



SPONDA

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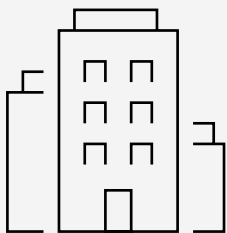
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This review has been prepared in accordance with the Global Reporting Initiativen (GRI) Sustainability Reporting Standards: Core option.

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Sponda in brief

Sponda Plc is one of the leading property investment companies in Finland. We are a forerunner in property investment, an experienced business partner and a responsible developer of properties and urban environments. We own, lease and develop office and retail properties and shopping centres in the largest cities in Finland. We develop operating environments that promote the success of our customers.

Sponda is owned by Blackstone, one of the largest real estate investors in the world. Sponda business units are Office Properties, Shopping Centres, Active Property Management, Portfolio Management and Coworking Spaces (31 December 2019).



5.4

Training hours per employee



52%

Office premises



53%

Waste recycling rate

131

Employees

41%

Shopping centres

45.7

kg CO₂/gross m²
Carbon footprint

1.44%

Sick leave, % of working hours

1.1 million m²

Leasable area

216

kWh/gross m²
Energy consumption

New President and CEO

Christian Hohenthal was appointed as Sponda's President and CEO as of 1 February 2020.

19 M€

Property development investments

3.1 bn €

Total value of properties

Property development projects

The new Ratina Office building reached rooftop height and the Arkadia 6 renovation project proceeded to tenant alterations.

30%

Environmental certification rate

Leader in responsibility

In the property sector's international GRESB* sustainability survey, Sponda was selected as the best company in Europe and the 2019 Sector Leader.

* Global Real Estate Sustainability Benchmark

Highlights in 2019



We revised our sustainability programme

We updated our sustainability strategy to ensure that our sustainability efforts meet the requirements of the changing operating environment. In 2019, we re-evaluated which sustainability issues are the most material to Sponda. The materiality analysis was carried out by listening to stakeholders. Based on the results, we defined new sustainability themes and targets as well as a roadmap for reaching those objectives. The new themes in the sustainability programme included sustainability in the supply chain, healthy and safe premises, and data-driven management and the use of digital innovations.



The most responsible company in its industry in Europe

Sponda was ranked number one in Europe in the Global Real Estate Sustainability Benchmark 2019 survey. GRESB is a global comparative study of sustainability that measures the performance of property companies in various areas of sustainability. We received a full five-star assessment and, for the seventh year running, we were also awarded a Green Star for our sustainability efforts. This recognition demonstrates excellent leadership in sustainable development in the property sector.



Finland's largest solar power plant

We constructed a power plant with more than 3,000 solar panels on the roof of the Elo shopping centre in Ylöjärvi. It is the first roof-mounted solar power plant in Finland with more than one million watts of power, which also makes it the largest roof-mounted solar power plant in Finland. The solar power plant covers approximately one-fourth of Elo's total electricity consumption, reducing the carbon dioxide emissions of the shopping centre by up to 112,000 kg per year. According to a study, solar power is regarded as the most environmentally friendly sources of energy.¹

¹ Source: Nationwide consumer survey on consumer perceptions of the sustainability of companies and different sources of energy. 1,104 respondents. Carried out in September–October 2018/ NorstatFinland Oy.



Chief Executive's review

At Sponda, 2019 was a significant year of renewal. The company renewed its sustainability programme and, buoyed by its success in the GRESB survey, emerged even more prominently as a leader in sustainable development.

Continued positive economic growth and low interest rate level in Finland in 2019 created excellent operating conditions for the property investment market. Our total revenue and net operating income decreased primarily due to divestments during the year. As in previous years, we made significant investments in property development. Our investments during the financial year totalled EUR 19.3 million. The fair value of our investment properties was approximately EUR 3.1 billion at the end of 2019.

Renewal across the board

Renewal was our key word in 2019 with regard to sustainability. We conducted a comprehensive materiality analysis that served as the basis for the renewal of our sustainability programme. We also identified new sustainability themes as well as sustainability targets to give concrete shape to the themes.

During the year, we also began a comprehensive website renewal process and continued the development of our information systems. We also updated our Code of Conduct. The Supplier Code of Conduct will be updated this year.

Sponda ranked as a leader in sustainable development

One of the highlights of the year was the publication of the results of the international GRESB sustainability survey. We were ranked as the most sustainable company in Europe in our peer group and chosen as a Sector Leader in sustainable development. This was the seventh consecutive time that we achieved an excellent result in the GRESB ratings.

Being selected as a leader in sustainability also comes with an obligation. Leadership requires continuous renewal, strong commitment and the ability to anticipate future needs, and these were also the starting points of our renewal efforts in 2019.



The results of the GRESB survey position us even more firmly as a leader in sustainable development and a forerunner in our industry.

Christian Hohenthal
President and CEO

New initiatives in sustainability

We promoted our sustainability targets on several fronts during the year. We exceeded the targets set for our energy efficiency measures and we are making good progress towards our 2020 energy efficiency target, which is to reduce energy consumption by 20 per cent compared to the level of 2001–2005.

We reduced our carbon dioxide emissions by almost 7 per cent from the previous year and our recycling rate increased by as much as 5 percentage points to 53 per cent.

In the area of recycling, we also made an initiative that represents an important new move for the industry as a whole. We became the first large property owner to start collecting post-consumer plastic packaging waste at our office properties in the Helsinki metropolitan area in spring 2019.

Increased customer interest in smart, healthy and safe properties was reflected in our development activities. During the year, we carried out IoT pilot projects and introduced a new energy management tool, amongst other things. We will also redesign

our extranet services to provide our customers with even more detailed information to help them monitor and communicate their sustainability.

Leading the way in energy efficiency

We have taken a big step forward in the use of renewable energy. Finland's first over one megawatt rooftop solar power plant also became the largest when it was completed on the Elo shopping centre in early 2020.

As in previous years, in the planning and design of new properties and renovation projects, we applied our own design guidelines, which are in many ways more extensive and ambitious than the generally applied standards. In the shopping centre business, our largest project was the renewal of the first floor of Citycenter. In office properties, the most significant ongoing projects are the Arkadia 6 office building and the Ratina Offices project, both of which will be completed in summer 2020.

We also continued our active efforts related to LEED® and BREEAM® certifications in 2019. We successfully applied for four certificates for our properties, including new certifications as well as recertifications.

Employees and customers play key roles

The past year was demanding for our personnel. All of our employees have participated in putting our ambitious sustainability targets into action and been involved in our renewal efforts on many levels. They deserve the majority of the credit for the successful year we had in 2019.

I also want to thank our highly aware customers and stakeholders, who have significantly influenced the development of our sustainability and contributed to the achievement of our shared goals. The effective co-operation on multiple fronts has also made it possible for us to develop new sustainable operating models and take the entire industry forward.

In 2020, we will focus on the practical implementation of our renewal measures and continue our efforts as a developer of the properties and working environments of the future. Our mission is to create business premises that deliver increasingly significant brand value and business benefits to our customers through sustainability.

Christian Hohenthal,
President and CEO

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Sustainability at Sponda

Sustainability is an integral and inseparable part of our strategy, day-to-day work and business expertise. Active stakeholder engagement is key to the success of our sustainability efforts and we require our personnel and subcontractors, for example, to commit to our ethical operating practices. At Sponda, 2019 was a year of renewal. We updated our sustainability programme in collaboration with our stakeholders to ensure that it effectively serves our business in a changing world.

As a company that operates in the property sector, we have an opportunity and a duty to promote sustainable development, as buildings account for a significant proportion of the world's energy consumption and carbon dioxide emissions. Sustainability is one of the cornerstones of Sponda's strategy, and we take it comprehensively into account in everything we do. The sustainability themes linked to our business are integral aspects of our daily work throughout the organisation, and our sustainability efforts cover social, economic and environmental responsibility.



At Sponda, 2019 was a year of renewal. One of the most important renewal measures was to update our sustainability programme.

Our sustainability efforts are based on our strategy as well as our values, and Code of Conduct. We are also committed to the UN Global Compact sustainability principles. We have a Supplier Code of Conduct that is binding on our supply chain.

We have identified six sustainability priorities with the help of our stakeholders, and we have set both long- and short-term targets for each one. We report on our progress towards achieving these targets annually in our Sustainability Review. More information on our targets and the results of our efforts in 2019 is provided on pages [15–17](#).

We updated our sustainability programme and were recognised for our sustainability efforts

At Sponda, 2019 was a year of renewal. One of the most important renewal measures was updating our sustainability programme. The nearly year-long process was a comprehensive effort: we surveyed our stakeholders' views and wishes regarding our

sustainability efforts, created a new sustainability strategy, defined new sustainability targets and created a road map for achieving them.

Other highlights during the year included our achievements related to environmental efficiency in particular. We developed a solar power plant exceeding one million watts in capacity on the roof of the Elo shopping centre, significantly increased our recycling rate and reduced our carbon dioxide emissions. We received a full five-star rating in the international GRESB sustainability assessment, and we were chosen as the most sustainable real estate company in Europe in our peer group and a Sector Leader in sustainable development. We will continue to work towards our new targets in 2020.

Management and organisation of sustainability

Our sustainability work is guided by six sustainability priorities, and we have set both long- and short-term objectives for each one of them. Sponda's President and CEO and the Executive Board are in charge of the management of sustainability and the achievement of targets. Executive Board monitors the progress relating to the sustainability objectives on a quarterly basis. The Sustainability Manager is responsible for the development of sustainability work. The progress and results of sustainability efforts are also monitored 4–6 times per year by a sustainability steering group comprised of members of the Executive Board and heads of business units. Whenever necessary, sustainability matters are discussed by the Board of Directors.

In addition to the company's strategy, Sponda's sustainability management practices are based on the Code of Conduct, the UN Global Compact principles and the company's internal operations handbook and commitments supplementing them. Our operations are also guided by being a Climate Partner of the City of Helsinki, commitment to the property sector's energy efficiency agreement

TETS, and the WWF Green Office targets for the head office and MOW coworking hubs.

We commit our stakeholders to sustainability

Comprehensive sustainability requires co-operation with stakeholders. We require our employees and partners to commit to responsible practices. We also help our customers operate responsibly by offering office space in which they can reach their own office space-related sustainability objectives.

In 2019, we revised the Code of Conduct binding on our personnel and began revising our Supplier Code of Conduct. The internal Code of Conduct was published in July, and all of our employees took part in the mandatory training during the autumn and winter. The Code of Conduct covers our sustainability principles, including good governance, transparent business operations, anti-bribery and anti-corruption practices, environmental sustainability and our sustainability as an employer.

The updated Supplier Code of Conduct will be revised in accordance with the Code of Conduct

and new sustainability themes. It also increasingly emphasises Sponda brand, information security and the safety and comfortability of premises. The new Supplier Code of Conduct will be incorporated into all of our new subcontracting agreements and, as agreements are renewed, it will also be expanded to cover old subcontractors. By the end of the year, our aim is for 60 per cent of our suppliers to have committed themselves to Sponda's Supplier Code of Conduct. The Supplier Code of Conduct is available on our website. In 2020, we will also open an anonymous whistleblowing channel on our website.

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We revised our Code of Conduct, which is binding on our personnel, and started the process of revising our Supplier Code of Conduct.

Responding to trends and changes

Climate change, urbanisation, digitalisation and well-being are the megatrends that currently have the strongest impact on the property industry. We respond to the megatrends that influence our industry by, for example, investing in a centrally located property portfolio, making the properties more energy-efficient, healthy and safe, and by making use of digital solutions and data. At the same time, we are laying down the foundation for the growth of our business and new opportunities.

Climate change

Climate change has a major impact on Sponda and the industry as a whole. The property sector is important to mitigating climate change as buildings account for a significant proportion of the world's energy consumption and carbon dioxide emissions. Energy efficiency, low emissions and renewable energy solutions have become increasingly significant. Our customers are increasingly climate conscious, and the environmental impact from the use of office space plays a significant role in their environmental objectives. Our customers are interested in the type of electricity used in our properties and how energy efficiency is taken into consideration.

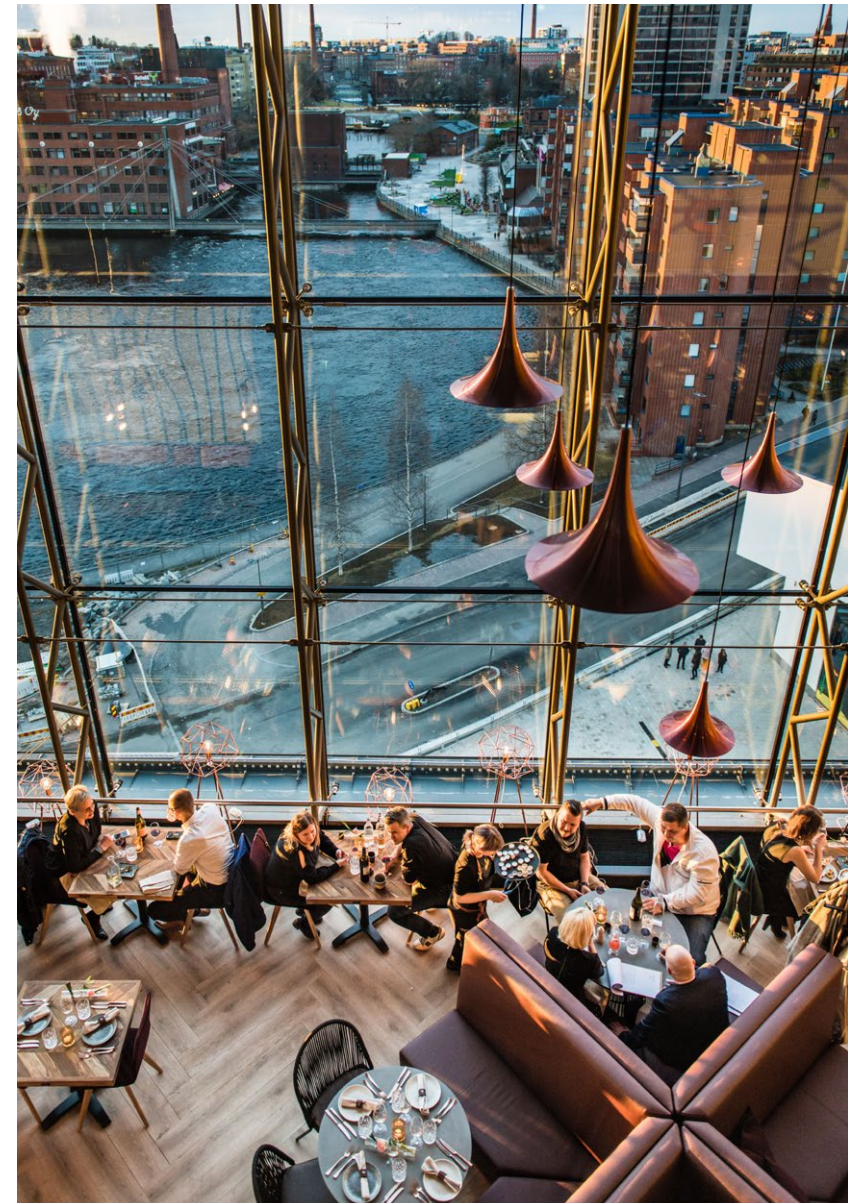
Reducing emissions and increasing the use of renewable energy sources are important climate actions. Sponda aims to reduce its climate impact

with its own energy efficiency scheme and climate objectives. Energy efficiency has been one of our strategic focus areas since 2009, and our new energy efficiency and climate objectives extending to 2030 were defined in 2019.

Climate change -related risks are managed with environmental certifications and Sponda's design solutions for new and renovated properties. We prepare for extreme weather phenomena, which will become more frequent with climate change, in co-operation with the maintenance network.

Urbanisation

The population is increasingly concentrated in cities and around urban centres. The need for business premises and retail services increases in growth centres and places with good transport access, and our customers increasingly appreciate retail





We are developing our Environment, Health & Safety organisation as well as our operating methods related to indoor air quality and property safety towards an even more proactive approach.

and business premises that are located in city centres. The demand for premises will continue to grow, especially in Helsinki's central business district.

In order to respond to this change, we will focus our property ownership on prime locations in Helsinki and Tampere, in the immediate vicinity of rail routes and other transport hubs. The location of our properties in city centres is part of reducing our environmental impacts as a whole because good transport access encourages our customers to favour environmentally friendly modes of transport, thereby reducing the climate impact of our properties during use. Our office spaces are designed to be suitable for commuting by bicycle and electric vehicles.

Digitalisation and transformation of working life

Digitalisation has an impact on our customers' operations and society as a whole: Growth in e-commerce challenges shopping centres and creates changes in the retail and property sectors.

On the other hand, digitalisation increases remote work and the need for flexible business premises solutions. Work has become increasingly independent of time and place, but the need for community has not disappeared. We have been among the first to respond to the need for flexible office space that supports a sense of community with our proprietary MOW coworking concept.

We aim to find the best possible digital solutions to the changing needs of our customers and our own business. Data-driven management and the use of digital innovation are included in Sponda's new sustainability themes as they are material to successful business. We use digital innovation and IoT (Internet of Things) in the maintenance of properties and provide our customers with, for example, information relating to energy efficiency and good indoor air quality. We test innovations that improve energy efficiency and indoor air quality in our properties and develop our design guidelines on the basis of our experience. We also aim to promote the use of diverse as a Service solutions, such as mobility services, in our properties.

Well-being

The well-being and health megatrend is particularly visible in our customers' expectations of us. We want to ensure the satisfaction of users of properties with the built environment and indoor climate, and also guarantee their safety under all conditions. For Sponda, indoor air quality is an important aspect of a property quality management system.

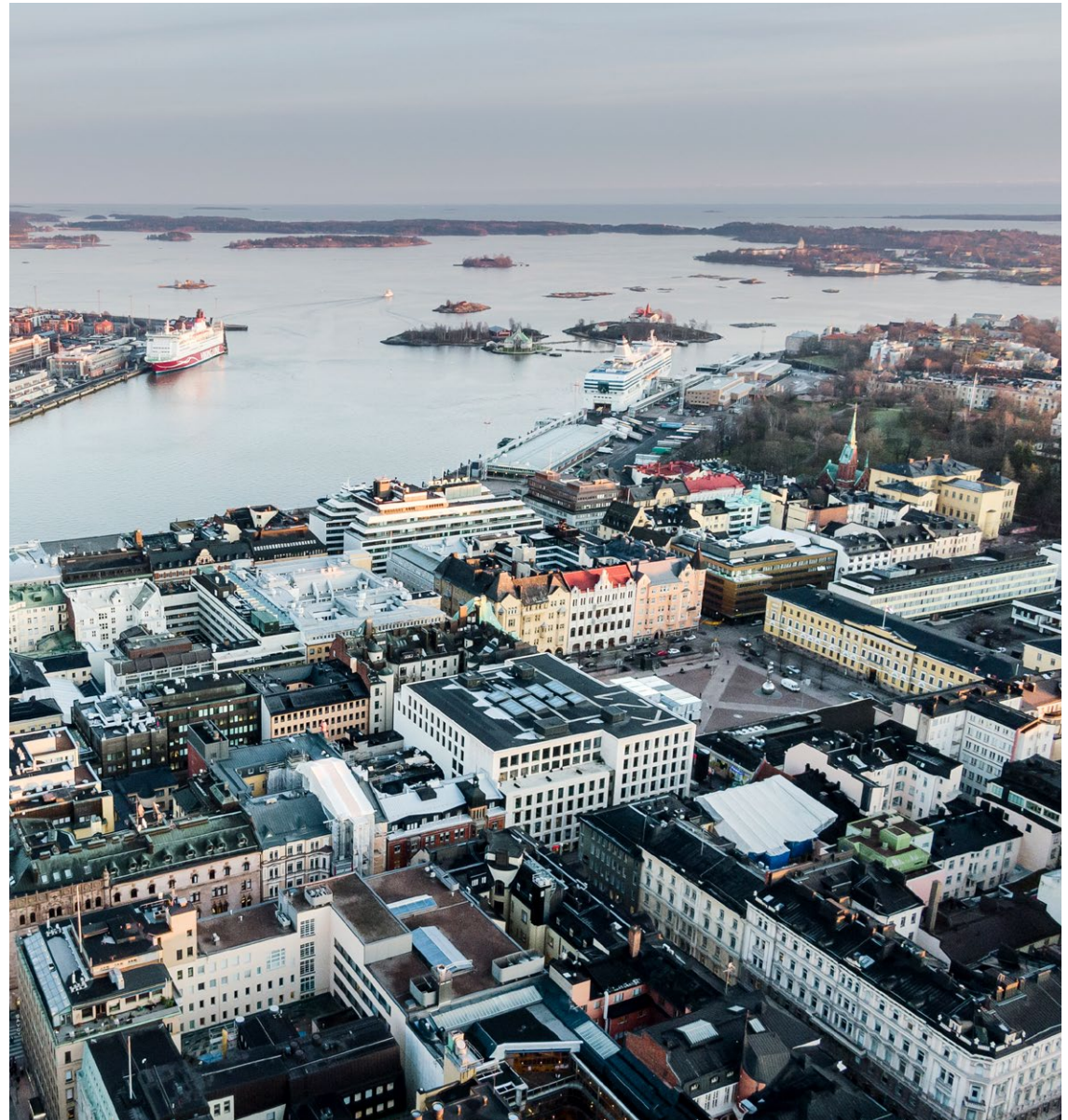
We are developing our EHS (Environment, Health & Safety) organisation, indoor air guidelines and procedures relating to the safety and security of properties in an increasingly proactive direction. The prevention of accidents is promoted through safety walks, a wide range of surveys and drills.

How we create value

We want to create value for our customers, personnel, society and various communities for whom our operations have direct or indirect effects. From the point of view of our customers and society, the development of comfortable urban environments and office spaces that support success is essential with regard to Sponda's value generation. We create value for our personnel by investing in management and support for professional development. The reduction of energy and water consumption as well as CO₂ emissions and the recycling of waste are at the core of our environmental sustainability.

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The development of comfortable urban environments and office spaces that support the customers' success is essential to Sponda's value creation.



Sponda's value creation model

Sponda's capital



Financial capital

- Value of investment properties 3,092 bn€
- Property development investments 19.3 M€
- Maintenance investments (capex) 52.7 M€



Personnel

- Number of personnel 131
- Academic background: university or polytechnic 74%, vocational school level 25%, other 2%
- Training days per person: 0.72



Manufactured capital

- Quantity of properties 151
- Total floor area of office properties 502,000 m²
- Total floor area of shopping centres 287,000 m²
- Value of land 44 M€



Intellectual capital

- Environmental partners: 11
- Properties in energy efficiency programme 80
- Development of business premises and services
- Corporate planning



Social capital

- Activity in industry organisations
- Extensive subcontractor network



Natural capital

- Water consumption 363,026 m³
- Electricity consumption 131,638 MWh
- Heating consumption 166,684 MWh
- District cooling consumption 11,525 MWh

Operating models

SPONDA'S VISION

The first choice for customers looking for business premises.



SPONDA BUSINESS OPERATIONS

Sponda owns, leases and develops office and retail properties and shopping centres. With innovative customer-focused solutions and high-quality property maintenance, we provide our customers with comfortable, safe and energy-efficient business premises.

Value created by Sponda



Value for customers

- Office spaces that support operations
- Development of the property portfolio
- Savings from the reduced energy consumption of business premises



Value for society

- Development of the urban environment
- Taxes arising from Sponda's business operations 16.1 M€
- Property development investments 19.3 M€



Value for the community

- Employment
- Sharing knowledge and expertise



Impact on the environment

- Reduction of energy and water consumption
- Reduction of CO₂ emissions
- Maximising waste recycling

Stakeholder cooperation

We co-operate with numerous stakeholders. We aim to fulfil the expectations of our stakeholders by engaging in active dialogue and through compliance with our values and procedures. The key principles for our work with stakeholders are reliability, integrity and transparency. Our most significant stakeholders are customers, personnel, subcontractors, society and authorities, the media and NGOs. We also co-operate with diverse educational institutions and research and development organisations. More information on stakeholders is available on [our website](#).

Stakeholder group	Expectations towards Sponda	Sponda's actions
Customers	<ul style="list-style-type: none"> high-quality energy-efficient business premises responding to changing spatial needs and working methods facility services good customer service taking environmental sustainability into consideration long-term customer relationships 	<ul style="list-style-type: none"> offering practical, flexible and energy-efficient business premises developing office concepts and services developing better retail locations developing customer service and service channels regular contact with customers and creating the conditions for long-term customer relationships developing sales and customer relationship management processes guiding customers towards operations that conserve energy and protect the environment
Personnel	<ul style="list-style-type: none"> stable employer with a good reputation safe working conditions open access to information opportunities for personal development at work equal and non-discriminatory treatment 	<ul style="list-style-type: none"> offering good opportunities for employment and further education investing in effective communications and an atmosphere of open dialogue ensuring well-being at work organising performance and appraisal discussions and job satisfaction surveys equal and non-discriminatory treatment of employees
Subcontractors	<ul style="list-style-type: none"> equal treatment of subcontractors adherence to agreements long-term subcontractor relationships 	<ul style="list-style-type: none"> effective purchasing and quality processes monitoring and supervising the work and quality of subcontractors
Society and the authorities	<ul style="list-style-type: none"> compliance with legislation and other regulations issued by the authorities responsible and transparent operations paying taxes 	<ul style="list-style-type: none"> monitoring legislative developments and advancing the company's interests in the discussion taking part in urban development improving the energy efficiency of business premises providing jobs
Media	<ul style="list-style-type: none"> active, open and responsive communications reliable information on the company 	<ul style="list-style-type: none"> timely, reliable and open communications developing and expanding communications channels
Other stakeholders, such as educational institutions and various research and development organisations	<ul style="list-style-type: none"> providing opportunities for internships and thesis writing participation in the industry's research and development activities 	<ul style="list-style-type: none"> providing study opportunities to students in the field of real estate joint projects with educational institutions in the field of real estate

The objectives and results of Sponda's sustainability in 2019

For Sponda, 2019 was a year of renewal for our sustainability efforts: we updated the material sustainability themes that guide our sustainability work and its development. The process was driven by our business strategy and involved listening closely to our stakeholders. At the same time, we worked to achieve the sustainability objectives we had set for 2019. We achieved tremendous results with regard to environmental efficiency, in particular: our carbon dioxide emissions were reduced and our waste recycling rate increased significantly.

Our material responsibility themes guide our efforts

We have identified the following responsibility themes as being the most material to Sponda's operations: the professional competence of personnel, the energy efficiency of properties, customer health and safety, the comfort of indoor environments, providing a working environment that supports the customer's operations, and Sponda's ethical business principles. The themes were selected on the basis of a materiality analysis of Sponda's value chain in 2014. The analysis is based on industry and background analyses, key stakeholder perspectives and an assessment of business impacts.

Our six responsibility priorities, derived from the material responsibility themes, that guided our responsibility efforts in 2019 were as follows:

- transparent and ethical operations

- enhancing the customer experience
- investing in employees
- energy and environmental efficiency
- property locations
- taking the industry forward

The following pages discuss our progress with regard to the responsibility targets we set for 2019.

During the year, we updated our sustainability programme to ensure that our sustainability efforts are in line with the needs of our stakeholders and support Sponda's business in the best possible manner. We conducted a new materiality analysis and defined new responsibility themes with short-term and long-term targets. To support the achievement of the targets, we also created a road map for the coming years. In 2019, we also revised the Sponda Code of Conduct and began revising our Supplier Code of Conduct.



The objectives and results of our responsibility priorities in 2019

Long-term objective	Objective for the year	Status	RESULTS IN 2019
Transparent and ethical operations			
Maintaining an excellent level in international sustainability assessments.	The results of the GRESB sustainability assessment will remain at an excellent level.	✓	Sponda was selected as the most sustainable company in the property sector in Europe. We received a full five-star rating and were awarded a Green Star.
Operating in accordance with ethical principles.	New Supplier Code of Conduct principles implemented and incorporated into new and renewed agreements.	✓	The Code of Conduct was updated and the entire personnel were trained in its application. Update of the Supplier Code of Conduct was also started.
Monitoring the operating model, control and monitoring of property maintenance services.	-	✓	Sponda's property management organisation was strengthened and its strategy was updated.
Conducting maintenance and energy reviews at properties.	-	✓	Regular maintenance and energy reviews were conducted at properties.
Enhancing the customer experience			
We will continue to improve the quantity and quality of our customer communications.	We will continue to focus on active and high-quality customer communications in all of our operations.	✓	We continued the development of the CRM system and active maintenance of customer relationships.
Measuring customer satisfaction regarding the quality of the indoor environment at Sponda's properties.	Indoor environment satisfaction surveys conducted at two Sponda-owned properties at a minimum.	✓	Two extensive indoor environment satisfaction surveys were conducted.
We will improve our customers' overall satisfaction and the Net Promoter Score (NPS) further.	Overall satisfaction and Net Promoter Score (NPS) improved from the previous year.	→	A comprehensive customer satisfaction survey was not carried out in 2019. However, we carried out a satisfaction survey on all new and leaving tenants as well as tenants whose tenancy had lasted 18 months.
Investing in employees			
We develop skills and practices for sharing knowledge and expertise as well as our culture of interaction and feedback.	-	→	Investment in this was lower than planned because of the organisational changes, but more will be invested in 2020.
Investing in good leadership by utilising evaluations of managerial work and coaching.	-	→	A total of 97 training days, with middle management training days representing 25% of this total.
We promote occupational wellbeing and individual responsibility for maintaining a positive work atmosphere.	-	→	Creating a sense of community through leisure activities and events sponsored by Sponda.
We invest in providing development and training opportunities for our personnel.	-	→	A total of 97 reported training days. The organisational change brought about new job descriptions and advancements.

The objectives and results of our responsibility priorities in 2019

Long-term objective	Objective for the year	Status	RESULTS IN 2019
Energy and environmental efficiency			
Energy savings of 20% by 2020, using the average consumption in 2001–2005 as the baseline.	We promote our energy efficiency programme each year.	✓	18.7 percentage points of the target was achieved.
Total like-for-like energy consumption of properties will decrease each year.	Total energy consumption of properties to be reduced.	✓	Energy consumption decreased 0.4% compared with the previous year.
The CO ₂ emissions arising from total like-for-like energy consumption will decrease each year.	CO ₂ emissions arising from the like-for-like energy consumption to be reduced.	✓	Like-for-like CO ₂ emissions decreased by 6.6%.
Improving energy efficiency in line with the property sector’s energy efficiency agreement (TETS) by 7.5% by 2025, using energy consumption in 2015 as the baseline.	Energy efficiency improvement measures produced one per cent in energy savings (1,722 MWh) compared to the total energy consumption in 2015.	✓	The annual target was exceeded.
Seeking environmental certification (LEED®, BREEAM®) for all new property development projects and major renovation projects.	At least two properties will be certified in 2019.	✓	We were awarded four new certifications or recertifications.
Increasing co-operation on environmental responsibility with our customers.	Two new environmental partnerships.	→	No new partners, but co-operation continued.
Increasing the waste recycling rate each year.	Waste recycling rate at 50% by the end of the year.	✓	The recycling rate increased by as many as five percentage points from 48% to 53%.
Property locations			
Developing the property portfolio by concentrating ownership on prime areas.	-	✓	Of the property portfolio, 34.1% is located in the Helsinki Central Business District (CBD).
Developing the property portfolio by concentrating on locations with public transport links.	-	✓	Implemented in accordance with the strategy. The property development projects Ratina Office building and Arkadia 6 are located near important public transport hubs.
Taking the industry forward			
Promoting best practices in the property sector to support sustainable development.	-	✓	Piloting of new technologies at properties and introduction of a new energy management tool.
Active participation in RAKLI and GBC Finland activities and projects.	-	✓	We were active participants in the activities of RAKLI’s sector-specific management teams and committees and GBC Finland’s committees.
Promoting responsible operating methods in co-operation with our customers and contractors.	-	✓	Progress in environmental partnerships and responsibility-related co-operation with customers. The Supplier Code of Conduct is incorporated into new and renewed agreements.

Transparent and ethical operations

Transparent and ethical operations is a theme that cuts through Sponda’s comprehensive approach to sustainability and provides the foundation for the other responsibility priorities. The transparency and ethicality of our operations is supported by unambiguous operational guidelines and policies, reporting and corporate governance.

Sustainability reporting plays a significant role in communicating the transparency of our operations. In the Sustainability Review, we report the key events and highlights of the year, as well as areas for development, in accordance with the Core option of the GRI framework. The Sustainability Review also satisfies the requirements of UN Communication on Progress (COP) reporting.

External recognition speaks to our sustainability

In 2019, we again achieved an excellent result in the GRESB survey: we were ranked as the best real estate company in Europe and chosen as the 2019 Sector Leader. We received a full five-star assessment and, for the seventh year running, we were also awarded a Green Star.

We apply for LEED® or BREEAM® environmental certification for all new buildings and major renovation projects, and aim to raise the level of our existing certifications. In addition, we seek BREEAM In-Use® certification for our properties. Sponda currently has 16 certified properties in total.

We encourage our stakeholders to operate sustainably

Sponda’s operations and sustainability are guided by our strategy, values and Code of Conduct as well as the principles of the UN Global Compact. In 2019, we updated our internal Code of Conduct and provided related training to all Sponda employees during autumn and winter 2019–2020.

The supply chain is growing in significance in corporate sustainability efforts. Sponda is a significant purchaser that works in close co-operation with an extensive network of subcontractors. In 2019, we began the process of updating our Supplier Code of Conduct, which is binding on our subcontractors.

In 2020, we will adopt a public and anonymous whistleblowing channel, intended to encourage



Again at the top of the GRESB rankings

Sponda was selected as the best company in Europe and the 2019 Sector Leader in the Global Real Estate Sustainability Benchmark (GRESB) assessment. Sponda received particularly good ratings in environmental certification, risk and opportunity identification and management, stakeholder collaboration, sustainability management and operating methods as well as environmental responsibility in property development. This year’s GRESB survey assessed 1,005 companies and funds in 64 countries.

[Read the case](#)

Sponda's employees and partners to report any misconduct observed in the company's operations.

Customers' opinions do matter

We monitor the quality of property services by means of customer feedback and continuous reporting data as well as property audits, indoor environment satisfaction questionnaires and service experience surveys. Property audits are conducted in all properties twice a year, in the spring and autumn. In 2019, we conducted indoor environment satisfaction questionnaires at two of our properties and carried out energy reviews and maintenance reviews.



BREEAM (Building Research Establishment Environmental Assessment Method) is an international environmental rating system for assessing the environmental impacts of buildings. The BREEAM® In-Use certification system is intended for the certification of buildings in use.



LEED® Certification (Leadership in Energy and Environmental Design) is one of the best-known international green building certification systems. It aims to reduce the environmental impact of construction and use of buildings as well as the development of healthier working environments. The LEED® environmental classification is awarded by the U.S. Green Building Council (USGBC).

Cash flows between stakeholders in 2019

244.5 M€
Revenues



Suppliers

Purchases 128.9 M€
• Purchases, maintenance 112.8 M€
• Purchases, administration 16.1 M€

52.7%*



Customers and society

Property development investments, 19.3 M€

7.9%*



Personnel

Personnel expenses, 19.7 M€

8.1%*



Public sector

Taxes, 16.1 M€

6.6%*

* Of total revenue.

Enhancing the customer experience

Working environments and property services that support the customer's operations, the comfort of the indoor environment and the customer's safety and health are all key areas of the customer experience that we aim to enhance continuously. Supporting our customers' sustainability goals is also an important aspect of our sustainability efforts. Our customers are active in contacting us, especially when it comes to climate issues, and they want to find opportunities to reduce the carbon footprint associated with their use of business premises. We provide information to our customers on topics such as the energy efficiency and indoor air quality of our properties and we develop waste management based on customers' wishes.

Feedback is a prerequisite for a good customer experience

The continuous development of services in our properties and functional communications and feedback channels between Sponda and customers support the creation of a good customer experience. We carefully analyse the feedback we get from our customers regarding our properties, property maintenance, services and the lessor's operations. Account

managers and maintenance managers together decide on the actions to be taken at each property and communicate them to the customers.

We measure customer satisfaction by conducting surveys regularly. In 2019, we conducted a satisfaction survey for all new customers, leaving customers and customers who reached 18 months of tenancy. At two of our properties, we conducted a survey of indoor environment quality that covered all of the tenants. We also carried out a target group survey to analyse the values of our shopping centre customers in detail.

We adapt our service path to meet the customer's expectations

We continuously evaluate our operating process and service path. We analyse key encounters during the property customer relationship, starting from the signing of the lease: What kinds expectations do the customers have at different stages of the lease and how can they be addressed effectively? Our aim is to allow the customer to focus on their own business while we handle all property-related services in co-operation with our property management partners.



Plastic and paperboard collection produced tremendous results

Sponda started to collect plastic and paperboard packaging at its office properties in the spring 2019. The majority of the waste generated in office break rooms, in particular, can be sorted and collected as plastic, biowaste and paperboard. An environmental coordinator representing Sponda's waste management partner Lassila & Tikanoja helps tenant companies get started with recycling. Property owners play an important role in enabling recycling. By facilitating the collection of plastic and paperboard, Sponda aims to reduce the amount of incinerated waste and promote the circular economy.

[Read the case](#)

Investing in employees

Skilled and motivated personnel are a key resource for Sponda. Promoting employee well-being and a positive workplace atmosphere, investing in personnel development and training opportunities and developing our management practices and managerial work are among our long-term objectives and they were again a visible aspect of our operations in 2019.

At Sponda, 2019 was a year of changes. The focus of our personnel-related efforts was on the effective execution of changes, the evaluation of future goals and reorganising and strengthening the structures of human resource management. We defined our future goals and how they will be achieved. We want to ensure that our objectives are appropriate and clear to all of our personnel. We also want to make our human resource management more systematic and ensure a high level of employee well-being and a positive workplace atmosphere. Employee well-being and competence development are also included in the new sustainability themes we defined in 2019.

We invested in training and responsible operating methods

Sponda strives to maintain a high level of professional competence among employees. We offer in-house training programmes for our personnel as well as opportunities to participate in training outside the company. In 2019, we focused particularly on assessing the personnel's training needs.

The equal treatment of employees and ensuring occupational safety are the core themes of our human resource strategy. We updated our Code of Conduct and equality plan in 2019. The Code of Conduct was implemented throughout the organisation by means of mandatory workshop training. The workshops discussed how the Code of Conduct influences the day-to-day work of the participants from the perspectives of employees, partners, the environment and human rights. The benefits to Sponda of operating ethically were also reviewed in the workshops, and feedback and ideas were collected to support the improvement of operating methods in daily work.



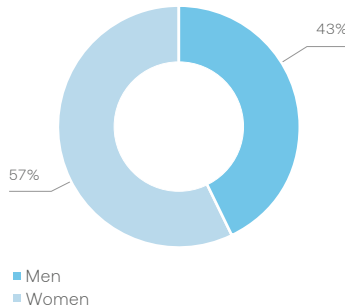
We encourage employees to exercise and we support their well-being

We engage in close co-operation with our occupational health partners and provide comprehensive occupational health care services. Together with occupational health professionals, we invest in activities to maintain health and prevent illnesses. We also offer recreational benefits to our employees, support recreational activities and organise employee events. For example, in 2019, we organised environmental events and occupational well-being events as well as an autumn kick-off event.

In 2020, we will start managerial training aimed at developing the interaction and feedback giving skills of managers at Sponda. We will also strengthen our performance and development review process, carry out an employee satisfaction survey and workplace survey as well as assess employee training needs at the company level.

Sex ratio*

31 Dec 2019

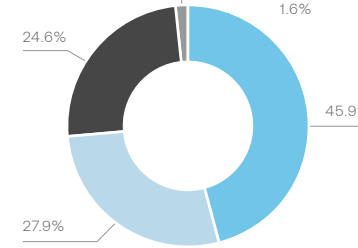


■ Men
■ Women

* Sponda Group

Educational structure*

31 Dec 2019

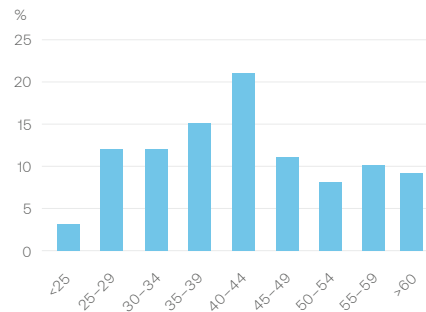


■ University education
■ Polytechnic qualification
■ College education
■ Other

* Sponda Real Estate Ltd

Age ratio*

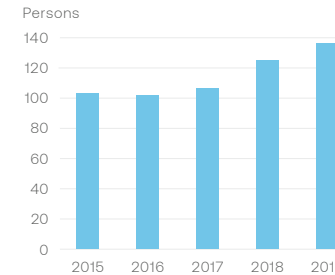
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* Sponda Real Estate Ltd

Personnel*

31 Dec 2019



* Sponda Group

Energy and environmental efficiency

The long-term enhancement of energy and environmental efficiency is an important overall sustainability objective for Sponda. We measure our performance in these areas by the improvement of our energy efficiency, new certifications and the increase in our recycling rate. In 2019, we were particularly successful in increasing the recycling rate and reducing carbon dioxide emissions.

Focus on energy efficiency and waste management

Enhancing energy efficiency has been one of our strategic priorities since 2009. The goal of our extensive energy efficiency programme is to enhance energy efficiency by 20% by 2020, using the 2001–2005 average as the baseline. By the end of 2019, we had enhanced our energy efficiency by 18.7 per cent and we had reached 94 per cent of the goal of our energy efficiency programme. Our carbon dioxide emissions decreased by almost 7 per cent compared to 2018. We achieved — by a comfortable margin — the one per cent energy efficiency target stipulated by the TETS energy efficiency agreement we have joined.

Energy efficiency and waste sorting are also emphasised in the way we support our customers' pursuit of their sustainability targets. Our tenants are increasingly aware of the environmental impacts of properties and they want more information on topics such as environmental certifications, energy efficiency improvement measures and waste sorting. We are developing the waste recycling opportunities to be more diverse as part of our environmental responsibility and customer service. Through our environmental partnership programme, we aim to reduce the environmental load resulting from the use of properties by engaging in close co-operation with our customers – in a manner that is agreed upon separately with each individual customer.

Our recycling rate increased significantly in 2019: Sponda's overall waste recycling and reuse rate in Finland was 53 per cent at the end of the year, with the target being at least 50 per cent. We started the collection of plastic packaging waste and cardboard at our office properties and our environmental coordinator provided waste management



Finland's largest solar power plant built on the roof of the Elo shopping centre

In the autumn 2019, construction began at the Sponda-owned Elo shopping centre in Ylöjärvi on the first roof-mounted solar power plant in Finland with a capacity exceeding one million watts. Consisting of 3,186 solar panels spread out over an area of 12,000 square metres, it will be the largest roof-mounted power plant in Finland. The power plant will cover approximately one quarter of Elo's total electricity consumption, reducing the shopping centre's carbon dioxide emissions by as much as 112,000 kg per year. The power plant was built by Helen Ltd and it was completed in February 2020.

[Read the case](#)

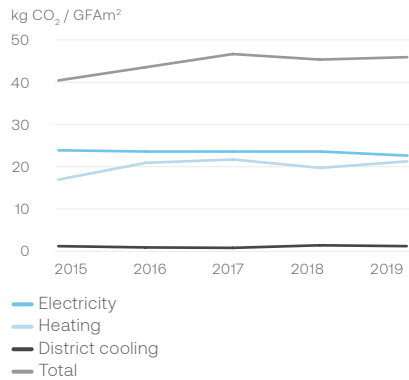
guidance to all of our tenants in the Helsinki metropolitan area. The development efforts will continue in 2020 and expand to other parts of Finland.

Environmental certification

At the end of 2019, Sponda had 16 properties certified under the international LEED® and BREEAM® environmental certification systems. The certified properties represent approximately 30 per cent of Sponda’s total leased floor space.

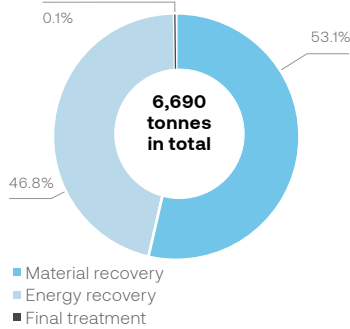
In accordance with our strategy, our aim is to seek environmental certification for all new construction projects and significant renovation projects. We were awarded four new certifications or recertifications in 2019. Properties with ongoing environmental certification processes at the end of 2019 included the Ratina shopping centre, Ratina Offices and the Arkadia 6 office building in Helsinki. Upcoming certification processes in 2020 include the second stage of Värитеhtaankatu 8 at Vantaa and the Elo shopping centre. Up-to-date information on our environmentally certified properties is available on our website.

Carbon dioxide emission intensity from energy consumption of the properties*



* Sponda’s properties in Finland

Waste recovery rates of the properties 2019*



* Sponda’s properties, like-for-like, in Finland



Ratina Offices will be smart and adaptable

Sponda’s new commercial property in central Tampere is built to meet the Gold level requirements of the international LEED® environmental certification framework. The spaces are designed to be easily adaptable. Sensors will be installed in the office premises to collect data on temperature, lighting and the carbon dioxide content of the indoor air. The building will also feature systems for monitoring water and electricity consumption. The users of premises equipped with sensors will have access to the monitoring data via a mobile application.

[Read the case](#)

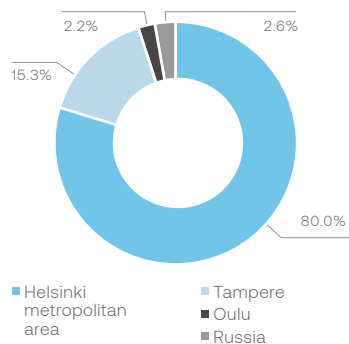
Property locations

By focusing our property portfolio in centrally located and high-growth areas in the Helsinki metropolitan area and Tampere, we aim for a high level of financial and ecological sustainability for our investments. Having our properties be centrally located with good public transport connections helps reduce the environmental impacts of the properties during their use. The demand and rental levels for properties located in the central areas of cities are also more stable.

In 2019, we continued to implement our strategy by increasingly focusing our property portfolio on

Investment properties by location and by fair value*

31 Dec 2019



* Excluding Property Development

prime areas. Among our new property development projects, the Ratina shopping centre in Tampere, the Ratina Office complex to be completed in summer 2020 and the renovation of the Arkadia 6 office building in Helsinki represent new strategic investments.

Accessibility and the promotion of eco-friendly mobility

Good accessibility for customers and employees is an increasingly important criterion in the business premises decisions of companies and a way to reduce emissions from commuting. The needs of cyclists and users of electric vehicles are always taken into consideration at our new properties. Ratina shopping centre is a good example of a property that is easy to reach in an environmentally friendly manner.

Location is also one of the criteria applied in the environmental certification of business properties. The BREEAM® and LEED® certification processes take into account not only the energy and water consumption of the building, but also factors such as public transport links, parking facilities for bicycles and low-emission vehicles and green spaces. The BREEAM® In-Use certification in Very Good

level achieved by the Aleksi-Hermes commercial property proves our investment in the well-being of the environment when deciding on property investments.

The development of urban environments is driven by co-operation

We want to develop our properties boldly in co-operation with our customers, which makes it possible to create a vibrant and community-oriented urban environment. We also want to support cities and municipalities in the achievement of their climate targets. Our climate partnership with the City of Helsinki is one example of continuous co-operation. We are playing our part in making Helsinki carbon neutral by 2035. The heating of properties accounts for more than half of Helsinki's emissions, so we can directly contribute to reaching the target through our own efforts. We work with various stakeholders, such as Green Building Council Finland, to develop attractive and comfortable urban environments. GBC Finland's goals include the creation of a sustainable built environment that supports the principles of the circular economy and facilitating sustainable lifestyles and a high standard of living, which is aligned with Sponda's strategic objectives.

Taking the industry forward

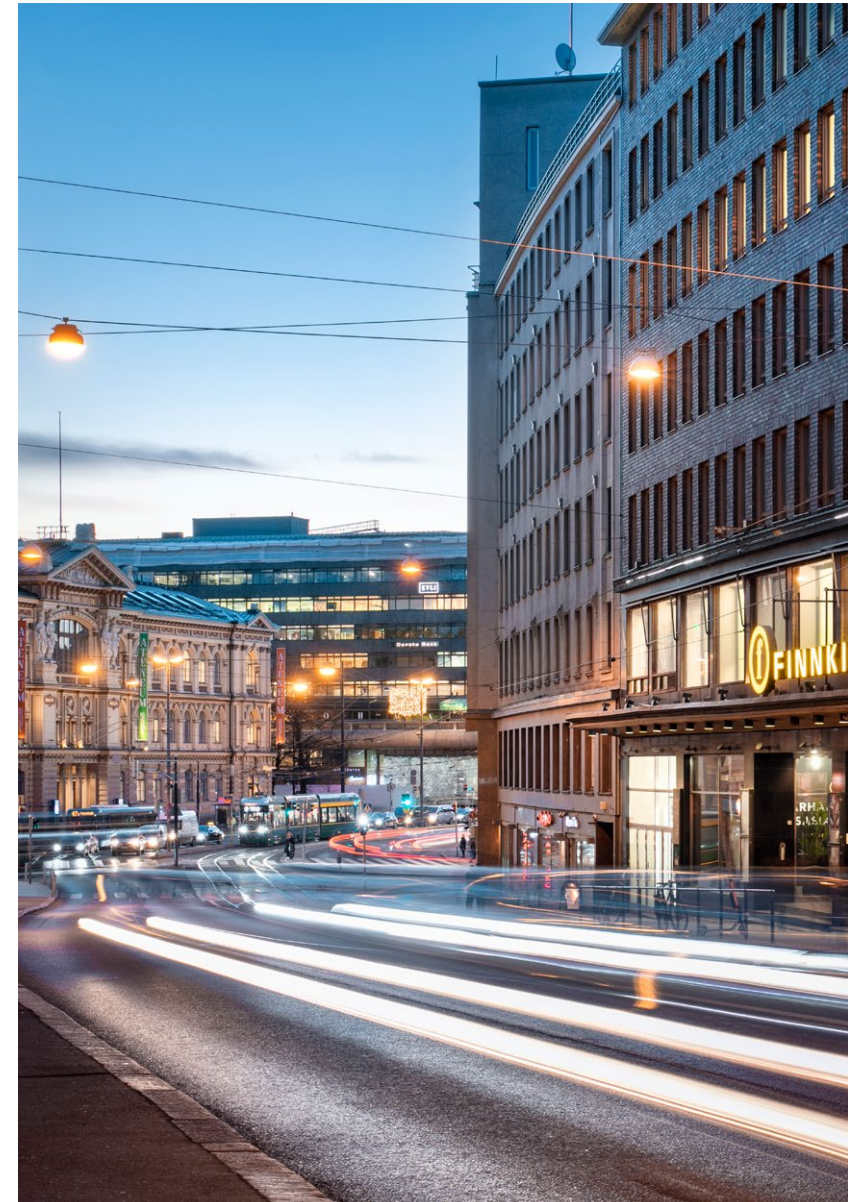
We want to do our part in taking the property industry forward. We are engaged in industry development on a broad front: we are active and long-term members of property and construction industry organisations, we share our knowledge and expertise and we engage in research and development activities of our own.

Our development efforts include pilot projects focused on studying the intelligent monitoring of indoor air conditions, water consumption and energy consumption. In 2019, we also deployed a new energy management tool that enables us to take more effective action in response to deviations and monitor the impacts of energy efficiency measures.

Sponda has a long track record of active involvement in, for example, the Finnish Association of Building Owners and Construction Clients (RAKLI) and Green Building Council Finland, which is an organisation that focuses on sustainable develop-

ment, the environmental certification of properties and energy practices in the property sector. In 2019, we continued our membership in the MaaS (Mobility as a Service) and urban development clinic established by RAKLI and the City of Helsinki. We also joined RAKLI's Circular Economy Criteria clinic. The aim of the MaaS project was to assess the prerequisites for the development of mobility services from the perspectives of various parties (property owner, city, service provider) so that the urban environment can be developed with an eye to future mobility needs. The Circular Economy Criteria clinic aims to define area-specific targets, opportunities and criteria for the practical implementation of the circular economy in a way that maintains and strengthens the vitality of each area.

We are also actively involved in the FiBS (Finnish Business and Society) corporate responsibility network, which aims to promote economically, socially and ecologically responsible business in Finland.



New sustainability programme 2020–2022

We updated our sustainability programme in 2019 to ensure that it is in line with the needs and wishes of our stakeholders and supports Sponda's business in the best possible manner in the years to come. The new sustainability programme consists of eight themes and its core is the development of sustainable and vibrant urban environments. Operating sustainably helps Sponda achieve continued success in a changing world.

At Sponda, 2019 was a year of renewal. One of the most important renewal was updating our sustainability programme. The nearly year-long process was a comprehensive effort: we created a new sustainability strategy, defined new sustainability targets and created a road map for achieving them. We wanted to identify the material themes of our sustainability from Sponda's perspective and the perspective of our stakeholders.

Sponda's business strategy was the starting point for the process. The purpose of the sustainability programme is to help Sponda achieve continued success in a changing world. When we planned the renewal, we weighed up the benefits and costs of sustainability for Sponda and came to the conclusion that sustainability is part of our risk management and good leadership. We aim to anticipate changes in our operating environment, and climate change is one of the most significant among them. We have a duty to mitigate climate change and anticipate the associated risks and opportunities. With this in












mind, the road map in our sustainability programme includes, for example, a section on the management of financial risks related to climate change. We are also affected by regulatory changes implemented in response to climate change.

In creating our new sustainability programme, we wanted to establish a better understanding of our stakeholders' expectations regarding our sustainability efforts. We surveyed the views of our stakeholders by means of online questionnaires and in-depth interviews, among other things. This led to the introduction of new themes in our sustainability programme: healthy and safe premises, data-driven management and use of digital innovations.













The overarching theme of our new sustainability programme is the development of sustainable and vibrant urban environments. The programme is divided into eight themes that cover economic, social and environmental responsibility as well as sustainability issues that are of particular relevance to our industry.



Our new responsibility themes starting from 2020

Responsibility theme	Vision	Objective(s)	UN Sustainable Development Goals (SDG's)
Economic responsibility			
Sustainable and transparent economy and risk management	We support profitable business through good governance and risk management, systematic property maintenance and investments that aim for long life cycles.	<ul style="list-style-type: none"> Proportion of annual energy efficiency investments of all investments (%). 100% coverage in energy and property audits. LCA (Life Cycle Assessment) calculations for new and major renovation projects. Annual assessment of the risks and opportunities associated with climate change. Staying at the five-star level in the GRESB sustainability assessment. 	    
Social responsibility			
Employee wellbeing and competence development	We invest in a good working environment, support the development of employee competence and engage our personnel in the development of sustainability at Sponda.	<ul style="list-style-type: none"> Promotion of the personnel's well-being at work and reduction of the turnover rate from the previous year. Keeping absences due to illness at an acceptable level. Development of work capacity management and related performance indicators. Providing training that matches the personnel's needs and increasing the number of training days. 	
Responsibility in the supply chain	We require our partners to comply with our ethical guidelines. We aim to promote human rights and prevent the grey economy.	<ul style="list-style-type: none"> Supplier audits and development of co-operation meetings with key suppliers. Suppliers' commitment to Sponda's Supplier Code of Conduct. 	 
Customer orientation	We invest in the quality of our services, and our MOW concept helps us to pursue bold initiatives to respond to the changing needs of working life. We help tenants to achieve their sustainability objectives related to the use of the premises.	<ul style="list-style-type: none"> Further improvement of customer experience (overall satisfaction rate over 4.0 on a scale from 1 to 5). Improvement of the Net Promoter Score (NPS) from customers. Providing better sustainability information through the website and extranet services. Closer co-operation in sustainability with tenants (environmental partnerships, etc.). 	  

Our new responsibility themes starting from 2020

Responsibility theme	Vision	Objective(s)	UN Sustainable Development Goals (SDG's)
Environmental responsibility			
Eco efficiency	We improve the efficiency of energy consumption, reduce water consumption and improve the waste recycling rate. Environmental certification (LEED® or BREEAM®) is sought for all new and major renovation property development projects. Sponda also seeks In-Use certification for its properties.	<ul style="list-style-type: none"> Reduction of purchased energy in properties by 20% by 2030 compared with average consumption in 2016–2018. Improving energy efficiency in line with the property sector's energy efficiency agreement (TETS) by 7.5% by 2025, using energy consumption in 2015 as the baseline. Reduction of water consumption in the property portfolio. Increasing the recycling rate to 58% in Sponda overall, 50% in offices and 67% in shopping centres by 2022. Seeking environmental certification (LEED® or BREEAM®) for all new property development projects and significant renovation projects. In-Use certification will also be sought for properties. At least two properties will be certified each year. 	    
Carbon smart	We reduce our emissions and develop solutions for low-carbon construction. We increase the proportion of renewable energy and our own production of renewable energy.	<ul style="list-style-type: none"> 70 per cent reduction of CO₂ emissions from energy consumption by 2030 from the 2016–2018 average level through energy efficiency measures and renewable energy projects and procurement. Improving the design guidelines, taking into account the carbon footprint and material efficiency. Implementing at least one significant renewable energy project each year (e.g. a solar power plant or geothermal energy). By 2022, the entire portfolio will consist of 100% green electricity. 	   
Industry sustainability themes			
Healthy and safe premises	We develop the quality control of our properties and invest in indoor air quality. We ensure that the premises are safe for tenants, employees and visitors.	<ul style="list-style-type: none"> Further development of the indoor air quality operating model and guidelines to support proactive measures. At least two indoor air satisfaction surveys will be carried out each year. Development of the EHS operating model. 	 
Data-driven management and the use of digital innovations	We utilise IoT technology in the maintenance of our properties. We promote the use of digital products and services that are related to energy efficiency and good indoor air quality.	<ul style="list-style-type: none"> Increasing the number of pilot projects that promote digitalisation and smart solutions in property maintenance. Building ecosystems that promote innovation. 	

Key figures

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Environmental responsibility key figures

Electricity, heating, water and district cooling consumption of Sponda's properties in Finland

	2019	2018	2017	2016	2015	Change 2018-2019, %	Number of properties 2019
Total energy consumption, all properties, MWh	309,846	323,322	297,984	293,565	269,813	-4.2	
Total energy consumption, all properties, GJ	1,115,447	1,163,960	1,072,743	1,056,833	971,327		
Total energy consumption, like-for-like properties, MWh	243,002	244,037				-0.4	
Total energy consumption, like-for-like properties, GJ	874,809	878,534					
Electricity, all properties, MWh	131,638	140,297	127,747	128,045	111,502	-6.2	125
Tenants' electricity purchased by landlord, MWh	33,688	35,293					
Electricity consumption in common areas, MWh	97,950	105,004					
Electricity, like-for-like properties, MWh	105,520	107,013				-1.4	96
Heating, normalised, all properties, MWh	166,684	167,972	158,508	153,160	150,185	-0.8	123
Heating, normalised, like-for-like properties, MWh	126,806	123,705				2.5	95
Heating, measured, all properties, MWh	149,884	159,642	146,564	146,900	122,769	-6.1	123
Heating, measured, like-for-like properties, MWh	115,782	118,122				-2.0	95
District cooling, all properties, MWh	11,525	15,053	11,729	12,359	8,126	-23.4	26
District cooling, like-for-like properties, MWh	10,676	13,319				-19.8	19
Water, all properties, m ³ *	363,026	405,796	386,291	366,747	327,161	-10.5	119
Water, like-for-like properties, m ³	296,503	300,718				-1.4	91

* Supplied from a municipal or city water supply network.

Electricity, heating, water and district cooling consumption intensity of Sponda's properties in Finland

	2019	2018	2017	2016	2015
Energy intensity, kWh/GFAm ² /year	216.0	200.5	203.6	197.8	203.5
Electricity intensity, kWh/GFAm ² /year	95.0	88.1	89.1	84.2	86.1
Heating intensity, normalised, kWh/GFAm ² /year	114.6	105.3	109.5	110.6	116.5
Heating intensity, measured, kWh/GFAm ² /year	104.8	100.4	101.2	106.3	95.2
District cooling intensity, kWh/GFAm ² /year	22.9	24.3	19.3	19.4	26.4
Water intensity, ltr/GFAm ² /year	280.6	274.2	277.1	249.6	265.0

Energy and water consumption of Sponda's properties by main segment

	Office properties			Shopping centres		
	2019	2018	Change, %	2019	2018	Change, %
Total energy consumption by main segment, MWh	160,730	160,903	-0.1	82,272	83,135	-1.0
Electricity, MWh	64,606	65,239	-1.0	40,914	41,774	-2.1
Heating, normalised, MWh	91,722	90,063	1.8	35,084	33,642	4.3
Heating, measured, MWh	83,616	86,150	-2.9	32,167	31,972	0.6
District cooling, MWh	4,402	5,601	-21.4	6,274	7,718	-18.7
Water, m ³	167,492	172,649	-3.0	129,011	128,069	0.7

Energy and water consumption intensity of Sponda's properties by main segment

	Office properties			Shopping centres		
	2019	2018	Change, %	2019	2018	Change, %
Energy intensity by main segment, kWh/GFAm ² /year	186.1	175.7	6.0	276.4	290.3	-4.8
Electricity intensity, kWh/GFAm ² /year	76.7	71.8	6.7	132.3	147.1	-10.0
Heating intensity, normalised, kWh/GFAm ² /year	107.6	102.2	5.4	129.6	117.6	10.2
Heating intensity, measured, kWh/GFAm ² /year	98.2	97.5	0.7	119.1	111.8	6.5
District cooling intensity, kWh/GFAm ² /year	18.0	18.0	-0.5	28.6	34.4	-17.1
Water intensity, ltr/GFAm ² /year	232.9	224.8	3.6	371.0	443.6	-16.4

Energy and water consumption of Sponda's head office

	2019	2018	2017	2016	2015	Change 2018-2019, %
Total energy consumption, MWh	1,077	1,087	1,056	1,101	1,017	-0.9
Electricity, MWh	342	331	324	339	327	3.4
Heating, normalised, MWh	685	657	681	697	647	4.3
Heating, measured, MWh	623	637	625	680	551	-2.1
District cooling, MWh	50	100	52	65	43	-50.3
Water, m ³	1,512	1,177	1,542	1,838	1,523	28.4

Electricity, heating, water and district cooling consumption intensity of Sponda's head office

	2019	2018	2017	2016	2015
Energy intensity, kWh/GFAm ² /year	182.7	184.4	179.2	186.8	172.5
Electricity intensity, kWh/GFAm ² /year	58.1	56.2	54.9	57.6	55.5
Heating intensity, normalised, kWh/GFAm ² /year	116.2	111.4	115.5	118.2	109.8
Heating intensity, measured, kWh/GFAm ² /year	105.7	108.0	106.0	115.4	93.3
District cooling intensity, kWh/GFAm ² /year	8.4	16.9	8.8	11.0	7.3
Water intensity, ltr/GFAm ² /year	256.5	199.7	261.6	311.8	258.4

Energy sources and emission factors

	2019	2018	2017	2016	2015
Purchased electricity					
Market-based emission factor, kg CO ₂ /MWh	284	284	256	282	278
Renewables, %	25	15	15	13	11
Non-renewables, %	53	45	44	45	43
Nuclear power, %	22	40	41	42	46
Location-based emission factor, kg CO ₂ /MWh	158	158	164	181	209
Heating					
Market-based emission factor, kg CO ₂ /MWh	187	186	191	188	144
Renewables, %	20	18	17	15	14
Non-renewables, %	80	82	83	85	86
Location-based emission factor, kg CO ₂ /MWh	164	164	188	176	183
District cooling					
Market-based emission factor, kg CO ₂ /MWh	72	72	61	68	62
Renewables, %	92	92	94	88	86
Non-renewables, %	8	8	6	12	14
Location-based emission factor, kg CO ₂ /MWh	72	72	61	68	62

The share of renewable energy of Sponda's total energy usage 25%

Carbon footprint arising from the energy consumption of Sponda's properties in Finland

t CO ₂	2019	2018	2017	2016	2015	Change 2018-2019, %
In total carbon footprint from energy consumption	63,178	69,483	62,591	64,636	52,503	-9.1
Electricity *	37,399	39,882	32,650	36,137	30,998	-6.2
Heating	31,139	31,313	30,252	28,760	21,560	-0.6
District cooling	830	1,084	715	841	504	-23.4
CO ₂ emission reductions from self generated renewable energy and Guarantee of Origin certificates	-6,190	-2,795	-1,026	-1,102	-559	
Total, like-for-like properties **	54,374	54,408				-0.1
Total, like-for-like properties ***	48,183	51,613				-6.6
Total, location-based	48,965	50,798	51,465	50,973	51,292	-3.6

* Includes the emissions from both the purchased common area electricity (Scope 2) and indirect tenant electricity (Scope 3).

** Excluding Guarantee of Origin certificates and self generated renewable energy.

*** Including Guarantee of Origin certificates and self generated renewable energy.

Carbon footprint arising from the energy consumption of Sponda's head office

t CO ₂	2019	2018	2017	2016	2015	Change 2018-2019, %
Total carbon footprint from head office energy consumption *	115.4	111.3	118.7	120.7	153.2	3.7
Total carbon footprint from head office energy consumption **	211.1	207.0	205.8	215.7	153.2	2.0
Electricity	99.3	96.0	85.5	97.7	91.0	3.4
Heating	108.2	103.8	117.1	113.6	59.5	4.2
District cooling	3.6	7.2	3.2	4.4	2.7	-50.0
CO ₂ emission reductions from Guarantee of Origin certificates	-95.7	-95.7	-87.1	-95.0		

* Including emission reductions from Guarantee of Origin renewable energy certificates.

** Excluding emission reductions from Guarantee of Origin renewable energy certificates.

Carbon dioxide emission intensity from energy consumption of Sponda's properties in Finland

kg CO ₂ /GFAm ² /year	2019	2018	2017	2016	2015	Change 2018–2019, %
Total CO ₂ intensity	45.7	45.1	46.4	43.3	40.2	1.4
CO ₂ intensity from electricity	22.7	23.6	23.6	23.6	23.9	-3.6
CO ₂ intensity from heating	21.4	19.7	21.7	20.9	16.9	8.6
CO ₂ intensity from district cooling	1.6	1.8	1.2	1.3	1.6	-10.0

Carbon dioxide emission intensity from the energy consumption of Sponda's head office

kg CO ₂ /GFAm ² /year	2019	2018	2017	2016	2015	Change 2018–2019, %
Total CO ₂ intensity from head office energy consumption	19.6	18.9	20.4	20.5	26.0	3.7
CO ₂ intensity from electricity	0.6	0.1	0.0	0.5	15.4	
CO ₂ intensity from heating	18.4	17.6	19.9	19.3	10.1	4.2
CO ₂ intensity from district cooling	0.6	1.2	0.5	0.7	0.5	-50.0

Sponda's indirect carbon dioxide emissions

t CO ₂	2019	2018	2017	2016	2015	Change 2018–2019, %
Total indirect carbon dioxide emissions	10,145.5	10,604.6	346.8	311.9	376.5	-4.3
Tenant electricity	9,769.5	10,235.1				-4.5
Emissions from waste management	252.0	227.6	190.4	166.6	225.5	10.7
Emissions from leased cars	57.9	86.0	90.5	85.5	70.0	-32.7
Emissions from business travel (flights)	66.1	56.0	65.9	59.8	81.0	18.1

Carbon footprint arising from energy consumption of Sponda's properties by main segment

	Carbon footprint arising from energy consumption of Sponda's properties in Finland by main segment (t CO ₂)			Carbon dioxide emission intensity from energy consumption of Sponda's properties in Finland by main segment (kg CO ₂ /GFAm ² /year)		
	2019	2018	Change %	2019	2018	Change %
Office Properties	35,149	34,468	2.0	43.3	40.2	7.5
Shopping Centres	13,035	17,145	-24.0	50.3	64.5	-22.1

Sponda's Energy Efficiency Programme

	2019	2018	2017	2016	2015	Change 2018–2019, %
Number of properties included in Sponda's Energy Efficiency Programme at the end of the year	80	102	101	106	109	-22
Share of properties included in the programme, % of the total property portfolio	83	87	89	91	88	-4
Annual energy saving achieved by the energy efficiency programme, MWh	-329	-365	-3,622	-110	-7,405	-10
Annual energy saving achieved by the energy efficiency programme, GJ	-1,186	-1,313	-13,039	-396	-26,658	-10
Number of energy reviews conducted per year	71	101	63	91	95	-30

Sponda's Environmental partnership

	2019	2018	2017	2016	2015	Change 2018–2019, %
Total energy consumption of Sponda's environmental partners, MWh	59,999	75,119	86,638	98,689	91,769	-20.1
Electricity, MWh	25,720	31,467	35,571	40,527	37,492	-18.3
Heating, normalised, MWh	30,063	37,867	45,840	52,918	49,474	-20.6
District cooling, MWh	4,216	5,785	5,226	5,244	4,803	-27.1
Water, m ³	98,617	114,670	126,439	132,101	122,227	-14.0
CO ₂ -emissions, t CO ₂	11,617	13,362	16,213	19,545	16,661	-13.1
Number of environmental partners	11	16	20	24	23	-31.3

Waste volumes of Sponda's properties in Finland

	2019	2018	2017	2016	2015
Total, t	7,709	8,193	7,217	6,571	6,297
Energy recovery, t	3,626	4,278	3,963	3,610	3,264
Material Recovery, t	4,075	3,915	3,252	2,960	2,852
Biowaste, t	1,717	1,528	1,230	1,022	928
Paper, t	282	296	378	476	576
Paperboard, t	1,418	1,464	1,303	1,135	971
Cardboard, t	94	100	92	102	118
Glass, t	119	112	91	78	76
Metal, t	154	135	103	87	65
Plastic, t	55	14	1	2	2
Sludge, t	75	112	21	31	92
Other waste, t	155	147	16	19	17
Hazardous waste, t	7	7	17	10	7
Final treatment, t	7	0	1	1	181
Total carbon dioxide emissions arising from waste, t CO ₂	252	219	190	167	225

This includes Sponda-owned properties where the property owner is responsible for waste management.

Waste recovery rates of Sponda's properties in Finland

	2019	2018	2017	2016	2015
Overall waste recovery rate, %	99.9	100.0	100.0	100.0	97.1
Energy recovery, %	47.0	52.2	54.9	54.9	51.8
Material recovery, %	52.9	47.8	45.1	45.0	45.3
Final treatment, %	0.1	0.0	0.0	0.0	2.9

Total like-for-like waste volumes and recovery rates of Sponda's properties in Finland

	2019		2018	
	%	t	%	t
Total like-for-like waste weight		6,690		6,769
Energy recovery, like-for-like	46.8	3,128	51.3	3,473
Material Recovery, like-for-like	53.1	3,555	48.7	3,296
Final treatment, like-for-like	0.1	7	0.0	0

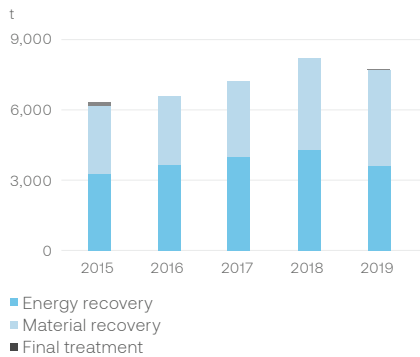
Waste volumes by main segment of Sponda's properties in Finland in 2019

t	Office properties	Shopping centres
Energy recovery	2,108	1,518
Material recovery	1,710	2,365
Final treatment	7	0.1

Waste volumes and recovery rates of Sponda's head office

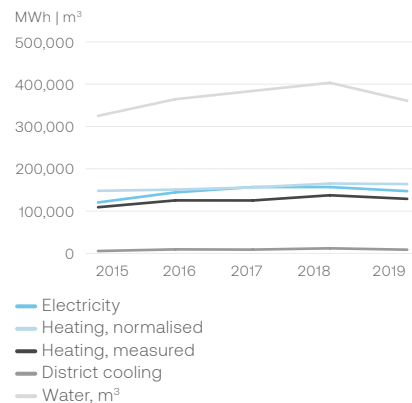
	2019		2018		2017		2016		2015	
	%	t	%	t	%	t	%	t	%	t
Total		66.0		65.6		66.9		71.7		76.9
Energy recovery	31	20.3	47	30.7	46	30.9	43	31.0	40	30.9
Material recovery	69	45.5	53	34.7	54	35.9	57	40.6	60	45.9
Final treatment	0	0.2	0	0.1	0	0.0	0	0.0	0	0.0

Total waste volumes of the properties*



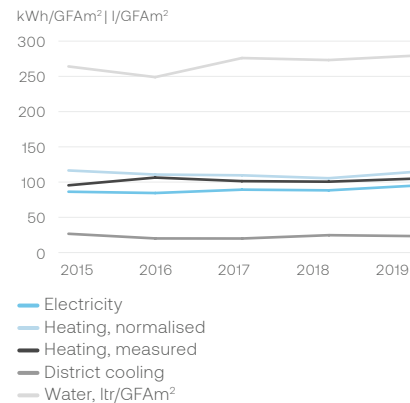
* Sponda's properties in Finland

Electricity, heating, water and district cooling consumption of the properties*



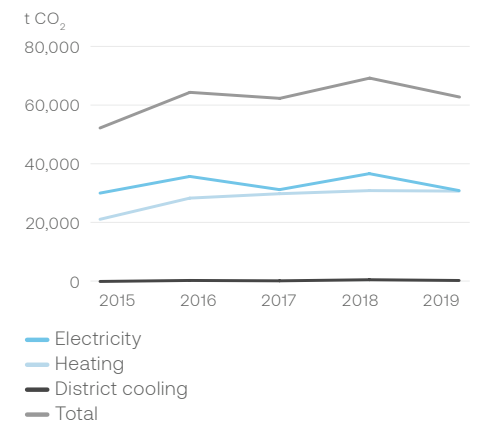
* Sponda's properties in Finland

Electricity, heating, water and district cooling consumption intensity of the properties*



* Sponda's properties in Finland

Carbon footprint arising from the energy consumption of the properties*



* Sponda's properties in Finland

Social responsibility key figures

Key figures for the personnel

	2019			2018			2017			2016			2015		
	Group	SRE*	Russia	Group	SRE*	Russia	Group	Parent company	Russia	Group	Parent company	Russia	Group	Parent company	Russia
Personnel at the year-end	131	122	-	125	117	-	106	102	3	102	96	3	103	96	7
Personnel in average	136	127	-	119	110	-	106	101	3	107	98	5	103	94	9
Average age at the year-end	41.79	42.29	-	43.23	43.67	-	46.35	46.4	50.5	45.68	46.3	42.67	44.55	44.8	41.14
Sick leave, days in average	7.80	4.88	-	4.98	4.87	-	5.67	5.83	0	2.64	2.8	0	2.41	2.55	0.43
Sick leave, % of working hours	1.44	1.35	-	-	2.03	-	-	2.58	-	-	1.23	-	-	1.12	-
Training days per employee in average	0.71	0.72	-	1.23	1.23	-	1.91	1.75	8	1.92	1.79	8	2.30	2.07	5.43
Training hours per employee	5.42	5.74	-	9.33	9.33	-	14.33	13.13	60	14.41	13.44	60	17.26	15.55	40.69
Training, % of working hours	0.30	0.31	-	-	0.59	-	-	0.77	-	-	0.79	-	-	0.91	-

* Sponda Real Estate Ltd, established in 1 January 2018

Collective bargaining agreements and employee turnover

	%
Percentage of employees covered by collective bargaining agreements*	100
Turnover, Finland (Sponda Real Estate Ltd)	26.46
In employment relationships that are valid indefinitely	94.12
In fixed-term employment relationship**	5.88
In full-time employment relationship	96.32
In part-time employment relationship	3.68

* The collective labor agreement covers all personnel in Finland excluding the Executive Board.

** Fixed-term employment relationships are project-specific substitutions exceeding 6 months in duration.

Days of training by personnel group*

	Total	Men	Women	% of working hours	
				Men	Women
Middle management	24.6	0.2	24.4	0.01	0.89
Experts	51.3	19.1	32.1	0.23	0.44
Total	97.5	19.3	78.1	0.31	

Only personnel groups with three women and three men at minimum reported.

* Sponda Real Estate Ltd

Sick days by personnel group*

	Total	Men	Women	% of working hours	
				Men	Women
Middle management	62	12	50	0.16	0.67
Experts	257	126	131	0.56	0.58
Parent company, total	598	154	444	1.35	

Only personnel groups with three women and three men at minimum reported.

* Sponda Real Estate Ltd

Job satisfaction and security, Finland*

Accident frequency	under 0.0001
Occupational diseases	0
Fatalities	0
Number of discrimination cases, their handling and related corrective action, amount of cases	0

* Sponda Real Estate Ltd

Employees hired in 2019, Finland*

Age group	Total	Men	Women
20 - 24	4	1	3
25 - 29	7	2	5
30 - 34	6	3	3
35 - 39	11	5	6
40 - 44	8	5	3
45 - 49	5	1	4
50 - 54	2	0	2
Over 55	2	0	2
Total	45	17	28

* Sponda Real Estate Ltd

Personnel Groups*

Persons	31-Dec-19	31-Dec-18
Administration	56	48
Active Property Management **	22	12
Transactions and Portfolio Management	15	15
Shopping Centres	18	16
Office Properties	25	26

* Sponda Real Estate Ltd

** New business unit established in 2019.

Employees that left the company in 2019, Finland*

Age group	Total	Men	Women
Under 20	1	0	1
20 - 24	5	1	4
25 - 29	2	1	1
30 - 34	7	1	6
35 - 39	5	3	2
40 - 44	5	3	2
45 - 49	10	4	6
50 - 54	4	0	4
Over 55	8	2	6
Total	47	15	32

* Sponda Real Estate Ltd

Comparison of salaries and rewarding of men and women

Comparison group I, experts

The salary of women is % of the corresponding salary of men	Basic salary	Rewarding
2019	92.15	93.21
2018	94.65	62.77
2017	89.91	69.93

Comparison group II, middle management

The salary of women is % of the corresponding salary of men	Basic salary	Rewarding
2019	79.16	130.45
2018	86.13	87.22
2017	90.82	74.07

The comparison includes task-specific groups with three women and three men at minimum. The comparison figure has been calculated on the principle of how many per cent the average salary and rewarding for women is of the corresponding salary and rewarding for men.

* Sponda Real Estate Ltd

Economic responsibility key figures

Group key figures*

Key financial figures	31 Dec 2019	31 Dec 2018	31 Dec 2017	31 Dec 2016	31 Dec 2015
Income statement key figures					
1. Total revenue, M€	244.5	259.2	263.7	259.0	230.5
2. Operating profit, M€	146.4	155.1	173.5	206.7	178.1
3. % of total revenue	59.9	59.8	65.8	79.8	77.3
4. Total amount of financial income and expenses, M€	-95.6	-107.9	-75.2	-51.2	-48.9
5. Profit/loss for the period, M€	74.9	33.8	76.6	137.5	227.2
6. % of total revenue	30.6	13.0	29.0	53.1	98.6
Balance sheet key figures					
7. Shareholders' equity, M€	984.1	1,247.4	1,350.1	1,849.9	1,585.0
8. Investment properties, M€	3,092.3	3,755.8	3,935.3	3,755.5	3,101.7
9. Total liabilities, M€	2,724.0	2,948.6	3,404.7	2,066.6	1,856.0
10. Interest-bearing liabilities, M€	2,514.1	2,705.9	3,186.4	1,862.5	1,660.9
11. Interest-bearing net liabilities, M€	2,409.5	2,599.2	2,457.3	1,849.6	1,440.9
Profitability and financial key figures					
12. Equity ratio, %	26.6	29.8	28.5	47.4	46.2

Key figures per share	31 Dec 2019	31 Dec 2018	31 Dec 2017	31 Dec 2016	31 Dec 2015
13. Basic and diluted earnings per share attributable to parent company equity holders, € (EPS)	0.22	0.1	0.21	0.41	0.78
14. Equity per share, €	2.89	3.67	3.97	5.16	5.26

* The financial figures related to the reporting year are comprehensively presented in the company financial statements 2019, which is available at Sponda's website https://www.sponda.fi/sites/default/files/financial_statements_release_2019.pdf

Principles of the report

Description and scope of the report	41
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Description and scope of the report

This review has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core option. This Sustainability Review contains general information about the economic, social and environmental impact of Sponda's operations between 1 January and 31 December 2019, unless otherwise indicated.

Sponda's Sustainability Review is divided into the following main sections:

- The strategic significance of responsibility to Sponda and Sponda's approach to corporate responsibility are discussed in the Responsibility section of this report and the Responsibility section of Sponda's website.
- The Responsibility targets and results at Sponda in 2019 section covers Sponda's sustainability-related actions and results in 2019.
- The Key figures section covers key sustainability indicators pertaining to environmental, social and economic responsibility.
- The scope and principles of the report, the GRI index and the independent assurance report are found in the **Scope of reporting and calculation principles** section.
- The reporting boundaries corresponding to material aspects of corporate sustainability are presented on Sponda's website.

This review has been prepared in accordance with the GRI Standards: Core option. The GRI G4 Construction and Real Estate Sector Disclosures

reporting guidelines have also been applied in this report. In particular, the CRE indicators related to the real estate sector are reported on where applicable.

Sponda's annual sustainability review also serves as a Communication on Progress (COP) report on the implementation of the UN Global Compact principles. Sponda's Consolidated Financial Statements are IFRS (International Financial Reporting Standards) compliant.

The scope of reporting and calculation principles

The figures that appear in the report are based on the figures for Sponda's operations in Finland, unless otherwise indicated. Figures for the company's subsidiaries are mentioned separately. Unless otherwise indicated, there have been no changes from the previous report with regard to the scope or method of calculation of the reporting principles.

¹The reporting does not cover properties in which Sponda is not responsible for property maintenance, energy purchasing or waste management. An exception to this limitation of ownership is the Zeppelin shopping centre, which is reported in full even for the real estate companies in which Sponda's ownership is less than 50 per cent. As of 1 October 2019, Sponda outsourced the asset management of 14 logistics properties to an external party. Of these, 10 were included in energy and water consumption monitoring, and they are taken into account in annual reporting until the date of transfer, 31 October 2019.

Assurance

Selected information from the Finnish version of the Sustainability Review regarding energy, emissions and waste management has been assured by an independent third party, PricewaterhouseCoopers Oy, and congruence between the Finnish and English versions has been checked. The assured information is identified in the GRI Content Index. The external assurance report is provided in the Principles of the report section of this Sustainability Review on pages [45-46](#).

Calculation principles for environmental reporting

The calculation of environmental indicators takes into account properties located in Finland in which Sponda's ownership is at least 50 per cent.¹

In addition to total consumption, Sponda's key environmental indicators are also reported separately

for shopping centres and offices. Logistics properties are reported as part of the office segment.

The scope of environmental indicators as a share of the completed properties owned by Sponda is presented separately for each reporting section below.

Sponda's reportable environmental indicators are related to energy consumption, water consumption, carbon dioxide emissions and waste management.

The primary reporting period for environmental indicators is five years, consisting of the reporting year and the four preceding years. The following exceptions apply to the reporting periods:

- Like-for-like consumption figures are presented for two years.
- Segment-specific consumption figures are presented for two years.

There is a certain degree of annual variability in Sponda's property portfolio due to sales and purchases as well as extensive renovation projects, which affect the comparability of the annual envi-

ronmental indicators. For this reason, environmental indicators are reported for all properties as well as comparable properties².

Energy and water consumption as well as CO₂ emissions are presented also as key intensity figures proportioned to the gross floor area (GFAm²). Properties that were sold or bought and properties under renovation are not included in the calculations on key intensity figures.

Sponda monitors the development of the environmental indicators for its head office separately. The consumption figures for the head office are presented in separate tables in the report.

Sponda monitors the development of environmental indicators separately for the properties in which the customers are Sponda's environmental partners. The calculation is based on Sponda's environmental partners on 31 December 2019.

Energy

The energy consumption of Sponda's properties consists of purchased energy, electricity, heating and district cooling, as well as solar power

produced on site. During the reporting year, Sponda had on-site solar power production at one property.

A total of 102 (128) of Sponda's wholly or partially owned real estate companies were subject to energy consumption monitoring in 2019, representing 92 (97) per cent of Sponda's property portfolio³. Of these, 100 (121) are subject to hourly monitoring, while consumption at 3 (3) properties is monitored by means of manual meter reading.

Cooling is monitored separately for those properties that use district cooling. If cooling is performed by compressors, it is included in the electricity consumption.

The unit used in monitoring the consumption of purchased energy is the MWh. Total energy consumption is also reported in GJ using the conversion rate 1 MWh = 3.6 GJ (Source: IEA, International Energy Agency).

The energy efficiency programme includes 80 (117) properties, covering 83 (87) of Sponda's wholly owned properties.



Sponda's energy efficiency programme covers 80 properties, which represents 83 per cent of Sponda's wholly owned properties.

² Like-for-like consumption is reported separately for the following environmental indicators: energy consumption, water consumption, carbon footprint, total waste management volumes and recovery rates.

³ Energy consumption is divided by the number of Sponda's properties excluding properties included under property development (major new construction and renovation projects).

Water

Water consumption monitoring extended to 97 (123) of Sponda's wholly or partially owned properties in 2019, representing 87 (99) per cent of Sponda's property portfolio. Of these, 94 (118) properties are subject to hourly monitoring, while consumption at 3 (5) properties is monitored by means of manual meter reading.

Waste

Information on waste covers all properties for which the responsibility to arrange waste management lies with a Sponda-owned property or mutual real estate company. The monitoring extended to 99 (124) properties, representing 89 (94) per cent of the properties owned by Sponda at the end of 2019. Waste covered by tenants' own waste management agreements is not included in the reporting. The reported information on waste is based on waste volumes reported by waste management service providers.

Carbon dioxide emissions

Sponda has no carbon dioxide emissions resulting directly from its actions. Scope 1 greenhouse gas emissions totalled zero during the reporting period. Greenhouse gas emissions from purchased energy (Scope 2) have been calculated by multiplying energy consumption (MWh) by the emission factor corresponding to its production (kg CO₂/MWh). The emissions have been estimated using two methods, based on information reported by the suppliers of purchased energy and based on Finland's

country-specific emissions data (market- and area-specific calculation). At present, Sponda does not report on greenhouse gas emissions other than carbon dioxide, or their global warming potential.

Greenhouse gas emissions have been calculated for electricity and district cooling based on measured consumption data and, for district heating, based on normalised (weather-adjusted) consumption. The normalisation of consumption is based on the heating requirement figures reported by the Finnish Meteorological Institute, which facilitates year-to-year comparisons of heat consumption.

The calculation of CO₂ emissions for 2019 is based on emission factors reported by the suppliers of purchased energy in 2018. The emission factors are reported in the Energy and environmental efficiency section of the Annual Report. Data for other reported years have been calculated using the actual emission factor for each year. The CO₂ emissions for 2018 have been updated according to the emission factors for 2018. The emission intensities and origin of electricity are based on the production breakdown of electricity produced in Finland, deducted by the amount of electricity produced from renewable energy sources of verified origin. The share of guarantees of origin (certificates of origin for Nordic wind power) and electricity produced by Sponda itself from renewable energy sources has been deducted from the CO₂ emissions figures reported by Sponda. In 2019, they represented 16.6

per cent of Sponda's total emissions caused by electricity consumption (6,190 tCO₂).

For the sake of comparison, Sponda's total CO₂ emissions are also reported using Finland's country-specific factor for electricity and heating production (Source: Motiva Oy). Because of the unavailability of a country-specific factor for district cooling production, the reporting is based on a supplier-specific factor.

With respect to indirect greenhouse gas emissions (Scope 3), Sponda reports on carbon dioxide emissions from tenant electricity, waste management, business air travel and leased cars. Emissions from tenant electricity are the most significant of Sponda's Scope 3 emissions. Emissions calculations for waste management cover 100 per cent of the waste management Sponda is responsible for, and the emissions calculations are based on the GHG protocol. The calculations include both waste transportation and treatment. Emissions from business air travel are based on flight miles and the emission factors reported by airlines. The emissions from leased cars are based on Sponda's emissions data on leased cars as of the last day of the year and kilometres driven per year. Indirect greenhouse gas emissions are reported at the company level.

The use of renewable energy sources includes solar power generated by the properties themselves as well as electricity and heating produced from renewable energy sources and purchased from energy companies.

Management approach

Responsibility priorities	Transparent and ethical operations	Enhancing the customer experience	Investing in employees	Energy and environmental efficiency	Property locations and taking the industry forward
Objective of the management approach	Sponda's objective is to maintain and improve its financial performance and profitability while also creating stakeholder value through transparent communications and reporting as well as good governance and risk management. Due to the large subcontracting network, the responsible management of procurement activities is also important for Sponda. Anti-corruption and the observance of human rights are a material aspect of the management of Sponda's own operations as well as the supply chain.	Customer health and safety are key facets of the customer experience in addition to the provision of comfortable working environments that support customers' operations. Sponda also aims to support its customers' responsibility objectives through its own sustainability efforts.	By investing in employee training and the development of management practices, Sponda aims to ensure the high professional competence of its personnel, which is a key resource for the Group's operations. Sponda also strives to maintain and improve the work ability and functional capacity of its personnel and ensure the equal treatment of employees.	The energy and water consumption of properties have significant environmental impacts, which is why energy and environmental efficiency is one of the key priorities of Sponda's sustainability efforts. Sponda aims to continuously improve the energy efficiency of its properties as well as waste recycling and sorting. Managing the energy efficiency of the extensive supply chain is also an integral part of Sponda's sustainability.	With regard to property locations, Sponda strives for sustainability from the perspective of the economy as well as the environment. The Group also aims to develop urban environments in co-operation with various parties. Sponda is actively engaged in taking the property and construction industry forward from the perspective of sustainable development by being involved in various industry organisations, sharing its knowledge and expertise and carrying out research and development.
Reporting boundary	The effects of transparent and ethical operations are directly related to Sponda's business and the operations of its personnel. Through subcontracting, the impacts also extend to partners at the properties owned by Sponda.	Sponda's operations have indirect impacts on customer health and safety at the properties owned by the Group, as external property managers are responsible for the safety of properties.	Measures related to employee health, safety, training and equality have direct impacts at Sponda's own business locations.	Sponda's energy and environmental efficiency has primarily direct impacts at the properties owned by Sponda. The impacts of waste management at properties and supplier assessments are indirect and they concern Sponda's customers and partners.	Property locations have direct impacts on Sponda's business as well as its customers' business. Sponda's operations also have indirect impacts on customers, partners and society in a broader sense through projects related to urban development and taking the industry forward.
Management approach	Sponda's operations are based on its Code of Conduct, which covers good governance, responsibilities and expectations in terms of key stakeholders, transparent business operations, anti-bribery and anti-corruption practices, environmental responsibility and responsibility as an employer. Sponda is also committed to the UN Global Compact sustainability principles. The observance of ethics in business is the responsibility of Sponda's Human Resources Director and Sustainability Manager. Financial performance is managed through the owner, Sponda's strategy and targets and the financial administration function. The President and CEO and the CFO are in charge of the Group's financial performance. The responsibility of the supply chain is managed through purchasing agreements and the Supplier Code of Conduct. It highlights responsibilities related to transparency, environmental responsibility, labour, human rights and safety. The Purchasing Manager is in charge of managing Sponda's supply chain.	The continuous development of property services and maintaining effective communication and feedback channels are a material aspect of Sponda's management of the customer experience. Sponda's external property managers manage the safety of properties by ensuring that the contractual obligations of the partners they use are fulfilled in accordance with occupational safety regulations. The customer experience is managed through the use of leases and the Supplier Code of Conduct as well as by applying the relevant legislation. Asset Managers, Facility Managers and Property Managers are in charge of the customer experience at Sponda.	Personnel development is managed at Sponda based on the Group's strategy as well as feedback from customers and stakeholders. Employees are offered opportunities to participate in Sponda's own training programmes as well as external training. Sponda's occupational healthcare action plan has been drafted in co-operation with Terveystalo and it is updated in three-year intervals or more frequently. Employee diversity and equality are managed in accordance with Sponda's equality plan. Sponda's HR management in Finland complies with the applicable legislation, collective bargaining agreements and Sponda's human resource policy. The HR policies are also based on Sponda's Code of Conduct and the principles of the UN Global Compact. The HR Director is in charge of human resource management at Sponda. Activities aimed at maintaining work ability are implemented in co-operation between the occupational healthcare provider, occupational health and safety representatives, supervisors and management.	Energy and environmental efficiency are managed in accordance with Sponda's energy efficiency programme as well as short-term and long-term targets. Sponda's environmental responsibility is also guided by the Finnish property sector's energy efficiency agreement (TETS), the UN Global Compact principles and the City of Helsinki Climate Partners programme. The management of energy and environmental efficiency is the responsibility of the Sustainability Manager. She reports to the Facility Management Director, Active Property Management. Energy and environmental efficiency in the supply chain is managed through purchasing agreements and the Supplier Code of Conduct, which is incorporated into the agreements. Sponda's Purchasing Manager is in charge of the responsibility of purchasing.	The objectives related to property locations are managed in line with Sponda's strategy by focusing the property portfolio on prime areas. The President and CEO and the Executive Board are responsible for the achievement of these objectives. Sponda engages in co-operation on urban development with partners including the City of Helsinki and the Green Building Council Finland. Sponda is also an active member of the Finnish Association of Building Owners and Construction Clients (RAKLI) and the FIBS corporate responsibility network.
Evaluation of the management approach	The achievement of the objectives concerning transparent and ethical operations are monitored in Sponda's Executive Board meetings on a quarterly basis and by the Board of Directors as necessary. The sustainability of Sponda's operations is also evaluated annually by the external GRESB survey. Sponda uses an anonymous feedback channel for employees and partners to report suspected misconduct via the company intranet or e-mail. In 2020, Sponda will introduce an electronic whistleblowing channel to facilitate the anonymous reporting of misconduct. The responsibility of the supply chain is evaluated through regular reporting and meetings with partners. Separate audits are also carried out as necessary.	The enhancement of the customer experience is regularly evaluated through customer satisfaction surveys, property surveys and measurements. Sponda has also introduced fault reporting channels for its properties. The health and safety of premises is reviewed regularly and the feedback received from customers is used in the development of customer relationships and co-operation with partners.	Employee satisfaction and organisational effectiveness are monitored by conducting a regular employee survey as well as through performance reviews. The progress and achievement of each employee's personal goals is assessed with the help of appraisal discussions, customer feedback and employee surveys. The implementation of the occupational healthcare action plan is also monitored regularly. Sponda has an anonymous channel for reporting violations of the Code of Conduct. All reports are processed by Sponda's HR Director, Chief Legal Officer and the Executive Board. No reports were received via the reporting channel in 2019.	Sponda monitors energy and water consumption, carbon footprint and waste management volumes at its properties on a monthly, quarterly and annual basis. Sponda's Executive Board monitors the progress of Group-level environmental targets on a quarterly basis. Energy and environmental efficiency and related progress is also reviewed more comprehensively by Sustainability Steering Group, which meets 4-6 times per year. Sponda's energy and environmental efficiency are also measured by independent third-party assurance reports, GRESB surveys as well as LEED® and BREEAM® certification processes. The energy and environmental efficiency of the supply chain is evaluated through regular reporting and meetings with partners. Separate audits are also carried out as necessary.	Progress towards the objectives related to property locations are monitored by Sponda's Executive Board and the Board of Directors. The external BREEAM® and LEED® environmental certification processes also take the location of properties into account as one certification criterion. Progress in practices aimed at taking the industry forward is evaluated by, among other things, participation in RAKLI and GBC Finland activities and projects as well as the results of environmental partnerships.

Independent Practitioner's Limited Assurance Report

To the Management of Sponda Plc

We have been engaged by the Management of Sponda Plc (hereinafter also the Company) to perform a limited assurance engagement on selected environmental indicators for the reporting period 1 January 2019 to 31 December 2019, disclosed in Sponda Plc's Sustainability Review 2019 on the Company's website (hereinafter Selected environmental indicators). The assured information is indicated in the Company's GRI index 2019.

Management's responsibility

The Management of Sponda Plc is responsible for preparing the Selected environmental indicators in accordance with the Reporting criteria as set out in Sponda Plc's reporting instructions (described in Sponda's Sustainability Review 2019), the Global Reporting Initiative Standards Guidelines and the G4 Construction, Real Estate Sector Disclosures of the Global Reporting Initiative as well as where applicable, the CRE indicators related to the real estate sector. The Management of Sponda Plc is also responsible for such internal control as the management determines is necessary to enable

the preparation of the Selected environmental indicators that are free from material misstatement, whether due to fraud or error.

Practitioner's independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers Oy applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibility

Our responsibility is to express a limited assurance conclusion on the Selected environmental indicators based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements (ISAE) 3410 "Assurance Engagements on Greenhouse Gas Statements". These Standards require that we plan and perform the engagement to obtain limited assurance about whether the Selected environmental indicators are free from material misstatement.

In a limited assurance engagement the evidence-gathering procedures are more limited than for a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement. An assurance engagement involves performing procedures to obtain

evidence about the amounts and other information in the Selected environmental indicators. The procedures selected depend on the practitioner's judgement, including an assessment of the risks of material misstatement of the Selected environmental indicators.

Our work consisted of, amongst others, the following procedures:

- Interviewing a representative of senior management of the Company;
- Visiting the Company's Head Office;
- Interviewing employees responsible for collecting and reporting the Selected information on environmental indicators at the Group level;
- Assessing how Group employees apply the reporting instructions and procedures of the Company;
- Testing the accuracy and completeness of the information from original documents and systems on a sample basis;
- Testing the consolidation of information and performing recalculations on a sample basis.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Sponda Plc's Selected environmental indicators for

the reporting period ended 31 December 2019 are not properly prepared, in all material respects, in accordance with the Reporting criteria.

When reading our assurance report, the inherent limitations to the accuracy and completeness of sustainability information should be taken into consideration.

Our assurance report has been prepared in accordance with the terms of our engagement. We do not accept, or assume responsibility to anyone else, except to Sponda Plc for our work, for this report, or for the conclusions that we have reached.

Helsinki, 25 March 2020

PricewaterhouseCoopers Oy

Sirpa Juutinen
Partner
Sustainability & Climate Change

Jussi Nokkala
Director
Sustainability & Climate Change

GRI index

This review has been prepared in accordance with the GRI Standards: Core option. The review presents the General Standard Disclosures according to the GRI Standards as well as the Topic specific content concerning the management approach, environmental, economic and social indicators.

General Disclosures

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
Organisation						
102-1	Name of the organization	●	Sponda in brief, p. 3			
102-2	Activities, brands, products, and services	●	Sponda in brief, p. 3			
102-3	Location of headquarters	●	Back cover			
102-4	Location of operations	●	Property locations, p. 25; Report by the board of directors and financial statements, p. 4			
102-5	Ownership and legal form	●	Sponda in brief, p. 3; Report by the board of directors and financial statements, p. 6			
102-6	Markets served	●	Sponda in brief, p. 3; Stakeholder cooperation, p. 14; Property locations, p. 25			
102-7	Scale of the organization	●	Sponda in brief, p. 3; Economic responsibility key figures, p. 39		Yes	
102-8	Information on employees and other workers	●	Investing in employees, pp. 21–22; Social responsibility key figures, pp. 37–38; https://www.sponda.fi/en/responsibility/spondability/supply-chain		Yes	The reported information on employees was retrieved from the Personec HR and Nepton systems. Sponda purchases the management of property services for the properties it owns from external property managers. Properties are maintained on behalf of Sponda by contractual partners who do not report gender-specific employee statistics to Sponda.
102-9	Supply chain	●	Transparent and ethical operations, pp. 18–19; https://www.sponda.fi/en/responsibility/spondability/supply-chain			
102-10	Significant changes to the organization and its supply chain	●	Sponda in brief, p. 3; Chief Executive's review, pp. 5–6			New President and CEO appointed.
102-11	Precautionary Principle or approach	●	Report by the board of directors and financial statements, p. 7		Yes	
102-12	External initiatives	●	Sustainability at Sponda, p. 8; Transparent and ethical operations, pp. 18–19			

General Disclosures

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
102-13	Membership of associations	●	Taking the industry forward, p. 26			
Strategy						
102-14	Statement from senior decision-maker	●	Chief Executive's review, pp. 5–6		Yes	The company's senior management approves the report.
102-15	Key impacts, risks, and opportunities	◐	Responding to trends and changes, pp. 10–11; The objectives and results of Sponda's sustainability in 2019, p. 15			Partially reported.
Ethics and Integrity						
102-16	Values, principles, standards, and norms of behavior	●	Sustainability at Sponda, p. 8; https://www.sponda.fi/en/sponda-company/strategy/vision-mission-and-values		Yes	
102-17	Mechanisms for advice and concerns about ethics	●	Transparent and ethical operations, pp. 18–19		Yes	A digital whistleblowing channel to be adopted in 2020.
Governance structure						
102-18	Governance structure	●	https://www.sponda.fi/en/sponda-company/organization-and-governance ; Management approach, p. 44			
102-22	Composition of the highest governance body and its committees	●	Report by the board of directors and financial statements, p. 7; https://www.sponda.fi/en/sponda-company/organization/board-directors			
102-23	Chair of the highest governance body	●	Report by the board of directors and financial statements, p. 7			The Chairman of the Board of Directors is not an executive officer in the organisation.
Stakeholder engagement						
102-40	List of stakeholder groups	●	Stakeholder cooperation, p. 14			
102-41	Collective bargaining agreements	●	Social responsibility key figures, p. 37		Yes	
102-42	Identifying and selecting stakeholders	●	Stakeholder cooperation, p. 14; https://www.sponda.fi/en/responsibility/spondability/stakeholders			Stakeholders were checked in connection with the materiality analysis and stakeholder survey carried out in 2019. New goals were set for Sponda's sustainability on the basis of the results.
102-43	Approach to stakeholder engagement	●	Stakeholder cooperation, p. 14			
102-44	Key topics and concerns raised	●	Stakeholder cooperation, p. 14		Yes	
Reporting practice						
102-45	Entities included in the consolidated financial statements	●	Report by the board of directors and financial statements, pp. 57–61			
102-46	Defining report content and topic Boundaries	●	Description and scope of the report, pp. 41–43; GRI index			

General Disclosures

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
102-47	List of material topics	●	The objectives and results of Sponda's sustainability in 2019, p. 15			
102-48	Restatements of information	●	GRI index			No changes.
102-49	Changes in reporting	●	GRI index			No significant changes.
102-50	Reporting period	●	Description and scope of the report, pp. 41–43			
102-51	Date of most recent report	●	Description and scope of the report, pp. 41–43			
102-52	Reporting cycle	●	Description and scope of the report, pp. 41–43			
102-53	Contact point for questions regarding the report	●	GRI index			Sustainability Manager Pirkko.Airaksinen(at)sponda.fi
102-54	Claims of reporting in accordance with the GRI Standards	●	Description and scope of the report, pp. 41–43			
102-55	GRI content index	●	GRI index, pp. 47–53			
102-56	External assurance	●	Description and scope of the report, pp. 41–43; Independent Practitioner's Limited Assurance Report, pp. 45–46			Certain energy, emissions and waste data in have been assured by an independent third party.

Management Approach

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
103-1	Explanation of the material topic and its Boundary	●	Description and scope of the report, pp. 41–43; Management approach, p. 44			If the Boundary is not the Sponda Group, the specific Boundary is indicated in connection with the table in question.
103-2	The management approach and its components	●	Sustainability at Sponda, p. 8; Transparent and ethical operations, pp. 18–19; Management approach, p. 44			
103-3	Evaluation of the management approach	●	Transparent and ethical operations, pp. 18–19; Management approach, p. 44			

Economic standards

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
Economic performance						
201-1	Direct economic value generated and distributed	●	Transparent and ethical operations, pp. 18–19; Economic responsibility key figures, s. 39; Report by the board of directors and financial statements, p. 11			

Economic standards

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
201-2	Financial implications and other risks and opportunities due to climate change	●	Responding to trends and changes, pp. 10–11; https://www.sponda.fi/en/responsibility/environment/energy-and-environmental-efficiency			Partially reported. The implications of climate change are assessed as part of Sponda’s regular risk assessment.
Indirect economic impacts						
203-1	Infrastructure investments and services supported	●	Property locations, p. 25; Taking the industry forward, p. 26			Sponda has no assessment programmes related to the needs of local communities. Evaluated during new construction and major renovation projects.
203-2	Significant indirect economic impacts	●	How we create value, pp. 12–13; Property locations, p. 25; Taking the industry forward, p. 26			The extent of impacts has not been specified.
Anti-corruption						
205-2	Communication and training about anti-corruption policies and procedures	●	Transparent and ethical operations, pp. 18–19		Yes	As part of Code of Conduct and Supplier Code of Conduct training. Sponda does not report the Group’s internal information if either gender is represented by less than three people.
205-3	Confirmed incidents of corruption and actions taken	●	GRI index		Yes	No incidents of corruption in 2019.

Environmental standards

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
Energy						
302-1	Energy consumption within the organization	●	Energy and environmental efficiency, pp. 23–24; Environmental responsibility key figures, pp. 31–33	Yes	Yes	Sponda did not have any energy production or fuel consumption of its own during the reporting period. The share of renewable energy of total energy consumption during the reporting year was 25%.
302-3	Energy intensity	●	Energy and environmental efficiency, pp. 23–24; Environmental responsibility key figures, pp. 31–33	Yes	Yes	Energy intensity refers to the energy consumption of Sponda-owned properties in proportion to the property’s gross floor area.
302-4	Reduction of energy consumption	●	Energy and environmental efficiency, pp. 23–24; Description and scope of the report, pp. 42–43; Environmental responsibility key figures, pp. 31–33	Yes	Yes	Includes the reduction in energy consumption achieved through Sponda’s Energy efficiency programme. The monetary savings achieved through energy conservation measures are not reported.
302-5	Reductions in energy requirements of products and services	●	Energy and environmental efficiency, pp. 23–24; Description and scope of the report, pp. 42–43; Environmental responsibility key figures, pp. 31–33	Yes	Yes	Includes the changes in certain environmental impacts achieved through Sponda’s Environmental Partnership Programme compared with the previous year. Covers Sponda’s environmental partners in 2019.

Environmental standards

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
Water						
303-1 (2016)	Water withdrawal by source	●	Energy and environmental efficiency, pp. 23–24; Environmental responsibility key figures, pp. 31–33	Yes	Yes	Surveys of plumbing fixtures to improve the efficiency of water consumption at properties are part of the regular audit procedures. Plumbing fixtures that conserve water and energy are used in newly constructed properties and major renovation projects. Additionally, in environmental certification processes, attention is paid to not only increasing the efficiency of energy consumption, but also reducing water consumption.
Emissions						
305-1	Direct (Scope 1) GHG emissions	●	GRI index	Yes	Yes	Sponda did not have any direct greenhouse gas emissions in the reporting period.
305-2	Energy indirect (Scope 2) GHG emissions	●	Description and scope of the report, p. 43; Environmental responsibility key figures, pp. 33–34	Yes	Yes	Covers carbon dioxide emissions during the reporting period. Is based on both the emission factors of energy suppliers and country-specific emission factors.
305-3	Other indirect (Scope 3) GHG emissions	●	Description and scope of the report, p. 43; Environmental responsibility key figures, pp. 33–34	Yes	Yes	Covers carbon dioxide emissions during the reporting period.
305-4	GHG emissions intensity	●	Environmental responsibility key figures, pp. 33–34	Yes	Yes	Greenhouse gas emissions intensity refers to the carbon dioxide emissions caused by the energy consumption (Scope 2) of Sponda-owned properties in proportion to the properties' gross floor area.
305-5	Reduction of GHG emissions	●	Energy and environmental efficiency, pp. 23–24; Environmental responsibility key figures, pp. 33–34	Yes	Yes	Includes the reduction in carbon dioxide emissions achieved through Sponda's Environmental Partnership Programme (Scope 2). Covers Sponda's environmental partners in 2019.
Effluent and waste						
306-2	Waste by type and disposal method	●	Energy and environmental efficiency, pp. 23–24; Environmental responsibility key figures, pp. 35–36	Yes	Yes	
Supplier environmental assesment						
308-1	New suppliers that were screened using environmental criteria	●	Transparent and ethical operations, pp. 18–19; https://www.sponda.fi/en/responsibility/spondability/supply-chain		Yes	No assessments. Requirements towards environmental responsibility included in contracts with contractors. The significance of environmental responsibility and environmental responsibility in Sponda's procurement practices are described.
GRI Construction and Real Estate Sector Disclosures						
CRE1	Building energy intensity	●	Energy and environmental efficiency, pp. 23–24; Environmental responsibility key figures, pp. 31–33			

Environmental standards

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
CRE2	Water intensity	●	Energy and environmental efficiency, pp. 23–24; Environmental responsibility key figures, pp. 31–33			
CRE3	Greenhouse gas intensity of building's energy consumption	●	Environmental responsibility key figures, pp. 33–34			
CRE8	Certificates	●	The objectives and results of Sponda's sustainability in 2019, p. 17; Energy and environmental efficiency, pp. 23–24; https://www.sponda.fi/en/responsibility/environment/environmental-certification			

Social Standards

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
Employment						
401-1	New employee hires and employee turnover	●	Social responsibility key figures, pp. 37–38		Yes	
Occupational health and safety						
403-2 (2016)	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	●	Social responsibility key figures, pp. 37–38			An accurate breakdown cannot be provided because of the small number of reporting groups. The reported information on employees was retrieved from the Personec HR and Nepton systems.
Training and education						
404-1	Average hours of training per year per employee	●	Social responsibility key figures, p. 37		Yes	
404-2	Programs for upgrading employee skills and transition assistance programs	●	Investing in employees, p. 21		Yes	If an employment relationship is terminated on the employer's initiative for a reason deriving from the employer, the employee is offered the opportunity to participate in employment search training and career counselling.
404-3	Percentage of employees receiving regular performance and career development reviews	◐	Stakeholder cooperation, p. 14; Investing in employees, p. 22		Yes	Partially reported. In accordance with the Group's strategy and management system, all Sponda employees are covered by performance reviews. Employees recruited outside the annual cycle of performance reviews are not included in the calculation.
Diversity and equal opportunity						
405-1	Diversity of governance bodies and employees	●	Investing in employees, p. 22		Yes	Sponda does not report the Group's internal information if either gender is represented by less than three people.
405-2	Ratio of basic salary and remuneration of women to men	●	Social responsibility key figures, p. 38		Yes	

Social Standards

Code	GRI Standard Disclosures	Included	Location in the Sustainability Review	External assurance	Global Compact	Comments
Non-discrimination						
406-1	Incidents of discrimination and corrective actions taken	●	Social responsibility key figures, p. 38		Yes	No incidents of discrimination in the reporting period.
Human rights assesment						
412-2	Employee training on human rights policies or procedures	●	Transparent and ethical operations, pp. 18–19		Yes	As part of the Code of Conduct training for employees.
Supplier social assesment						
414-1	New suppliers that were screened using social criteria	◐	Transparent and ethical operations, pp. 18–19			Partially reported. No assessments. Occupational safety practices in Sponda’s procurement procedure are described. Sponda’s procurement procedures and practices concerning the prevention of the grey economy and financial crime are described. Also included in Sponda’s new Supplier Code of Conduct, which is the foundation for all new subcontracting agreements.
Customer heath and safety						
416-1	Assessment of the health and safety impacts of product and service categories	◐	Responding to trends and changes, pp. 10–11; Enhancing the customer experience, p. 20; Management approach, p. 44; https://www.sponda.fi/en/responsibility/spondability/supply-chain			Partially reported. No assessments. Health and safety practices in Sponda’s procurement procedure are described. Also included in the Sponda Supplier Code of Conduct.

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