



OLAV THON GRUPPEN

SUSTAINABILITY REPORT 2021







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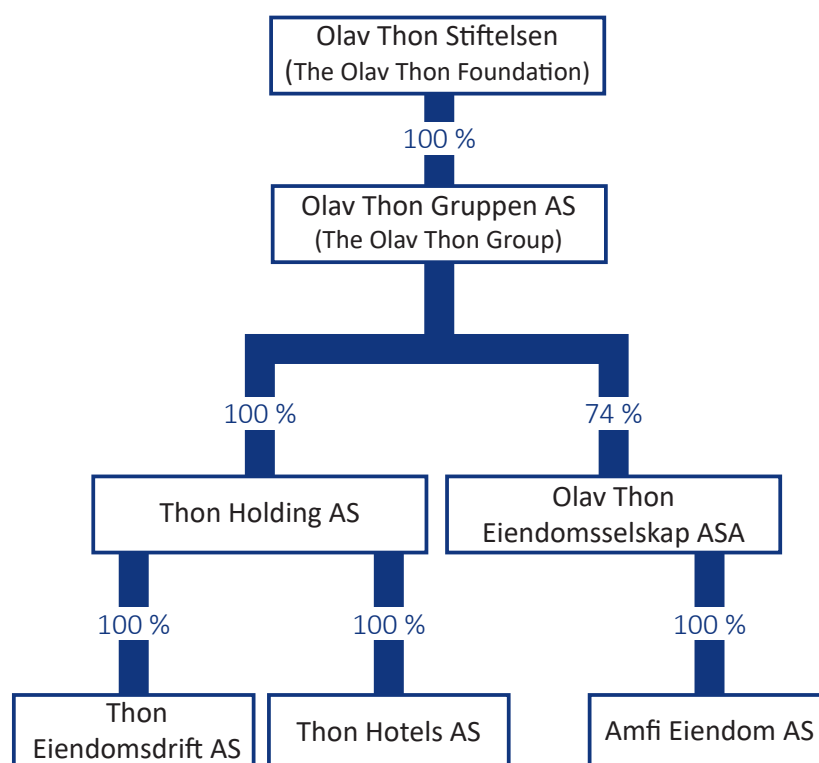
2021

SUSTAINABILITY REPORT

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Corporate structure



Corporate management



KJETIL NILSEN
CEO



MORTEN THORVALDSEN
Executive Vice President
Hotel / Restaurant



DAG TANGEVALD-JENSEN
Executive Vice President
and CEO OTE ASA



ARNE B. SPERRE
Executive Vice President
Finance



GEIR T. THORVALDSEN
Executive Vice President
HR

About this report

The Olav Thon Group is a participant in the UN Global Compact and is producing a sustainability report for the eighth time. The purpose of this report is to describe how the Olav Thon Group strives to work responsibly and more sustainably.

Since 2013, the Olav Thon Group has been reporting in accordance with the Global Reporting Initiatives' (GRI) reporting framework. This report complies with GRI Standards (Core).

DEFINITION AND REPORTING PERIOD

This sustainability report is aimed at our customers, guests, employees, investors, suppliers, the communities in which we operate, interest groups and public authorities. We regard all of you who are influenced by and have a great influence on our business as stakeholders.

The data discussed in this report is for all companies in the Olav Thon Group, meaning units where the ownership is more than 50%. Exceptions are stated in the explanation associated with the individual data.

The report deals with the calendar year 2021 and has been prepared in Norwegian, Swedish and English. The group has an annual reporting cycle and the next report will be published in the second quarter of 2023. The previous report was published in June 2021.

MATERIALITY ANALYSIS AND STAKEHOLDER ENGAGEMENT

To define the content of the sustainability report and to ensure that our reporting is as relevant as possible in relation to our core business, we have previously conducted a materiality analysis. This was carried out for the first time in 2013 in connection with the preparation of the first sustainability report.

There is a need to carry out stakeholder engagement and materiality analysis on a regular basis and a new stakeholder dialogue and materiality analysis was therefore carried out in 2016/2017. New implementation was first discussed during a meeting with the executive vice presidents in September 2016 where it was decided to conduct a combined stakeholder engagement and materiality analysis with key people in the group as well as the executive vice presidents. The group's economic, environmental and social impact in the past has been looked at, which concerns the footprint we leave behind and therefore reflects the areas we can make a contribution to in the form of sustainable development.

The previous materiality analysis is still considered to be very central in the sustainability report but some adjustments have been made following the latest stakeholder engagement.

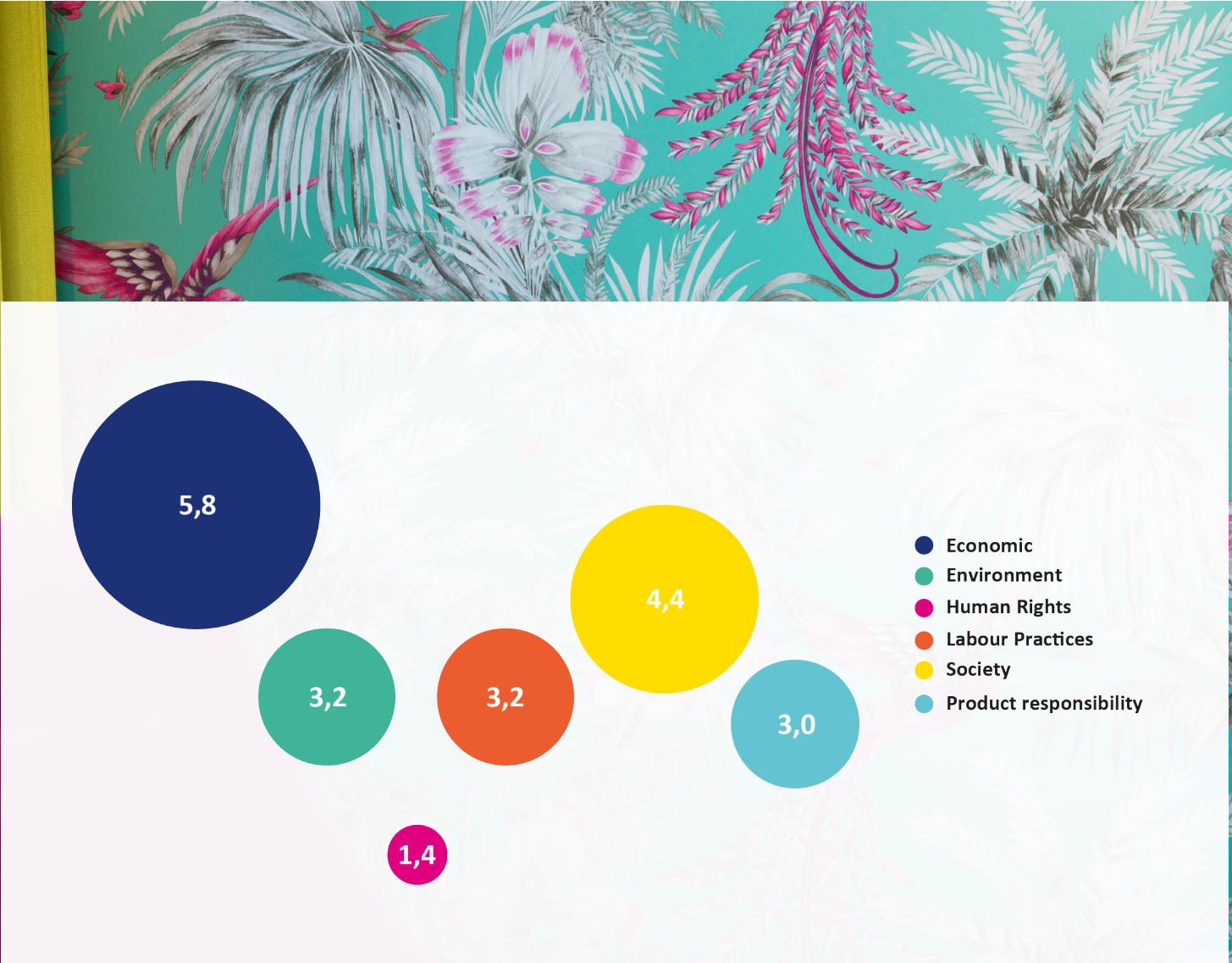
The stakeholder engagement was conducted in two phases: ongoing dialogue with key people in the group and interviews with the executive vice presidents. The ongoing dialogue with key people is fundamental in order to be able to obtain relevant information at all times and drive the work in the direction that the organisation deems necessary. At the same time, the executive vice presidents are the decision-makers for the technical area of social responsibility and it is important that information about trends is passed on to the executive vice presidents, so that they can make well-informed decisions about the direction of work.

Stakeholder engagement and materiality analysis were carried out by the technical adviser for sustainability work analysing aspects and associated indicators, as well as obtaining priority analysis from executive vice presidents on the various aspects (including a simple explanation of the aspects). This was followed by interviews conducted with the executive vice presidents where the aspects were reviewed and further explained. The technical advisor and the executive vice directors discussed the aspects and associated significant/relevant indicators (significant/relevant indicators are based on previous materiality analysis, as well as a new analysis performed by the technical advisor with market demand and signals from group management and key people in the organisation). All the executive vice presidents then had to re-prioritise the aspects. This was compiled into a priority table (the average of all the executive vice presidents' priorities), which in turn formed the basis for the technical adviser's report with recommendations. This report has taken into account previous materiality analysis as well as the latest stakeholder engagement.

The Olav Thon Group is in the process of developing a sustainability strategy. In this connection, a new double materiality analysis is prepared. The strategy and materiality analysis will be relevant for and influence the Olav Thon Group's sustainability reporting and work with sustainability in the future.

FOCUS AREAS

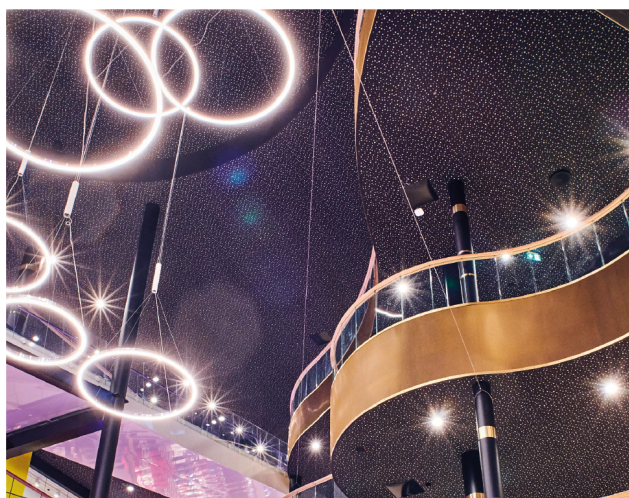
In our sustainability report, it was decided to emphasise the following areas: finance, environment and climate, equality, health and safety, employee development and ethical procurement.



The Olav Thon Group 2021

8 OF THE 10 LARGEST

The Group owns and manages 8 of the 10 largest shopping centres in Norway, based on revenue.



OUR SHOPPING CENTRES AND HOTELS



Shopping centres in Norway: **84**

Shopping centres in Sweden: **10**

Total: 94



Hotels in Norway: **75**

Hotels in Brussels and Rotterdam: **8**

Total: 83



DID YOU KNOW THAT...

Thon Hotels has
its own fish farm
at its new hotel
in **Svolvær**

Thon Hotels
opened **2 new**
hotels in 2021

The Olav Thon Foundation can
distribute up to **NOK 100 million**
per year for research and
non-profit purposes



Since 2008, the Recycling Lottery has given over NOK 500 million to the Red Cross



Approx. NOK 66.6 billion in store turnover at the Olav Thon Group's Norwegian shopping centres in 2021



OLAV THON GRUPPEN



SHOPPING CENTRE
COMMERCIAL
PROPERTY HOUSING





Sustainable value creation

It is with pleasure that I present the Olav Thon Group's eighth sustainability report, which has been prepared to systematise and make visible the Olav Thon Group's work on sustainable development.

The Olav Thon Group has since 2012 participated in the UN initiative Global Compact. This is the world's largest initiative for corporate social responsibility and is based on ten principles in the areas of human rights, labour rights, the environment and anti-corruption. Our affiliation with the Global Compact is based on a desire to do our best to run the business in line with these principles.

In December 2013, I established the Olav Thon Foundation and transferred ownership of the Olav Thon Group to it. The objective of the foundation is to provide stable and long-term ownership of Olav Thon Gruppen AS and its underlying businesses, as well as donate funds to charitable causes. Ensuring a continued overall development of the Olav Thon Group, at the same time as part of the results the company creates are donated to various charitable causes, will hopefully be a long-term, sustainable move - both for the company, its employees and society in general.

Happy reading!

A handwritten signature in black ink, appearing to read 'Olav Thon', with a long horizontal flourish extending to the right.

Olav Thon
Chairman

The Olav Thon Group's sustainability work

We work systematically with sustainability and social responsibility in the Olav Thon Group. We have policies and guidelines and continuously follow up the work with sustainability and social responsibility.

To integrate considerations of human rights, labour rights, equality and non-discrimination, social conditions, the external environment and the fight against corruption, the Olav Thon Group has prepared a policy for social responsibility, participates in the UN Global Compact initiative, prepares an annual report in accordance with GRI Standards, and has its own sustainability team that has monthly status meetings with the group management.

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Olav Thon Group's policy for corporate social responsibility describes the group's goal of striving for the most sustainable development possible in its business operations. The Olav Thon Group's social responsibility is based on Norwegian legal requirements and standards, as well as the principles in the UN Global Compact initiative and the guidelines in the Global Reporting Initiative (GRI). According to our policy, our focus areas are waste, energy, health and safety (for employees, customers and guests), diversity, equality and non-discrimination, as well as the impact on local communities.

OTHER POLICIES AND CODES OF CONDUCT

The Olav Thon Group has several policies and guidelines within social responsibility and sustainability.

Policies:

- Environmental policy
- Policy for diversity and gender equality work
- Group policy for procurement
- Travel policy

Guidelines:

- Ethical requirements for suppliers
- Guidelines for source sorting
- Guidelines for company car/service vehicle
- Routine for responsible procurement
- Guidelines for construction projects

ORGANISATION OF THE WORK

The group management of the Olav Thon Group is responsible for the work with social responsibility and sustainability. Professional responsibility and daily responsibility for reporting, strategy development, facilitation and coordination have been assigned to the HSE department by the group's sustainability team. The sustainability team consists of a sustainability adviser, who has technical responsibility and a sustainability consultant, who has main responsibility for reporting. The group's various companies/units/departments are responsible for the daily execution of sustainability measures.

The work with social responsibility and sustainability must be made visible internally and externally through the annual sustainability report as well as internally through the use of own tools for internal communication.

OVERALL EVALUATION OF LAST YEAR'S WORK

In 2021, we worked actively to develop our sustainability work. The Olav Thon Group began work on developing proposals for a sustainability strategy, which is to be completed in the first half of 2022. The belief is that the strategy will create ripple effects for the group's focus areas, ambitions and organisation of the work. It is expected that this will lead to a positive development for our sustainability work.

Other evaluations of the focus areas are described in the various chapters in this report.

FUTURE OUTLOOK

There are generally ever-increasing expectations in society for companies' work with sustainability. The belief is therefore that we can experience increased expectations for both the scope and quality of the Olav Thon Group's work with sustainability. The greatest focus is expected on the following points in our future work with sustainability:

- Complete the preparation of the sustainability strategy
- Revision of policies and guidelines
- Increasing scope of sustainability reporting, also for regulatory reasons (including EU taxonomy, CSRD, TCFD and the Transparency Act)
- Updated materiality analysis
- Greater scope of stakeholder dialogue in relation to sustainability work

- Establish a system for internal control for the work with sustainability and social responsibility
- Conduct climate risk assessment
- Adapt activities to future regulations, such as the Norwegian Transparency Act and the taxonomy of the EU

It is not expected that all these measures will be introduced in 2022, but that most will be worked on from 2022 onwards.





The Olav Thon Foundation

The Olav Thon Foundation was established in December 2013 and at the time of establishment all shares in Olav Thon Gruppen AS were transferred from Olav Thon. The objective of the Olav Thon Foundation is to provide a stable and long-term ownership of Olav Thon Gruppen AS and to donate funds to charitable causes.

COMMUNITY COMMITMENT

Throughout his work, Olav Thon has aimed to create value and establish safe workplaces. Olav Thon personally and the Olav Thon Group have increasingly been active contributors to creating a better society.

LONG TERM OWNERSHIP IN THE OLAV THON GROUP

In its management of the Olav Thon Group, the foundation's board will further develop the business in line with the values, outlook and ideas Olav Thon has based his business operations on.

The foundation will own all the shares in Olav Thon Gruppen AS, which will be domiciled in Norway. The purchase and management of property shall be the group's largest business area. A significant part of this activity will take place in Norway. Growth of the business must be striven for. It must be a priority that the group has an unconditionally strong financial position at all times.

SUPPORT FOR CHARITABLE CAUSES

The foundation shall provide support for causes within the mathematical-natural science and medical disciplines. This can be done both by awarding prizes to Norwegian and foreign researchers as well as direct support for research projects.

Furthermore, support shall be provided both for general charitable causes and for the follow-up of real estate for use by charitable causes in Norway. In 2021, it was decided that support for charitable causes should be postponed until 2022 due to the pandemic.

For the seventh year in a row, academic prizes and support were awarded in 2021 for outstanding teaching and research. Prizes and support were awarded in three different categories- international research prizes, national prizes for outstanding teaching, support for Nordic research collaboration in medicine. A total of approximately NOK 26.5 million in prizes was awarded to all prize winners.

For more information about award winners, we refer to the Olav Thon Foundation's website.



Recycling Lottery

The Recycling Lottery is an environmentally friendly lottery where the empty bottles and cans are used as a stake in the lottery. The idea is that the Recycling Lottery will contribute to more recycling and create a lasting source of income for charities. The Recycling Lottery is run by Norsk Pantelotteri AS, a company owned by the Red Cross and the Olav Thon Group.

2021 was another record year for the Recycling Lottery. This led to the Red Cross receiving NOK 112 million for its humanitarian work from the lottery.

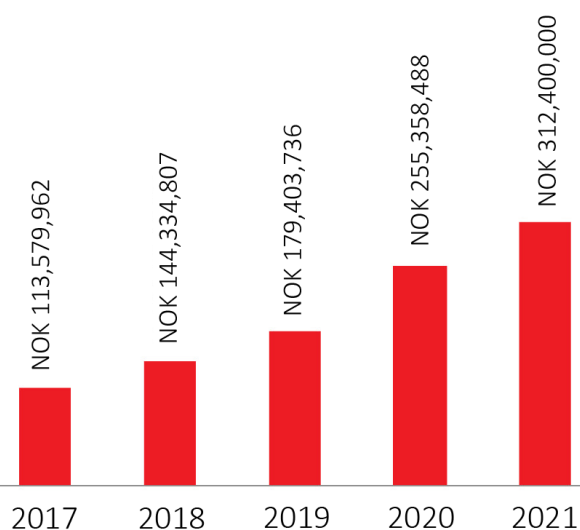
Revenues increased by as much as 22% compared to the previous year. In addition, the Red Cross received NOK 1.8 million from unclaimed winnings.

During 2021, an average of 11.6% of all empty bottles and cans were used as a stake in the Recycling Lottery. The biggest support for the Red Cross came from the customers at Meny CC Vest in Oslo, where the stakes from empty bottles and cans in the lottery were more than NOK 740,000. The lottery is now available at 3400 lottery machines across the country, and in 2021, for the first time, all Coop stores joined the Recycling Lottery. This brought in additional important funds for volunteering.

The Recycling Lottery had a turnover of NOK 312 million last year. July was the best month ever with a turnover of over NOK 30 million. Since the start in 2008, the lottery has now contributed more than half a billion kroner to the Red Cross and their important work.

Over the course of the year, 16 people became Recycling millionaires and what happened in July, few had expected. One lucky person in Stavanger won two million winnings in one go and was able to leave the store with a lottery ticket worth two million kroner.

Recycling Lottery revenue



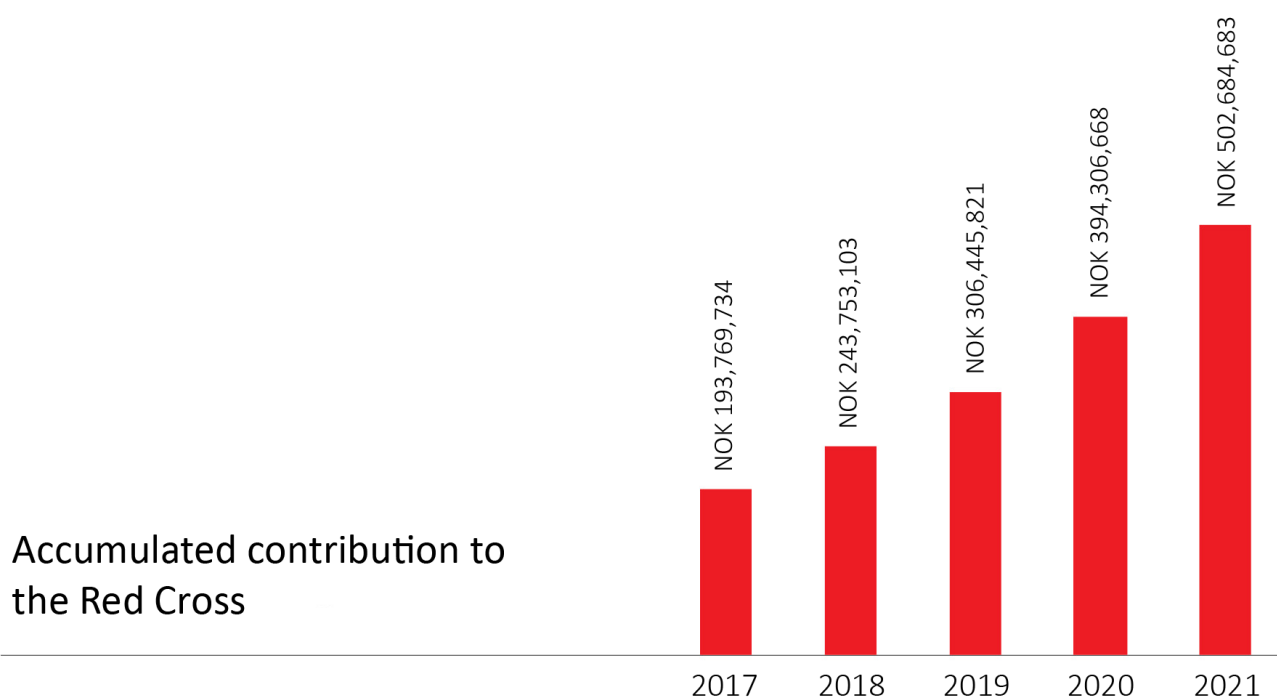
"Important funding in a demanding time"

"In these demanding times, the funds from the Recycling Lottery help us provide very important humanitarian aid," says Red Cross President Thor Inge Sveinsvoll.

"This incredible record is very good news for our work, especially now that we have particularly demanding situations in many areas," says Sveinsvoll.

"The funds strengthen our presence and activities in local communities across the country. Our volunteers work every day to save lives, reduce loneliness and improve the everyday lives of children and young people through safe meeting places and opportunities to talk. Being able to be present where the help is most needed requires large resources. That is why the support we receive from everyone who presses the Red Cross button is incredibly important," says the president.

Half of the funds the Red Cross receives from the lottery go to the local Red Cross associations. The local association that received the most was the Oslo Red Cross, which received nine million kroner from the Recycling Lottery in 2021. They were followed by the Trondheim Red Cross, which received NOK 1.8 million, and the Bergen Red Cross, which received NOK 1.5 million for its local, humanitarian work.



UN Sustainability Goals

As part of the Global Compact Initiative, the Olav Thon Group wishes to contribute to the achievement of the UN agenda for 2030.

The Olav Thon Group is of the opinion that in order to create an actual contribution to the UN agenda for 2030 and the sustainability goals, it is essential to point out the most relevant goals that the group can contribute to achieving. In relation to this, a project has been carried out to identify which of the UN's sustainability goals are most relevant for the Olav Thon Group to focus on.

THE PROJECT

The group management in the Olav Thon Group, together with the group's sustainability adviser, has carried out a survey of the group's value chain, in accordance with GRI and the Global Compact's guide for designating the UN's sustainability goals. Based on this survey, an analysis has been made of which of the sustainability goals the group has the greatest impact on, both in a positive and negative sense. It will then be established where in the value chain this influence occurs, as well as which sub-goals are most relevant to contribute to achieving the goals. In addition to this, the Olav Thon Group has selected which of the measurable indicators it seeks to report progress on. Some of the indicators are rewritten to deal with own operations, but with the same principles as the original indicators.

DESIGNATED SUSTAINABILITY GOALS

The Olav Thon Group has identified four sustainability goals that stand out as the most relevant goals that the group can contribute to achieving:

- 12- Responsible consumption and production
- 8- Decent work and economic growth
- 11- Sustainable cities and communities
- 9- Innovation and infrastructure

In addition to pointing out these goals, we have also chosen to point out which of the sub-goals are the most relevant to work with. We have also chosen to point out which of the indicators we seek to report on, in order to measure the Olav Thon Group's contribution.*

THE OLAV THON GROUP CONTRIBUTION

The Olav Thon Group wants to contribute by minimising its negative impact, as well as increasing its positive impact, on the UN's sustainability goals. As a large buyer, a group

with many customers and employees and as a cornerstone company and district developer, the Olav Thon Group can contribute in many ways. We will ensure we buy the raw materials that are best for the environment and social conditions. We will reduce our consumption in production and operation. We will influence our suppliers and plan for the services we offer our customers to become more sustainable. We must streamline our daily operations. And we must be inclusive and contribute to a diverse business community.

We have developed more in-depth documents for how we have arrived at what impact the Olav Thon Group has on the various sustainability goals and how we will contribute. These documents are published on www.olavthon.no.

Due to the increased focus on the sustainability strategy, as well as future legal requirements, the work of operationalising the sustainability goals has been postponed. This work will continue in 2022. There is therefore limited opportunity for reporting on the targets for the calendar year 2021. In addition, it is expected that the new sustainability strategy will have an impact on which sustainability goals will be most relevant for the Olav Thon Group in the future. All goals, targets and indicators will therefore be revised in 2022 in accordance with the new strategy. Furthermore, there will also be a clearer link between significant themes, measures and sustainability goals. The strategy will also lead to a clearer operationalisation and a more concrete and clearer contribution to the goals. It has been decided that the tool SDG Action Manager, developed by B Lab and the UN Global Compact, will be used as an evaluation tool for the work with the sustainability goals.

* See next page for more information.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



VALUE CHAIN

- Raw materials
- Suppliers
- Incoming logistics
- The company's activities and operations
- Use of product/service
- Discontinuation of product/service

SUB-GOALS

12.2, 12.3, 12.5 and 12.6

INDICATORS

12.2.1, 12.2.2, 12.3.1, 12.5.1 and 12.6.1

8 DECENT WORK AND ECONOMIC GROWTH



VALUE CHAIN

- Raw materials
- Suppliers
- The company's activities and operations

SUB-GOALS

8.2, 8.4, 8.5, 8.7 and 8.8

INDICATORS

8.2.1, 8.4.1, 8.4.2, 8.5.1 and 8.8.1

11 SUSTAINABLE CITIES AND COMMUNITIES



VALUE CHAIN

- Incoming logistics
- The company's activities and operations

SUB-GOALS

11.3, 11.4, 11.6 and 11.7

INDICATORS

11.4.1, 11.7.1 and 11.7.2

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



VALUE CHAIN

- Raw materials
- Incoming logistics

SUB-GOALS

9.1 and 9.4

INDICATORS

9.1.2 and 9.4.1



Financial social responsibility

The Olav Thon Group is a commercial player and turnover and profit are important focus areas in day-to-day operations. The economic aspect also involves a contribution to society, in the form of taxes and fees, employees' salaries and benefits and investments in expanding the business, which in turn leads to new jobs.

Amount in MNOK

Category	2021	2020	2019	2018
Revenue	10,283	8,995	10,413	11,041
Operating costs	4,496	3,872	4,678	5,261
Employee salaries and benefits	1,338	1,275	1,716	1,591
Payment to suppliers of capital	1,136	1,059	1,215	1,563
Payments to authorities	490	301	412	508
Community investments	165	142	84	71
Financial values retained in the company	2,659	2,346	2,308	2,048

REVENUE AND PROFIT

The Olav Thon Group had NOK 10,283 million in operating revenues in 2021 and the financial values retained in the company were NOK 2,658 million. The financial values retained in the company are invested in expansion and improvements of the business in accordance with the articles of association of the Olav Thon Foundation.

FINANCIAL SOCIAL CONTRIBUTION

The group's financial contribution to society is divided into several factors. These are categorised in accordance with GRI Standards. The operating costs are an indirect socio-economic contribution to other Norwegian companies having income from the sale of their goods and services. A more direct contribution is the payment of employees' salaries and benefits. In 2021, the Olav Thon Group paid NOK 1,338 million in salaries and benefits to employees. This affects the national economy by contributing to the individual employee's

personal finances, maintaining the purchasing power of our employees and that these contribute by paying taxes/fees to society. The Olav Thon Group is also a direct contributor to society through the payment of taxes and fees. In addition, the financial values created in the company are retained, where they are used to expand the businesses. This is done in accordance with the Olav Thon Foundation's articles of association and contributes to creating jobs and values for Norwegian society.

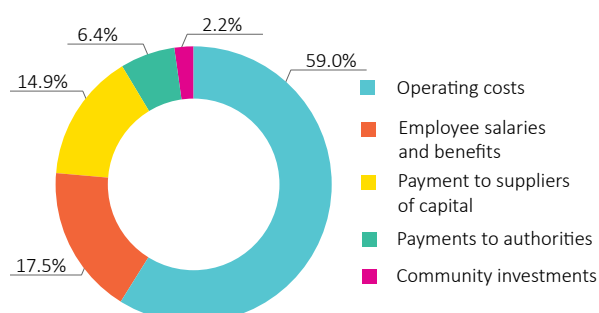
The Olav Thon Group also contributes with community investments. When we have construction projects, we will in some cases make improvements in public areas/ installations around the construction project. This can be planting trees, establishing new pavements or similar. Through those who pledge their contribution to the Recycling Lottery, funds are paid to the Red Cross, which goes directly to the Red Cross' work locally and centrally. In 2021, the Olav Thon Group invested a total of NOK 165 million in community.

In addition to community investments, funds are paid from the Olav Thon Foundation to charitable causes including scientific research. This payment is financed by dividends from the Olav Thon Group to the Olav Thon Foundation.

Further explanation of financial figures can be found in the Appendix (p. 44).

EXPENSES

Percent



Environment

The Olav Thon Group must at all times take into account environmental challenges within the company and society in general. The group focuses on environmental efficiency, with energy and waste management as key areas.

To safeguard the external environment, the Olav Thon Group worked systematically and focused on the areas where the group has the greatest impact. The group integrates these considerations through an environmental policy. This focuses on environmental management and the two main focus areas in the Olav Thon Group's environmental work: waste and energy.

THON HOTELS

Thon Hotels certify all their own hotels in Norway with Eco-lighthouse (Miljøfyrtårn). As one of Norway's largest hotel chains, Thon Hotels has a responsibility to contribute to a better environment. With over 1.8 million guest nights in a year, it is important to facilitate environmentally friendly consumption, reduced waste volumes and saved energy.

Thon Hotels is also a control member of Grønt Punkt Norge and sets requirements for its Norwegian goods suppliers for membership in the return scheme for packaging.



THE HEAD OFFICE MODEL

Thon Hotels are Eco-Lighthouse certified according to the head office model. The model ensures anchoring of the environmental management system where the responsibility naturally belongs and clarifies which processes and environmental requirements are met by the head office and which environmental requirements remain for local follow-up in the individual underlying unit. Eco-Lighthouse has developed the head office model and it now consists of a full-fledged digital solution for certification and recertification. In the previous recertification of the head office, Thon Hotels has reviewed the criteria again and distributed these between the head office and the underlying units, without any special changes in the

distribution from before. The digital solution makes the certification process simpler and more transparent for the underlying units and it enables better integration with the Eco-lighthouse Manager at the head office. Certification with the new model was carried out for the first time in 2017 with great success. The Thon Hotels head office was recertified in 2022. The certification is perceived to have a good effect on the hotels' environmental work.

The head office model will contribute to simpler and more rational certification for the hotels, stronger central anchoring and better information flow. Thon Hotels' overall environmental results are presented to management annually. The goals of the environmental work will be further strengthened and made visible. It is expected that the pressure will be kept up on certification and that all new hotels are Eco-lighthouse certified, both self-owned and franchises.

GREEN BUILDING ALLIANCE (GRØNN BYGGALLIANSE)

In 2019, the Olav Thon Group became a member of the Green Building Alliance. The Green Building Alliance is a non-profit member association for companies from the construction and real estate sector. The Olav Thon Group sees the Green Building Alliance as an important arena for exchanging expertise with the industry, so that the Olav Thon Group can become part of a sustainable construction and real estate sector. This is a good way to announce our social responsibility and an important source of green real estate development.

In the Olav Thon Group, we focus on developing the skills among technical operating personnel. Membership in the Green Building Alliance has given us access to valuable training materials. The actual skills development has taken place individually with the help of online training with central follow-up. In this way, the individual operator has been able to control the pace and progress. Membership in the Green Building Alliance is perceived to make a positive contribution to this increase in skills as well as collaboration across the real estate industry.



Waste

The Olav Thon Group aims to reduce the amount of waste the group produces and be able to point to an increased degree of sorting, in order to reduce the group's burden on the external environment.

THE GROUPS' WORK WITH WASTE

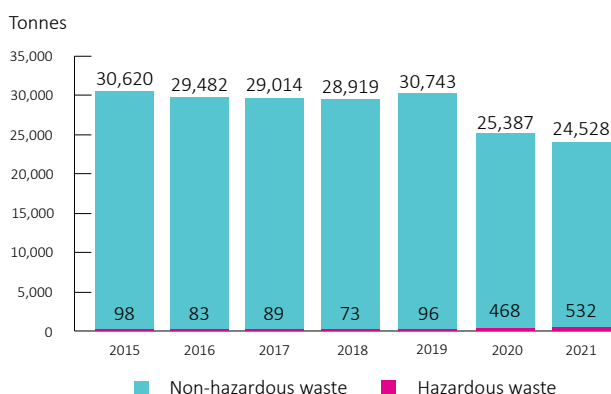
The Olav Thon Group has an environmental policy, where waste is designated as one of two main focus areas. We have a stated goal of reducing the amount of waste as well as reaching an average sorting rate of 65% in the group. To achieve this, the Olav Thon Group has its own guidelines for source sorting and waste plans that have been developed for the various units in the group. All this takes place in close dialogue with the provider of waste disposal services. Status meetings are arranged with suppliers on a regular basis. Waste is a topic in our internal communication channels, as well as a topic at status meetings between the Olav Thon Group's group management and the group's sustainability team.

We see waste as an important issue, as there is a risk of not having sufficient focus on waste sorting and waste management. This will lead to a greater degree of residual waste, and therefore waste incineration, which consequently will result in higher emissions than if it went for material recycling. We can also see an opportunity for more focus on material recycling to increase the circular economy, both internally in the company, but also on a national level.

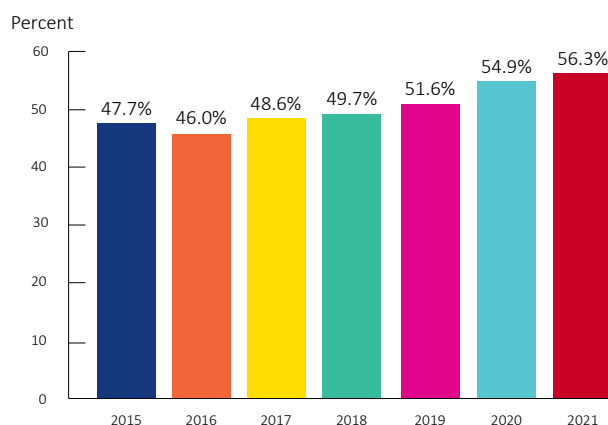
VOLUME

In 2021, the volume of waste decreased by 3.4% compared with 2020. The decline is due to the fact that 2021 was also a year of lockdown as a result of the pandemic, as in 2020. Part of this decline can be explained by the fact that the volume of waste in the shopping centres decreased by 2.8% in 2021 compared with 2020. This is probably

WASTE VOLUME



SORTING RATE



because the shopping centres were for the first time completely closed for periods of time in 2021.

The volume of hazardous waste saw a sharp increase in 2020 due to changes in the classification of waste at Unger Fabrikker. In 2021, the amount of hazardous waste in the Olav Thon Group increased by a further 60 kg. This is an increase of 14% compared to the previous year. Hazardous waste accounts for 2.2% of the Olav Thon Group's total waste volume. This is the highest proportion of hazardous waste we have had since we started reporting in 2015. Unger Fabrikker accounts for 86% of the amount of hazardous waste in the Olav Thon Group.

SORTING RATE

The sorting rate describes how much of the waste is sorted from the residual waste. This is a significant target, since residual waste is mainly sent for incineration (energy recovery), and large greenhouse gas emissions are linked to this incineration. The waste that is sorted out is primarily sent for material recycling and is given a new life in new products. This contributes to reduced climate emissions and a growing circular economy.

The average sorting rate in the Olav Thon Group was 56.3% in 2021. This is an increase of 1.4 percentage points from 2020 to 2021, and is the best sorting rate the company has had. This is considered a positive result in the right direction to achieve the group's goal of a sorting rate of 65%.

Division	Waste volume (kg)	Sorting rate
Adm./Head Office	1,464,764	57.6%
Housing rentals	226,977	32.4%
Other commercial property	1,824,253	40.9%
Hotel	2,416,642	48.8%
Shopping centres	17,983,079	58.1%
Other	612,231	85.4%
Total	24,527,946	56.3%

The sorting rate varies among the different business areas. All depend on good facilitation for waste management and sorting, as well as commitment and good routines for waste management among tenants, guests and customers.

Due to an improvement in the data base, this year's results are not directly comparable within the various divisions compared to previous years. The reason is a change in the categorisation of the various divisions. For further information see Appendix (p. 45) It can also, to a certain extent, give a picture of the development. Shopping centres continue to be the most significant area that accounts for the largest volume in the group. In 2021, the shopping centres in the Olav Thon Group had just under 18,000 tonnes of waste. This corresponds to 73.3% of the company's total waste and the sorting rate at the shopping centres will be of great importance for the company's goal of reaching the 65% sorting rate. In comparison, the two second largest contributors to the volume of waste are the hotels which in 2021 accounted for 9.9% of the total waste and other commercial property which accounted for 7.4%.

It is particularly important that these divisions perform well in terms of the sorting rate. Without the good performance of these divisions, it will not be possible to reach the goal of a 65% sorting rate. In 2021, the shopping centres had an average sorting rate of 58.1%. In comparison, the sorting rate was 57.6% in 2020. This is a rather weak, but still positive development in the right direction. The challenge with the shopping centres, as well as other commercial real estate, which had a sorting rate of 40.9%, is that the sorting rate is largely dependent on the tenant's efforts. Therefore, it is important to have a good collaboration with the tenants, where the Olav Thon Group is responsible for ensuring that good waste management is facilitated, while the tenant is responsible for ensuring that it is carried out in practice.

Furthermore, the hotels had a sorting rate of 48.8%. For several of our hotels, 2021 and 2020 were years marked by a lot of closures. This has probably had an effect on the sorting rate of the hotels. Major upheavals in operations, such as incineration, can lead to a decline in some waste fractions (for example food waste) which makes the residual waste fraction relatively larger. This is shown in the figures if you compare the sorting rate at hotels in 2020 and 2021 when it was 48-49%, with previous years when the sorting rate was 55-56%.

WASTE TREATMENT

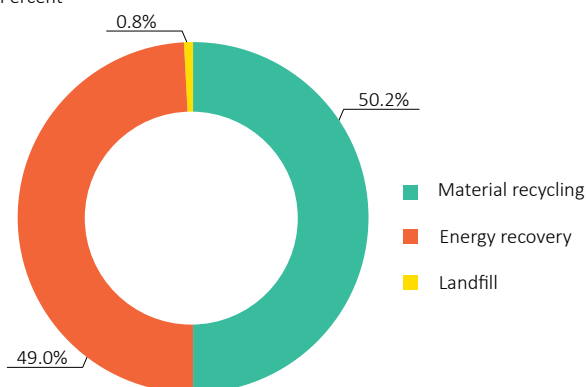
The treatment of waste has an impact on our greenhouse gas emissions and our contribution to the circular economy. The possibility of further treatment of the waste depends on sorting the waste in pure fractions. This is therefore closely linked to our sorting rate performance.

In cooperation with our suppliers of waste disposal, we can generally gain insight into the treatment methods for the various fractions. This allows us to calculate how much of the waste is recycled, as well as in what way the materials are recycled. In 2021, the Olav Thon Group had a material recycling rate of 50.2%. 49.0% went to energy recovery in the form of incineration. 0.8% of the waste went to landfill.

The main part of the waste that goes to energy recovery is general waste. The consequence of a good sorting rate is therefore a higher proportion of material recycling, which is more sustainable than energy recycling.

WASTE TREATMENT

Percent



ASSESSMENT AND EXPECTATIONS

The overall development in the amount of waste and sorting rate is as expected. We expected the volume of waste to remain relatively stable as the pandemic and the lockdown continued into 2021, in addition to the fact that we have an improved data base. An increase in the sorting rate is a very positive result in a difficult time. If this also continues with a more normal society, we will be well on our way to the goal of a 65% sorting rate.

If there is a higher degree of normalisation in society in 2022, the volume of waste is expected to increase somewhat, especially in hotels. Continued focus on and work on improving the sorting rate is expected. We also expect to continue our collaboration with the waste management company. Waste is an area of constant development, especially in terms of innovation in equipment and downstream solutions. It is expected that we will continue to explore the possibilities within the waste segment.

TOO GOOD TO GO

Since 2016, Thon Hotels has had a collaboration agreement with Too Good To Go, which provides a solution to reduce food waste. They help restaurants and other food outlets to sell surplus food. In short, this is done by the participating hotels being registered in the Too Good To Go app, where it is possible to order surplus food. This food can generally be picked up in a short period of time right after the restaurant closes and involves little extra work for our own employees. The main purpose of this measure is to reduce food waste after the food has been prepared.

The most important thing you as a food supplier can do is to cut the waste in production, but when you have food left over, Too Good To Go is a measure that makes it possible to avoid this surplus food becoming waste. This is good for the environment and for the economy, both for us and for those who use Too Good To Go.

In 2021, Thon Hotels relaunched the collaboration and went from having 26 to 55 participating hotels with Too Good To Go. In total, Thon Hotels saved 18,337 portions of surplus food, saving the environment 45.8 tonnes of CO₂. About 7,000 more portions were requested in 2021 compared to 2020. This is largely due to the increase in the proportion of participating hotels.

CARROT

In 2020, the Olav Thon Group entered into an agreement with Carrot (formerly Waste IQ) for a pilot project at Vestkanten Storsenter. The project aimed to test new solutions for registration and tracking of waste at shopping centres with the main goal of reducing the proportion of residual waste. In addition, the project aimed to provide a picture of which fractions exist in a shopping centre and experiment with which downstream solutions can be found and/or developed for these fractions. This way you can increase the circular aspect of the shopping centre's operations.

The project was expanded in time and was also ongoing in 2021. The results show that the project is very successful and has resulted in a large decrease in residual waste at the shopping centre. Before the project started, Vestkanten Storsenter had a sorting rate of 54%. By the end of 2021, the average sorting rate increased 64%. This is an increase of as much as 10%. The solution has made it easier to engage tenants to sort and handle the waste better. Our operators get easier and faster access to waste data through an actual current picture, which makes it possible to address deviations immediately. This creates a closer collaboration with the tenants, which in turn contributes to increased sorting and cleaner fractions.

Due to the project's success, it is planned to expand cooperation in 2022. Vestkanten Storsenter will have this as a permanent solution for waste management. In addition, several other shopping centres will start their own pilot projects.

THON GJENBRUK

In 2020, the Olav Thon Group established the company Thon Gjenbruk AS. This is a new recycling concept where the Olav Thon Group collects surplus goods and equipment from its own projects, which are mainly sought to be recycled in their own projects. The concept also stipulates that the goods can be sold externally, if appropriate.

The main purpose of Thon Gjenbruk is to minimise the amount of waste in real estate projects in the group. The Olav Thon Group is present in large parts of Norway. Efforts are therefore made to transport the goods as little as possible. Collection for intermediate storage for use in a separate project, or sale to external parties, is therefore made from the construction site where the refurbishment has taken place.

Energy

Energy is one of two main focus areas in the Olav Thon Group within the environment and green operations. The focus is on energy management and reduction of energy consumption through better systems and more frequent reporting.

THE GROUP'S WORK WITH ENERGY

The Olav Thon Group works systematically with energy to take care of the external environment. Our environmental policy focuses on energy management through awareness-raising, training and increased expertise. In addition to this, we focus on energy reduction as well as phasing out fossil fuels. We do this through energy monitoring systems, focus on LED lighting, water consumption and demand management. The work is followed up by our own energy department, which has the overall professional responsibility for work with energy management and energy optimisation in the Olav Thon Group. Implementation and daily follow-up are carried out by the individual operator at the property.

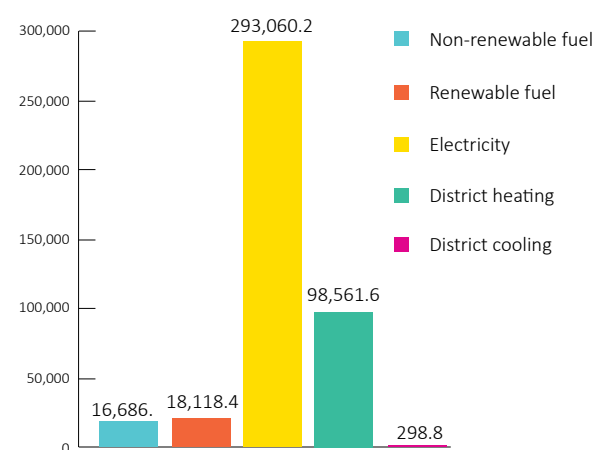
With the state of affairs in the world, and not least in Europe, there is an uncertainty associated with the availability of energy. This entails a risk associated with security of supply and energy prices. We therefore believe it is important to reduce energy consumption, as well as explore opportunities for self-produced renewable energy for our buildings.

ENERGY CONSUMPTION

It is a complicated task to report this type of figure for a business with many underlying units, with different types of operations. The figures are taken from our energy portal Energinet. This contains properties and meters associated with the individual property. For more information on the data base, see Appendix (p. 45). Categories for reporting follow GRI Standards, an overview of which can be found in the GRI index (p. 42).

ENERGY CONSUMPTION	MWh	Percent
Non-renewable fuel	16,686.4	3.9%
Renewable fuel	18,118.4	4.2%
Electricity	293,060.2	68.6%
District heating	98,561.6	23.1%
District cooling	298.8	0.1%
Steam	284.4	0.1%
Total energy consumption	427,009.8	100%

ENERGY CONSUMPTION PER CATEGORY
MWh



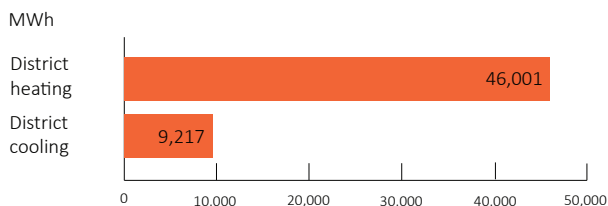
For last year's reporting, it was not possible to obtain data for district heating and district cooling with sufficient reliability. Improvements have also been made to the data basis for electricity consumption and non-renewable fuels, and the data comparison for 2020 is therefore limited.

The total reported energy consumption of the Olav Thon Group in 2021 was 427,009.8 kWh. This is a significant increase of 89,012.2 MWh, which corresponds to 26.3%. The main reason for this is that the data base has been improved and more data is included than before. Hence, the figures for 2020 and 2021 are not directly comparable. If we exclude district heating and district cooling, there is a decrease of 3.0% (10,132 MWh). The decrease is due to a decrease in electrical consumption of 8.4%. The decline in electricity consumption is offset by an increase in reported consumption of non-renewable and renewable fuels by a total of 92.5%.

The majority of energy consumption in the Olav Thon Group is electricity, which accounts for 68.6% of the total energy consumption. In 2021, this corresponded to 293,060.2 MWh. Despite an improvement in the data base with more meters, this is a decrease of 8.4% compared to 2020. The explanation may be that energy saving has been an important focus area in recent years.

District heating and district cooling together account for 23.2% of the Olav Thon Group's reported energy consumption and are the main reason for the increased reported consumption in 2021. In addition, Follo Fjernvarme produces district heating and district cooling and we have sold a total of 55,218.0 MWh of district heating and district cooling. This is a significant increase from 2020 of 45.8%. This is further shown in our consumption of renewable fuel, which has increased by 39% (5,098.4 MWh). This is due to the combustion of pellets that are used to produce district heating and district cooling.

SALES OF DISTRICT HEATING AND DISTRICT COOLING



The other explanation for the increase in energy consumption of the Olav Thon Group is the increase in non-renewable fuel by 230%. This is due to the fact that in 2021 we included gas consumption in our commercial kitchens, as well as gas for heating at Thon Hotel Skeikampen and our hotels in Belgium and the Netherlands. As a result, reported consumption increased from 5,060.5 MWh in 2020 to 16,686.4 MWh in 2021.

FUTURE OUTLOOK

It is expected that the good work will continue and that we will constantly increase internal skills and awareness of energy optimisation. It is also expected that we will continue to investigate new opportunities for optimisation and that increasingly look at the opportunities that exist to increase the share of renewable (climate-neutral) energy.

We strive to continuously improve the reporting basis. We will explore possibilities for classifying and structuring data in such a way that in the next report we can report specified consumption (kWh/m²). In previous years, we have reported on consumption per square meter, but due to a number of uncertainties in these figures, we have now started a new work around in order to improve our data base. These are important metrics for being able to measure actual performance over time. Total consumption fluctuates with activity, temperature and any changes in the portfolio. Specified consumption will increase comparability across properties and over time. This will therefore be an important development point in the reporting context going forward.

TWO YEARS WITH CORONA

Despite the ups and downs of corona infections, Norway has in practice been affected by the pandemic and home offices for almost two years. 2021 has therefore in many ways been a continuation of 2020 with a low investment rate and a focus on operational optimisation and cost cuts.

ENERGY SAVING DURING CORONA

The operating staff in the Olav Thon Group has also in 2021 made a significant effort to save energy. Also in 2021,

this has been a demanding balance between saving energy and ensuring a good indoor climate for those who still use the premises. The Olav Thon Group has established its own energy award, and in September 2021, the Olav Thon Group's Deputy CEO presented the energy award to one of the group's operations managers during a performance assurance meeting for energy saving.

For Thon Hotels, 2021 was, if possible, even more demanding than 2020. Closed hotels have also led to job losses, which in turn affects the possibility of energy savings. At the end of the year, the market picked up somewhat and all in all we achieved good savings for the year as a whole.

ENERGY MEASUREMENT

In this year's sustainability report, the energy consumption figures are collected automatically. To achieve this, a significant effort has been made with the establishment of meters for automatic energy reporting to Energinet, the Olav Thon Grupp's energy monitoring system. This automation has great value for the reporting itself, but perhaps even more important as a measure to be able to monitor and follow up energy consumption, not only at the location level, but all the way down to the individual technical facilities.

BREEAM IN-USE AND EU TAXONOMY

In 2021, it was decided to certify the Olav Thon Group's own shopping centres after BREEAM In-Use. We have previously gained experience with this type of certification through management agreements, which have strengthened our own expertise in this area. We are therefore well equipped to undertake the certification of our own properties. Based on the decision, we started in 2021 to prepare the organisation for this certification. It is expected that 10 shopping centres will start certification during 2022.

In 2021, the EU taxonomy for sustainable investment became a serious issue in most major companies. The introduction of the taxonomy was in many ways the reason why the management in 2021 decided to certify own shopping centres in accordance with Breeam-in-Use. We are of the opinion that the work with the certification will contribute to skills development, which in turn will have good synergy effects when it comes to EU taxonomy.

MOM SYSTEM

In 2021, Dalux FM was implemented in Eiendomsservice (Real estate service) in earnest. Dalux FM is a system for management, operation and maintenance (MOM). MOM is an important sustainability measure, partly through good mapping and systematisation of technical installations and partly as a system for deviation management.

Carbon footprint accounting

The Olav Thon Group has for the second time produced a carbon footprint account. Due to challenges with the data basis in last year's carbon footprint accounts, the main purpose of this year's carbon footprint accounts has been to establish a good starting point for further reporting. However, in some areas we can look at developments and make an assessment of which sources of emissions are greatest.

ABOUT THE CARBON FOOTPRINT ACCOUNT

The Olav Thon Group's carbon footprint accounts have been prepared in accordance with the GHG protocol and satisfy the requirements of GRI's standard for carbon reporting.* The emission factors used are taken from the IPCC (AR4). The carbon footprint accounts have been prepared for the calendar year 2021.

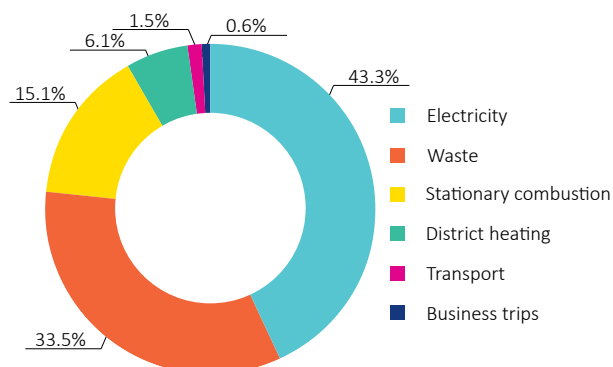
We have identified the most material emissions in Scopes 1, 2 and 3. This includes all underlying business areas in the Olav Thon Group.

Improvements have been made to the data basis for the reporting for 2021 and there are therefore more sources of emission in this year's reporting than in last year's. This also affects the volume of consumption, as in the 2021 reporting we have been able to access more data per emission source. See Appendix (p. 45) for more information about the data basis.

OLAV THON GROUP'S CARBON FOOTPRINT

The Olav Thon Group has a significant carbon footprint. We report emission sources in all three scopes of the GHG protocol.

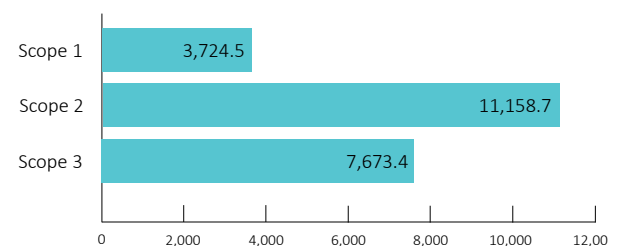
PROPORTION OF CLIMATE EMISSIONS PER EMISSION SOURCE
Percent



*See GRI Index for complete reporting according to GRI Standards.

EMISSIONS PER SCOPE (1–3)

Tonnes of CO2 equivalents



Scope 1 accounts for 16.5% of the group's total greenhouse gas emissions. Scope 1 consists of consumption of diesel and petrol, as well as consumption of gas (propane and natural gas) and pellets.

The group's largest share of emissions is in Scope 2, which consists of electricity, district heating and some steam. Consumption of district cooling has also been reported, but emissions have not been linked to this source in 2021. Scope 2 accounts for 49.5% of the Olav Thon Group's carbon footprint.

Scope 3 is the company's second largest scope and accounts for 34.0% of the group's carbon footprint. In the 2021 data basis, Scope 3 consists of waste and business trips (flights).

The distribution of the group's emissions is approximately as expected with the emission sources reported for 2021. We work continuously with energy optimisation, which could have an effect on the group's total footprint. Waste is also a topic we work on continuously, especially to increase the degree of sorting (minimising residual waste). This could also contribute to reducing the group's carbon footprint, since the majority of emissions related to waste derive from improvement of residual waste (energy combustion).

2020 TO 2021 DEVELOPMENT

Since we are presenting our second carbon footprint accounts this year, we can assess the development from 2020 to 2021. Improvements have been made to the data basis for reporting that affect emission figures and the basis for comparison. These are explained in the comments on the development below.

The Olav Thon Group's reported climate emissions increased by 7392.8 tCO₂e from 2020 to 2021. This corresponds to a sharp increase of 48.9%. After analyses of the figures, we consider that the increase is mainly due to the fact that the data base has improved and there is therefore generally more consumption included in this year's carbon footprint accounts. In this year's carbon footprint accounts, we have managed to include consumption data for district heating, gas from our hotels in Belgium and the Netherlands, as well as gas for Thon Hotel's kitchens. Reporting for multiple emission sources naturally results in an increase in reported emissions.

There has been a change in emissions for all emission categories. Transport shows a decrease in consumption and emissions (-104.2 tCO₂e) and emissions from business travel have increased by 36% from 2020 (35.5 tCO₂e), which is assumed to be related to fewer restrictions in connection with the pandemic. Common to these two emission sources is that they account for a very small share of the total emissions. Major or minor changes for these have little effect on the overall carbon footprint of the organisation.

The bigger changes in emissions have occurred in the energy and waste areas. Due to better data access, for 2021 we have included district heating in the carbon footprint accounts. Emissions related to this are 1,366.2 tCO₂e. This represents approximately 18% of the increase in total emissions from 2020 to 2021.

Reported electricity consumption in the carbon footprint accounts has increased by 28.5% from 2020 to 2021. The increase is partly due to the fact that some of the reported electricity consumption for unknown reasons was not included in the carbon footprint accounts in 2020. As a result, significantly higher consumption is reported in 2021, even though actual consumption was lower in 2021 than in 2020. Before this year's carbon footprint accounts were prepared, we have been able to identify the lack of reporting from several electricity meters for 2020. The addition of new meters naturally increases reported consumption. At the same time as reported consumption is increasing, emissions related to electricity consumption have been reduced by 2.9% (263.9 tCO₂e). The reason for this is a change in the calculation variable for electricity (Nordic mix) from 2020 to 2021 (-24.4%), which shows that there are elements in the carbon footprint accounts that fall outside our control, but which can have a major impact on the Olav Thon Group's emissions. It is therefore important to work on consumption and emissions related to these in parallel.

For unknown reasons, a lower waste volume was reported in the carbon footprint accounts for 2020 than in the data base. This error has now been corrected for 2021. As a result, the waste volume in the carbon footprint accounts is significantly higher in 2021 than in 2020, even though the actual volume was lower in 2021 than in 2020. In addition, we have to a greater extent managed to specify the various fractions in the carbon footprint accounts in 2021, by linking the NS codes (codes for the various fractions) to the EC codes (calculation factor and codes for emissions). After analysis of the figures, we can see that 98.1% of the increased emissions related to waste originate from waste to incineration. This is firstly due to the fact that the reported volume of waste for incineration has increased by 34.6%, and emissions have increased by 2,948 tCO₂e. Second, 63.3% (1,876 tCO₂e) of the increased emissions from waste for incineration come from plastics and hazardous waste for incineration. Both plastic waste and hazardous waste have higher emissions when incinerated than ordinary residual waste. Therefore, the specification of these two fractions entails a significant increase in emissions compared to 2020 when this waste went under the same category as other waste for incineration.

ASSESSMENTS AND EXPECTATIONS

It is somewhat challenging to assess the actual figures in our carbon footprint accounts when we lack a complete basis for comparison. Nevertheless, based on the carbon footprint for 2020 and 2021, we can see that Scope 2 is the main source of the Olav Thon Group's carbon footprint.

The comparison between the two performed carbon footprint accounts shows how important it is to constantly improve the data base. The main objective of next year's reporting is to submit carbon footprint accounts with at least the same scope and quality as this year's carbon footprint accounts. We intend to make an assessment of Scope 3 and look at which areas may be relevant to expand with. We also aim to assess measures and specific goals for our future carbon footprint.

Tonnes of CO₂ equivalents

Category	2021	2020
Transport ¹	335.1	439.3
Stationary combustion ²	3,389.4	830.7
Electricity	9,731.5	9,200.3
District heating	1,366.2	-
District cooling	-	-
Waste ³	7,540.6	4,535.2
Business trip ⁴	132.8	97.3
Total	22,495.6	15,102.8

1 Petrol and diesel

2 Combustion of gas for heating and pellets for district heating production

3 Residual waste for incineration/residual waste for sorting

4 Flights

Social responsibility

In the Olav Thon Group, we strive for real equality and good diversity among our employees. That is why we can point to an even gender distribution, as well as a commitment to several inclusive projects.

Age and gender distribution

The Olav Thon Group must work actively, purposefully and systematically to promote equality and prevent discrimination. This work is included in the group's HR and HSE work. It is a continuous work that must be taken care of throughout the employment relationship, from the recruitment of new employees to the end of the employment relationship, for each individual employee at all levels in the entire group. This is an important development point for the company as there is a risk of becoming a less attractive employer if this is something we do not constantly work on.

The work and goals involving equality, diversity and discrimination are anchored in several overarching documents. These documents are management documents in the field and include:

- Ethical codes of conduct in the Olav Thon Group
- Corporate policy for social responsibility
- Group instructions for personnel policy
- The group's management instructions for personnel management
- Diversity and equality work in the Olav Thon Group
- Warning poster

In 2018, we prepared new guidelines for systematising diversity and gender equality work with the aim of promoting gender equality and preventing discrimination. The guidelines are described in the document "Diversity and gender equality work in the Olav Thon Group". This document was updated in 2020. Considerations of equality and non-discrimination are otherwise included in the other personnel policy and described in all relevant parts of our policies and personnel handbooks.

The latter is a document that describes the company's procedures for notification in the event of perceived discrimination, harassment or bullying. The document is based on the fact that in the Olav Thon Group all people are equally valuable and there should therefore be no discrimination, harassment or bullying. The threshold must be low to report matters worthy of criticism, and everyone must be taken seriously if they feel exposed to such things.

The HR department prepares an annual gender equality report for the Olav Thon Group in accordance with the activity and reporting obligation. For more information about this, visit the Olav Thon Group's website.

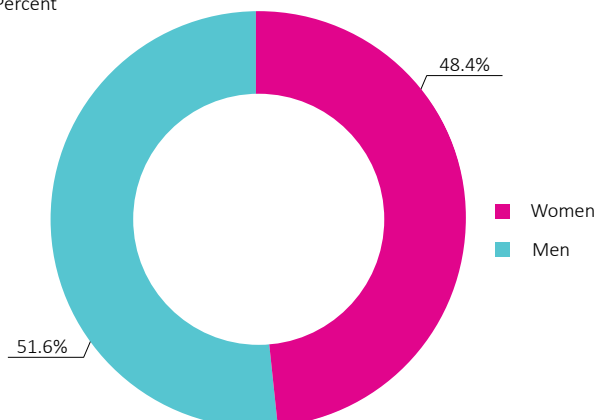
GENDER DISTRIBUTION

The Olav Thon Group has a balanced distribution between women and men both in total and among managers and middle managers. The data is taken from the group's HR system and in 2020 a quality assurance was made which meant that 2020 will be used as a reference year for comparisons.

In 2021, the proportion of women in the group was 48.4% and the proportion of men was 51.6%. In comparison, the proportion of women was 47.2% and the proportion of men 52.8% in 2020. This refers to a slight increase in the number of women in the group and an overall even gender distribution.

GENDER DISTRIBUTION

Percent

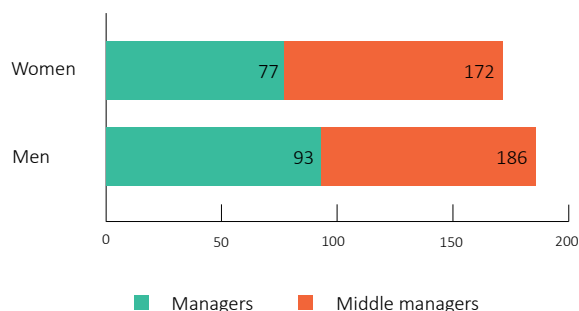


The proportion of women among managers was 47.2% in 2021. This is a decrease of 0.8 percentage points from the previous year. In comparison, the proportion of male managers has increased from 52.0% in 2020 to 52.8% in 2021. If a distinction is made between top managers and middle managers, the difference between women and men is greater. The proportion of women among top managers has increased by 0.3 percentage points. This in itself is considered as good results, but it also means that the proportion of female middle managers has decreased from 49.0% to 48.0%. Overall, there is an even distribution, but there is still potential for improvement.

In 2021, there was an increase in the number of managers of 2% compared to 2020. The increase was 3% among men and 1% among women. This means that more men than women were hired as managers in the Olav Thon Group in 2021.

GENDER DISTRIBUTION AMONG MANAGERS AND MIDDLE MANAGERS

Quantity

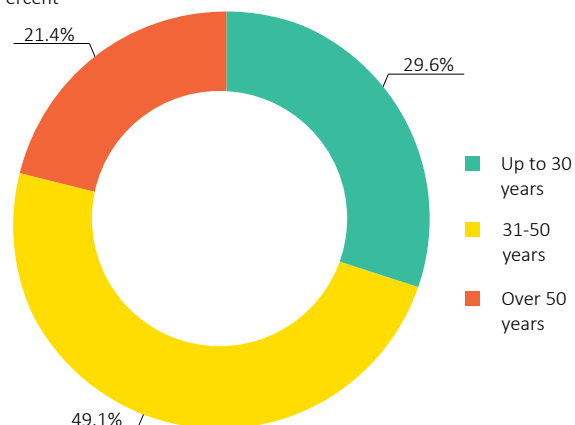


AGE DISTRIBUTION

The Olav Thon Group has a relatively even age distribution among its employees. 49.1% of the employees are in the age group 31-50 years. This is a large group and has a wide range in terms of experience and skills. Beyond the group

AGE DISTRIBUTION

Percent

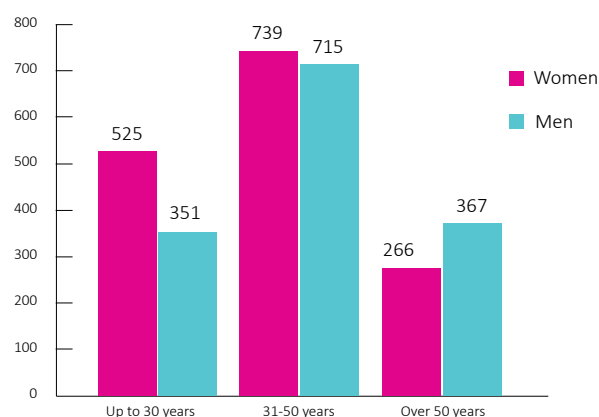


31-50 years, the group has a large proportion of employees in the group up to and including 30 years. Several of these work in Thon Hotels, a division that attracts many young workers. The hotel division is by the way the division in the Olav Thon Group with the most employees and it is therefore natural that Thon Hotels has a great influence on both the gender and age distribution among the employees. We consider this spread to be positive.

If you look at the age distribution among women and men, you can see that in the largest age group there is an even gender distribution. On the other hand, there is a significant majority of women among the youngest age group, but a majority of men among the oldest age group.

AGE AND GENDER DISTRIBUTION

Quantity



FUTURE OUTLOOK

It is expected that the forthcoming sustainability strategy will influence the work within the equality and diversity work of the Olav Thon Group.

An inclusive workplace

The Olav Thon Group works continuously to be an inclusive employer and create diverse jobs. This is reflected in the group's recruitment process, but also in collaboration with various players who work to create inclusive jobs.

RINGER I VANNET (RIPPLES IN THE WATER)

Ringer i Vannet was a work and inclusion project under the auspices of the NHO (The Confederation of Norwegian Enterprise). The purpose of the project was to encourage unemployed people into NHO companies. Ringer i Vannet is based on a local collaboration between companies and work and inclusion companies that operate in the same local community. Ringer i Vannet has now entered a phase where it has been established as a method for inclusive working life and it is further managed by the work and inclusion companies themselves.

Thon Hotels signed a group agreement with Ringer i Vannet in the autumn of 2017. Since then, 27 of the hotels have signed agreements with local work and inclusion companies. These agreements have resulted in 6 confirmed appointments in 2021 (42 appointments since the start in 2017). This is considered to be very positive in a year where conditions in the labour market have been very unpredictable. According to Ringer i Vannet's studies, it is known that every time a person is employed, it saves society NOK 10 million. This means that the work Thon Hotels is doing through Ringer i Vannet has already saved society NOK 420 million since the group agreement was signed in 2017.

COLLABORATION WITH NAV OSLO

The Olav Thon Group has had a collaboration with NAV Bjerke in Oslo since 2013. As a result of the corona pandemic and lack of employees at Thon Hotels and Resthon, this collaboration has now been extended to NAV Oslo. Thon Hotels is at the forefront of this work and contributes with work training for the target group in the collaboration. Since 2013, 70 people have been offered work placements at our hotels in Oslo and several of these are still working to this day.

The co-operation has aimed to contribute to people with an immigrant background (minority background) and gaps in the CV gaining greater access to ordinary working life. This is a win-win situation for all parties as the candidates receive work training, language training and a network,

the hotels are linked to resources that can go to work quickly and Norwegian society benefits from the value creation that the individual employee contributes.

Since the summer of 2021, the co-operation with NAV has picked up considerably due to the industry's staffing challenges. The Olav Thon Group participated in recruitment days under the auspices of NAV and NHO in the autumn of 2021, where the company subsequently offered candidates reception courses. Several of these were hired in the autumn of 2021. We held our own recruitment day afterwards which contributed to 800 candidates who want to work with us.

The collaboration with NAV has also contributed to more jobseekers receiving work training and practical experience at our units both at HK, Resthon and at several of the hotels in Oslo. In the autumn of 2021, we have challenged NAV to adapt its Café course to a more focused course for restaurants and bars. The reason is that there is a gap between experience and skills. By participating in this course, we offer an internship after the candidates have completed the academic theoretical part of 4 weeks.

The purpose is to be able to provide job opportunities to people who for various reasons are out of work and want to get into working life. Here it is required that the employee has a desire to work and that the employer has both an offer and an opportunity to accept different types of people who for various reasons are not part of ordinary working life. The project gives candidates opportunities to show themselves from a new side. The hotel industry has a lot to offer and the Olav Thon Group tries to show that there are many opportunities as long as you get one foot through the door. Hence we want to give this opportunity to more people.

FUTURE OUTLOOK

Both of these collaborations are expected to continue in 2022. If the normal state of society increases, we hope to be able to help even more people into working life through our partners. If the pilot project with NAV is successful, we hope to be able to make this a permanent co-operation in 2022.

Employee development

As part of the Olav Thon Group's work with social issues and employee rights, the group works continuously with employee development. This entails courses and training opportunities that are put in the system and followed up by the HR department.

COURSES AND SKILLS DEVELOPMENT

Facilitating courses and skills development is important for the group's development and the HR department that is responsible for this area. Information about courses and registration is communicated via a separate course portal. The group's course catalogue consists of various courses within first aid, safety and emergency preparedness, system training, food and drink, HSE, management, IT systems, sales and introduction day for new employees.

As the year before, several 2021 courses were made into online courses and seminars due to the coronavirus pandemic in regards to infection control. This includes both webinars and e-learning courses. A couple of courses had to be cancelled as they are not suitable for online courses due to length or content.

In 2021, there were a total of 1,307 course participations divided into 38 courses, compared with around 500 course participations in 2020. At least one course was arranged in 22 of the 47 courses in the group's course catalogue. 801 of the course participations were in mandatory e-learning courses related to non-conformance management, privacy and IT security. Furthermore, two out of three course participations were in e-learning courses, while the last third were in other courses, such as webinars.

F&B SCHOOL

In 2016, courses were arranged for the first time under the auspices of the F&B school. This is an internal training school with a focus on food and drink for the employees of Thon Hotels and Resthon. The school consists of several levels and in 2016 the first grade was launched. The first grade is a three-day course that addresses the basics required of a good service employee. Every day has its focus area- wine, beer and spirits. Due to the corona pandemic, as in the previous year, it was not possible to carry out activities in the F&B school in 2021.

1,307
COURSE PARTICIPATIONS

EDUCATION SCHOLARSHIP

In collaboration with several of our suppliers, we have the opportunity to offer support/scholarships to our employees in Thon Hotels and Resthon through the Education Fund. The scholarship is for those who want to gain more knowledge in a special field they work in and are passionate about. This can, for example, be a course in restaurant management, as a beer waiter, as a wine sommelier or a trade certificate as a private student.

APPRENTICES

It is becoming increasingly important for the hotel industry to attract apprentices, both to support professionalism in the industry and because the public sector sets ever stricter requirements for the use of apprentices in tendering contexts. In Thon Hotels, it is the hotels themselves that take the initiative to have apprentices, but there is an increasing focus in the central administration.

In 2021, 23 of our hotels were apprentice companies, which engaged 79 apprentices in the disciplines of chef, receptionist, waiter, confectioner and tourism. We regard these as good results and will continue to focus on the use of apprentices.

HSE

The health, safety and environment work (HSE) in the Olav Thon Group aims to create safe and secure companies with good working conditions and well-being among employees and managers. This work is related to the group's work with employee rights.

ABOUT THE WORK

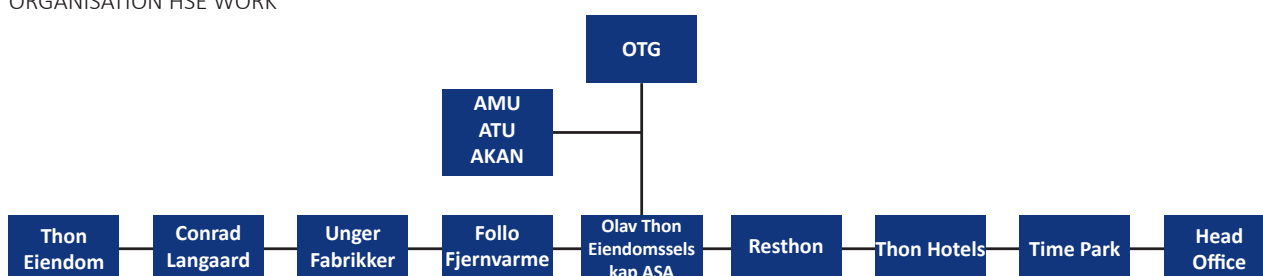
The HSE vision for the group is "visible focus on health, environment and safety". We work in different ways in the group's various divisions at all levels in the organisation to achieve our vision:

- The group management has four annual meetings where HSE is a topic. Here are the guidelines for the group's HSE work.
- It has been decided that HSE should be a topic at internal meetings.
- The HSE department participates in internal meetings and talks about HSE work.

- The HSE department participates in internal courses in HSE training and talks about the HSE work in the group.
- The HSE department has its own pages on the group's Intranet, including pages per subject area.
- The employee survey is followed up through news on the Intranet and by e-mail.

To further disseminate information in the organisation, it has been decided to create two HR and HSE newsletters per year. These are sent out to managers in the group. The purpose of the dispatch is that the newsletters can then be displayed internally and thereby be available to all employees.

ORGANISATION HSE WORK



Organisation (incl. AMU)

The group's management team is the highest body for HSE matters.
The key guidelines are taken further in the Working Environment Committees (AMU) in the various divisions and units.

HSE

The group's management team has a minimum of four HSE meetings per year where key guidelines for HSE work are prepared. The Group HSE manager leads the health, environment and safety work and has established a network with working environment committees at company level. The local unit managers are responsible for HSE in their unit and have a duty to follow up requirements in HSE legislation.

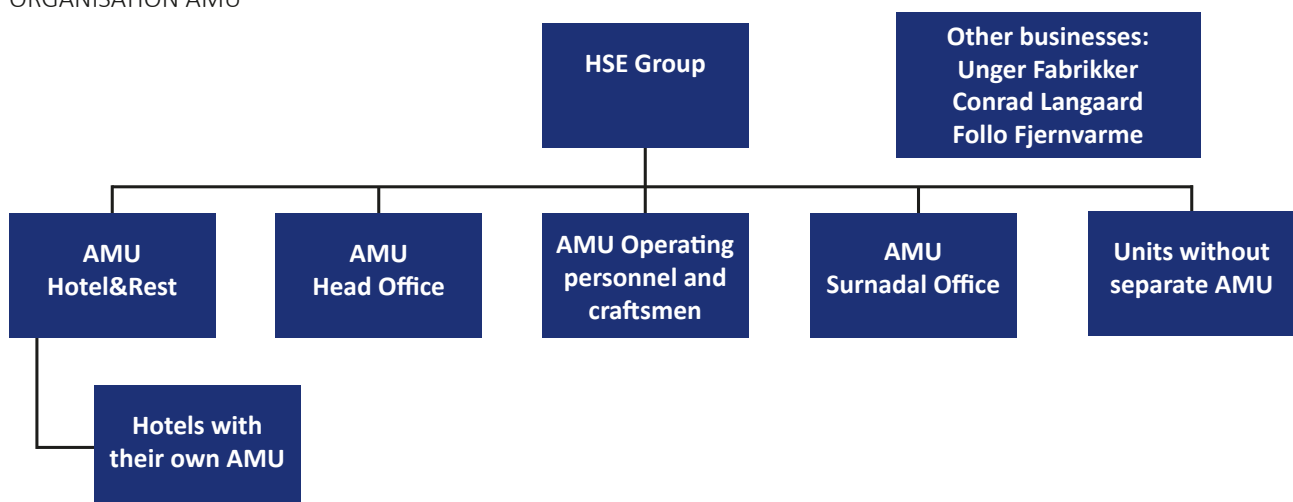
in the company. The committee participates in the planning of the protection and environmental work in the company and closely monitors developments in the working environment. There are a total of 13 AMUs in the Olav Thon Group.

There is one central AMU for hotels and restaurants. In addition, there are 12 local AMUs, nine of which are affiliated with Thon Hotels. More than 90% of the group's employees are represented via a formal AMU.

Working Environment Committee (AMU)

AMU is a decision-making and advisory body tasked with implementing workplace health and safety legislation

ORGANISATION AMU



Sick leave

In order to increase the attendance rate, one of the goals for the HSE work in the Olav Thon Group is to have lower sick leave than the national average.

SICK LEAVE

Sick leave at the Olav Thon Group was 4.99% in 2021, while the national average was 6.40%. The figures include both self-reported and doctor-certified sick leaves. In comparison, there has been a marginal decrease of 0.16 percentage points from 2020 when sick leave was 5.15% in 2020. The largest decline has been in self-reported sick leave.

Despite the fact that both 2020 and 2021 have been affected by the corona pandemic, one can see a marginal decrease in the annual sick leave compared to 2019. There can be several reasons for this. Among other things, several worked from home offices despite the fact that they were not completely well. Several of these would probably have registered sick and stayed at home in a normal situation. In addition, less social contact and strict infection control measures may have led to less infection of disease in general. Several of our business areas have been characterised by temporary layoffs. This may have contributed to the fact that there have been fewer people in work who would have contributed to sick leaves and that those who were not temporarily laid off may have had a higher threshold for reporting sick. We can see that this is something that happens in demanding periods, such as high unemployment.

ATTENDANCE

When we know the sick leave percentage for a given period, we also have the attendance percentage for the same period. The attendance percentage tells us how many of the employees have been at work and deals with factors such as belonging, loyalty, collegiality, motivation, professional pride, responsibility, being able to utilise their own prerequisites, leadership skills and caring for each other.

To increase the attendance in the Olav Thon Group, sick leave is always on the agenda in each AMU. The occupational health service related to Thon Hotels, Resthon and Thon Bygg AS follows up units that have too low attendance and assists in initiating measures to increase this. In addition, local social activities are arranged that promote a better working environment.

Unit/division	Number of man-years	Sickness absences 2021
Amfi Group	245	3.62%
Conrad Langaard	17	3.99%
Follo Fjernvarme	4	4.04%
Head office ¹	330	4.91%
Hotel division ²	1,506	7.26%
Shopping centre division ³	345	3.95%
Resthon AS	77	2.32%
Thon Eiendomsservice AS	54	5.25%
Unger Fabrikker	113	6.10%

1 Includes Thon Hotels AS/Thon Hotels Salg AS/Thon Holding AS/Time Park AS/Time Park Service AS/Norsk Pantelotteri AS/Norsk Underholdningsspill AS.

2 Includes all operating companies belonging to Thon Hotels AS (incl. Sweden/Belgium/Netherlands/Vettre Hotell drift AS/Linne Hotell AS/Hotell Bristol AS).

3 Includes Olav Thon Eiendomsselskap ASA/Gardermoen Park AS/Bergen Storsenter AS/Amfi group/Vestkanten AS/Sartor Storsenter AS/Østerås Kjøpesenter AS/Åsane Storsenter DA/Thon Ski AS/Thon Sverige AB group/Thon Fastigheter AB group.

Safety

The Olav Thon Group works with safety for both people and material. In 2021, the coronavirus pandemic continued to affect much of our emergency preparedness and safety work. Several digital attacks on players in the business world show that we must continue to work actively with digital preparedness.

RISK ASSESSMENT

The Olav Thon Group did not experience any particular changes in the risk picture in 2021 compared with 2020. Ordinary incidents such as burglary and vandalism continue to decline in number. On the other hand, we are experiencing an increased amount of digital crime as more and more people are copying or misusing our brand names in digital fraud.

In addition to the above, the coronavirus pandemic continued to affect 2021 to a great extent. A lot of time was spent on organising the organisation and the employees to prevent and manage infection in our companies (among guests, visitors and employees).

ANTI-CORRUPTION

As part of the group's security work, we work systematically with anti-corruption. We offer courses in how to detect and deal with embezzlement; the head of security has an annual overall review of the annual accounts of the Olav Thon Group together with the auditor; we have clear processes for cash sales; and annual check of cash and card sales is carried out.

In 2022, the Olav Thon Group will tighten its corruption work and work more towards certain environments where the opportunity for influence is greatest. Here, easy notification to better known key people at our company will be one of the things that will make it feel safer to report.

It is challenging to get the authorities involved in some of these cases as the few cases are not significant enough. Embezzlement in cash turnover is mainly revealed through checks and follow-up, which emphasises the importance of clear processes and control of these. Control also involves cooperating with banks and reporting of suspicious activity.

THE DIGITAL THREAT

The digital threat continued to increase in 2021 and we experienced an increasing number of attacks on our users and systems. Home offices and new web solutions

create challenges for maintaining IT security. The attacks are becoming more advanced and this trend continues. In 2021, the ICT department in the group worked with 623 cases related to IT security. By comparison, there were 551 cases in 2020. One of the reasons this has increased is that we are constantly getting more logs and the number of incidents will therefore naturally increase.

EMERGENCY EXERCISES

The Olav Thon Group has a central emergency response team that handles incidents when there is a need for assistance at our operating units. In 2021, the emergency preparedness group focused on dealing with digital threats.

EMERGENCY INCIDENTS

As a major business player, the Olav Thon Group occasionally experiences incidents of a different security nature. In 2021, there were no incidents that lead to any death in the group. The risk and threat picture against the Olav Thon Group is considered to be at an acceptable level, which has not changed significantly since 2018. Nevertheless, we experienced several serious incidents on our properties in 2021 of various kinds, as well as incidents related to the corona pandemic:

- Land slide right next to a hotel
- Some minor fires in waste bins and electrical installations
- Some minor fires at tenants in shopping centres
- Threats with weapons against guards
- Falls on stairs and in doorways
- Water damage due to rain or burst pipes

Infection situations:

- Infection among hotel guests
- Infection among store employees at shopping centres
- Infection among centre administration at shopping centres
- Infection at the group's head office
- Many inquiries from guests and customers

The supply chain

The Olav Thon Group purchases goods and services for NOK 7-8 billion a year and has a great responsibility as a purchaser.

RESPONSIBLE PROCUREMENT

Responsible procurement is part of the Olav Thon Group's work to safeguard human rights, employee rights, social conditions, the external environment and to fight corruption. The group has a procurement policy and thorough procedures for supplier selection. This includes mapping of several aspects of social responsibility, relevant to the individual categories, where these considerations are integrated. The Olav Thon Group has also drawn up a separate set of ethical requirements that place strict requirements on suppliers and subcontractors. The requirements focus on human rights, working conditions, the environment and anti-corruption, and improvement work related to these topics. An annual supplier survey follows up on the requirements.

ETHICAL REQUIREMENTS FOR SUPPLIERS

In 2019, the Olav Thon Group prepared a new set of ethical requirements for its suppliers and subcontractors, which was introduced in 2020. The requirements are based on Etisk Handel's (Ethical Trading Initiative) template for ethical requirements and refer to a significant proportion of ILO's conventions for the topics: forced labour/slave labour, trade unions and collective bargaining, child labour, discrimination, brutal treatment, HSE, wages, working hours, regular employment, marginalised population groups, environment, corruption and animal welfare.

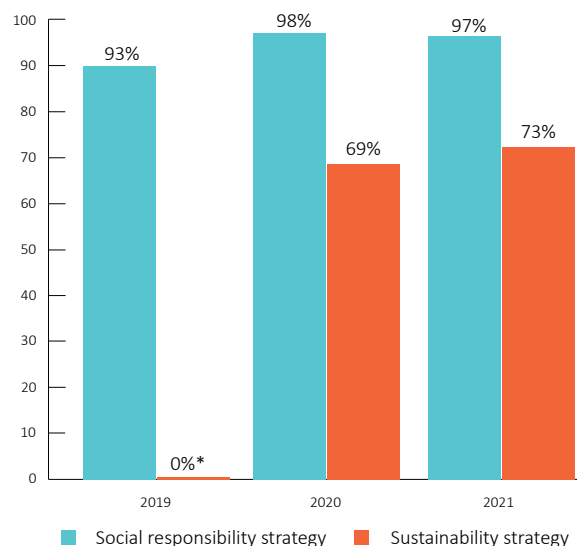
CONTROL OF THE SUPPLY CHAIN

Every year, the Olav Thon Group carries out checks of the supply chain. In 2019, we entered into an agreement with Factlines to ensure a broader and more systematic follow-up of the supply chain. The annual inspection consists of a survey that is sent out to approximately 100 suppliers. These suppliers have been selected on the basis of a risk assessment of the supplier category, results of previous surveys and any incidents related to the suppliers.

In 2021, the survey was carried out in Q2 and had a response rate of 91%, compared with 88% in 2020 and 82% in 2019. The survey awards points to each question based on the answers given. The average score was 80% of the possible top score. The results show that the suppliers work well with strategy and ethical codes of conduct, as well as have good insight into the supply chain. Two out of three suppliers show that they have a good overview of components and input factors, including risk, throughout the entire supply chain. In addition, two out of three suppliers had a complete overview of all involved players in the supply chain.

SUPPLIERS WITH STRATEGY FOR SOCIAL RESPONSIBILITY AND SUSTAINABILITY

Percent



* The question was not included in this year's survey.

The graph on the previous page shows that there is an increase in the proportion of suppliers that have developed a sustainability strategy. The small decrease in the proportion of suppliers with a strategy for social responsibility may be related to an increasing number of surveys sent out, as well as a higher response rate. Another reason may be that some suppliers have focused on establishing a sustainability strategy, which includes social responsibility. Furthermore, the survey shows that 92% of the suppliers have adopted ethical codes of conduct, and 99% of the suppliers have procedures for reporting and follow-up

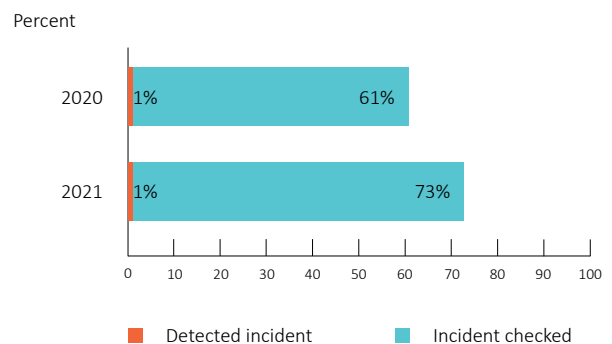
The survey revealed ethical code of conduct violations during the last 12 months by 5% of suppliers. This is a decrease from 7% in 2020. In addition, the survey shows that 1% of the suppliers have uncovered the occurrence of forced labour, slave labour or involuntary work at subcontractors. This figure has not changed since 2020 despite the fact that the proportion of suppliers who check on such occurrences has increased by as much as 12 percentage points, from 61% in 2020 to 73% in 2021. The supplier who uncovered the occurrence of this type of work in 2021 responded in the survey that improvement measures have been implemented.

Given that the number of surveys, as well as the response rate, has increased significantly from the previous year, these are results that we consider good. We trust our suppliers to follow the requirements we set. At the same time, it is important to note that these are areas that require continuous follow-up and which we will continue to work on.

FUTURE OUTLOOK

In 2022, the Olav Thon Group will continue with annual risk-based surveys of the supply chain, as well as follow-up on the suppliers' work with their supply chains, on the basis of the survey's findings among other things. It is expected that these will be more extensive due diligence assessments in accordance with the Transparency Act and that from 2022, we will expand the survey to include all our contract suppliers. We will also work to meet the new requirements set out in the Act.

FORCED LABOUR IN THE SUPPLY CHAIN



Profile information

Below is a general account of the Olav Thon Group, following the template of the Global Reporting Initiative (GRI).

ORGANISATIONAL PROFILE

102-1	Name of the organisation	Page 3
102-2	Main products and/or services, including brands	www.olavthon.no
102-3	Head office of the organisation	www.olavthon.no
104-4	Which countries the organisation is present in	www.olavthon.no
102-5	Ownership and organisational form	Page 3
102-6	Markets	Annual report Olav Thon Group
102-7	Organisation size	Annual report Olav Thon Group
102-8	Key employee information	Annual report Olav Thon Group
102-9	Supply chain information	Page 36-37
102-10	Significant changes in the organisation and the supply chain	No relevant significant changes
102-11	Whether and how the organisation follows a precautionary approach	Page 31
102-12	External initiatives	Page 4, 9, 10 and 16
102-13	Membership in associations	Thon Hotels is a member of NHO Reiseliv. Otherwise no such membership.

STRATEGY

102-14	Statement from the top decision maker in the organisation	Page 9
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ETHICS AND INTEGRITY

102-16	The organisation's ethical guidelines	www.olavthon.no
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CORPORATE GOVERNANCE

102-18	Management structure in the organisation	Page 3
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STAKEHOLDERS AND STAKEHOLDER DIALOGUE

102-40	Stakeholder groups	Page 4
102-41	Employees covered by collective agreements	About 70%
102-42	Identification of stakeholders	Page 4
102-43	Stakeholder involvement	Page 4
102-44	Main themes and concerns identified by stakeholders	Page 4

REPORTING PRACTICES

102-45	Units covered by the organisation's consolidated financial statements or equivalent documents	www.olavthon.no
102-46	Defining the contents and limitations of the report	Page 4
102-47	List of material topics	Page 4-5, 10-11 and 16
102-48	The effect of any new explanations of information	Page 40-41
102-49	Significant changes from previous reporting periods in scope and delimitation of aspects	Page 4
102-50	Reporting period	Page 4
102-51	Date of previous report	Page 4
102-52	Reporting cycle	Page 4
102-53	Contact point for questions regarding the report or its contents	Page 50
102-54	Claims of reporting in accordance with GRI Standards	Page 4
102-55	GRI Index	Page 40-41
102-56	External audit	The report has not been audited by an external party

GRI-index

The Olav Thon Group's sustainability report for 2021 has been prepared in accordance with GRI Standards for sustainability reporting. The group's reporting qualifies for Core level using GRI Standards.

ECONOMY

GRI 201-1	Direct economic impact	Page 19
GRI 103	Management approach	Page 4, 10, 16 and 19

ENVIRONMENT

GRI 302-1	Energy consumption	Page 24-25
	<ul style="list-style-type: none"> a. 16,686.4 MWh (petrol, diesel, propane, natural gas) b. 18,118.4 MWh (pellets) c. i. 293,060.2 MWh <ul style="list-style-type: none"> ii. 98,561.6 MWh iii. 298.8 MWh iiii. 284.4 MWh d. i. No electricity sold. <ul style="list-style-type: none"> ii. 46,001.0 MWh iii. 9,217.0 MWh iiii. No gas sold. e. 371,791.8 MWh f. Standards, methods and requirements: These points are described in the PDF "The Olav Thon Group's Carbon Footprint Account 2021" on our website. g. Conversions from volume to energy are taken from "The Olav Thon Group's Carbon Footprint Account 2021". 	
GRI 305-1	Direct greenhouse gas emissions (Scope 1)	Page 26-27
	<ul style="list-style-type: none"> a. 3,724.5 tCO₂e b. All are included c. 5,581.7 tCO₂e d. N/A e. The GWPs used in the calculation of tCO₂e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period. f. Operational control g. Standards, methods and requirements: These points are described in the PDF "The Olav Thon Group's Carbon Footprint Account 2021" on our website. 	
GRI 305-2	Energy-related indirect greenhouse gas emissions (Scope 2)	Page 26-27
	<ul style="list-style-type: none"> a. 11,158.7 tCO₂e b. 69,576.1 tCO₂e c. All are included d. N/A e. The GWPs used in the calculation of tCO₂e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period. 	

- f. Operational control
- g. Standards, methods and requirements: These points are described in the PDF ["The Olav Thon Group's Carbon Footprint Account 2021"](#) on our website.

GRI 305-3	Other indirect greenhouse gas emissions (Scope 3)	Page 26-27
	<ul style="list-style-type: none"> a. 7,673.4 tCO₂e b. All are included c. No biogenic emissions in Scope 3 d. Emissions in Scope 3 are calculated for the following categories: waste (residual waste for incineration/sorting) and business trips (flights). See page 27 of this report for figures by category. e. N/A f. The GWPs used in the calculation of tCO₂e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period. g. Standards, methods and requirements: These points are described in the PDF "The Olav Thon Group's Carbon Footprint Account 2021" on our website. 	
GRI 306-3	Waste overview	Page 21-23
GRI 307-1	Failure to comply with environmental laws and regulations	No known cases
GRI 103	Management approach	Page 4, 10, 16 and 20-27

SOCIAL IMPACT

WORKING CONDITIONS

GRI 403-1	Working environment committee	Page 34
GRI 404-1	Education, training and advice	Page 32
GRI 405-1	Age and gender distribution	Page 29-30
GRI 103	Management approach	Page 4, 10, 16 and 28-35

HUMAN RIGHTS

GRI 406-1	Cases of discrimination	One complaint has been submitted to the Discrimination Tribunal*
GRI 407-1	Follow-up of suppliers (freedom of association)	Page 36-37
GRI 408-1	Follow-up of suppliers (abolish child labour)	Page 36-37
GRI 103	Management approach	Page 4, 10, 16 and 36-37

UN Global Compact

The Global Compact is the UN's initiative for cooperation with the business community in sustainable development. The letter below was sent to the then UN Secretary-General, H.E. Ban Ki-moon and confirms that the Olav Thon Group is a participant in the Global Compact initiative and that the group promises to integrate the ten basic principles into its strategy and daily operations. The next letter is a confirmation that the Olav Thon Group is still a Signatory in the UN Global Compact initiative and that the group's work will be presented in an annual report (Communication on Progress).



02.05.2013

H.E. Ban Ki-Moon
Secretary-General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary-General,

I am pleased to confirm that *Olav Thon Gruppen* supports the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption.

We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Millennium Development Goals. Olav Thon Gruppen will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the Global Compact, and annually thereafter according to the Global Compact COP policy.

Sincerely yours,

Mr. Dag Tangevald-Jensen
CEO, Olav Thon Gruppen



OLAV THON GRUPPEN

16.05.2022

To our stakeholders;

I am pleased to confirm that Olav Thon Gruppen reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In the annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Mr. Kjetil Nilsen
CEO, Olav Thon Gruppen

Appendix

The appendix provides supplementary information on various elements in this year's sustainability report.

FINANCIAL FIGURES

The Olav Thon Group reports in accordance with IFRS, which affects some of the reported figures on the group's financial contribution to society.

The reported figures have the following distribution:

- Revenue: The group's total operating revenues.
- Operating costs: Other operating costs and cost of goods.
- Employee salaries and benefits: Salary costs, as well as employer's contributions and other personnel costs.
- Payment to suppliers of capital: Financial expenses and dividends paid to non-controlling interests.
- Payments to authorities: Tax payable, correction tax in previous years and property tax.
- Investments in society: Investments in local communities in connection with construction projects and support for the Red Cross.

In 2021, NOK 165.2 million was invested in society, distributed as follows: NOK 53.37 million invested in local communities in connection with construction projects; NOK 111.82 million has been transferred to the Red Cross.

The Olav Thon Foundation's contribution to scientific research and charitable causes can be linked to the group's activities, as the contributions are financed by the Olav Thon Group's profits. The figures are not included in the calculation of the group's investments in society in this report, as these calculations only cover the Olav Thon Group and not the Olav Thon Foundation.

NUMERICAL BASIS WASTE

The numerical basis for waste is collected from our suppliers for waste disposal. This mainly means that the figures come from Retura and Norsk Gjenvinning for waste in Norway, Stena Recycling for waste in Sweden and that we collect waste data for Brussels, Rotterdam, Follo Fjernvarme and Unger Fabrikker manually from the various companies. All waste figures have been obtained for the full calendar year 2021. The sorting rate is calculated on the basis of waste volume and represents the group's sorting rate in its entirety.

The Olav Thon Group has an overview of which waste fractions are used in sorting at source. Different codes are used in the mapping of fractions depending on the country. In Norway NS codes are used, in Sweden and the EU EAL codes are used, while our supplier for carbon footprint accounts CEMAsys uses EF codes. There is currently no key to the relationship between the different codes. As a result, the team in the Olav Thon Group and consultants from CEMAsys have together made an attempt to form a relationship between these categories. This was necessary to find the relationship between the NS codes and the EAL codes. It was also important to link these to the EF codes, as it is the EF codes that determine the calculation variable for the conversion of waste volume to CO2 equivalents. Based on this, there may be some difference between the type of waste in the carbon footprint accounts in relation to the data basis used in the waste chapter.

Food and residual waste from Sweden is managed by Swedish municipalities and these figures were excluded due to limited data access. We only have access to the number of waste collections, but not the actual volume of waste. Nor was an estimation made of what these figures could be. For future reporting, we will strive for ways to access this data on a monthly basis.

Data from Retura and Norsk Gjenvinning are retrieved regularly and automated. In 2021, order lines with waste unit kg and litres were included. Order lines with work, service and similar will then be excluded.

To find the right treatment method for the various fractions, we received a list from Retura with NS codes and how they are treated (material recovery, energy recovery and landfill). Then we could use the number of kilos on the different NS codes and add them all together with the same treatment method.

In 2021, we also reclassified the various divisions. In the past, they have been based on our renovators' classification. We have now reclassified them internally based on business area and service area. The various

divisions are hotels, shopping centres, residential rentals, other commercial real estate and others. Other commercial property includes offices/industry, logistics, parking and more. Others include Follo Fjernvarme, Unger Fabrikker and Conrad Langaard.

NUMERICAL BASIS ENERGY

The reported figures account for the Olav Thon Group's total operations in Norway, Sweden and Benelux, including the group's own district heating company Follo Fjernvarme. Unger Fabrikker was not included in this year's energy reporting.

We have implemented an energy monitoring system (EOS) called Energinet. This is a tool for monitoring energy consumption to ensure good development and optimisation of the property. Previously, not all properties have used Energinet, and not all meters were therefore included in the system. In order to aggregate at the levels we wanted, it was necessary to map all meters to the right property/department in our systems. This was done by getting an extract from all meters from Energinet, as well as an extract from Elhub (a national collection of all meters). The compilation of these told us which meters we were missing in Energinet and the possibility to link the correct meter with the right building. 134 new buildings were established in Energinet with 500 meters.

A field was also created in Energinet that helped us filter which meters should be included and excluded. The numerical basis is based on this filtering together with the year 2021 and the value type energy. The different types of energy are categorised by electricity, district heating and district cooling. Reported energy consumption is consumption excluding the tenant's own consumption.

Conversions from actual consumption of petrol, diesel and propane to energy consumption (MWh) are taken from our carbon footprint accounts.

NUMERICAL BASIS FOR CARBON FOOTPRINT ACCOUNTS

The carbon footprint accounts have been prepared in collaboration with CEMAsys, who provide advice, as well as a solution for calculating the carbon footprint of the Olav Thon Group. The carbon footprint accounts are in accordance with the GHG protocol and use emission factors from the IPCC (AR4). An account of the data basis in general is described for the individual data in the various parts of the report, and in the appendix. Complete carbon footprint accounts, with the associated report on methodology from CEMAsys, are available on the Olav Thon Group's website.

NUMERICAL BASIS FUEL

The fuel data is extracted from our fuel supplier. This is extracted as a one-off excerpt for 2021, distributed per company. We only have data available where the company card has been used at the supplier's stations. We do not

have data available for any other fuel consumption, and consumption is not included in the report in this case.

FOSSIL GAS

There are over 20 suppliers in the Olav Thon Group's purchasing system for the purchase of fossil gas. Due to the large and dispersed selection, a decision was made to estimate consumption using invoiced sales.

To ensure the most accurate estimation possible, invoices from the top five suppliers (85% of turnover) were analysed. It was discovered that more invoices contained shipping, environmental charges and other costs than pure gas purchases. In the majority of cases, the invoices contained the specified volume of gas. The analysis of the invoices was used to create a calculation model to estimate the volume purchased gas. With varying gas prices and different formats for invoices, attempts have been made to overestimate somewhat rather than underestimate the volume of purchased gas. There are therefore some uncertainties with regard to the figures for fossil gas.

AIR TRAVEL

A single excerpt has been made from the travel agency, who is the main supplier for air travel in the Olav Thon Group, with information about passenger kilometres per company. If business trips have been booked outside of the travel agency, we do not have data available and this is not included in this report.

NUMERICAL BASIS GENDER AND AGE

The gender and age statistics are taken from the Olav Thon Group's personnel system. The data basis is therefore based on each individual who worked for at least one of the Olav Thon Group companies in full or in part in 2021. This does not include on-call or extra workers or hired temporary workers. The figures only include employees from companies that are managed by our HR system due to limited access to such data from other companies. The age distribution is calculated based on the year each employee was born and categorised into the three categories up to 30 years, 31–50 years and over 50 years.

The data for gender distribution among managers is taken from the Olav Thon Group's payroll system in Norway. The system can distinguish between senior manager and middle manager. The number of these is compiled by gender and then a simple percentage calculation of gender distribution for the categories senior manager, middle manager and the overall picture.

NUMBER BASIS EMPLOYEE DEVELOPMENT

The data is taken from our course system and the figures show the number of participations per course. It is difficult to say how many individual people have attended a course. The reason for this is that the system only keeps track of the number of participants and not which persons participated.

NUMERICAL BASIS SUPPLIER CHAIN

The figures are based on a Factlines survey conducted in the first quarter of 2021. The Factlines system is used to control and follow up any risk in the Olav Thon Group's supplier chain.

The survey was sent out to 97 of Olav Thon Group's suppliers. These suppliers were selected based on risk and results from previous Factlines surveys. The survey has two parts, one of which is a standard form based on the ten principles of the UN Global Compact, while the second part is additional questions based on the Olav Thon Group's own ethical requirements for suppliers.

Part 1 covers the following areas:

- CSR strategy and ethical code of conduct
- Insight into and control of the supplier chain
- The supplier's self-assessment of the risk in the country where they purchase from
- Management systems in the business

Part 2 covers the following areas:

- Forced labour/slave labour
- Union and collective actions
- Child labour, discrimination and brutal treatment
- Health, Safety and Environment
- Salaries, working hours and regular employment
- Marginalised population groups
- Environment, corruption and animal welfare

Each question gives points based on the importance of the question and the supplier's answers. Part 1 with standard questions is linked to a risk profile, and each supplier receives a risk profile based on the response to the standard report. This risk profile is of great importance for further follow-up.



