliers, and the local communities in which we operate. These are our stakeholders. We are committed to understanding and responding to their evolving needs.

Global challenge

Since I joined the company just over three years ago, there have been profound changes to the global context in which we operate. The global pandemic was a major challenge to our business and our residents, whilst political instability in Europe has undermined food and energy security. All the while, the risks posed by climate change have increased in severity. The importance of adaptability is clear. Responsible businesses everywhere have a part to play in mitigating these global challenges, for the good of us all.

Our homes are the best place to start. We are focusing on sustainability which will enable us to be an agile and future-proofed organisation. In this report, we are proud to set out clear commitments that will connect our business objectives with social and environmental priorities.

“The importance of adaptability is clear. Responsible businesses everywhere have a part to play in mitigating these global challenges, for the good of us all.”

Local change

As more private property companies have entered the Danish real estate industry, the sector has professionalised. There is a renewed focus on providing a better service to all tenants while enhancing communities and improving the country's overall quality of housing.

We are collaborating with other organisations, choosing suppliers that can help us on our journey, sharing knowledge with all our stakeholders and consistently improving the way we collect ESG data. It means we can set clear goals, develop and implement meaningful initiatives, and effectively measure and report on our progress.

This transparency will help us to empower our employees, to better understand our customers, and to be innovative. When we all work together, we know that substantial progress can be made, so we welcome your feedback, ideas, and concerns. Together, we can all define a more sustainable future.



Lars Pærregaard
CEO

The Kereby Identity

Our business

Copenhagen is our city, with its beautiful neighbourhoods, vibrant architecture and diverse communities. We are proud to contribute to its prosperity through our properties and our people.

Tenants' needs are always evolving and we are constantly striving to improve our service. We take pride in providing the means for our local communities to thrive – well maintained, comfortable and environmentally efficient homes, shops and offices.

Our people make that happen. We are a diverse group of talented people, but we all share our core values of **respect, accountability, and professionalism**. These values drive our company culture and define our relationships with all our stakeholders.

Kereby's office from October 1st 2022



Our ambitions

The following ambitions are integral to who we are and what we do:

Tenants first	Investing in high-quality housing for our tenants	Preservation of historic housing stock	Making a positive impact in our communities	Sustaining employment & supporting diversity
<p>Tenants' happiness and safety are our priority. We build respectful relationships with them and always respond to their needs in a timely manner. We continuously enhance our services, develop our buildings, and look for areas to improve the overall experience of customers.</p> <p>We maintain mutual respect with tenants, letting them know they are valued. Whether we are carrying out work on their properties or developing community programmes, we listen to their concerns, ensure we meet their expectations and protect their rights.</p>	<p>We have invested more than 900 million DKK in renovating homes and making our buildings more environmentally sustainable. This is aimed at bringing new life to our properties – most of which are over 100 years old – and creating new leases in previously unused areas.</p>	<p>We are a custodian of the character of our city. We carry out renovations and maintenance to ensure our buildings are not just functional and efficient, but also make a positive contribution to Copenhagen.</p>	<p>Our work goes beyond our buildings to enhance our local communities and make a positive social impact. Being part of an engaged community is vital to the health, happiness, and wellbeing of our tenants. We collaborate with charities and other organisations to help our local areas thrive.</p>	<p>A fulfilled team will provide the best service for our tenants. We put our people at the heart of our business by addressing their needs, providing effective training and always ensuring their safety. We strive to consistently improve diversity within an inclusive culture. We are proud to provide work for hundreds of contractors and vendors, supporting the wider economy.</p>

A Message from our Head of ESG

The beginning of this decade was a tipping point for sustainability. It taught us that resilience, adaptability, and a long-term outlook are vital for our business and our stakeholders to thrive. It made clear our obligation to make a positive impact on the local communities where we operate and on the wider world. The launch of our first ESG framework is an exciting opportunity to engage our key stakeholders on the tangible accountable actions we are taking.

● Social - Supporting our Customers, People & Communities

We will address our social obligations to our tenants, communities, and wider stakeholder groups. We are constantly working to find new ways we can improve our service while creating social value. So far, we have conducted satisfaction surveys, held business-improvement event for our commercial tenants, and supported local charities. We have also established a Service Centre to quickly respond to all our tenants' needs.

We are committed to employee well-being and diversity. It is an essential part of our aim to create an inclusive culture that properly reflects the characteristics of our communities. We have set up a Staff Association to improve social representation and cohesion. We have made it easier for employees to enhance their work-life balance with an extended parental leave scheme. We offer training and coaching to improve inclusivity in the workplace, founded on recruiting from a diverse pool of people.

● Environmental - Protecting our Environment

We are in a climate crisis, and we must respond as such. Kereby will contribute to the Copenhagen 2025 goal of being a carbon-neutral city and Denmark's commitment to reduce carbon emissions by 70% by 2030. Our largest source of carbon emissions comes from the properties we manage. To achieve our carbon reduction goals in our properties in support of the wider Paris Agreement and with an awareness of our impact on the environment and ecosystems, we will:

1. Enhance efficiency in the areas where we as a company have a direct impact through our operations;
2. Beyond our own operations, influence carbon emissions reductions where we can, in particular, inspiring our tenants to reduce their own energy consumption; and
3. Inform and empower tenants to exercise resource awareness in waste disposal and water usage.

● Governance - Embedding ESG in our Business

Effective governance is about responsible management, ethical behaviour and a safe environment. Our day-to-day ethical values are known throughout the company as RAP - Respect, Accountability and Professionalism. They ensure that first and foremost, we are respectful to all our stakeholders, accountable to do what we say we will do, and professional in all our relationships.

We have established a whistle-blower scheme to support RAP. We are accountable to an independent body. We protect data in line with GDPR guidelines and regularly keep up to date with legislative requirements.

The next steps

As part of our commitment to transparency we will identify meaningful KPIs and establish measurable targets to clearly and transparently report on our progress in implementing our ESG programme.

This year for the first time, we participated in the global real estate sustainability benchmark (GRESB) an industry leading reporting framework for the real estate sector. The assessment provides us with a robust assessment of ESG performance, that we can use to benchmark against industry peers and communicate objectively to our residents, employees, investors and the general public.

We are aware that we cannot achieve these goals alone. To find sustainable solutions, we will exchange knowledge across our sector and continue to engage with our stakeholders.

We are building a sustainable, agile company. We will redefine 'business as usual' in our industry by encouraging peers to make similar improvements while continuing our own learning from inspiring organisations and sustainability leaders throughout the world.

I look forward to sharing Kereby's full story of progress with you all.



Jean Ahlefeldt-Laurvig
Head of ESG & Public Affairs

ESG Highlights



Supporting our Customers,
People and Communities



Protecting
our environment



Embedding ESG
in our business

120

EMPLOYEES

May 2021 established Kereby staff association to support all 120 employees and strengthen social cohesion after effects of COVID-19.

900

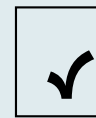
MILLION DKK

Since inception invested more than 900 million DKK in the maintenance and improvements of the historic Copenhagen residential buildings.



GRESB

June 2022 submitted our first reporting to GRESB (Global Real Estate Sustainability Benchmark).



TENANT SURVEY

Since 2020 we have conducted yearly tenant surveys and communicated survey results and Kereby's service commitments to all residential tenants.

24

UKRAINIAN
REFUGEES
SUPPORTED

June 2022 supported 24 Ukrainian refugees with 5 fully furnished apartments as humanitarian relief, in collaboration with the Copenhagen municipality.



CO2

OUR
CARBON
FOOTPRINT

May 2022 officially reported our first carbon accounting for our operational emissions and ensured limited assurance from Deloitte.



IN-HOUSE
SERVICE
CENTRE

February 2020 established in-house Service Centre to improve service and responsiveness for our tenants and offer 24-hour service. Response time 32-seconds, on average.



IMPROVED
ENERGY
LABELS

Since inception improved 104 of our buildings to EPC rating in band C or above, meaning we now have 142 buildings at this level or three-quarters of our portfolio by floor area.



WHISTLE-
BLOWER
SCHEME

August 2020 established a whistle-blower scheme to create safe and equitable environment for employees and collaborated with external administrators to enforce this.

Introducing our ESG Strategy

A sustainable future for Kereby — one which promotes health, happiness and prosperity — depends on the successful evolution of our business. We are proud to introduce the three main areas of focus in our new environmental, social and governance strategy:

- **Supporting our Customers, People & Communities**
- **Protecting our Environment**
- **Embedding ESG in our Business**

We plan to apply the strategy in three phases. Activity outlined within phase 1 has already been completed. Over the course of the next 12 months, work to complete phases 2 and 3 will follow.

Throughout, we will empower our customers, employees, and stakeholders toward more sustainable lifestyles through our properties and business operations. We strive to put sustainable thinking at our core. We will identify and reduce negative environmental and social impacts, guided by our values and our partners.

Phase 1 – Determining our core material issues

We recognise the intrinsic connection between creating value for our stakeholders and for the business, therefore we are prioritising the issues that matter most to both. We looked at several ESG issues that we should initially address to maximise value and narrowed them down to nine, as shown on our materiality matrix on page 9.



Phase 2 – Refining our sustainability issues and setting 2025 targets

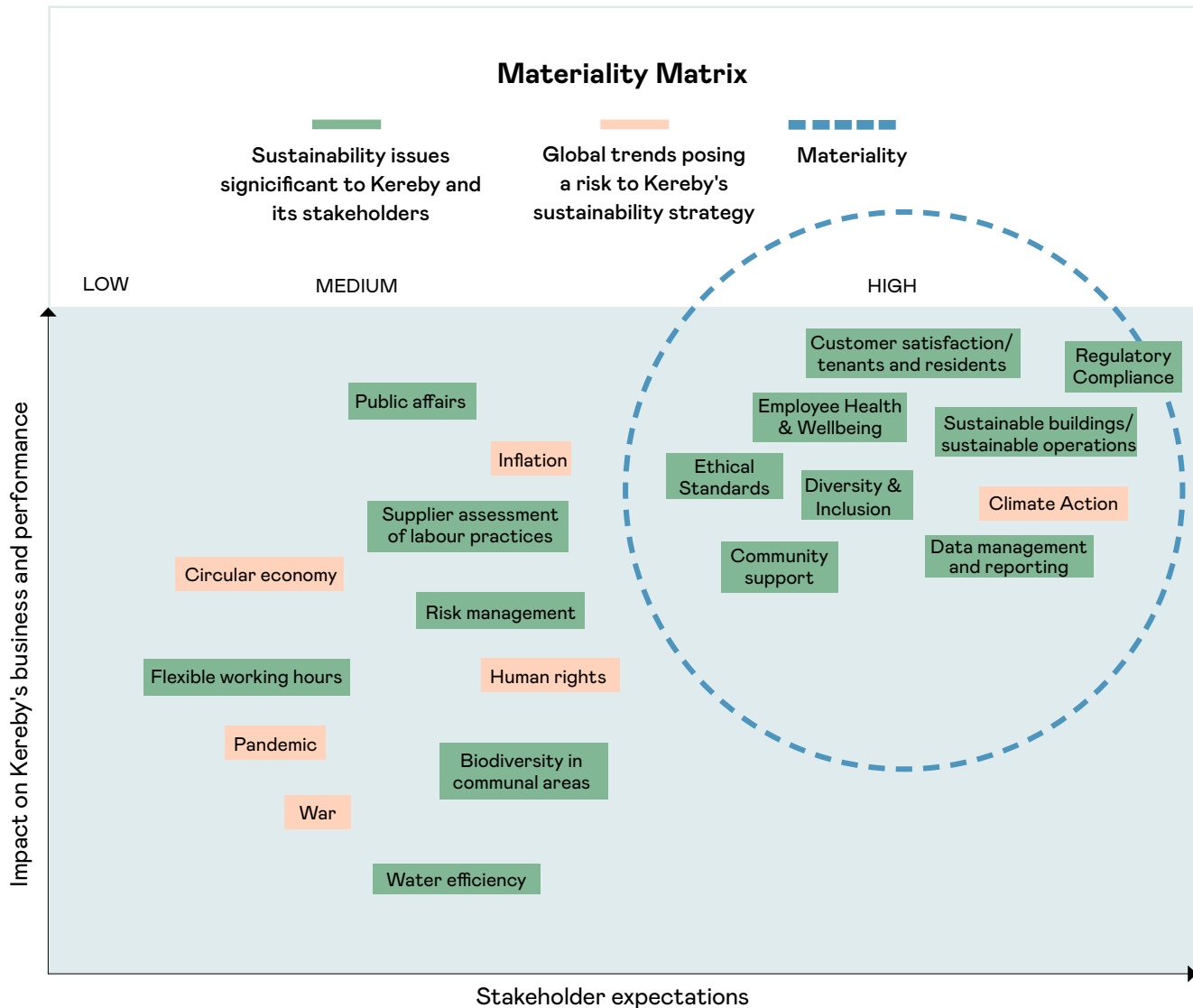
We will deepen our understanding of our stakeholder expectations and priorities and use this to refine our focus areas for our nine core issues. We will set medium-term targets for 2025 and long-term targets for 2030 for the priority areas that emerge. These targets will guide our allocation of both time and resources to where we can make the most impact.

Phase 3 – Launch, monitor and report

After completion of Phase 2, we will communicate our targets to our employees, customers, suppliers and wider stakeholders so we can be held accountable. We aim to excite, motivate, and empower our employees to find innovative and practical actions to take at all levels.

We will continue to report to GRESB and produce an ESG report that outlines the progress towards our goals. We will invite feedback, suggestions, and concerns from all our stakeholders, to have a holistic approach to taking positive action.





Our Stakeholders

Our approach and engagement

As a property administrator with approximately 3,000 tenants and 120 employees, we have a direct impact on many lives and businesses. We will carry out regular reviews in the future to ensure we continue to understand and meet stakeholders' needs and how they are changing.

Stakeholder engagement is crucial in all our operations; from informal, day-to-day discussions to structured stakeholder sessions. Our strategic review has defined six distinct stakeholder groups, listed in the table below.



Stakeholder group	Engagement
Customers* and future customers – these are our tenants and potential tenants.	Kereby engages its customers through a wide range of communication channels. These include our Service Centre, information emails, digital information screens in all properties, a comprehensive communication platform, satisfaction surveys and face-to-face tenant meetings.
Employees* – all our staff and future employees.	The happiness and wellbeing of our employees are important. We use satisfaction surveys, training, employee development meetings and regular meetings to engage with our people. We have also set up a Staff Association to strengthen social cohesion.
Local communities* – those areas in which Kereby operates.	Kereby is committed to several interest groups working actively to create strong and caring communities. Kereby donates to aid organisations and meets regularly with representatives from some of these organisations to discuss how we can best contribute to enhancing their great work.
Suppliers – everyone who delivers products and services to our business across the value chain.	Suppliers are engaged through meetings, telephone conversations and email correspondence. A thorough process of due diligence precedes procurement/vendor agreements, and we ensure contractual compliance with our code of conduct and green policies.
The political system – politicians and officials with whom Kereby meets regularly.	Kereby meets with representatives and officials from local and national political systems on issues of importance to our business and to our residents.
The media – both national and local outlets.	Kereby responds to all press enquiries in an open and friendly manner.

*Our key stakeholder groups



Communal garden in Kereby's portfolio

Supporting our Customers, People & Communities

S

Providing best-in-class service to our customers starts from within the company — with engaged and healthy staff — working well within an inclusive culture. Success within Kereby sets up success throughout our communities. The happiness and fulfilment of our staff are vital. People perform best when they can see they are working where they can make a difference in other people's lives through their own contribution.

Our early success stories

Customer Satisfaction

Improvement through engagement | We care about great service for our residential and commercial tenants. Tenant engagement is a priority for us. In 2020 we implemented the use of regular customer satisfaction surveys, to hear directly from our tenants where we can improve and what is working well. In addition, we introduced a 24-hour service line and increased the frequency of face-to-face tenant meetings. Our goal is to deliver best in class service and this two way dialogue is crucial to achieving this.

Caring for tenants during maintenance | We have improved the way in which we issue planning and maintenance updates to enhance the customer experience for our tenants. We have an in-house Service Centre with

the team answering tenant calls within 32-seconds, on average. They register all queries and schedule responses to ensure all issues are promptly resolved.

Supporting our commercial tenants | We invited social media expert Benjamin Rud Elberth to deliver a workshop to over 30 commercial tenants in 2022 on how to harness the power of social media. They received relevant and actionable feedback to help grow their businesses, using social media as a tool.

Community Support

Partnering with veterans | Our partner, Velkommen Hjem, eases the transition of former military personnel into civilian life and work. All our mentees have secured a job in the corporate world, and we are looking forward to helping more people in the future.

Supporting vulnerable groups | We support Bydelsmødre, an organisation which helps female immigrants living in Denmark. We support their efforts to develop social cohesion through language tuition and education about the Danish society. We have also partnered with Hellebro, a private charity association in Denmark that provides housing for young homeless and vulnerable people in Copenhagen to help them on their way back to the established society.

Supporting our Customers, People & Communities

Helping community cohesion | Twenty percent of Kereby's portfolio is made up of small commercial leases. We take care to match commercial tenants and local communities to complement each locality and the unique feeling that makes each Copenhagen city district so special.

Providing emergency equipment | We have installed 50 defibrillators across Copenhagen after Kereby analysed the location of the city's existing stock and identified the neighbourhoods with gaps in the provision of the life-saving devices.

Employee Health & Wellbeing

Creating Kereby Staff Association | We have an important tool to strengthen the social cohesion of our 120 employees, which is especially significant after the effects of the pandemic. Our Staff Association enjoys a high participation rate at its events which range from fishing trips to wine tastings as well as sporting events.

Promoting a healthy work-life balance | We know our people do their best when they feel good, both in and outside of work. Part of our initiative to foster wellbeing includes providing extended maternity and parental support scheme.



"No customer needs should be left unresolved - with our Service Centre we are able to better and more swiftly support our customers' inquiries from start to finish"

Kenneth Ohlendorff, COO

First Aid Training | All our employees are expected to take a designated First Aid course, giving them skills to take into the community.

Conducting work environment assessments | We have established a Working Environment Committee to put extra focus on health and safety for all employees in the company as well as ensuring that we closely comply with all health and safety regulations.

Every other year we conduct a workplace assessment with all staff in order to measure and improve the working environment. It is carried out anonymously through a third party. We achieved a high score on safety, engagement and good leadership. Where the survey identified areas for improvement, team managers conduct workshop style meetings to discuss improvements.

Diversity & Inclusion

Zero tolerance of discrimination and disrespect | All our employees can expect to be treated fairly, respectfully, without regard to gender, race, skin colour, religion or belief, political opinion, sexual orientation, social or ethnic origin or other characteristics. Any offensive behavior in the form of sexual harassment, unwanted sexual attention, violence, bullying, threats of violence, discrimination and harassment of employees is not accepted under any circumstances. That applies to physical, verbal, non-verbal as well as mentally abusive behavior, in line with our policies that were updated in February 2021.



Supporting our Customers, People & Communities

Embracing diversity | We expect our staff to respect each other and value diversity and inclusion. External consultants trained our senior and mid-level managers, providing them with the tools to recognise unconscious biases and interact constructively spreading awareness about diversity and inclusion throughout the company.

Collaborating for inclusivity | Diversity is meaningless without inclusivity. To strengthen our understanding and help us improve, we sit in a working group with other businesses from our sector. It focuses on eradicating bias and promoting equality, fairness, and justice in the workplace. This helps to inform our Diversity & Inclusion activities, and we will conduct an inclusion survey later in the year.

Creating a gender balance | We are committed to ensuring our management is gender balanced. Currently, one-third of our managers and Board members are women and our diversity and inclusion policies will ensure further progress is made in this area.

Our commitments

We set broad commitments to which specific goals will be set in Phase 2 of our strategic planning.

Customer Satisfaction

We commit to delivering high standards of service to our residential and commercial tenants.

Employee Health & Wellbeing

We commit to creating a nurturing and inclusive culture that helps our people to learn, grow, and thrive.

Diversity & Inclusion

We commit to creating a more diverse workplace that is accessible and inclusive for everyone.

Community Support

We commit to helping our local communities flourish.

Helping Ukrainian refugees – A collaboration with Copenhagen Municipality

When the war in Ukraine broke out in February 2022, Europe changed. Some of the Ukrainians fleeing their country sought refuge in Denmark. Kereby wanted to help, playing whatever part we could and contributing to the response made by many other Danish firms, which all together have helped address this humanitarian crisis. We made five empty flats available to Ukrainian refugees and partnered with the Copenhagen municipality to support the refugees in the following ways:

Complete furnishings: Before the refugees moved in, Kereby made sure the apartments were fully furnished. Across the organisation, 30 Kereby employees collaborated to furnish and prepare the apartments. Our employees were divided into five groups assigned to each apartment, of which, each group was a steering group member who was responsible for the overall coordination in collaboration with a Kereby management member.

Expenses covered: During the 12-month period that the Ukrainian refugees live in the apartments, Kereby will pay for all their expenses covering rent, water, heating, and electricity consumption.

Location & specifications: The five apartments that we made available are all located in the Amager area. The apartments vary in size between 61 to 100 m².

Occupancy: 24 Ukrainians started moving in in June, subject to receiving the necessary residence permit from the Danish authorities.

Protecting our Environment

E

We recognise the need for action to tackle the effects of climate change. We support Copenhagen's ambition to be a carbon neutral city by 2025 and Denmark's national policy to reduce its carbon emissions by 70 % by 2030. We are committed to playing our part.

Property companies like Kereby are vital to decarbonisation efforts. It is widely reported that 40% of global carbon emissions come from the real estate sector. We face a dual imperative: to produce homes that are more sustainable, advancing the low-carbon transition, while also serving our residents' health, safety and wellbeing needs.

Furthermore, the social need for more good quality housing must be balanced with the environmental cost of new development, in terms of both energy and material resources. This is an important consideration and one of the reasons why we choose to renovate existing residential units rather than developing new builds whenever we have the choice.

Our early success stories

Climate Action

Operational carbon emissions (Scope 1 & Scope 2) | Using recognised greenhouse gas (GHG) accounting principles, we have assessed our operational carbon emissions for 2021 to be 2,280 tCO₂e.

- **Scope 1:** direct emissions from the fuel consumption of our vehicle fleet.
- **Scope 2:** indirect emissions from the generation of purchased electricity and heat in our offices and, where Kereby is responsible, across our residential portfolio.

We calculated our operational carbon emissions for 2021 which will be used as a baseline against which to measure our carbon emissions performance going forward. The assessment – audited by Deloitte – confirms that the largest portion of our operational carbon footprint is attributable to the properties we manage. Figure 1 shows the year-on-year reductions that would be required to align Kereby's operational carbon emissions to a 1.5° C warming scenario, the goal of the Paris Agreement. It shows that by 2030, we would need to reduce carbon emissions by 42 %, which is the minimum emission reduction required relative to our 2021 baseline and aligned with IPCC's* 1.5°C scenario. For our future target setting we will follow a robust, science-based methodology.

Scope 3 emissions have not been included in this assessment. Scope 3 refers to other indirect carbon emissions relating to the value chain of our business. That includes those generated upstream – from the materials and construction activities used to develop our properties – and downstream – from our tenant's subsequent domestic electricity usage.

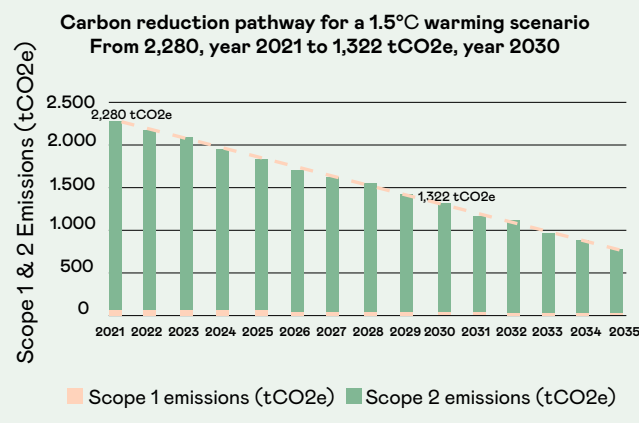


Figure 1: Carbon reduction pathway for a 1.5° C warming scenario

Value chain emissions (Scope 3) | We have started to create a carbon inventory for the indirect carbon emissions that occur beyond our own operations but within our value chain. It will allow us to measure, monitor and report on our Scope 3 emissions. We have already identified our tenants' electricity consumption as a major factor. While we cannot directly control such factors, we can have some influence by actively engaging with all our tenants.

We intend to strengthen our relationships with all stakeholder groups in direct control of our Scope 3 emissions, through collaboration and data sharing. We have made a start with our commercial properties, where we have included green lease clauses in all contracts since 2021 to stipulate sharing of utility data by our commercial tenants.

Safeguarding the natural world | Protecting the existing, natural ways in which carbon is absorbed and stored on our planet is an effective way of fighting climate change. To do so, we need to conserve ecosystems and support biodiversity. We recognise that we have more to do in this respect. We have already taken initial steps to limiting the way in which our activities can damage the natural world and its ability to absorb carbon:

- We collect and monitor data on the amount of water consumed and waste generated from all our properties. For waste, we assessed quantities at all properties including various waste streams for recycling and incineration with energy recovery.
- We use environmentally friendly cleaning products and have advised all our commercial tenants to do the same via green clauses in their lease agreements.
- We have stopped the purchase of plastic water bottles and cardboard cups across our company.

* Intergovernmental Panel on Climate change

Protecting our Environment

Sustainable Buildings:

Investing in our properties | On average our buildings are more than 100 years old. We have undertaken major renovations and insulation works in our buildings including window replacement, renovation of stairwells, homes, heating systems, basements and roofs, investing more than 900 million DKK in our properties since our inception.

We are proud custodians of Copenhagen's cultural heritage. As well as preserving the city, our restoration work on the facades of 37 of our older buildings is better for sustainability, while offering residents a greater sense of pride in their homes.

To ensure that all our buildings are safe and healthy for our residents, we have developed a routine assessment to identify and mitigate any hazardous materials that may be harmful to human health, including asbestos, lead and polychlorinated biphenyls (PCBs).

Energy efficiency improvement | As well as investing generally in the quality of our homes, we have invested significantly in measures to improve energy efficiency. Through this programme we have improved more than 104 buildings to EPC rating band C or above, meaning we now have 142 buildings at this level, or three-quarters of our portfolio by floor area. We will continue to invest in our properties in this way to reduce our carbon footprint while enhancing comfort for our residents and reducing their energy bills.

Our commitments

We set broad commitments to which specific targets will be set in phase 2 of our strategic planning.

Climate Action

We commit to taking climate action across our business and our portfolio by improving energy efficiency and reducing the carbon intensity of our operations.

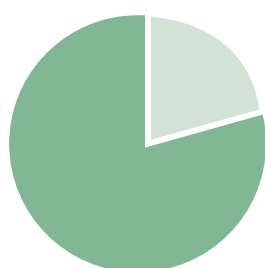
We will hold ourselves accountable by setting a carbon emissions target using a robust, science-based methodology.

We commit to protecting the natural world by using resources more efficiently, minimising waste and pollution, avoiding use of harmful products and exploring means to protect, restore and develop local ecosystems.

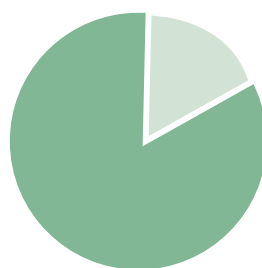
Sustainable Buildings

We commit to investing in our properties to improve energy efficiency and enhance the health, safety and wellbeing of our residents.

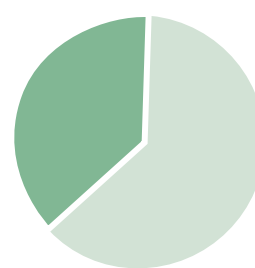
1. Copenhagen and Frederiksberg



2. Our portfolio at acquisition



3. Our portfolio in April 2022



■ EPC rating band C or above ■ EPC rating band D or below

The above pie charts respectively represent the fraction of EPC rating bands of C or higher for 1. midrise buildings from 1891-1930 in Copenhagen and Frederiksberg with district heating that are comparable to our buildings 2. our buildings at acquisition 3. our buildings as of April 2022.

The data of midrise buildings from 1891-1930 in Copenhagen and Frederiksberg with district heating is obtained from the

following link: <https://sparenergi.dk/forbruger/vaerktoejer/find-statistik-paa-danmarks-energimaeker> (Accessed 30.04.2022). Furthermore, the EPC rating for our buildings at acquisition is obtained from previous technical due diligence documents conducted before acquisition, while the actual energy label is publicly available and collected from the following link: <https://sparenergi.dk/forbruger/vaerktoejer/find-dit-energimaerke> (Accessed 30.04.2022).

Protecting our Environment

Advancing accurate data collection – A collaboration with HOFOR

We have developed a close partnership with the HOFOR utility company to use smart meters to better monitor energy consumption. Our collaboration with Copenhagen's district heating provider collects and processes detailed energy and carbon data from over 120 properties.

Heating is one of the most significant contributors to our carbon footprint. More accurate measurement and monitoring of district heating supply will help identify opportunities to reduce emissions, including financial incentives. HOFOR's technical consultants have already provided training for Kereby's operations team to optimise the performance of central heating systems. As well as improving efficiency, the goal was to increase reliability and tenant comfort.

"We were impressed when Kereby asked us to join forces with them to help make better use of energy in their properties. Together, we have found innovative ways to cut costs for tenants and help reduce the environmental impact of heating homes. Our collaboration has already shown its first results and with the full support of Kereby's management and staff, we look forward to doing more of this important work together in Copenhagen.

Ole Kristensen, Chief consultant / HOFOR

"HOFOR and Kereby's partnership is an important step forward towards our joint ambition of helping create a sustainable city. We welcome a major player in private rental into this important work and its successful start has helped raise the profile of these innovations with a range of stakeholders, including professional investors as well as our local communities."

Emil Ziyanak, Head of customer solutions / HOFOR

"We were impressed when Kereby asked us to join forces with them to help make better use of energy in their properties. Together, we have found innovative ways to cut costs for tenants and help reduce the environmental impact of heating homes."

Ole Kristensen, Chief consultant / HOFOR



Embedding ESG in Our Business



Transparency, openness and clarity are vital to our ESG ambitions. We will need all three characteristics to successfully embed our values throughout the business. We will also be honest about how we are doing, measuring our progress against well-defined criteria and communicating the results clearly to all stakeholders.

Our early success stories

Ethical Standards

Ethical behaviour and accountability | We have established a whistle-blower scheme with an external provider, WhistleB and the law firm Bech-Bruun. Its goal is to encourage employees to safely speak out if they have concerns about any malpractice or other issues contrary to our ethics and policies, without fear of reprisal or discrimination. It will also help keep senior management accountable to external administrators.

Reporting & Data Management

Protecting data | We passed assessments of our methods of storing confidential and sensitive personal data efficiently. We already meet the obligations of the Data Protection Ordinance and the Data Protection Act, with the most recent evaluation carried out in Q3' 2021. Regular spot checks are held to assess whether we meet the requirements of the General Data Protection Regulation. They are carried out with an external law firm that announces an inspection visit at random and in line with Danish Data Inspectorate standards.

Data quality and insights | Kereby has implemented a business intelligence solution using Power BI. This provides selected users with real-time reports and dashboards. These users can make decisions based on data that is transparent. The types of reports generated so far include accounting & financial reports, KPIs, renovation process overview, vacancy & renovation performance. This platform will also be used to access relevant energy and waste management data in an easily accessible format to support our environmental efforts.

Communicating our progress | This year, Kereby participated in GRESB for the first time. GRESB provides a global standard for benchmarking portfolio-level ESG data in the real estate sector. More than 1,500 participating companies and funds submit data each year on everything from their utility consumption to diversity & inclusion initiatives and governance practices. Data is validated and benchmarked to give investors and other key stakeholders a robust, objective assessment of ESG performance and year-on-year improvement. We hope that by participating in this exercise we demonstrate our commitment to the principles of transparency, openness and clarity and that a higher degree of visibility on our

ESG performance will, in time, drive greater efficiency and lead to improvement. In addition to GRESB, we will publish an ESG report each year going forward, to communicate clearly and transparently to our stakeholders on our progress in developing and implementing our ESG strategy.

Regulatory Compliance

ESG legislation | We work closely with external lawyers to keep up to date with a raft of regulatory developments across environmental, social and governance topics, and we review and update our policies and procedures as required to maintain compliance with all applicable legislation. We have launched an internal working group that prepares monthly internal newsletters to share knowledge on legislation, regulations, guidelines and future changes.

Our commitments

We set broad commitments to which specific goals will be set in phase 2 of our strategic planning.

Ethical Standards

We commit to running our business with integrity and the highest standards of ethical behaviour.

Reporting & Data Management

We will be vigilant custodians of data, ensuring we respect privacy while using information with accuracy and transparency in all our reporting.

Regulatory Compliance

We will comply with all applicable laws and regulations for our business and work with local government to encourage better ESG laws where we can.



"The implementation of Power BI is a unique tool for us to analyse and structure data for the ultimate purpose of meeting environmental, social and governance commitments and improving initiatives"

Ole Markussen, **CFO**

ESG Governance



Our ESG strategy is driving change across our business, to make sustainability part of everything we do. This requires ongoing engagement and a clear culture shift. It will give us a deep understanding across the business of what is required for us to remain a successful business in a rapidly changing world.

Greater transparency will empower our employees, help us to better understand our customers and find innovative ways to achieve our goals. We hold ourselves accountable by communicating our progress in our annual ESG report and participating in GRESB.

ESG Governance Structure

Our company-wide culture of transparency and accountability is led by our CEO, COO and CFO. Progress against our sustainability strategy is reviewed by the Board and our CEO, overseen by our Head of ESG, and publicly communicated through our annual ESG report.

C-suite and wider management group will create sustainability targets and action plans, outlining activities required in each area of the business for us to achieve our goals, and these will be implemented through our ESG Champions and our wider employee base. In 2022, we will establish a steering committee which will be responsible for tracking progress against our annual ESG targets and objectives to ensure any issues are highlighted as early as possible.

Risk Management & Supporting Policies

Risk management means identifying our potential exposure to environmental, social and governance factors that could damage our business, and putting policies in place to minimise the potential for problems and effectively mitigate them when they arise.

We have established policies and procedures to define the expected code of conduct for our employees, contractors and business partners, and clearly outline our approach to data protection, cybersecurity and bribery & corruption. These are designed to standardise our approach to mitigating the assortment of risks facing our business and to promote best-practice culture among our employees, contractors and business partners.

Next Steps in our Sustainability Journey

This report shows how our commitment to reducing our environmental impact stands alongside providing best-in-class service for our customers. With Phase 1 of our strategy complete, we are excited to deliver Phase 2 and 3 over the coming months. We will share our targets, and be held accountable to them.

We look forward to continuing the dialogue with our stakeholders, learning about new technologies and partnering with experts who will challenge us. We will take pride in an open, measurable and transparent approach. This inaugural ESG report is just the start.

— END —



kereby