

Appendix 3

ESG Data Report 2022

Frederiksberg 12-05-2023

[Kereby 2022 ESG KPI overview](#)

Environmental KPIs

	KPI	Measure	2022 Figure
Environment - energy consumption	Diesel & petrol	L	39,492
	District heating	MWh	28,968
	Electricity	MWh	1,403
	Scope 1 Emissions	TCO2e	95
Environment - Emissions	Scope 2 Emissions (market)	TCO2e	1,849
	Scope 2 Emissions (location)	TCO2e	1,717
	Scope 3 Emissions	TCO2e	4,242
	Total emissions (market)	TCO2e	6,185
	Waste	Ton	11,007
Other Environment	Water	Cubic meter	203,000

Social & Governance KPIs

	KPI	Measure	2022 Figure
Social & Governance	Whistleblower reports	Number of submitted reports to third party; legal firm Bech-Bruun	0
	Gender diversity workforce	% of underrepresented gender	34 (women)
	Gender diversity in management	% of underrepresented gender	37 (women)
	Board diversity	% of underrepresented gender	33 (women)
	Customer retention	Churn in %, residential Churn in %, commercial	11.3
			7.3
	Customer satisfaction	NPS all residential tenants NPS all new residential tenants	-8
			+49
	Employee engagement	Inclusion survey participation in %	89
	Attendance at board meetings	Average attendance at board meetings in %	83
	Workforce age intervals	Number of employees ->30 (including) 31->50 (including) 51-> (including)	25
			53
			33
	Full Time Employee (equivalent)	FTE (ATP contribution based)	105.46
	Sick leave days	Average sick days pr. FTE	5.75
Work incidents	Number of working incidents Reported to/approved by the Labour market insurance Authority (Arbejdsmarkedets erhvervsikring)	2 reported 1 approved	
Employee turnover rate	Leavers in %	23.64	
Gender pay gap	Difference in salary and compensation between genders in %	-4.63 (men)	

Base data methodology

Our reporting period is aligned to our financial year, which is set to the calendar year – 1 January to 31 December 2022.

For 2022, our reporting scope / overall data coverage is divided into the following:

- Environmental KPIs covering the following;
 - o Kereby offices (domicile properties – rented or owned)
 - o Main portfolio of rented out properties on a per asset basis
 - o Vehicles leased and used for business operations (Janitors and Clerks)
- Social KPIs
- Governance KPIs

Organizational boundaries

We have chosen to define our organization in line with the control approach (operational control – GHG Protocol Corporate Accounting and Reporting Standard (2015) section/paragraph p. 18), where a company accounts for the emissions from operations over which it has operational control. As Kereby ApS is the only man-co in the Danish group, we define all the Danish companies in the group as being under operational control by Kereby ApS.

Our main portfolio consists of rental properties with approx. 80 % residential units and 20 % commercial units (commercial leases typically located on the ground floor in the residential building) with which we have the full operational control in general, except tenants' electricity (electricity in rented space).

Framework

We have chosen to apply the GHG protocol definitions of the various scopes of emission. In addition to this, our reporting is based on the following principles

- o Relevance
- o Completeness
- o Consistency
- o Transparency
- o Accuracy

Scopes

We report our emissions in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (revised version) with emissions reported under the following categories:

- **Scope 1** – Direct emissions (Car fuel and gasoline)
- **Scope 2** – Indirect emissions (market-based and location-based, respectively) (District heating consumption in portfolio, electricity and district heating consumption in domicile properties)
- **Scope 3** – Value chain emissions – select KPI's: waste, air travel, tenants' electricity

For scope 2, we have calculated the emissions by location-based and market-based approach, but to ensure that the CO2 footprint from our own operations is presented as accurately as possible, we have chosen to base our measure on the market-based approach, where we use supplier-specific emission factors for Kereby's district heating and electricity consumption.

In our scope 2, we include our tenants' district heating since we (the landlord) have the control over building-isolation, heating systems and overall heating-span and distribution of our leased-out assets. The tenant is only able to affect the heating of their lease to a certain extent and cannot improve emissions from district heating in a significant way, whereas we have the full authority to introduce and implement operating policies at the properties. We therefore do not consider it essential to have 100% authority to make operational decisions concerning district heating for the purpose of optimising energy consumption and reducing emissions, hence the decision to include tenant's district heating in our scope 2.

For scope 3, we have for 2022 included selected KPIs as materiality assessment and inventory mapping is ongoing in 2023. These include waste (recycling/incineration), air travel and tenants' electricity.

Definition of each indicator - Environment

Scope	Source	Unit
Energy Consumption	Diesel & Petrol	L
	District heating	MWh
	Electricity	MWh
Environment - Scope 1 GHG emissions	Combustion of car fuel (diesel and petrol)	TCO2e
Environment - Scope 2 GHG emissions	District heat consumption	TCO2e
Environment – Scope 2 GHG emissions	Purchased electricity consumption	TCO2e
Environment – Scope 3 GHG emissions	Waste Air travel Tenants' electricity	TCO2e
Environment- Total Emissions (Market)	Scope 1 Scope 2 (Market) Scope 3	TCO2e
Other environment	Waste	Ton
	Water	Cubic meter

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Definition of each indicator - Environment

Scope	Source	Unit
Energy Consumption	Diesel & Petrol District heating Electricity	L MWh MWh
Environment - Scope 1 GHG emissions	Combustion of car fuel (diesel and petrol)	TCO2e
Environment - Scope 2 GHG emissions	District heat consumption	TCO2e
Environment – Scope 2 GHG emissions	Purchased electricity consumption	TCO2e
Environment – Scope 3 GHG emissions	Waste Air travel Tenants' electricity	TCO2e
Environment- Total Emissions (Market)	Scope 1 Scope 2 (Market) Scope 3	TCO2e
Other environment	Waste	Ton
	Water	Cubic meter

Definition of each indicator – Social & Governance

Scope	KPI	Measure
Social	Number of full-time employees (equivalent)	FTE
	Gender diversity in Management	Total Cash compensation
	Gender diversity in the workforce	Head count
	Employee gender pay gap	
	Employee Turnover rate	
	Employee engagement	Participation rate
Customer retention	Customer satisfaction	Lease terminations NPS score, all tenants NPS score, new tenants
	Work incidents	Reported Incidents Approved Incidents
Sick leave		Days
Workforce age intervals		Age interval
Governance	Gender diversity on Board of Directors	Head count
	Attendance on board meetings	Meeting Attendance rate
Governance	Whistle-blower reports	Incidents

Data collection and calculation

Environment – Energy consumption:

Diesel & Petrol:

Combustion of car fuel in company cars as well as cars provided for employees at work and in private. Data for car fuel across the group are collected via vendor reports of fuel purchases during the accounting period. The reports show the complete list of purchased litres. Furthermore, we have ensured that all fuel purchases are registered by providing employees with purchase cards. Car travel fuel consumption is calculated compiling total litres of diesel and petrol respectively purchased in the reporting period.

District heating:

Copenhagen and Frederiksberg municipalities' utility data is collected from the supplier's CRM systems capturing consumption real time data for the reporting period (AMR).

For assets located in areas serviced by other utility companies, the annual consumption statement and final billing covering the reporting period(s) is used and the final statement has not yet been received, the remaining part of the reporting period (typically not exceeding 25% of the reporting period) is estimated based on a per day consumption for the last completed annual consumption statement.

Leased Kereby offices are based on the landlord's heating/service charge invoices. For areas reporting on the relevant consumption data, the rent roll gross leaseable areas used in the groups statutory and management reporting is used, unless the utility supplies heating to third party users through the asset's central heating central in which case a per square meter share of externally supplied energy is excluded.

Electricity:

Electricity for domicile office buildings is gathered using a consumption-based approach, where all invoices received and booked in the accounting period are compiled to calculate the consumption of electricity.

Electricity consumption in common areas and vacant spaces is based on the supplier's CRM systems. These are cross checked to and supplemented by a cost-based approach. This is achieved by extracting all invoiced amounts paid to all electricity providers from all invoice payment systems (direct accounts payable management "UNIK kreditor modul", Direct debit "PBS", and automated payment "BS+").

Environment - Scope 1:

Scope 1 emissions relate to combustion mentioned above under Diesel & Petrol. Car travel emissions are calculated as total litres purchased in the reporting period multiplied by the official 2022 DEFRA conversion factors for Petrol/Diesel (average bio-fuel blend – described by DEFRA).

Environment - Scope 2:

Scope 2 emissions consist of:

District heating

The market-based approach is applied whereby the total consumption is multiplied by a supplier-specific emission factor supplied by HOFOR used for all municipal utilities. In parallel this is supplemented by a location based measure based on an emission factor provided by the National Energy Authority "Energistyrelsen".

Electricity

Emission from electricity is calculated applying the market-based approach, multiplying industry emission factor (RE-DISS Residual European Mix - EP RESIDUAL MIX (European Residual Mix 2020)) to the electricity consumption for the period. In parallel, this is supplemented by a location based measure also based on DEFRA emission factors.

Environment - Scope 3:

Our reported Scope 3 emissions consist of Electricity, Air travel and Waste.

Electricity (13)

Tenants' electricity consumption requires tenants' permission to access the public data base EnergiHub a service provided by EnergiNet. Based on the positive permissions granted by some tenants, the remaining tenants' consumption is estimated on a square meter basis and the emissions are calculated using DEFRA factors.

Air travel (6)

Km travelled incl. stop over is multiplied by DEFRA emission factor air travel. The km travelled is returned from airmilecalculator.com which is provided with start, via and end points of each flight leg. Start, via and end points are retrieved from tickets.

Waste (5)

Waste fraction quantities are retrieved by municipal online waste service and multiplied with emission factors (DEFRA) for incineration or recycling activities.

Other environment - Water:

Water is calculated methodologically in parallel to district heating i.e. utility companies provide data sets.

For assets located in areas serviced by other utility companies, the annual consumption statement(s) and final billing covering the reporting period is used and if the final statement has not yet been received, the remaining part of the reporting period (typically not exceeding 25% of the reporting period) is estimated based on a per day consumption for the last completed annual consumption statement.

Other environment - Waste:

Available volume per fraction is gathered from municipalities' websites and cross checked with real estate tax collections in which payment is included. In case of shared bins with 3rd party buildings, the economical allocation is used to determine the assets share of relevant bins.

SOCIAL

Number of full-time employees (equivalent)

The number of full-time employees (FTE) is based on Kereby's total annual cost of ATP contribution (employer pension scheme) divided by the annual rate for one employee.

Gender diversity in management

Percentage of the underrepresented gender in Management. Management is defined by the members of Kereby's official Management Group. The calculations are including the CEO, CFO and COO and excluding board members and the Management Group are defined as either 'male', 'female', 'non-binary', 'other' or 'not stated' as registered in the HRM system at the end of reporting year.

Gender diversity in the workforce

Gender diversity in the workforce is based on information all employees registered in the HR system at the end of reporting year defined as abovementioned.

Employee gender pay gap

The pay gap (ratio) is based on each employee's annual salary including bonus payments converted to hourly pay. The gender pay ratio is calculated by dividing the underpaid genders average total cash compensation with that of the other genders.

Employee turnover

Employee turnover is defined as the number of leavers (terminated, retired and resigned employees – head count) divided by the average number of employees during the accounting year which gives the turnover rate. The employee turnover calculation is based on information registered in central HRM systems in the reporting year.

Employee engagement

Participation rate of employee survey conducted in the reporting year. Data on employee engagement for 2022 comes from the Inclusion survey. From 2023 participation rate from Workplace assessment (APV) is used.

Work incidents

Reported working incidents to the Labour market insurance Authority + approved/recognized as working incidents by the Labour market insurance company.

Workforce age intervals

The age of all employees by end of year reporting year according to HRM system and categorized as; up to 30 years – from 31-50 years old – from 51years old

Gender diversity on Board of Directors

Gender diversity for the board elected at the Annual General Meeting (AGM) calculated on the balance sheet date.

Sick leave

Number of sick leave days according to our absence registration in our payroll system Zenegy calculated in days. The sick days is calculated as the number of total sick leave days for all FTE according to our payroll system Zenegy divided by total number of FTEs.

Registration of sick days is counted in days and can be registered as either full sick days or partly sick days.

In the latter case, the fractional figure is used.

Customer (Tenant) retention

Reporting is broken down to 2 customer groups: Commercial and Residential.

Tenant retention in % – also known as churn – is defined as:

1 the number of residential tenants moved-out in the reporting period divided by occupied residential units at the beginning of the period. This is done on a month-by-month method to take into account the number of occupied units during the year. Move-out is defined as the end day of the contractual lease period.

2 the number of commercial tenants' square meters contract terminations in the reporting period divided by occupied commercial square meters at the beginning of the period.

Customer satisfaction

Customer satisfaction is defined as the NPS in Kerebys annual customer survey and the aggregated monthly action based surveys of new tenants.

GOVERNANCE**Gender diversity on the Board of Directors**

Is defined as percentage of the underrepresented gender on the Board of Directors for each legal entity in the Danish Group – 9 in total.

Legal entities in the Danish Group:

- 1) Kereby ApS
- 2) Kereby Asset Management
- 3) DK Resi Nørrebrogade 34 Holding ApS
- 4) DK Resi Propco Amagerbrogade 111 ApS
- 5) DK Resi Propco Amagerbrogade ApS
- 6) DK Resi Propco Amagerbrogade Holding 111 ApS
- 7) DK Resi Propco Amagerbrogade Holding ApS
- 8) DK Resi Propco Fredensgade Holding ApS
- 9) DK Resi Propco Nørrebrogade 34 ApS

Attendance at board meetings

Is defined as the number of members of the board in the respective entity participating in the board meeting as per the minutes of that meeting, divided by total members of the board. This is summed/weighted over all held board meetings in the Danish Group in the reporting year.

Whistleblower reports

Kerebys legal advisor informs Kereby annually of the number of incidents that have been reported in the reporting period through the official whistleblower hotline. The reports included in the scheme are the following:

- Financial crime, e.g. theft, embezzlement, fraud, false misrepresentation, bribery, forgery, extortion and cartel formation
- Violation of the anti-money laundering rules
- Distortion of competition
- Breach of occupational safety rules
- Breach of environmental rules and pollution of the environment
- Discrimination, harassment, violence and coercive control and sexual offences
- Agreements with connected persons, self-contracting and conflicts of interest

Statement by the Board of Directors

The Board of Directors has today considered and approved the ESG KPI Overview of Kereby ApS for the financial year 1 January – 31 December 2022.

The ESG KPI Overview has been prepared in accordance with the environmental, social and governance accounting policies.

In our opinion, the ESG KPI Overview gives a true and fair presentation of Kereby's sustainability activities and results of the company's sustainability efforts in the reporting period, as well as a balanced presentation of Kereby ApS' environmental, social and governance performance in accordance with the stated accounting policies.

Frederiksberg, 12 May 2023

Lars Pærregaard

Solveig Diana Hoffmann

Fernando Bautista Blazques

Independent Auditor's Assurance Report



Independent Auditor's Assurance Report
To Management and broader stakeholders of Kereby ApS

Kereby ApS engaged us to provide limited assurance on ESG data for the year ended 31 December 2022, presented in the Kereby 2022 ESG KPI overview table on page 1 and 2 of the ESG data report 2022 of Kereby ApS.

Management's responsibility

Management of Kereby ApS is responsible for designing, implementing, and maintaining internal controls over information relevant to the preparation of the ESG data and information in the ESG data report 2022, ensuring they are free from material misstatement, whether due to fraud or error. Furthermore, Management is responsible for establishing objective accounting policies for the preparation of the ESG data report 2022, for the overall content of the ESG data report 2022, and for measuring and reporting the ESG data in accordance with the accounting policies included on pages 3-9.

Auditor's responsibility

Our responsibility is to express a limited assurance conclusion based on our engagement with Management and in accordance with the agreed scope of work. We have conducted our work in accordance with ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ISAE 3410 Assurance Engagements on Greenhouse Gas Statements and additional requirements under Danish audit regulation, to obtain limited assurance about our conclusion. Greenhouse Gas emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emissions of different gasses.

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the ESG data report 2022 is free from material misstatement, whether due to fraud or error, and prepared, in all material respects, in accordance with the accounting policies;
- forming an independent conclusion, based on the procedures we performed and the evidence we obtained; and
- reporting our conclusion to the Management and broader stakeholders of Kereby ApS.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the requirements for independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity,

professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Work performed

We are required to plan and perform our work in order to consider the risk of material misstatement in the ESG data report. To do so, we have:

- conducted interviews with data owners and internal stakeholders to understand the key processes and control activities for measuring, recording and reporting the ESG data related to the ESG data report;
- performed limited substantive testing on a selective basis to check that data has been appropriately measured, recorded, collated and reported;
- performed analysis of data, selected based on risk and materiality;
- made inquiries regarding significant developments in the reported data;
- considered the presentation and disclosure of the ESG data;
- assessed that the process for reporting greenhouse gas emissions data follows the principles of relevance, completeness, consistency, transparency and accuracy outlined in The Greenhouse Gas Protocol Corporate Standard Revised edition (2015) and The Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and
- evaluated the evidence obtained.

Our conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us not to believe that the ESG data subject to assurance, presented in the ESG KPI overview table on pages 1 and 2 in the ESG data report 2022 of Kereby ApS for the year ended 31 December 2022, have been prepared, in all material respects, in accordance with the accounting policies on pages 3-9.

Copenhagen, 12 May 2023

Deloitte

Statsautoriseret Revisionspartnerselskab

Business Registration No. 33 96 35 56

Lars Andersen
State Authorised Public Accountant
MNE no 34506

Marie Voldby
Lead Reviewer