



OLAV THON GRUPPEN

SUSTAINABILITY REPORT 2023



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Olav Thon Group head office

Foreword from the CEO

At the Olav Thon Group, we believe that working systematically on sustainability and social responsibility helps us to advance our core business in the right direction.

Our sustainability efforts are based on our own strategy, which in turn is based on international frameworks. In this report, you can read about the progress we have made and how we plan to achieve net zero emissions by 2050.

In society, we have earned recognition for our sustainability efforts in several ways. I would particularly like to highlight the fact that Thon Hotels received the sustainability award at the tourism industry's Oscars, HSMAI, and that consumers also consider Thon Hotels the most sustainable hotel chain in Norway (SB Index). The staff at Ski Storsenter was named this year's green operations team in Norway by the Norwegian Green Building Council and Sartor Storsenter also made it all the way to the finals for the sustainability award at the Shopping Centre Conference. Such awards are reason to celebrate and, of course, inspire us to develop further and achieve even more.

The Olav Thon Group is a highly committed group with values that emphasise the long term. Olav Thon's vision of being 'creative in everything we do' serves as a beacon in our efforts to identify opportunities and develop solutions to achieve the goals that we set!

Happy reading!

Kjetil Nilsen
Group CEO



This is the Olav Thon Group

Olav Thon Gruppen AS and its underlying portfolio of companies, ranks as one of Norway's largest real estate and hotel companies. The group also owns and is involved in a number of other businesses.

The goal of the Olav Thon Group is to help create value and safe workplaces, and to contribute to the development of safe and good local communities through our business operations. By being creative, we contribute to the development and growth of the local communities in which the business is established. By focusing on well-being, engagement, creativity and trust, our vision is:

'We are creative in everything we do'

- Olav Thon, Founder of the Olav Thon Group

About the Olav Thon Group

Group activities are mainly focused on the acquisition, development and leasing of commercial properties and shopping centres in Norway and Sweden, as well as hotel operations in Norway, Belgium and the Netherlands. The group's head office is located in Oslo.

In 2023, the Olav Thon Group had 3,009 full-time equivalents.

OUR CORE BUSINESS

The Olav Thon Group's history dates back to the 1940s when Olav Thon arrived in Oslo with two red fox pelts. In 1950, he acquired his first property, which is today known as the Arkaden in the centre of Oslo. Since then, the portfolio has grown to include over 500 properties, including 94 hotels and 88 shopping centres. Thon Eiendom and Thon Hotels currently comprise what is regarded as the group's core business.

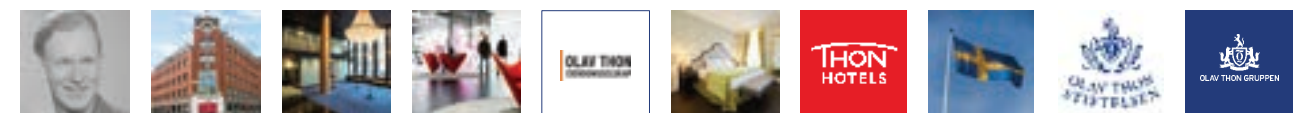
Thon Eiendom is the Olav Thon Group's real estate division. Approx. 500,000 m² of real estate is leased as

offices and high-street retail premises. We have small, medium-sized and large companies as tenants. In addition, Thon Eiendom owns warehouses and logistics buildings, and at several locations in Oslo, it is also possible to lease coworking spaces via the Thon Flex concept.

The group both owns and manages shopping centres throughout the country, as well as ten shopping centres in Sweden. Our shopping centre portfolio is the largest in Norway and encompasses eight of the ten largest shopping centres in the country in terms of turnover.

Thon Hotels is one of Norway's largest hotel chains, with hotels in Norway, Brussels and Rotterdam. Thon Hotels must be centrally located hotels at a reasonable price.

Several restaurants are also included in the Olav Thon Group under the name Resthon. These include places like Scotsman, Sir Winston, Den Gamle Major and Tostrup Uteservering in Oslo.



- 1923**
Olav Thon was born in Ål in Hallingdal.
- 1950**
Olav Thon buys his first block of flats in Oslo. Today this is the Arkaden shopping centre.
- 1976**
Buys Hotel Bristol in Oslo.
- 1978**
Buys the former factory premises of Strømmen Stål. Developed into Strømmen Storsenter.
- 1982**
Olav Thon Eiendomsselskap is established and listed on the stock exchange in 1983.
- 1988**
Buys hotels and properties in Brussels.
- 1989**
The Rainbow Hotels hotel chain is established. In 2005, the name is changed to Thon Hotels.
- 2004**
The Olav Thon Group establishes shopping centre operations in Sweden.
- 2013**
Olav Thon establishes the Olav Thon Foundation.
- 2024**
The Olav Thon Group has 94 hotels, approx. 500 properties, 88 shopping centres, as well as other businesses.

OTHER BUSINESSES

The parking company Time Park AS offers indoor parking, short-term parking, long-term parking space leasing and charging points for electric cars. Digital solutions such as the ParkLink app and licence plate recognition have been implemented at several car parks.

Unger Fabrikker AS is a chemical industry factory in Fredrikstad that produces and sells surfactants for household detergents, personal care and institutional products. Among other things, the main ingredients are used in washing up liquids, laundry detergents, toilet blocks and shampoo. Unger Fabrikker prepares a separate sustainability report that is published annually on unger.no.

Conrad Langaard AS was established in 1854 as a family business and from 1986 became a wholly owned subsidiary of the Olav Thon Group. Business areas are imports, selling of goods, wholesale and logistics services, primarily of tobacco products in addition to imports and sales of snacks and confectionery.

Follo Fjernvarme AS produces, distributes and sells district heating and cooling. To ensure affordable and environmentally friendly energy at Olav Thon Group properties, Follo Fjernvarme has established several district heating plants/local heating systems on the group's properties. The plants use different energy sources for production.

The Norwegian Recycling Lottery (Pantelotteriet) was established by the Olav Thon Group in 2008. The Olav Thon Group owns 60% of Pantelotteriet AS, while the Red Cross owns the remaining 40%. The idea is that the Recycling Lottery will contribute to more recycling and create a lasting source of income for charities.

In 2023, the Red Cross received close to NOK 132 million through the Recycling Lottery. The lottery is now available at over 3,700 recycling machines. Since it was established in 2008, the Recycling Lottery has provided the Red Cross with more than NOK 650 million.

For a complete overview of other subsidiaries, see thon.no.

OUR VALUE CHAIN

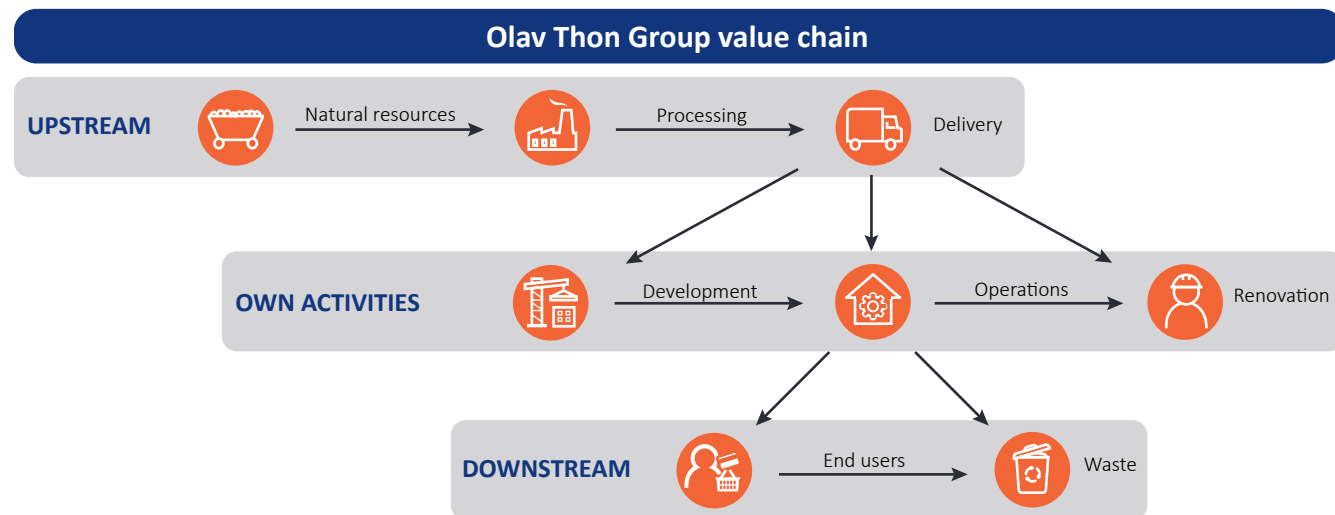
The Olav Thon Group's various business areas – property acquisition, construction and leasing, hotel operations and restaurant operations – involve several activities that in themselves have complex value chains. That is why the Olav Thon Group's value chain is broad and varied. We divide our value chain into three parts: upstream, our own activities and downstream.

Upstream includes the entire supply chain, from when a raw material is extracted from the environment to when a product is delivered to us. There are different degrees of processing of raw materials in our value chain, and therefore also different complexities and lengths of supply chains. In some cases, only simple processing is required before they are developed into the product delivered to us. In other cases, there are numerous processing stages of the raw material before it can be converted into a product. There may also be many stages in the assembly phase of production.

Our own activities comprise operations on our own properties. Our properties are developed and renovated, and we have our own operations in various types of buildings.

The downstream portion consists of different customer journeys and includes our customers' use of the products and services offered by the Olav Thon Group. This includes hotel guests, customers of our shopping centres and tenants of our rental properties.

In addition, all waste related to our operations and how this waste is processed is also part of our downstream processes. This applies to waste directly related to our own operations, as well as waste from our guests, customers and tenants.



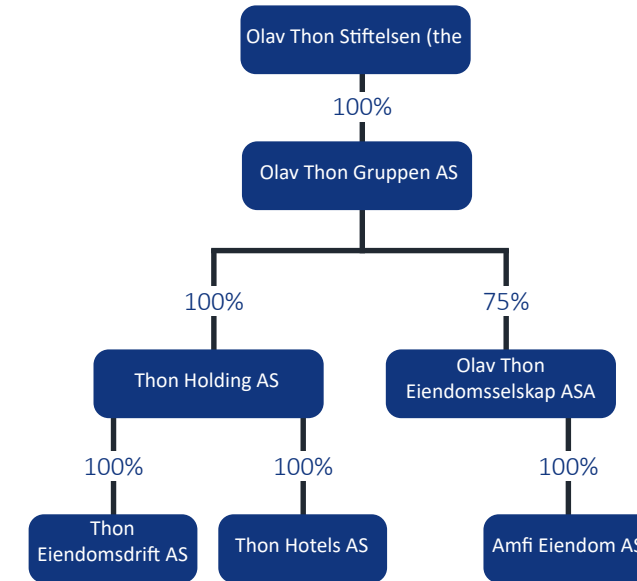
Ownership and corporate governance

The Olav Thon Group is a privately owned group owned by the Olav Thon Foundation. The group consists of Thon Holding AS and the listed Olav Thon Eiendomsselskap ASA, 75% of which is owned by the group. This includes several subsidiaries, both wholly-owned and partly owned.

six group directors, each with responsibility for their own professional and business areas. These professional and business areas include real estate, hotels and restaurants, finance, business management, technical, and HR, organisation and administration.

For an overview of Executive Management, see thon.no.

CORPORATE STRUCTURE



OLAV THON STIFTELSEN (OLAV THON FOUNDATION)

The Olav Thon Foundation was established in 2013 and at the time of establishment, all shares in Olav Thon Gruppen AS were transferred from Olav Thon. The goal of the Olav Thon Foundation is stable and long-term ownership of Olav Thon Gruppen AS and its underlying portfolio in accordance with the business management principles adopted by Olav Thon for his business operations, as well as to distribute funds for non-profit purposes.

For more information about the Olav Thon Foundation, its purpose and charitable activities, see thon.no.

CORPORATE GOVERNANCE

The group board is responsible for management of the group. The board must ensure the responsible organisation of the business and when necessary, establish plans and budgets for the business. The board may also establish guidelines for the business. The board is elected by the general meeting and consists of seven members.

The Group CEO of Olav Thon Gruppen AS is responsible for the day-to-day management of group activities and must follow the guidelines and instructions issued by the board. The Olav Thon Group's corporate management consists of

CONFLICTS OF INTEREST

In order to reduce and prevent conflicts of interest, it is stipulated in contracts and job descriptions, as well as other governing documents, that involvement in other activities that may be considered to be competitive or similar, directly or indirectly, is not permitted. In addition, we have a standing order that all other connections to companies outside the Olav Thon Group must be reported to the immediate manager, who will then assess whether further measures are needed.

GUIDELINES FOR REMUNERATION

The majority of our companies' boards are unpaid. Currently, there are around ten companies with board fees. Remuneration for the boards that have been adopted by the general meeting.

REPORTING MISCONDUCT

In the Olav Thon Group, it is encouraged to report misconduct, as this may help to ensure that the conditions can be rectified. Internal reports can be made to the line manager, a manager higher up in the line, a safety representative or employee representative. Our whistleblowing channel is available to parties wishing to remain anonymous or who are not an employee of the group. The Olav Thon Group has chosen to use an external party to receive reports through the whistleblowing channel in order to safeguard any desired anonymity. The Group CHRO and group HSE manager receive the reports and assess who is responsible for following up on each whistleblowing case.

The Olav Thon Group has produced a notice about whistleblowing, describing what whistleblowing is, the options and rights of a whistleblower, and what happens when a report is made. A procedure has also been drawn up describing what someone wishing to make a report needs to do. In 2023, 13 reports were submitted through our whistleblowing channel.

The Olav Thon Group also uses various systems for reporting and handling non-conformities. Non-conformities within safety, fire, privacy and HSE are reported here. Non-conformities can take different forms and do not have to concern unacceptable circumstances.

Financial social contribution

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.

Category	2023	2022	2021	2020	2019	2018
Revenue	13,624	12,185	10,283	8,995	10,413	11,041
Operating costs	5,616	5,345	4,496	3,872	4,678	5,261
Employee salaries and benefits	2,116	1,745	1,338	1,275	1,716	1,591
Payment to suppliers of capital	1,767	1,345	1,136	1,059	1,215	1,563
Payment to authorities	722	564	490	301	412	508
Investments in society	144	193	165	142	84	71
Financial values retained in the company	3,259	2,992	2,659	2,346	2,308	2,048

REVENUE AND PROFIT

In 2023, the Olav Thon Group earned NOK 13,624 million in revenues and the financial values retained in the company amounted to NOK 3,259 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.

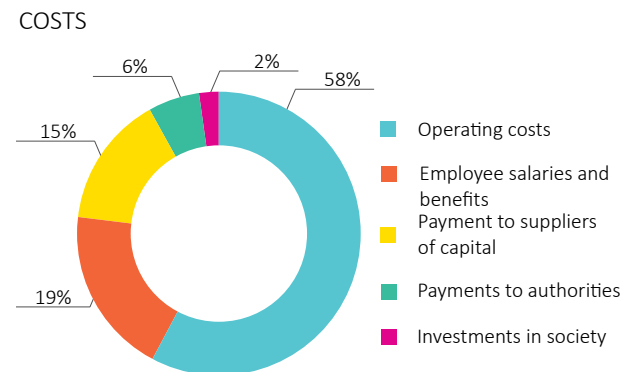
FINANCIAL SOCIAL CONTRIBUTION

The group's financial contribution to society is divided into several factors. These are categorised in accordance with GRI Standards.

Operating costs are an indirect socio-economic contribution to other Norwegian companies with income from the sale of goods and services. A more direct contribution is the payment of employee salaries and benefits. In 2023, the Olav Thon Group paid NOK 2,116 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 because employees contribute by paying taxes and 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 investments in society. In some cases, the group's construction projects

include improvements of public areas/installations around the construction project. This may involve planting trees, making new sidewalks, etc. Through those who donate their recycling deposit to the Recycling Lottery, donations are made to the Red Cross' work both locally and centrally.



In 2023, the Olav Thon Group invested a total of NOK 144 million in society.

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

A more detailed explanation of financial figures can be found in the appendix (page 59).

Anti-corruption and security

The Olav Thon Group has a strong safety focus, both in terms of people and materials. In 2023, intensive training, testing and exercises were carried out to be even better prepared for cyber attacks and other threats.

RISK ASSESSMENT

The Olav Thon Group did not experience any significant changes to the risk picture in 2023 compared to 2022. The number of ordinary incidents, such as burglary, vandalism, threats and violence, has remained at a consistently low level. The Olav Thon Group's IT department has still been experiencing high numbers of cyber threats. Several of these in 2023 involved digital fraud in which our brand names were copied or abused. Olav Thon's name has also been frequently used in false advertising.

The financial situation for Norwegians in general is reflected in the number of embezzlement cases with our tenants at shopping centres, of which there have only been a few.

EMERGENCY DRILLS

The Olav Thon Group has a central emergency response team that handles incidents when support is needed at the operating units. The emergency response team organises internal exercises regularly in which the emphasis is on preparing for recent events.

EMERGENCY RESPONSE INCIDENTS

As a major business player, the Olav Thon Group occasionally experiences incidents of a different security nature. The risk and threat situation within the Olav Thon Group is considered to be at an acceptable level and has not changed significantly in the last five years. However, we have been experiencing several serious incidents at our properties of various kinds, which can only be expected considering the size and nature of the Olav Thon Group. In 2023, there were several minor fires, falls resulting in injuries and 11 other, more serious incidents.

ANTI-CORRUPTION

As part of the group's security-related efforts, we work systematically to combat corruption. We offer courses for managers on how to detect and deal with embezzlement, the head of security conducts an annual overall review

with the auditor to assess embezzlement and corruption in the past year, we have clear procedures for cash sales and a cash and an annual inspection is carried out to identify current methods used to defraud hotel and food service establishments.

A number of incidents of internal thefts and embezzlement are discovered through inspections or following tips. Monitoring also involves cooperating with banks and reporting suspicious activity. As cash becomes scarcer, we are seeing a tendency among some parties to try to appropriate money through goods or by altering transactions so they are converted into money, which is then appropriated.

We send out an annual survey to our largest tenants. It includes questions on their experiences with losses and other illegal incidents at the centre. This is done to monitor developments and ensure that we have sufficient security at our shopping centres.

We have found that reports of theft and other crimes on our properties are largely dropped. This is problematic, as these cases account for losses of large amounts. Once dropped, it is difficult to get compensation. In addition, if cases are continuously dropped, perpetrators will carry on committing such offences on our properties, since there are no consequences.

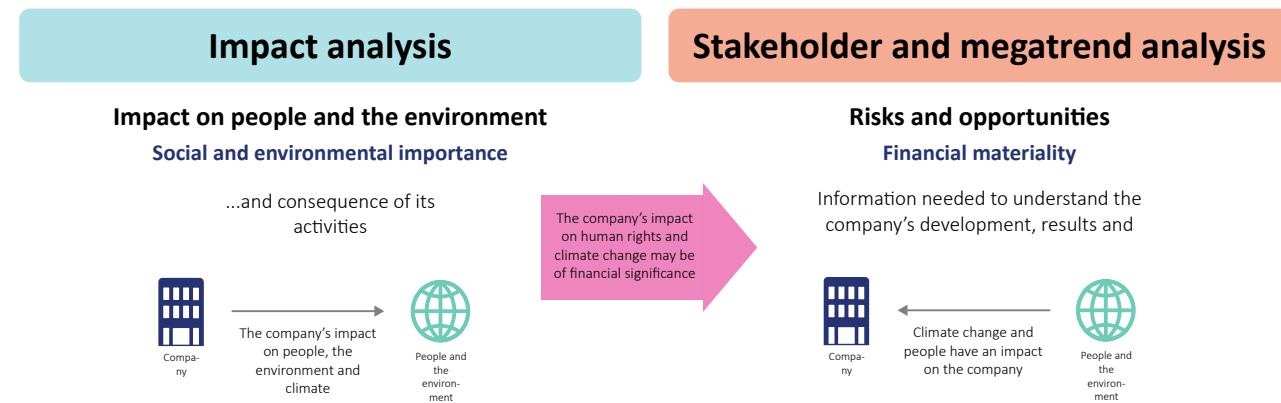
THE DIGITAL THREAT

The digital threat continues to grow and we experienced a growing number of cyber attacks against our users and systems in 2023. The new hybrid work model and new online solutions are two of the most significant challenges for maintaining IT security this year. The attacks are becoming more advanced and this trend is expected to continue. In 2023, the Group's IT department worked on 4,500 cases related to IT security, of which 75 were classified as 'incidents'. Proactive management procedures have prevented actual data breaches and losses. By comparison, there were 1,773 cases in 2022. This increase is partly attributable to improved data quality, changes in infrastructure and the implementation of new IT systems.

Materiality and strategy

The year 2023 was the first full operating year for the Olav Thon Group in accordance with a formalised sustainability strategy. The strategy was finalised, reviewed by the board and launched in 2022. It now serves as guidelines for group sustainability efforts through the year 2030.

The Olav Thon Group sustainability strategy is based on a double materiality assessment. A double materiality assessment examines how the Olav Thon Group affects the climate, the environment and people, as well as how the outside world affects the group. The following sub-chapters describe how the group conducted a double materiality assessment by means of an impact assessment, stakeholder assessment and megatrend assessment. The results of the assessment revealed important topics that laid the foundation for the sustainability strategy.



Impact analysis

The impact assessment examines the Olav Thon Group's potential impact on the climate, environment and people through its operations. All group business areas, including core activities and more peripheral activities, were analysed. An impact assessment of the entire value chain was carried out for the most significant business areas (real estate, hotels and shopping centres).

The impacts were grouped into two main categories: climate & environment and people. The categories were the grouped into sub-categories, inspired by relevant frameworks, such as GRI¹, SASB², TNFD³ and WEF⁴, to structure their impacts.

IDENTIFICATION OF IMPACTS

Relevant documents such as the sustainability report, carbon accounting report, waste reports, spend reports, supplier surveys, policies and guidelines were reviewed to identify various potential impacts the group has on the climate,

1 Global Reporting Initiative
 2 Sustainability Accounting Standards Board
 3 Taskforce on Nature-related Financial Disclosures
 4 World Economic Forum

environment and people. A literature assessment was carried out by sector supervisors, similar companies and others at the same sector level in order to identify potential impacts in the value chain. A sector assessment was also carried out based on an overview from SASB and TNFD of topics that are relevant to the respective sectors in which we operate.

The potential impacts identified were discussed with a reference group representing all specialist and business areas in the group. The reference group also had the opportunity to provide input on other potential influences that may not have been identified. This was done through interviews.

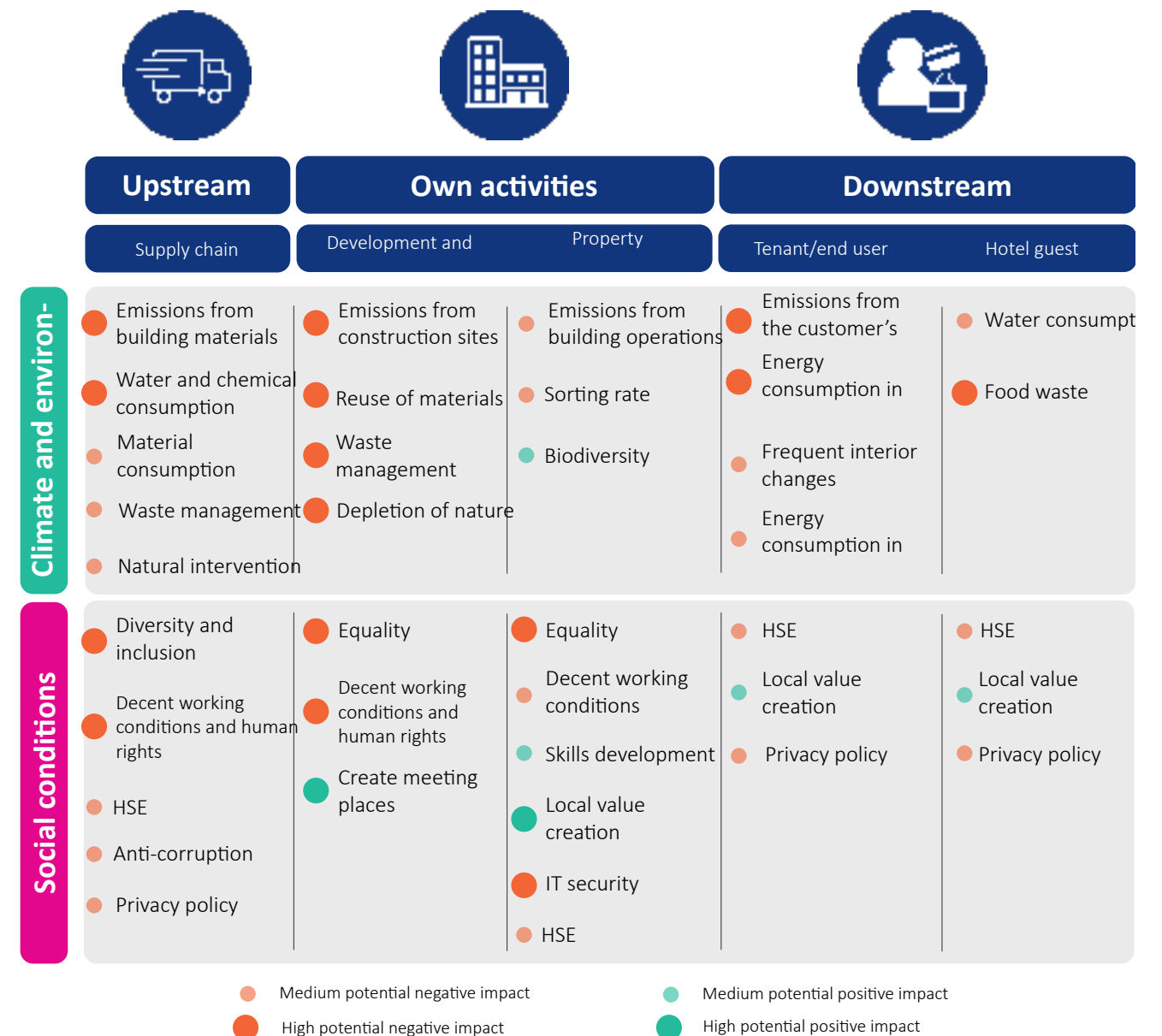
IMPACT ASSESSMENT

Potential impacts were assessed as either high, medium

or low, and in a negative or positive sense using both a qualitative and quantitative approach. This mostly involved data for our own activities. Upstream and downstream were therefore largely based on general information about the sector, reports and assumptions. The impacts and occurrence of the impacts were seen in relation to the group's operations and turnover. The assessment of the impacts was discussed and established through interviews with the reference group, as well as group management.

The illustration below provides an overview of the results, showing the most important potential impacts we have on the climate and environment, as well as people, through our value chain.

Detailed results can be found in the Materiality Analysisdocument, which is available at thon.no.



Stakeholder and megatrend analysis

In order to identify the impacts that climate, environment and people have on the Olav Thon Group, a stakeholder analysis and a megatrend analysis were carried out.

STAKEHOLDER ANALYSIS

The stakeholder analysis helped us identify which topics are most important to our key stakeholders. The analysis had both a present and a future perspective. The group's prioritised stakeholders for this purpose are employees, the financial sector, tenants, end users and hotel guests, authorities, suppliers and local communities.

A desktop analysis was conducted to identify the expectations our stakeholders have of our sustainability work. In addition, dialogue with employees and supplier surveys has helped to identify what is important to them.

MEGATREND ANALYSIS

A megatrend analysis was carried out to provide an overview of the Olav Thon Group's risks and opportunities in relation to key megatrends. Five relevant megatrends were identified: 1) climate change, 2) the transition to a circular economy, 3) the transition to the conservation of

nature and biodiversity, 4) the digital transformation and 5) the transition to social justice. These were analysed in relation to three different transition scenarios: fast, slow and no transition.

Significant risks and opportunities in relation to the megatrends were identified through interviews with a reference group in the group. Workshops were held in which all business and specialist areas were represented. During these workshops, risks and opportunities were assessed as having a low, medium or high impact, and probability based on the different transition scenarios.

Read more about the stakeholder and megatrend analyses in the Materiality Analysis document on the Olav Thon Group website at thon.no.

Our sustainability strategy

The Olav Thon Group sustainability strategy has resulted in higher ambitions and more effort devoted to sustainability within the organisation. We must be ambitious in our goals to contribute to sustainable development in society. We do this to ensure value in a long-term perspective, while at the same time being creative in the work we do today.

The strategy was adopted by the board in June 2022 and was launched in the second half of 2022. Read more about the strategy process in the sustainability report for 2022 at thon.no. In the chapter Our sustainability work (p. 23), you can read about the various roles and allocation of responsibilities.

STRATEGY

Based on the double materiality analysis, nine significant topics were defined within three pillars. These comprise the Olav Thon Group sustainability strategy. Goals have been defined for 2030, as well as sub-goals for the years in between, which support our long-term ambitions.

Each of the key topics is described in the following chapters. The descriptions include a definition and scope of the topics, as well as how they relate to the Olav Thon Group's operations through impact, risks and opportunities. The roadmaps for each topic illustrate the

measures we need to take and the sub-goals that need to be achieved in order for us to achieve our goals by 2030. Goals and sub-goals have been set for 2023, 2025 and 2027. The sub-goals ensure continuous progress towards reaching the 2030 targets. The 2030 goals will also contribute to achieving our more long-term ambitions. While the goals are concrete and measurable, the ambitions are something that the group must pursue as part of our sustainability efforts.

The illustration shows the main features of the strategy. It indicates all major topics related to some of the key goals

for 2023 and 2030, core indicators for measuring progress, as well as long-term ambitions.




STATUS REPORT FOR 2023

The year 2023 was the first year that the group worked systematically in accordance with a formal sustainability strategy. The strategy has been received with very positive feedback and commitment, but also a number of challenges. We have spent a lot of time defining more specifically what each goal means to us in practice. Among other things, we have experienced that we were

somewhat optimistic with regard to the number of goals to be achieved during 2023. These efforts will continue in 2024.

We expect the group to continue to undergo a number of changes in order to achieve its goals, particularly with regard to routines and procedures. It takes time to adapt, so we also have a long-term perspective on the group's sustainability efforts and system. Read the group's sustainability strategy in its entirety at thon.no.

✓ Goal has been achieved.
 2024 Goal is expected to be achieved in 2024.
 → Goal has been postponed.
 ✗ Goal has been discontinued

Pillars	Key topics	Indicator	Goals for	Goals for	Ambition
 Climate and nature	Transition to a low-emission	Number of tCO2e	Setting SBT for own emissions and defining a baseline	2024 60% reduction in own emissions (Scopes 1 and 2)	Net zero by 2050
	Climate impact	-	Analyse climate risk in own operations	✓ Report climate risk in accordance with TCFD by 2025	Net zero by 2050
	Customer preferences	Proportion of locally sourced food/drinks (%)	20% of all food and drinks must be locally sourced	✓ 70% of all food and drinks must be locally sourced	Nature-positive
	Conservation of natural resources and biodiversity	Percentage of properties with green areas (%)	Green areas/pocket forests next to all new builds	✓ Green areas on 60% of existing properties	Nature-positive
 Circular solutions	Circular habits	Sorting rate (sorted/total waste)	Require hotels and tenants to commit to 60% sorting rate	✓ 70% sorting rate at hotels and shopping centres	70% circular by 2030
	Circular buildings	Reuse rate (reused material/total material)	Analyse current potential for use of recirculated materials in construction projects	2024 Reuse rate in building projects in line with the EU taxonomy for climate (90%)	70% circular by 2030
 Social justice	Inclusive workplace	Gender balance in managerial positions (%)	Strategy for equality, inclusion and diversity	✓ 40% of each gender overall and on management levels	Representative management
	Human rights and transparency	-	Ethical purchasing requirements in line with the Norwegian Transparency Act	✓ Report on transparency, diversity and inclusion from 2027	Full insight into the value chain
	Responsible business practices in the value chain	Quantity supply chains analysed	Supply chain mapping for 1–3 of product categories	✓ Supply chain mapping for 100% of the product categories	Full insight into the value chain

UN Sustainable Development Goals

PRIORITISED SUSTAINABLE DEVELOPMENT GOALS

As a member of the UN Global Compact initiative, the Olav Thon Group wants to contribute to the achievement of the UN sustainable development goals for 2030. The group believes that in order to effectively contribute to the UN agenda for 2030 and achieve the sustainable development goals, it is essential to point out the most relevant SDGs that the group can contribute to achieving.



Through our equality, inclusion and diversity efforts, the Olav Thon Group aims to contribute to SDG 5 – gender equality. We want to achieve representative leadership and through our equality, inclusion and diversity efforts ensure that everyone has genuine participation and equal opportunities for executive positions. Moving forward, we will make strategic choices to ensure that we safeguard and develop diversity within the company.

UN sub-goals:

- 5.1 End all forms of discrimination against girls and women around the world
- 5.5 Ensure women's full and real participation and equal opportunities for leading positions at all levels where decisions are made in political, economic and public life



Through systematic efforts focused on energy efficiency improvement and optimisation, the Olav Thon Group aims to contribute to SDG 7 – clean energy for everyone. Property management involves high energy consumption, which gives us an opportunity to influence energy production and access. The Olav Thon Group wants to contribute to an increased share of renewable energy at a global level by establishing renewable production at its own properties.

UN sub-goals:

- 7.2 By 2030, significantly increase the share of renewable energy of the world's total energy consumption
- 7.3 By 2030, double the global rate of improvement in energy efficiency



Through our equality, inclusion and diversity efforts, as well as human rights and transparency in the value chain, the Olav Thon Group aims to contribute to SDG 8 – decent work and economic growth. We actively work to gain full insight into the value chain and ensure compliance with our requirements for equal pay for equal work, the abolition of forced labour and child labour, the protection of workers' rights and safe working conditions.

UN sub-goals:

- 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including young people and people with disabilities, and achieve equal pay for equal work
- 8.7 Take immediate and effective action to abolish forced labour, end modern slavery and human trafficking and ensure that the worst forms of child labour – including the recruitment and use of child soldiers – are prohibited and abolished, and by 2025 abolish all forms of child labour
- 8.8 Protect workers rights and promote a safe and secure working environment for all workers, including migrant workers and especially female immigrants, and workers in an unsafe working environment
- 8.9 By 2030, develop and implement policies to promote a sustainable tourism industry that creates jobs and promotes local culture and products



Through our renovation and development projects, the Olav Thon Group aims to contribute to SDG 9 – industry, innovation and infrastructure. The Olav Thon Group wants to develop reliable, sustainable and solid buildings. Through renovations in accordance with the EU taxonomy criteria for climate change adaptation, we work to upgrade our properties to make them more sustainable. Our focus is on the more efficient use of resources by increasing the use of recycled materials in buildings.

UN sub-goals:

- 9.1 Develop reliable, sustainable and robust high-quality infrastructure, including regional and cross-border infrastructure, to support economic development and quality of life with an emphasis on affordability and equal access for all
- 9.4 By 2030, upgrade infrastructure and transform the business to become more sustainable, with more efficient use of resources and more extensive use of clean and environmentally friendly technology processes, where all countries make an effort according to their own ability and capacity



Through our equality, inclusion, diversity, human rights and transparency efforts, the Olav Thon Group aims to contribute to SDG 10 – less inequality. A separate strategy has been developed for these efforts. It aims to address equality, diversity and inclusion of everyone, regardless of gender, age, race, ability level, national origin, religion, ethnicity, economic or other status.

UN sub-goals:

- 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status



By strengthening sustainability in property development and renovation, the Olav Thon Group aims to contribute to SDG 11 – sustainable cities and local communities. Through our operations, we have an impact on the local community, both positively and negatively. The Olav Thon Group wants to create an inclusive and sustainable urban space. We will therefore contribute by, among other things, reducing emissions from our construction sites and developing green areas, roofs and walls on 60% of buildings.

UN sub-goals:

- 11.3 By 2030, we will contribute to strengthening inclusive and sustainable urbanisation and the opportunity for participatory, integrated and sustainable community planning and management in the countries in which we operate.
- 11.4 We will contribute to strengthening efforts to protect and secure the world's cultural and natural heritage.
- 11.6 We will contribute to reducing the negative impact of cities and local communities on the environment (measured per capita), with particular emphasis on air quality and waste management.
- 11.7 We will contribute to ensuring that everyone has access to safe, inclusive and accessible green areas and public spaces.



By focusing on waste management and the use of recycled materials, the Olav Thon Group aims to contribute to SDG 12 – responsible consumption and production. The Olav Thon Group wants to focus on what is involved in the business of building materials and other raw materials, as well as on waste management and food waste. This will help us achieve sustainable management and efficient use of natural resources by 2030.

UN sub-goals:

- 12.2 By 2030, achieve the sustainable management and efficient use of natural resources
- 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
- 12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses
- 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature
- 12.b Develop and implement methods to measure the impact of sustainable tourism that creates jobs and promotes local culture and products



By reducing emissions and strengthening the group's ability to adapt to climate change, the Olav Thon Group will contribute to SDG 13 – stop climate change. Reducing emissions will help reduce global warming and climate change. Based on the assumption that some climate change will occur regardless of whether we manage to achieve the goals for reducing emissions, the company analyses climate-related risks in order to prepare and adapt the business.

UN sub-goals:

- 13.1 Strengthen the ability to withstand and adapt to climate-related hazards and natural disasters in all countries
- 13.3 Strengthen the ability of individuals and institutions to counteract, adapt and reduce the consequences of climate change and their ability to provide early warnings, as well as strengthen knowledge and awareness of this.



By taking nature and biodiversity into account in the development and renovation of our properties, the Olav Thon Group aims to contribute to SDG 15 – life on land. Property construction leads to the depletion of nature and has a negative effect on biodiversity and ecosystems. The Olav Thon Group wants to contribute by establishing green areas, roofs and walls, as well as pocket forests on both new and existing properties.

UN sub-goals:

- 15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligation under international agreements
- 15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species

Our sustainability efforts

The Olav Thon Group has focused on sustainability and social responsibility since 2013. The group's sustainability strategy systematises efforts to a greater extent by making them more concrete and targeted.

In order to systematise and concretise sustainability efforts, the Olav Thon Group has drawn up procedures and guidelines, become a member of the UN Global Compact and Ethical Trade Norway, draws up an annual report in accordance with GRI Standards and has a separate sustainability department that holds frequent status meetings with executive management.

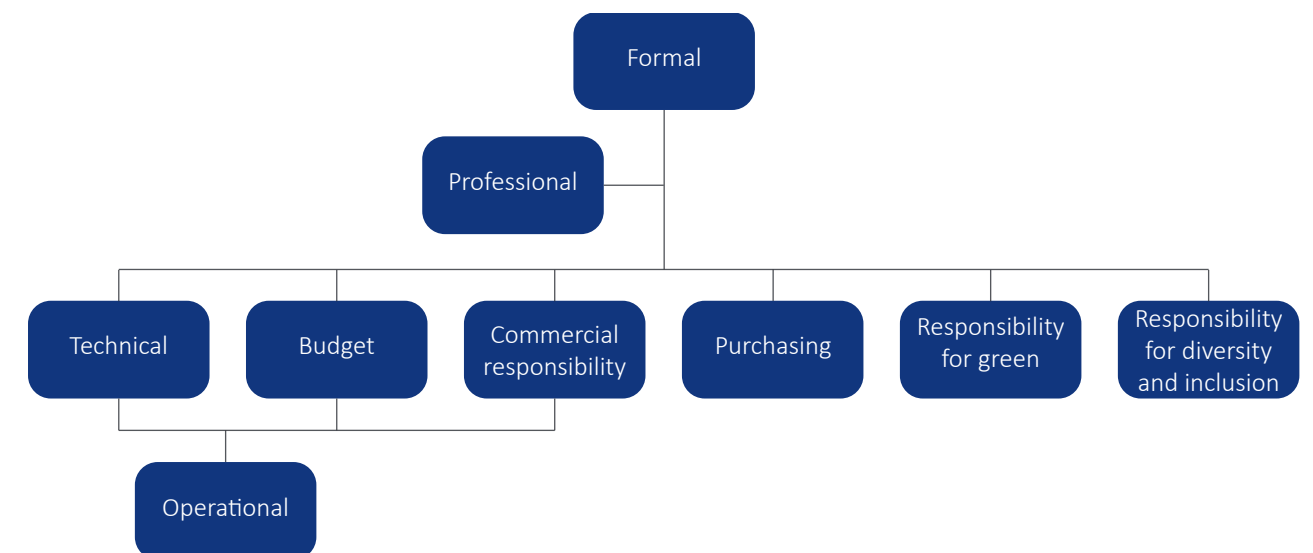
Organisation of efforts

The Olav Thon Group's overall goal is to have a common system for the group's sustainability work. The sustainability strategy increases the integration between the sustainability work and Olav Thon Group's business areas. The importance of sustainability is becoming more prominent at every stage of the business. The various specialist departments and operating units will have a clearer role in sustainability efforts and will be more accountable.

relevant departments. It is defined which departments have professional responsibility for relevant specialist areas. Also defined are which departments are responsible for operations, budgets, technical conditions, commercial responsibility, purchasing, green financing, as well as diversity and inclusion.

The formal responsibility lies with the board and group management. The Olav Thon Group's board is responsible for the sustainability strategy and decisions related to it. Executive management has overall responsibility for efforts and the achievement of goals, and each group CEO has primary responsibility for sustainability efforts within his/her respective business areas. Through monthly status meetings with the sustainability department, the executive

To ensure an accurate, relevant and high-quality flow of information, the system is communicated through the Olav Thon Group's Sustainability Handbook. In the handbook and action plan, responsibility for day-to-day follow-up and achievement of goals is delegated to the



management team is kept up to date on sustainability efforts. This is to ensure measures are handled effectively and that group management is kept up to date on the topic. In addition, the sustainability department provides executive management with a quarterly status on goal achievement in accordance with the strategy and an annual status on the previous reporting year. Through the regular status meetings, executive management is able to continuously evaluate sustainability efforts, the group's impact and our progress.

The sustainability department in the Olav Thon Group has overall responsibility and follows up on the group's various departments, as well as executive management. They provide advice where necessary throughout the year

Governing documents

The Olav Thon Group has prepared a number of governing documents to facilitate effective and structured sustainability efforts.

SUSTAINABILITY POLICY

The Olav Thon Group policy sets out the fundamental guidelines in the group's sustainability efforts and provides guidelines to all managers and employees on how the Olav Thon Group should approach sustainability. It is based on Norwegian law, guiding principles, international frameworks and the group's sustainability strategy. The sustainability policy can be accessed at thon.no.

SUSTAINABILITY ACTION PLAN

An overall action plan for the group's sustainability efforts is prepared annually across the group's various units. The action plan includes the goals and measures/activities established for the current year in the sustainability strategy, as well as other sustainability-related activities to be carried out throughout the year. In those years in which the strategy does not have any specific goals for that year, the action plan will contain preparatory activities to ensure goals are achieved in the following years.

Executive management approves and adopts the action plan, while the sustainability department manages the plan. Each department that has been given responsibility for the measures/activities in the action plan must ensure that time and capacity are allocated to implement the individual measures/activities.

CODE OF ETHICS

The Olav Thon Group's code of ethics aim to ensure that our employees consider the group values in every aspect of their work. They underpin the group's vision, purpose and shared values. The document must provide a framework for what is perceived as responsible

to ensure progression at all stages. Daily responsibility for reporting, strategy development, facilitation and coordination has been delegated to the sustainability department. The sustainability department is also responsible for the overall measurement and reporting of strategic objectives.

The various operating units are responsible for implementing the necessary measures. The different specialist departments in the Olav Thon Group are technically responsible for their areas.

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.

behaviour. This is important for our employees, guests and customers, partners, suppliers, business partners, and to society as a whole. A code of ethics contributes to mutual respect and trust, which are important for business practices, both today and in the future. Read more about our code of ethics at thon.no.

ETHICAL REQUIREMENTS FOR SUPPLIERS

The Olav Thon Group sets requirements for our suppliers to safeguard our sustainability efforts in every stage of the supply chain. To clarify our expectations of suppliers, we have drawn up a set of requirements based on the UN conventions and ILO core conventions. The requirements cover topics such as human rights, forced labour, child labour, freedom of association, wages, discrimination, HSE, the environment, corruption and animal welfare.

The ethical requirements oblige our suppliers to comply with these, and it is expected that these, or requirements at least as extensive, will be passed on to their subcontractors. We also expect them to contribute to the subcontractors' compliance with the requirements, as well as working to comply with the requirements on their own behalf. See our ethical requirements for suppliers at thon.no.

OTHER GOVERNING DOCUMENTS

The Olav Thon Group has several governing documents related to social responsibility and sustainability:

- Environmental policy
- Policy for diversity and gender equality work
- Company policy for procurement
- Travel policy
- Guidelines for source sorting
- Guidelines for company car/service vehicle
- Procedure for responsible procurement
- Guidelines for construction projects

Reporting practices

This is the Olav Thon Group's eleventh sustainability report. The purpose of the report is to describe how the 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.

DEFINITION AND REPORTING PERIOD

This sustainability report is aimed at our customers, guests, tenants, 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, which means units where the ownership is more than 50%. Exceptions are stated in the explanation accompanying the individual data.

The report covers the 2023 calendar year and is prepared in Norwegian, Swedish and English. The group has an overall annual reporting cycle for both financial and non-financial reporting from 1 January to 31 December, and the next report will be published in Q2 2025. The previous report was published in June 2023.

Memberships, certifications and partnerships



ECO-LIGHTHOUSE (MILJØFYRTÅRN)

Thon Hotels certify all their own hotels in Norway with Eco-Lighthouse (Miljøfyrtårn). Thon Hotels is environmentally certified in accordance with 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. Thon Hotels was recertified most recently 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 hotels are Eco-Lighthouse certified, both self-owned and partner hotels.



GREEN BUILDING ALLIANCE

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.



BREEAM

BREEAM is an environmental certification system for buildings that documents that measures have been implemented to ensure greater sustainability. As part of the Olav Thon Group’s sustainability efforts, the decision was made to certify all of our own shopping centres according to the BREEAM In-Use standard in 2021. A certification process involves reviewing and documenting a wide range of topics, such as health, energy and water. This provides a comprehensive picture of the building and creates a basis for improvement processes. Measures are included in the building's environment plan according to each certification and the building must be recertified every three years. This ensures continuous sustainable development in the buildings.



ETISK HANDEL NORGE (ETHICAL TRADING INITIATIVE)

In 2022, the Olav Thon Group became a member of Etisk Handel Norge (Ethical Trading Initiative). Etisk Handel Norge is a member organisation and resource centre for sustainable trade. Their purpose is to promote responsible business practices in supply chains so that trade contributes to safeguarding human and workers rights, society, animals and the environment.

Through the Olav Thon Group’s membership of Etisk Handel Norge (Ethical Trading Initiative), we are committed to working for sustainable business practices that respect people, society and the environment. We receive guidance and resources in the work with responsible business practices. We believe that membership helps us in our work with due diligence assessments and responsible business practices.



CLIMATE FORUM (NÆRING FOR KLIMA)

Næring for klima is a climate partnership between Oslo Municipality and businesses in the Oslo region. The Olav Thon Group aims to contribute to Oslo’s ambitious climate goals by making the city’s properties more climate-friendly. As a major player in the real estate sector, the group wants to use its influence to push the real estate and construction industry towards a more climate-friendly direction. Through the introduction of fossil-free construction sites, well-considered material choices and energy-efficient buildings, we have set ourselves the goal of a 60% reduction in our own greenhouse gas emissions by 2030.



GREEN DOT

Thon Hotels is a control member of Green Dot Norway and sets requirements for its Norwegian goods suppliers for membership in the return scheme for packaging.



Too Good To Go

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 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.



EQUAL OPPORTUNITIES (LIKE MULIGHETER)

Thon Hotels has partnered up with Like Muligheter, a value project aimed at promoting equality and women's rights in sports. We want everyone to have the same choice of activities, regardless of activity, gender, age, nationality or ambition level. This is why Like Muligheter is an important partner for Thon Hotels, helping to ensure equal opportunities for girls and women in recreational and high-performance sports as boys and men. The goal is for Like Muligheter to be a national initiative that contributes to increased focus on girls in all sports.



SEA RESCUE COMPANY

Thon Hotels has many hotels along the Norwegian coast and considers it only natural that it support an organisation dedicated to saving lives at sea.



Transition to a low-emission society

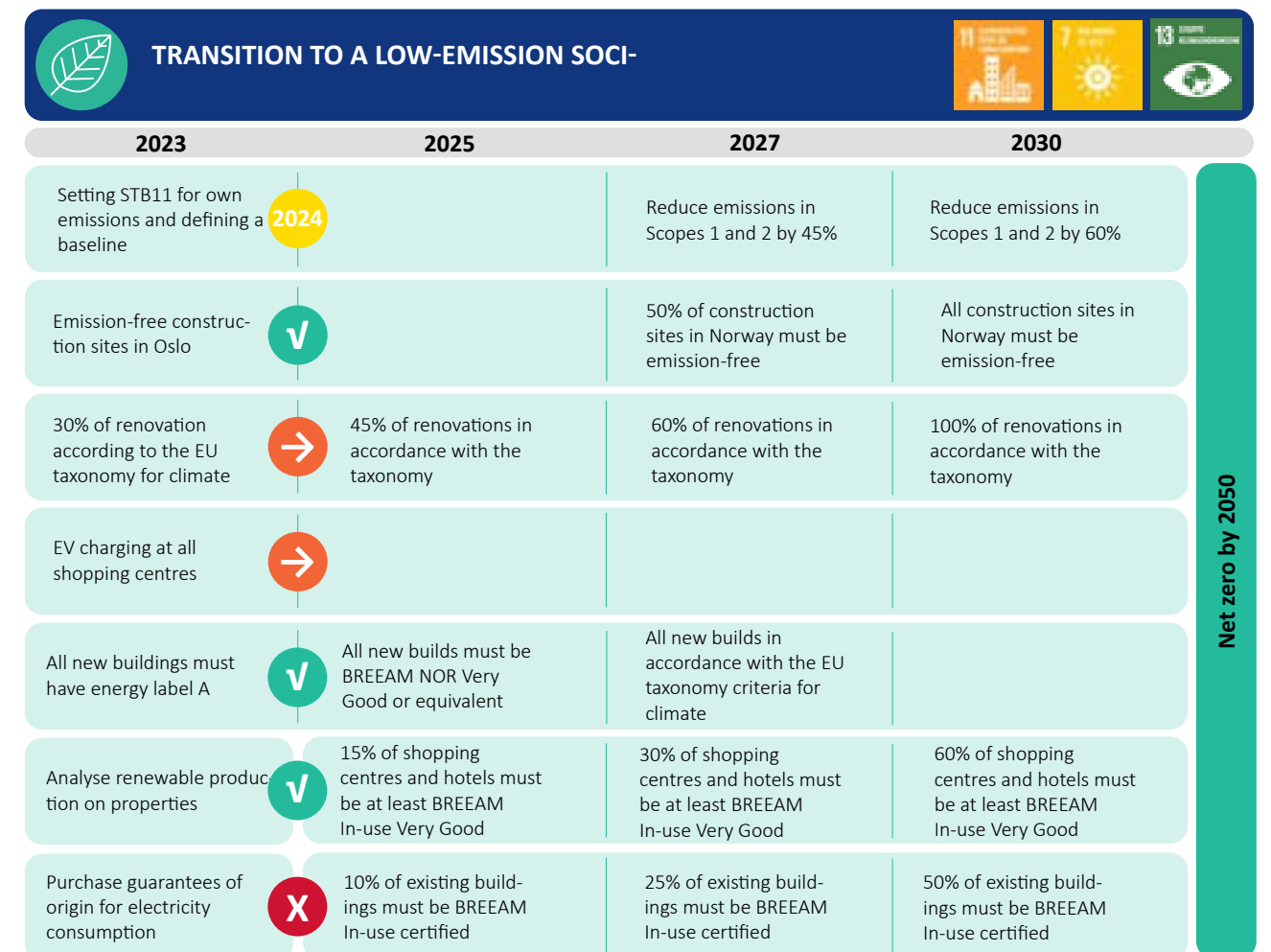
Building and renovating properties has a major impact on the climate. Here there is a big opportunity for the Olav Thon Group. Through our focus on the transition to a low-emission society, we aim to have a positive impact on emission-related climate change.

The construction industry generally accounts for approximately 40% of the world's greenhouse gas emissions. The Olav Thon Group contributes to greenhouse gas emissions throughout its value chain. Transitioning to a low-emission society has become an important aspect of our sustainability efforts to minimise emissions.

projects and property management, such as energy consumption. From downstream processes, emissions are largely related to tenant and end user energy consumption. The emissions from the value chain can help to cause local pollution and global warming, which in turn can lead to climate-related health issues or a lack of raw materials due to climate change.

From upstream processes, emissions are linked to raw materials and the production of goods. In our own operations, emissions originate from both construction

The group is also subject to an increase in climate-related legislation that has been introduced in recent years. It is important for the Olav Thon Group to comply with these



laws in a good and appropriate way, and increased efforts to reduce climate emissions are an important means of doing so. Our transition to achieving low-emissions targets and sub-targets in the coming years will help us on our way towards achieving the group's long-term ambition to be net zero by 2050.

Since 2020, the Olav Thon Group has prepared an annual carbon accounting report. This has been the basis for the work to reduce emissions.

Carbon accounting report for 2023

The Olav Thon Group's carbon accounting report is prepared in accordance with the GHG protocol and satisfies the requirements of GRI standard for carbon reporting⁷. The emission factors used are taken from the IPCC (AR4). A carbon accounting report has been prepared for the calendar year 2023.

We have identified the most significant emissions in Scopes 1, 2 and 3. The emissions are calculated for all underlying business areas in the Olav Thon Group. Read about the data used in the appendix on page 65.

Emissions in tCO ₂ e					
Emissions per scope	Reference year Previous year		Status 2023	Change from reference year	Goals 2030
	2019*	2022*			
Scope 1	8,517	10,498	4,887	-3,631 (-43%)	-6,299 (-60%)
Transport	389	338	317	-72 (-18%)	
Stationary combustion	8,128	10,160	4,569	-3,556 (-44%)	
Scope 2	16,068	8,713	9,328	-6,740 (-42%)	-5,228 (-60%)
Electricity	14,180	7,686	8,314	-5,867 (-41%)	
District heating	1,562	933	940	-622 (-40%)	
District cooling	326	94	75	-251 (-70%)	
Scope 3	176,539	248,683	308,473	131,934 (75%)	
Purchased goods and services	-	55,021	57,478	2,457 (4%)	
Capital goods	130,616	157,352	215,414	84,798 (65%)	
Fuel and energy	12,365	5,556	6,921	-5,445 (-44%)	
Waste	7,687	8,047	8,357	670 (9%)	
Business travel (flights)	668	547	656	-12 (-2%)	
Employee commuting	1,005	1,068	1,248	243 (24%)	
Leased assets	23,704	18,073	18,029	5,675 (-24%)	
Franchise	466	2,988	338	-128 (-27%)	
Total	201,124	267,893	322,687	121,563 (60%)	
Total (Scopes 1+2)	24,585	19,210	14,215	-10,371 (-42%)	-11,526 (-60%)

DEVELOPMENT FROM 2022 TO 2023

We are constantly working on improving the data in our carbon accounting, and a change in reported emissions due to general improvements in the data may therefore occur.

The Olav Thon Group's total reported emissions for 2023 were 322,687 tCO₂e. This is an increase of 20% (54,794 tCO₂e) compared to the previous year.

Changes in the real estate portfolio can affect the company's consumption of energy, among other

things, and therefore also greenhouse gas emissions. To determine the effects of these changes, we analyse emission intensity, measured in kg CO₂ equivalents per square metre (kgCO₂e/m²). In 2023, the emission intensity for Scopes 1 and 2 was 4.12 kgCO₂e/m². This is a decrease of 26% compared to last year (5.58 kgCO₂e/m²) and 45% compared to the reference year (7.56 kgCO₂e/m²).

SCOPE 1

Scope 1 refers to emissions related to transport, including the use of diesel and petrol, as well as stationary

combustion, i.e. gas consumption (propane, LPG and natural gas) and wood pellets.

In 2023, Scope 1 emissions were 4,887 tCO₂e. This is a decrease of 53% (-5 611 tCO₂e) compared to the previous year. The main reason for the decrease is due to an abnormally high consumption of heating oil in 2022, which led to higher emissions than during a more normal operating year.

SCOPE 2

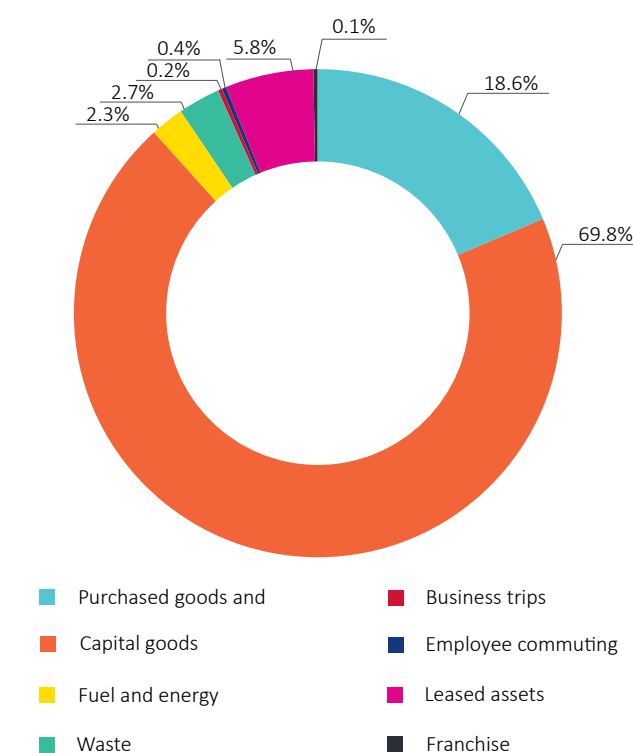
Scope 2 refers to the group's emissions linked to electricity, district heating and district cooling. In 2023, Scope 2 emissions were 9,328 tCO₂e. This is an increase of 7% (615 tCO₂e) compared to 2022. This increase is primarily due to an increase in emissions related to electricity consumption, as consumption increased by 6% in 2023 compared to 2022. Emissions from district heating consumption are relatively similar to last year, while emissions from district cooling have decreased by 20%. This decrease has a minor impact on the total emissions of Scope 2, as emissions from district cooling comprise only 1% of total Scope 2 emissions. Read more about how our energy-related activities on pages 28 and 29.

SCOPE 3

Scope 3 pertains to the company's emissions from upstream and downstream processes. In 2023, Scope 3 emissions were 250,995 tCO₂e. This is an increase of 25% compared to the previous year. The change is largely due to an increase in capital goods-related emissions.

Purchased goods and services are emissions related

SCOPE 3-EMISSIONS PER CATEGORY



to all purchased goods and services. This includes everything from fruit and building materials to cleaning and consulting services. In 2023, emissions related to this category were 308,473 tCO₂e. This is an increase of 4% (2,457 tCO₂e) compared to 2022.

Capital goods are investments in new properties and expenses related to existing real estate portfolios. This category fluctuates considerably from year to year based on the number of investments. In recent years, the investment level has increased, which is reflected in the emissions associated with this category. As these are significant amounts, this results in high emissions and the category has a major impact on the overall carbon accounting report. From 2022 to 2023, emissions in this category increased by 37% (58,062 tCO₂e).

The fuel and energy category includes emissions from the extraction, production and transport of the group's energy consumption. The difference between fuel and energy in Scope 3 compared to Scopes 1 and 2 is that the Scope 3 category comprises upstream activities, while Scopes 1 and 2 comprise actual energy consumption. In 2023, emissions related to fuel and energy were 6,921 tCO₂e. This includes 2.8% of total emissions in Scope 3. Compared to the previous year, this is an increase of 24% (1,366 tCO₂e).

Emissions related to waste are related to the waste recycling method. In 2023, emissions related to waste treatment amounted to 8,357 tCO₂e. This is an increase of 4% compared to 2022, which is mainly due to an increase in waste volume of 7%. Read more about the group's waste-related activities on page 38.

The business travel category, which previously only included air travel, now also includes business travel by bus and taxi. Emissions related to the category increased by 20%, which may be a result of the greater acceptance of business travel after a pandemic of several years and digital meeting activities. However, emissions are somewhat lower than in 2019 (-2%).

Employee commuting encompasses emissions related to the company's employee commute. As this is an estimate based on national averages (see the appendix, p. 58), it becomes difficult to reduce emissions in the category if the business grows with more employees. Nevertheless, emissions related to the employee commute are relatively low, so we do not consider this to be an obstacle to reducing emissions in Scope 3.

The category of leased assets includes tenant energy consumption. In 2023, emissions in this category were 18,029 tCO₂e. This is a minimal change compared to 2022 (18,029 tCO₂e). As a landlord, we can facilitate energy-efficient solutions and reduce the need for energy in the premises rented by tenants. Consequently, there are opportunities for the group to influence emissions in this category to a greater extent than in any of the other categories.

⁷ See GRI Index for complete reporting according to GRI Standards.

⁸ Emission intensity includes total heated area (including tenants) and emissions from energy consumption (excluding tenants).

* Corrected figures

The franchise category includes the energy consumption of all our partner hotels. In 2023, emissions related to this category were 338 tCO2e.

PROGRESS IN RELATION TO GOAL ACHIEVEMENT

The Olav Thon Group aims to reduce emissions in Scopes 1 and 2 by 45% by 2027 and 60% by 2030. This refers to the total emissions of the business, i.e. all emissions for Scopes 1 and 2, compared with emissions from the 2019 reference year. The targets were set based on Norway's and the EU's targets for climate emissions reduction up to 2030, and on the basis that the Olav Thon Group wants to be a committed player in this area.

In 2023, total emissions in Scopes 1 and 2 were 14,215 tCO2e. This is a decrease of 26% compared to 2022 and 42% compared to 2019. All categories have reduced emissions since 2019. Nevertheless, emissions from power consumption and stationary combustion account for the largest share of the reduction (91%), as these are also the largest emission sources (90% of total Scope 1 and 2 emissions).

As a real estate developer and manager, the Olav Thon Group will always be dependent on energy. In order

to achieve our goals of reducing emissions without compromising our business operations, we must carefully consider where we cut our consumption and which energy sources we use. Stationary combustion consists primarily of several non-renewable fuels. Non-renewable fuels comprise 5% of the group's energy consumption and 32% of the group's Scope 1 and 2 emissions. There is therefore considerable potential for emission cuts by minimising the consumption of non-renewable fuel.

FUTURE OUTLOOK

In 2024, the Olav Thon Group wants to continue its work to improve the data used for the carbon accounting report, especially for Scope 3. One of our goals is to establish Science Based Targets (SBTs) during the first six months of the year.

Our targets for BREEAM certification and buildings according to the taxonomy will also help us cut emissions. Both set requirements for energy consumption in buildings that will have an impact on emissions in Scope 2. The challenge with the taxonomy is to ensure high-quality data. This is a work in progress that will continue throughout 2024.

THE GROUP'S ENERGY-RELATED ACTIVITIES

The Olav Thon Group works systematically with energy to reduce negative impact on the climate and the environment. Our sustainability strategy focuses on energy reduction and increased consumption of renewable energy. In addition to this, our environmental policy focuses on energy management through awareness raising, training and increased competence. These efforts are followed up on by a separate energy and environmental engineering department, which has overall responsibility for activities related to energy and environmental management, energy and technical advice, and energy optimisation. Implementation and daily follow-up are carried out by the individual operator at the property.

Four focus areas have been defined within the energy work to help the group achieve its emission reduction targets. These four areas are energy management, maintenance, energy-saving measures and renewable energy.

ENERGY MANAGEMENT

There is now an increased focus on energy management in the group, with the focus on systematic and targeted energy work for energy optimisation. The interaction between the group's energy monitoring system, technical operations personnel and the total technical service agreement is fundamental to the energy management work. Energy management includes special projects related to energy reduction, skills enhancement through monthly webinars, energy advice through the area coordinator with regular dialogue meetings and various analyses and rollouts of energy reduction measures.

MAINTENANCE AND UPGRADES

The need for energy-efficient technical facilities on our properties This has led to a systematic mapping of our real estate maintenance and upgrade needs. A portfolio of properties in excellent technical condition is a basic prerequisite for high energy ambitions. The digitisation and facilitation of future smart solutions are prioritised in maintenance projects.

RENEWABLE ENERGY

The type of energy used at our properties is also important in our carbon accounting. The group therefore wants to invest more in renewable energy and efforts are currently being made to analyse opportunities at our properties.

ENERGY-SAVING MEASURES AND ENERGY LABELLING

Apart from operational optimisation, maintenance and upgrade projects, as well as renewable energy, energy-saving measures are necessary. The Olav Thon Group is working to standardise energy-saving measures, such as quantity regulation, variable air quantities, lighting control, and to develop smart control systems, such as

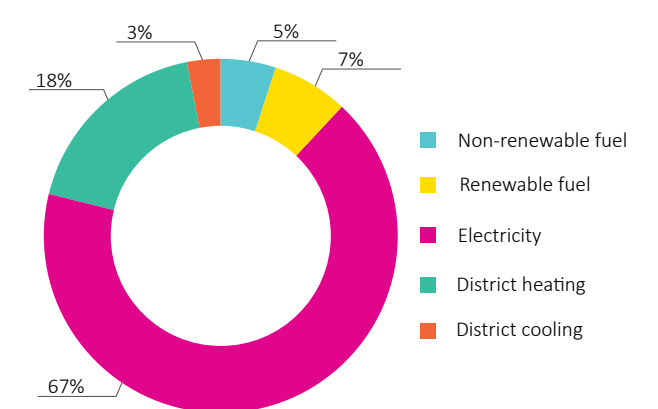
snow melting and various other standardised and locally adapted measures.

We have started to recertify the real estate portfolio due to the limited duration of energy labelling and future regulatory requirements. This is being done as part of the other maintenance and energy efforts and will help us to determine which measures can be implemented where.

ENERGY CONSUMPTION

The figures originate from our energy portal Energinet, which contains properties and meters associated with each individual property. Data from the hotels in Brussels and Rotterdam, as well as the companies Unger Fabrikker and Follo Fjernvarme are collected manually. In line with the carbon accounting data, we are constantly working on improvements to the data for energy consumption. Changes to reported consumption due to data improvements may therefore occur. For more information on the data, see the appendix (p. 65). Categories for reporting follow from GRI Standards. An overview can be

ENERGY CONSUMPTION PER CATEGORY



found in the GRI index (p. 63).

The Olav Thon Group's total reported energy consumption in 2023 was 344,840 MWh. This is an increase of 7% (26,563 MWh) compared to 2022. Energy intensity¹⁰ takes into account changes to the size of the portfolio. In 2023, the group had an energy intensity of 83.67 kWh/m². This was a decrease of 7% compared to the previous year.

Non-renewable fuels include petrol, diesel, gas and heating oil. In 2023, non-renewable fuel consumption was 21,177 MWh. This is a decrease of 52% (23,313 MWh) compared to 2022. The main reason for the decrease is reduced fuel oil consumption. Heating oil is a reserve energy source for Unger Fabrikker and Follo Fjernvarme for times when electricity rates are extremely expensive or the power grid does not have sufficient capacity to continue production.

Reported electricity consumption was 269,112 MWh in 2023. There was a minor increase in electricity

Energy

Energy has been a main focus area of the Olav Thon Group's sustainability work for several years. The focus has been on energy management and reduction of energy consumption through better systems and more frequent reporting. A transition to a low-emission society will require a focus on energy efficiency in buildings. To reach net zero by 2050, it is assumed that almost all existing buildings will have to undergo an energy-efficient renovation.

There is a transition risk linked to the gradual phasing in of renewable energy, energy efficiency improvement and alternative energy sources. Such investments can result in unpredictable energy costs. Increased costs are expected early in the process, which will be reduced in the long term. According to the International Energy Agency, electrification and energy efficiency will contribute to the reduction of emissions in the construction sector by up to 70%, but energy-efficient buildings are required. Energy will therefore continue to be an important focus area in the group's sustainability work.

Energy	MWh		Status 2023	Per-centage	Change from reference	Change from
	Base year 2019	Previous year 2022				
Non-renewable fuel	37,243*	44,490*	21,177	5%	-16,066 (-43%)	-23,313 (-52%)
Renewable fuel	15,364*	30,845*	28,706	7%	13,016 (85%)	-2,090 (-7%)
Electricity	324,124*	254,852*	269,112	67%	-55,012 (-17%)	14,260 (6%)
District heating	79,535*	70,715*	73,254	18%	-6,282 (-8%)	2,538 (4%)
District cooling	17,519*	14,400*	11,487	3%	-6,032 (-34%)	-2,913 (-20%)
Electricity sales	-	-	-	-	-	-
District heating sales	10,852	35,000	50,038	-	39,186 (361%)	15,038 (43%)
District cooling sales	9,445	8,900	8,859	-	-586 (-6%)	-41 (0%)
Steam sales	-	-	-	-	-	-
Total energy consumption⁹	453,461*	371,403*	344,840	100%	-108,621 (-24%)	-26,563 (-7%)

⁹ According to GRI Standards definition of total energy consumption (total energy consumption – energy sales).

¹⁰ Energy intensity includes the total heated area in the OTG portfolio, but does not include the energy consumption of our tenants.

consumption of 6% (14,260 MWh) compared to 2022. Similarly, there was also an increase in district heating consumption of 4% (2,538 MWh). It is difficult to point out the reason for this, but it is probably due to a combination of factors, such as the size of the real estate portfolio or temperature differences throughout the year.

PROGRESS IN RELATION TO THE 2019 REFERENCE YEAR

Compared to 2019, the group has reduced total reported energy consumption by 24%. This is partly due to reduced energy consumption (-17%) and non-renewable fuel (-43%). In addition, district heating sales have also increased by 361% since 2019. In 2019, the energy intensity was 116.71 kWh/m², while in 2023m it was 83.67 kWh/m². This corresponds to a decrease of 28%. As a result, both total energy consumption and consumption per square metre have been reduced since 2019.

Consumption of renewable fuels has increased by 87% since 2019. This is considered very positive as we want higher consumption of renewable fuel and lower consumption of non-renewable fuel.

FUTURE OUTLOOK

It is expected that the good work will continue and that we are constantly increasing internal competence and awareness of energy optimisation. We are also expected to continue investigating new opportunities for optimisation and we are increasingly examining the opportunities available to increase the percentage of renewable energy.

The group will also continue to build and renovate in accordance with the taxonomy criteria for climate and acquire BREEAM certification of buildings, which will determine the energy needs in buildings in the future.

Climate impact

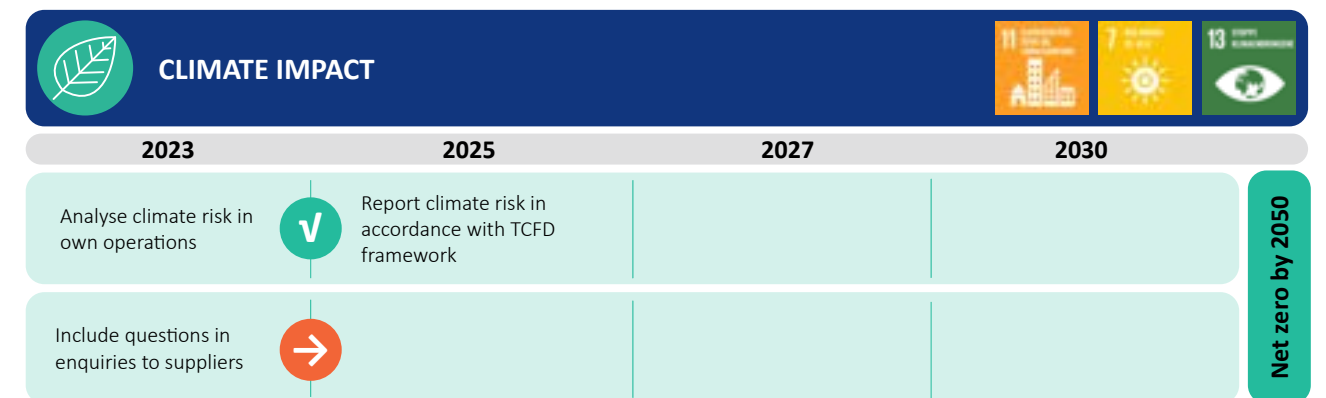
The Olav Thon Group has an impact on future climate change through greenhouse gas emissions in the value chain. Similarly, these climate changes will affect our business. We expect to experience climate change to a greater extent in the future, which will expose the company to several different types of risks linked to climate change.

The Olav THon Group wants to actively work to reduce its impact on the climate. This can reduce the likelihood and extent of climate change to some extent, exposing the business to risks. In addition, we can adapt our business to better prepare for the risks that may occur. This can make it easier for us to manage risks when they occur.

There is a general physical risk in the real estate industry linked to extreme weather events that can result in damage to buildings and infrastructure. Among other things, snow melt, landslides and more precipitation can lead to an increased risk of flooding, which can cause major damage to buildings. The risk of climate-related damage to buildings can result in a risk of increased costs for upgrades and renovations to reduce exposure and prepare for potential future climate damage. In addition, this may result in increased costs associated with insurance policies or building insurance.

Climate change can also lead to changed or limited access to goods. Suppliers of raw materials and raw material producers may be affected by climate change through droughts, floods or water shortages, which may change the industry's access to raw materials. Different types of raw materials may also be at risk of becoming depleted. This can result in reduced access and increased price fluctuations.

Identifying climate risks will help us identify how we can best manage the risks of preventing or reducing the damage they can cause to the group, as well as how we best adapt our business to manage the risks that arise. Climate impact has therefore become an important focus area within the Olav Thon Group.



Climate risk

The Olav Thon Group carried out a project in spring 2023 to analyse the climate risk in its own operations. The project was based on the Task Force on Climate-related Financial Disclosures (TCFD) framework. The purpose of the project was to carry out an overall mapping in order to identify risks and opportunities associated with the group's various business areas. As part of the project, we examined forward-looking climate scenarios that took into account identified risks and opportunities within different time horizons.

METHOD

Various methods were used to identify different climate-related risks and opportunities. These included a desktop analysis of low-emission scenarios (RCP2.6) and high-emission scenarios (RCP8.5). Representatives from different disciplines in the group were also interviewed to gain an understanding of internal stakeholders' assessment of impact, risks and opportunities.

Identified risks and opportunities were assessed using the group's existing risk assessment framework by means of a practical and qualitative method. The purpose of the risk assessment is to prioritise medium and long-term climate risks in order to address and manage them to ensure that the potential negative impact is as low as possible.

A climate analysis tool was used to identify the extent to which our properties are exposed to different physical climate risks. The tool uses information about coordinates, sector, energy consumption, etc. to analyse property exposure to different climate risks. It is based on complex algorithms and modelling using renowned research from

the Intergovernmental Panel on Climate Change (IPCC) to assess climate risk.

RISKS AND OPPORTUNITIES

The findings show that transition risks and opportunities related to market and regulation are most relevant in the short term, while physical climate risk becomes more significant in the long term.

In terms of physical climate risks, the climate analysis tool shows that the group's properties can mainly experience exposure to extreme precipitation and drought. This result is independent of climate scenario and time horizon. Around 50% of the company's properties are located in areas with increased exposure to extreme precipitation compared to the current situation. The results also show that 40-70% of properties are located in an area with increased exposure to drought indicators by 2050. The analysis is based on the geographical area only and does not take into account the condition of the property or quality of the building.

No detailed analyses have been carried out for each property, so it is too early to establish whether climate risk should be taken into account when determining the fair value of the property portfolio.

FUTURE OUTLOOK

In 2024, we want this to be part of a larger survey and assessment of our properties. We also aim to start reporting on climate risk according to TCFD in the course of 2025, so preparations for this will take place in 2024.

Customer preferences

Our customers and guests are becoming more aware of the climate and nature, resulting in increasing demands and expectations. The Olav Thon Group must therefore adapt to climate-related customer preferences, while we also want to proactively engage customers and guests.

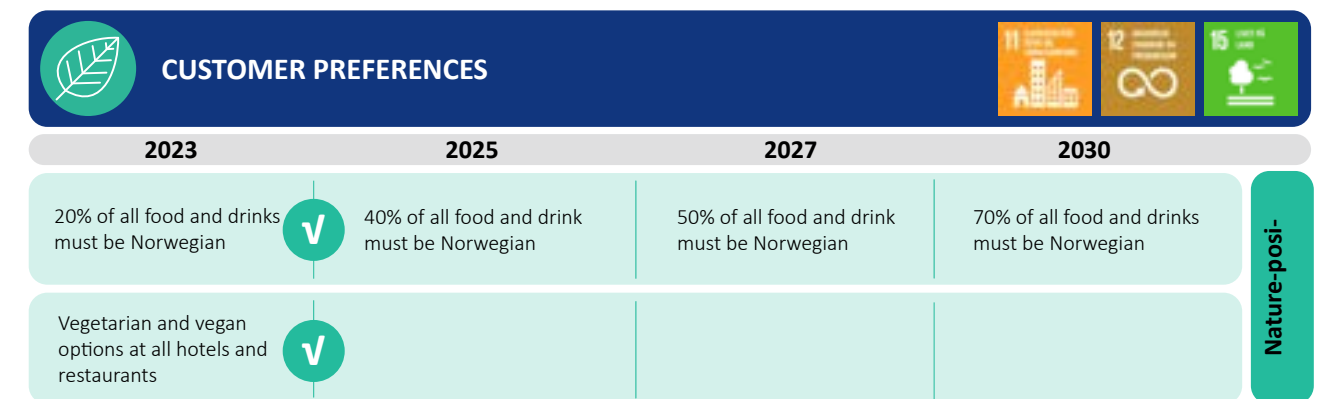
A large part of the Olav Thon Group's business consists of hotels, a place where people come with expectations of a good experience. The manner in which we run our hotels affects guest experiences with us. Thon Hotels is genuinely interested in customers and goes the extra mile to create memorable moments and great visitor experiences. We want to see, hear and understand all guests. Knowledge about guest preferences is therefore essential to meet their needs and expectations and be able to provide them with a good hotel experience.

With an increased awareness of climate change and sustainability, customers' demand is changing to more sustainable alternatives. We find that hotel guests demand, among other things, more plant-based and

sustainable food, and opportunities for more climate-friendly travel.

In order to ensure the latter, all our own hotels have been Eco-Lighthouse certified since 2007. This certification shows, among other things, that we work continuously to minimise emissions related to overnight stays.

Lack of understanding of guest wishes and needs increases the risk of losing customers. By putting customer preferences in the spotlight, we strive to meet the guests' climate-related wishes, needs and expectations, which contributes to the good customer experience. It also creates opportunities to attract new customers who base their choices on sustainability considerations.



Status report for 2023

The Olav Thon Group focuses on more sustainable options in terms of food and drinks at our hotels and restaurants. Thon Hotels aims to 'create, exceed and meet traveller expectations and preferences' and to 'spearhead the hotel and food experience of the future'. This makes customer preferences and food experiences very important to the group's sustainability efforts. In 2023, we began collecting data from our food and

beverage suppliers in order to gain insight into the amount of food and beverages purchased from Norway. The results show that in 2023, 63% of food and drinks purchased were produced in Norway. The data may vary slightly from supplier to supplier, but so far promises good results in terms of target achievement.

Conservation of natural resources and biodiversity

There is increased awareness in society regarding the impact on nature associated with real estate development. Nature conservation and biodiversity are also receiving more attention through international agreements and national legislation. The conservation of natural resources and biodiversity is therefore considered an important focus area for the group.

Most Olav Thon Group properties are in built-up areas. Nevertheless, we can have a significant impact on nature and biodiversity, and vice versa. Regardless of where the property is located, it is what we choose to do with it that determines whether we have a positive or negative impact on the environment and surrounding nature. In already built-up areas, there are significant opportunities to increase the positive impact on nature and biodiversity.

Nature-positive solutions for properties include green areas or pocket forests and green roofs and walls. Such solutions can help protect buildings and property from destroying nature while preserving nature and ecosystems. For example, planting trees can reduce the risk of flooding, stabilise soil and prevent landslides. In addition, this contributes positively to the local community, as trees and plants have a purifying effect on

the air, which provides health benefits and well-being for the population, as well as our customers.

We are seeing an increase in the focus on the conservation of natural resources and biodiversity both in politics and in society in general. These requirements may entail a higher risk of increased costs and prices for development due to the expected integration of nature-positive solutions. This may also present challenges in the supply chain through higher prices for materials due to the conservation of forest areas, for example, or a shortage of goods due to, for example, zero tolerance of lumber from rain forests, which will increase pressure on Norwegian and European forests. In addition, financial institutions and investors are expected to impose greater requirements for reporting and the opportunity to receive green financing.

Status report for 2023

Since 2023, the Olav Thon Group has requirements for nature and biodiversity for our construction projects and the group continued its business partnership with ByBi (Dronningpartner).

GREEN AREAS ON PROPERTIES

In order to contribute positively to nature conservation and biodiversity, the group is focusing on establishing green areas on its properties. This means that from 2023, all new construction projects must take into account nature and biodiversity by creating green areas or pocket forests on the properties. This is why such requirements are included in the specifications for general contractors.

The group is also working to establish green areas around existing buildings, but this is more challenging. Firstly, there are several buildings in which the load-bearing capacity of the roof is not sufficient to establish green areas on the roof. In addition, many of the properties are in urban areas where possibilities to establish green areas at ground level are limited. The challenges for older apartment buildings include either poor roof support

or sloping roofs, as well as limited areas for green space development. Whether green roofs and areas are to be prioritised over other installations, such as solar panels, is also a relevant question. Balancing measures for nature and biodiversity or climate adaptations is a recurring theme and we need to find the proper balance between the two.

PARTNERSHIP WITH BYBI

The background to the partnership is a desire to help highlight the importance of pollinators, urban agriculture and biodiversity in urban environments. The goal of the partnership is therefore to increase knowledge about pollinating insects and biodiversity within the organisation in line with the group's sustainability strategy. ByBi is also an expert partner for the group and provides advice and guidance to ensure that the right considerations are taken into account when establishing green areas and developing our properties.

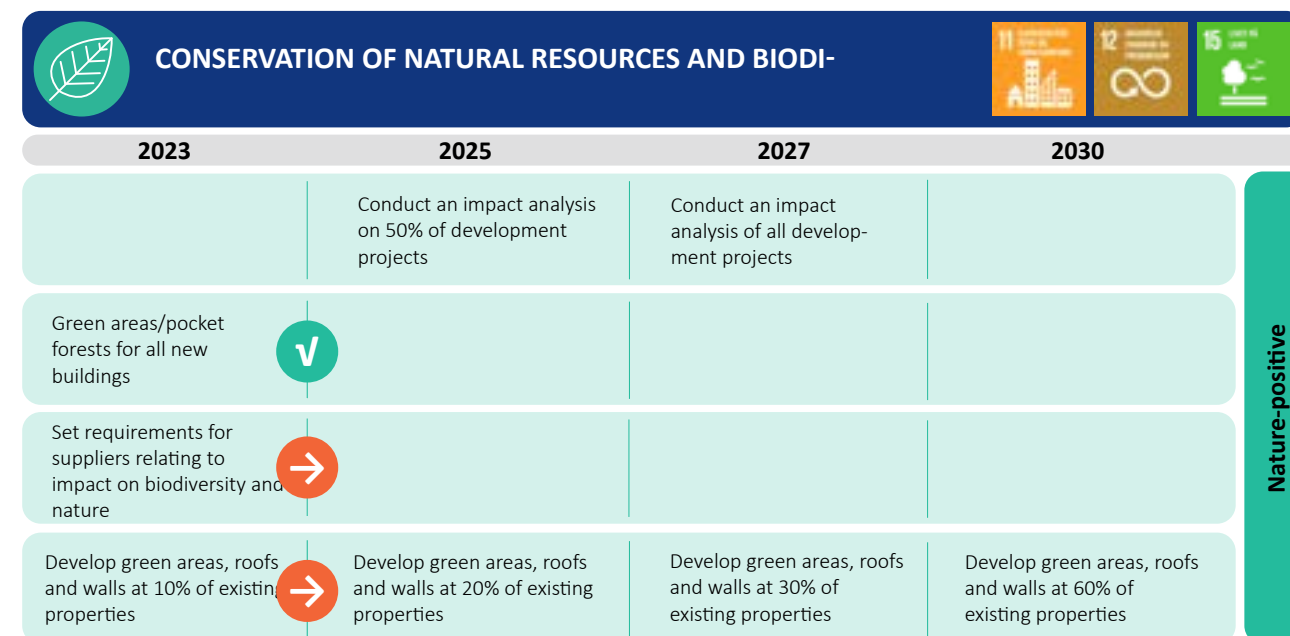
ByBi prepares presentations for group employees on the smoking and upkeep of the group's own beehives and organises honey tastings, visits to the beehives with a focus on beekeeping and ecology, honey from the beehives, advice on real estate projects, etc.

Future outlook

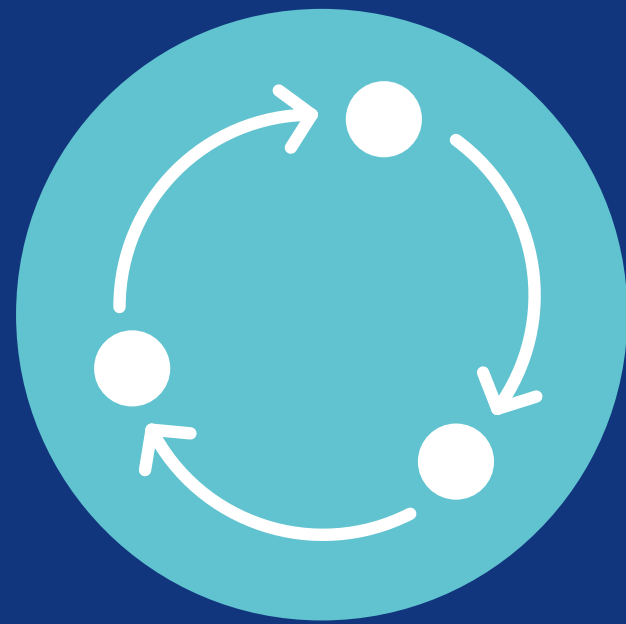
In 2024, initiatives are expected to be launched to develop green areas on both new and existing properties. Among other things, the group will develop a concept for green areas on properties that can be used as a basis for establishing green areas, roofs and walls on existing buildings, as well as green areas and pocket forests on

new properties.

By 2025, the group will carry out nature impact analyses on 50% of the development projects. The method to be used for this will be decided during 2024.



CIRCULAR SOLUTIONS



Circular habits

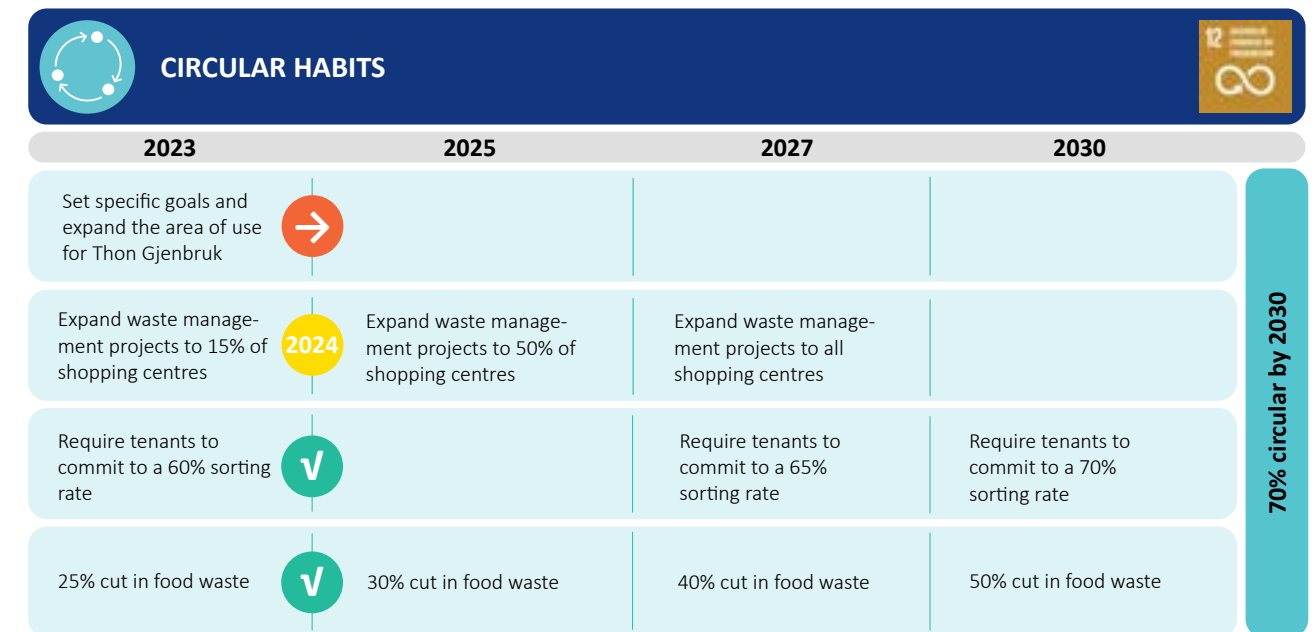
By promoting circular habits, the Olav Thon Group can reduce its impact on natural resources and emissions. We therefore have a strong focus on waste management and aim to establish a recovery system to minimise this impact.

In short, circular habits refer to the group's consumption and waste management. High consumption of new goods and products requires a certain degree of use of natural resources, leading to emissions in processing processes and transport stages. When these goods and products become waste, they have an additional impact on the environment, either through emissions from recycling processes or because they end up as landfill.

We are seeing an increase in the regulatory requirements for circularity and waste management. This is in addition to our desire to reduce the negative impact of high consumption and associated waste on the climate

and nature. Among the risks we are exposed to are higher prices for waste incineration, as well as stricter requirements for waste management.

Waste from our properties is often related to tenants, customers and guests. In addition, there is waste associated with the purchase of goods, including packaging. Consequently, the greatest opportunities are found in facilitating, encouraging and establishing requirements for tenants, customers, guests and suppliers. We also need to consider our own circular habits and the opportunities the Olav Thon Group has to reuse rather than buy new. This will reduce waste as well as our negative impact on the climate and nature.



Waste

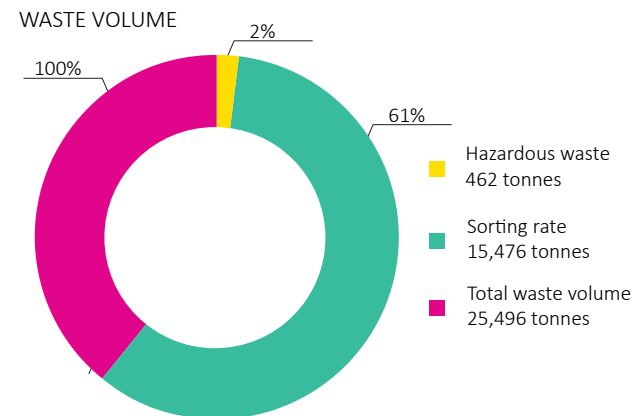
The Olav Thon Group wants to reduce the amount of waste the group produces and to achieve a high sorting rate in order to reduce the group's emissions related to waste treatment.

Guidelines have been drawn up for sorting at source and for waste plans developed for the various units in the business. This has taken place in close dialogue with the provider of waste disposal services. Status meetings are arranged with suppliers on a regular basis. Waste is a recurring topic at status meetings between executive management and the group's sustainability department. Read more about the data in the appendix (p. 66).

Waste	Previous year	Volume (kg)	Per-	Sorting rate	Change from
Housing	161,164*	189,754	1%	27.9%	28,590 (18%)
Hotel and restaurant	3,147,274*	3,758,565	15%	54.2%	611,291 (19%)
Shopping centre	17,381,208*	18,656,716	73%	63.4%	1,275,508 (7%)
Other commercial real estate ¹¹	2,225,849*	2,283,546	9%	43.7%	57,697 (3%)
estate ¹²	692,241*	607,483	2%	79.7%	-84,758 (-12%)
Total waste volume	23,607,736*	25,496,064	100%	60.7%	1,888,327 (8%)

WASTE VOLUME

The total reported volume of waste in 2023 was 25,496 tonnes. This is an increase of 8% compared to 2022. Of the total reported waste, 1.8% (462 tonnes) was hazardous waste. This is a decline compared to the previous year of 26%. Unger Fabrikker accounts for 83% of the group's hazardous waste.



SORTING RATE

The sorting rate is a significant target figure, as residual waste is mainly used for energy recovery, while the waste that is sorted is mainly used for material recycling and is given new life in new products. This contributes to reduced greenhouse gas emissions and a growing circular economy. In 2023, the average sorting rate was 60.7%.

This is a decrease of 0.09 percentage points compared to the previous year. The Olav Thon Group aims to become 70% circular by 2030. This is the first year that the group has achieved a sorting rate of over 60%.

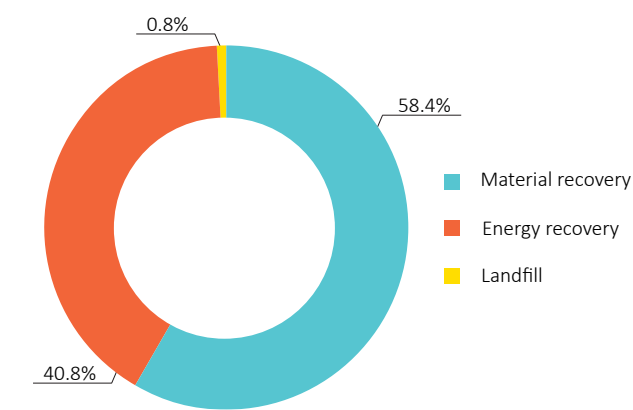
Shopping centres account for the largest percentage of waste. In 2023, the group's shopping centres produced 18,656 tonnes of waste. This corresponds to 73% of the total volume of waste. In 2023, the shopping centres had an average sorting rate of 63.4%. This has had a major impact on the group's overall sorting rate.

By comparison, the two second largest contributors to the waste volume are hotels and restaurants (15%) and other commercial real estate¹¹ (10%). Hotels and restaurants had a sorting rate of 54.2%, while other commercial real estate had a sorting rate of 42.5% in 2023. The challenge with the shopping centres and commercial real estate is that the sorting rate depends on tenant efforts. It is therefore important to have a good working relationship with tenants, by which the Olav Thon Group is responsible for ensuring that good waste management is facilitated, while the tenant is responsible for ensuring that good waste management is carried out in practice.

TREATMENT METHODS

In cooperation with our suppliers of waste disposal, we can generally gain insight into the treatment methods for the various fractions. In 2023, 58.4% of reported waste went to material recovery. This is an increase from 56.9% the previous year. Waste that goes to material recovery is

WASTE TREATMENT



recirculated into new materials. This reduces the need for virgin materials, which in turn reduces the use of natural resources.

In addition, 40.8% of the waste went to energy recovery. The main part of the waste that goes to energy recovery is residual waste. The consequence of a high sorting rate is therefore a higher proportion of material recovery, which is regarded as more sustainable than energy recovery. In addition, 0.08% of waste goes to landfill.

FUTURE OUTLOOK

In order to achieve the group's goal to become 70% circular, we need to work targeted towards a sorting rate of 70%. As mentioned above, an increased sorting rate also depends on the efforts and willingness of our tenants and their waste management performance rates. That is why we will continue to work with our tenants and make it easier for them to sort their waste even better.

WASTE MANAGEMENT AT SHOPPING CENTRES

Since 2020, the Olav Thon Group has had agreements with waste management operators at several of our

shopping centres. These operators provide new solutions for registering and tracking waste at shopping centres, the main goal of which is to reduce the percentage of residual waste. This also provides an overview of which fractions exist in a shopping centre and allows us to experiment with downstream solutions that can be found and/or developed for these fractions.

The results show that these agreements have been highly successful and resulted in a large decrease in residual waste at all shopping centres. For example, Vestkanten Storsenter had a sorting rate of 54% before the new solution was established. By the end of 2023, this had increased to 63.3%. The solution makes it easier to engage tenants. Our managers have faster and easier access to waste data through a factual status report, which makes it possible to immediately address deviations. In 2023, we expanded the waste management project to 11 shopping centres

THON GJENBRUK

Thon Gjenbruk AS is a recycling concept by which the Olav Thon Group collects surplus goods and inventory from its own projects and primarily reuses them in its own projects. The concept also stipulates that the goods can be sold externally if appropriate. The initiative is established in Norway, where the majority of the Olav Thon Group's activities are also located.

The main purpose of Thon Gjenbruk is to minimise the amount of waste in real estate projects in the group. Efforts are made to transport the goods as little as possible. Collection for intermediate storage for use in a separate project or sale to external parties therefore takes place at the construction site.

The company has so far had limited activity. The area of application will therefore be expanded and concrete goals for the efforts drawn up.

Food waste

Since 2017, Thon Hotels has focused on reducing food waste through such measures as using smaller plates at the buffet, so that guests do not help themselves to more food than they eat. Some of the hotels have started to register how much food is thrown away. Food waste is the part of food waste that consists of the edible food. Shells and bone residues are not considered food waste, as these are waste that would not have been eaten anyway.

In 2019, a number of hotels began registering food waste. The amount of resulting data that can be used depends on the individual hotel and quality of the data. Continuous efforts are made to improve the use of the system to ensure better data quality. Based on the data reported

from 2023, the active hotels had food waste of 192,120 kg. This corresponds to 75 g per guest. Compared to 2019 (116 g), this is a 35% decrease. But the data for 2019 is incomplete, so we therefore plan to establish a reference year during 2024.

FUTURE OUTLOOK

We expect the hotels to become better at registering food waste in order to improve the quality of the data and for more hotels to participate. Better data registration and quality will lead to higher reported food waste per year. However, this will not have an impact on performance in relation to the goal, as the reference year is based on external data.

¹¹ Other commercial real estate: offices, commercial properties, logistics, parking, centre association and property management

¹² Other: Unger Fabrikker AS and Follo Fjernvarme AS

Circular buildings

Reusing materials minimises the need for virgin materials and therefore results in less pressure on natural resources. In order to minimise the impact on natural resources, it is essential for the Olav Thon Group to consider opportunities for circular solutions in buildings.

The construction industry produces a large amount of waste and requires large quantities of materials, which is both emission- and resource-intensive. Olav Thon Group projects require input in the form of building materials. With a high material consumption rate, the company creates pressure on and exploits natural resources. There is a lot of waste associated with renovation work. This waste consists largely of building materials, furniture and fittings. To minimise this negative impact on natural resources and emissions, it is essential for the Olav Thon Group to find circular solutions for buildings.

Regulatory requirements for circular solutions in buildings are increasing. Circular principles for restoration, demolition and new builds are making their way into

legislation in both Norway and the EU. Among other things, the EU has a target of 70% recovery in the construction industry and sets legal requirements for recycling rates and maximum waste volumes through the EU taxonomy.

As a consequence of regulations and taxes on virgin building materials, there may be an increasing risk related to changes in availability and the price of necessary resources and materials. It is therefore important for the Olav Thon Group to look at the opportunities we have to increase our rate of reused materials. This is necessary in order to avoid stranded assets⁹ and to increase the possibility of better financing terms.

Status report for 2023

In 2023, the Olav Thon Group included the requirement to contractor specifications for a certain degree of reuse of non-hazardous waste, in line with the EU climate taxonomy (70%).

Another important goal for 2023 was for the group to establish a working group for circular solutions in buildings. This work is being continued in 2024. Among

other things, the working group will analyse the current and potential future use of recycled materials in construction projects.

We also began exploring opportunities related to building material reuse and end-of-life recycling by incorporating this into the design phase in 2023. These efforts will continue until 2025.

Future outlook

Contracted general contractors are used for the group's construction projects and are responsible for the actual construction and renovation of buildings. This also involves the purchase of various building materials and waste management. We are therefore dependent on good cooperation with our contractors in order to achieve our goal of 30% recycled materials and recycling of non-hazardous waste. The group is preparing environmental guidelines for general contractors that include

requirements for buildings and construction projects. This will be an important document for ensuring good cooperation with contractors and achieving our goals in several areas.

To be able to pursue the recycling of non-hazardous waste, we need waste data from our construction sites. We do not currently have this data. This information is expected to be obtained during 2024.



SOCIAL JUSTICE



Inclusive workplace

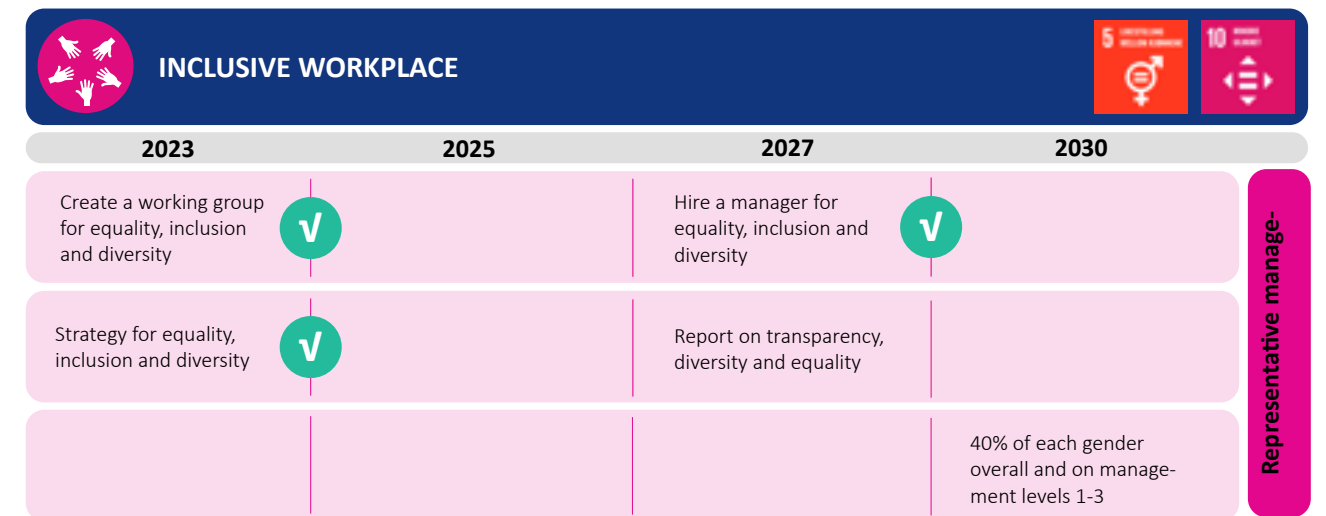
The Olav Thon Group is a major employer with many employees and aims to be an inclusive workplace where employees thrive. That is why we strive for diversity among our employees, as well as inclusion and genuine equality.

The Olav Thon Group has an impact on the workplace the group creates through its efforts related to equality, inclusion and diversity internally. The group has prioritised how to best to look after its employees by focusing on equality, inclusion, diversity, health, attendance and safety.

There is increasing demand for transparency regarding equality and diversity among employees and management in our own activities. There is also an increased focus on diversity and anti-discrimination in the workplace. The lack of an inclusive culture can affect our attractiveness as an employer and sense of belonging among employees and have other negative effects. In addition, discrimination, as well as a lack of equal opportunities and pay for

employees, can increase reputational risk and reduce trust among employees. Employees who are able to develop personally stay longer in the job and perform better. In addition, young applicants and employees are attracted to responsible employers, and it has been shown that diversified companies perform better than companies that are not as diversified.

By focusing on equality, diversity and inclusion, the Olav Thon Group has the opportunity to create a working environment in which employees thrive. We must therefore work actively, purposefully and systematically to promote equality, diversity and inclusion, and to prevent discrimination.



The work is included in the company'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.

The work and goals involving equality, diversity and inclusion are anchored in several overarching documents. These documents include:

- Code of ethics in the Olav Thon Group
- Sustainability policy
- Company instructions for personnel policy
- Company management instructions for personnel management
- Diversity and equality work in the Olav Thon Group
- Whistleblowing poster

The document 'Diversity and equality efforts in the Olav Thon Group' describes the group guidelines for systematising diversity and equality efforts in order to promote equality and prevent discrimination. 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 whistleblowing poster is a document that describes the company's procedures for reporting 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. Find out more about our whistleblowing channel on page 10.

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.

In 2023, a working group was established to structure and systematise efforts related to equality, diversity and inclusion (abbreviated as LMI in Norwegian). The group reports to the HR department, but representatives from several divisions of the group are included. The working group developed an LMI strategy. The strategy provides guidelines for how the Olav Thon Group will address LMI between now and 2030, to ensure that we are an inclusive workplace and contribute to our goal of having representative management.

Equality, diversity and inclusion

In April of 2023, the Olav Thon Group established a working group, tasked with preparing a strategy for the group's efforts related to equality, diversity and inclusion (abbreviated in Norwegian as LMI). The working group, led by the HR and HSE department, actively engaged employees from all business areas in the process through a reference group.

The strategy project aimed to define the group's approach to LMI in line with the desire to be an inclusive employer and the goal of representative management in the

sustainability strategy. By mapping current measures, relevant documentation, interviews with key individuals and a management survey, the working group gained a comprehensive picture of the group's LMI status, which laid the foundation for future efforts.

The LMI strategy was adopted by executive management and serves as a supplement to the sustainability strategy. The action plan for LMI efforts specifies the strategy's goals and measures. Starting in 2024, LMI is a separate discipline under the HSE department, which ensures progress and efficiency in future efforts.

Gender and age

The Olav Thon Group has worked for equality and diversity among employees for a long time. This means that we can demonstrate an even gender and age distribution.

In 2023, the Olav Thon Group had 4,277 employees. The figure includes the number of persons with either permanent or temporary employment within the Olav Thon Group, in the companies managed in our central HR system or with ownership of over 50%. **See the appendix (p. 66) for more information about the data.**

EMPLOYEE TURNOVER

The Olav Thon Group had an employee turnover rate¹⁰ of 29% in 2023. Compared to 47% in 2022, this is a decrease of 18 percentage points. All the same, it is a relatively high employee turnover rate. This may be due to the fact that such a large percentage of the Olav Thon Group's employees work in the hotel and restaurant industry. This industry is subject to a high employee turnover rate due to many young employees, especially students, who often only hold the position for a short period of time. Similarly, we see that the under-30 age group had an employee

turnover rate of 53% in 2023. Compared to 84% in 2022, this is a positive decrease. The over-50 age group was the group with the lowest turnover rate: 12% in 2023.

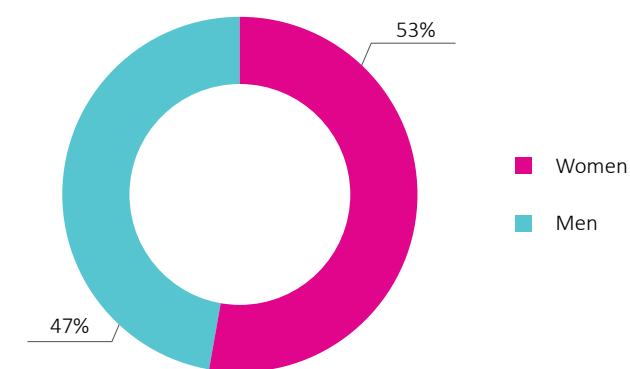
The data also shows that women in the Olav Thon Group have a higher turnover rate than men, at 30% versus 27%. A total of 38% of women in the group are under the age of 30. This represents 20% of all employees. A large percentage of young women may be the cause of higher employee turnover among women than men.

GENDER DISTRIBUTION

In 2023, 53% of employees were women and 47% men in the Olav Thon Group. This reflects an even gender distribution in the group. Despite the fact that the turnover in the group has been very high over the past year, this is a very similar gender distribution to the previous year.

GENDER DISTRIBUTION

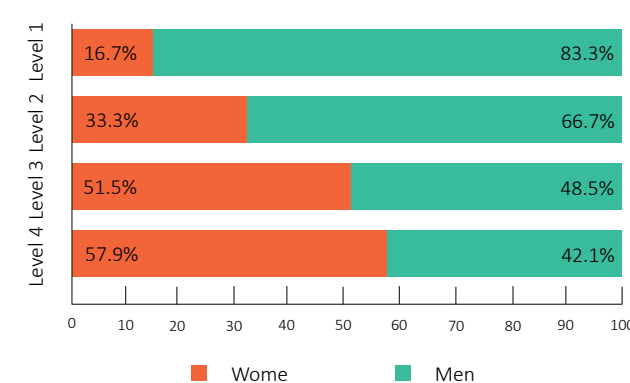
Percent



This even gender distribution is also reflected in the gender distribution among managers. In 2023, the Olav Thon Group had 52.7% female managers and 47.3% male managers.

At management level 1, the biggest difference is with 16.7% women. This is not surprising, as this is also the smallest group and a small number will make a big difference percentage-wise. The gender distribution at level 2 is slightly more even with 33.3% women and 66.7%

GENDER DISTRIBUTION AMONG MANAGERS ON LEVELS 1-4



men. It is only at level 3 that we can see a relatively even gender distribution, with 51.5% women and 48.5% men. Management level 4 also has a relatively good gender distribution, with 57.9% women.

Management levels 3 and 4 have now achieved our target of 40% or more of each gender. At management levels 1 and 2, there is still work to be done. This again proves that the higher the management level, the lower the percentage of women represented. In order to achieve our ambition of a representative management, it is essential that the even gender distribution in the group is also reflected in the top management levels.

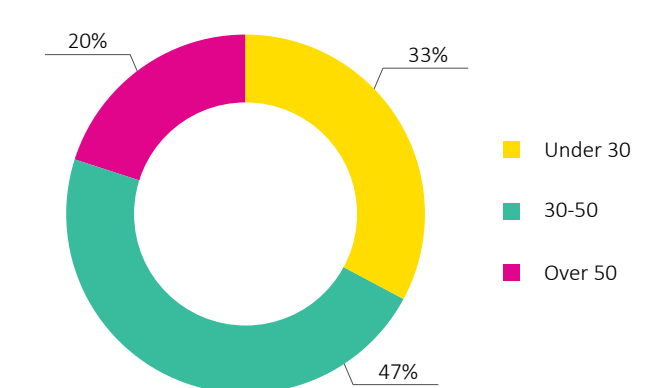
AGE DISTRIBUTION

The Olav Thon Group has a relatively even age distribution. Nevertheless, at 47%, the 30-50 age group comprises almost half of all employees in the group. A likely explanation of this can be that there is an age group where a greater proportion of the age group in general is in work.

The second largest age group is employees under the age of 30. Employees under the age of 30 comprise 33% of group employees. By comparison, employees over the age of 50 comprised 21% of the group's employees in 2023. This is an increase of 2 percentage points compared to the previous year.

AGE DISTRIBUTION

Percent



If we look at age in the context of gender, it appears that in the 30-50 age group, the gender distribution is relatively even. In the below 30 age group, there are significantly more women than men, but in the over 50 age group there are more men than women. This could be a possible explanation of why there are more men in management positions at levels 1-3 than women. Given that management positions are offered to those with the most expertise and experience, it can be assumed that there are more managers among the top age groups. When there are also more men than women in this age group, the probability of a male manager may increase.

Health, safety and the environment

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 workers rights.

ABOUT THE HSE WORK

The HSE vision for the group is "visible focus on health, environment and safety". The Olav Thon Group works to have a uniform, simple and effective system for the HSE work. Among other things, a common HSE system has been developed for the entire Olav Thon Group. Plans, procedures and guidelines are drawn up to meet legal requirements and contribute to achieving HSE goals and performance requirements. The group's HSE goals include:

- We will strengthen the safety culture internally
- No serious injuries
- Lower sick leave than the national average
- Satisfied and engaged employees
- Reducing the environmental impact

An action plan is also prepared annually for HSE efforts in the year ahead, as well as an internal annual report for the past year.

Various types of risk assessment are carried out in the group's divisions/units. The method is chosen based on what is to be risk assessed: building stock, technical installations, fire, safety and accessibility, working

conditions or working environment. Procedures have been prepared for the different methods.

All employees also have access to the Olav Thon Group's HSE handbook. The handbook is central to the company's internal control and HSE system.

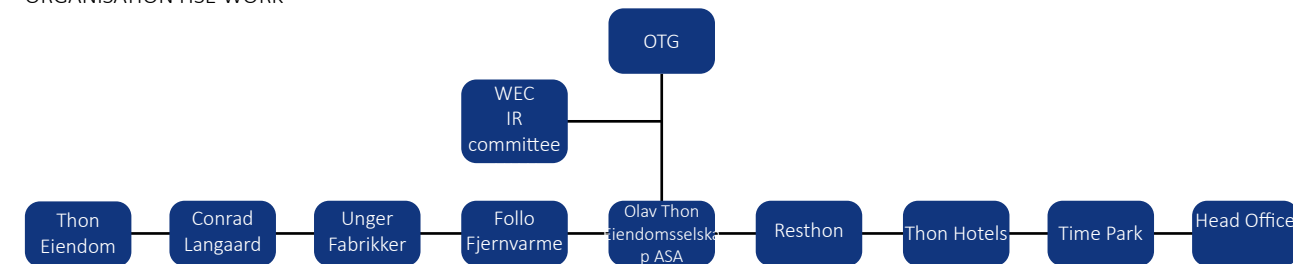
ORGANISATION

The group management is the highest body for HSE matters. The key guidelines are taken further in the Working Environment Committee (WEC) in the various divisions and units.

The group management has a minimum of four HSE meetings per year where key guidelines for HSE work are prepared. The HSE department is delegated the professional responsibility for the systematic HSE work in the group. The department offers all of the group's units and companies professional, operational support and training, and helps to carry out assessments of health and ergonomic conditions in the workplace.

The group HSE manager leads the health, safety and environment 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.

ORGANISATION HSE WORK



WORKING ENVIRONMENT COMMITTEE

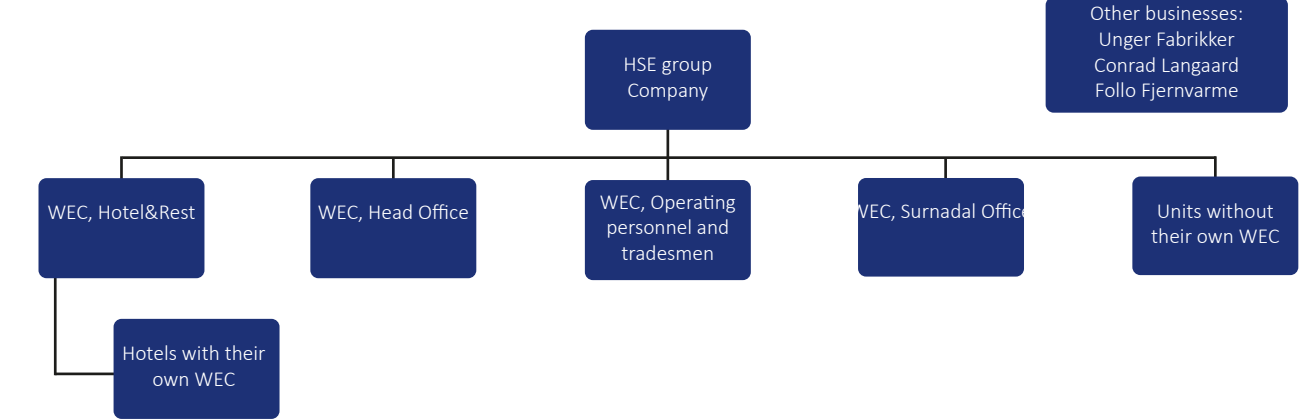
The WEC is a decision-making and advisory body tasked with implementing health and safety legislation in the company. The committee must participate in the planning of the protection and environmental work in the company and closely monitor developments in the working

environment. There are a total of 13 working environment committees in the Olav Thon Group.

There is one central WEC for hotels and restaurants.

In addition, there are 12 local WECs, nine of which are affiliated with Thon Hotels. More than 90% of the group's employees are represented via a formal WEC.

ORGANISATION WEC



SICKNESS ABSENCE

Sickness absences in the Olav Thon Group was 6.13% in 2023, while the national average was 6.70%. The figures include both self-reported and doctor-certified sickness absences. By comparison, there has been an increase of 0.32 percentage points from 2022, when sickness absence was 6.45%.

ATTENDANCE

When we know the sickness absence 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. In 2023, this was 93.87%.

To increase the attendance level in the Olav Thon Group, sickness absence is always on the agenda in each WEC. 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.

Employee development

As part of the Olav Thon Group's work with social issues and workers 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 around 80 different courses and e-learnings related to first aid, safety and emergency preparedness, IT security and privacy, systems training, food and beverages, HSE, management, IT systems, sales, service, technical operations and energy, as well as an introduction day for new employees.

In 2023, there were a total of 4,855 course participations in 122 courses and 17 e-learnings. This is a major increase in both the number of courses and e-learnings, which in 2022 was 124, and the number of course participations, which in 2022 was 3,444.

F&B SCHOOL

In 2016, courses were arranged for the first time under

the auspices of the F&B (food and beverage) 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.

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.

Social responsibility

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 an 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. According to Ringer i Vannet's studies, it means that every time a person is employed, it saves society NOK 10 million. This means that Thon Hotels' efforts through Ringer i Vannet have already saved society NOK 510 million since the group agreement was signed in 2017.

COLLABORATION WITH NAV OSLO

The Olav Thon Group has had a partnership with NAV Bjerke in Oslo since 2013, which has now been expanded to include NAV Oslo. Thon Hotels is at the forefront of these activities and contributes with work training, language training and a network. The hotels make it possible for individuals to obtain employment quickly, while Norwegian society benefits from the value creation that each individual employee contributes.

Our partnership with NAV has contributed to more jobseekers receiving work training and practical experience at our units, including the main office, Resthon and several of the hotels in Oslo.

Human rights, transparency and responsible business practices





Companies' respect for working conditions and human rights in the value chain is increasingly gaining attention. The Olav Thon Group purchases goods and services for NOK 7–8 billion per year. This entails a significant responsibility as a purchaser.

The Olav Thon Group's ability to influence human rights and workers' rights in the value chain based on which suppliers we choose to use and which products we choose to purchase.

There is an increased focus and regulatory requirements aimed at safeguarding workers' and human rights in the supply chain and own operations. The Norwegian Transparency Act that came into force in 2022 is an example of this. In addition, the EU will also have more requirements in the future, which will ensure that we gain better insight into the value chain. Consumers, investors and other stakeholders expect have more access to

information regarding responsible business practices than ever than before. We expect to have more information about conditions in the value chain and be more open about them.

We purchase many different products and services from many different suppliers with different supply chains. This makes it challenging to keep track of conditions at all levels. Parts of the construction industry are also subject to the most work-related crime and the most reported work-related accidents. The sector is associated with a risk of health and safety violations, a lack of trade union organisation and low wages.

 HUMAN RIGHTS, TRANSPARENCY AND RESPONSIBLE BUSINESS PRACTICES   				
2023	2025	2027	2030	Full insight into the value chain
Human rights policy, code of conduct, ethical purchasing requirements in line with the	✓ Ethical purchasing strategy and procedures implemented			
Landing page for human rights and public request management system	✓			
		Report on transparency, diversity and equality		
Supply chain mapping for 1-3 product categories	✓	Supply chain mapping for 50% of product categories	Supply chain mapping for 100% of product categories	
Conduct an overall risk assessment	✓			
	Separate guidelines for high-risk human rights violations			

By analysing value chains and assessing the risks involved in our purchases, we have the opportunity to identify and address the risk of violations of human and workers' rights. This can also help us uncover irresponsible conditions in the value chain. Insight into the value chain can lead to a positive change in our supply chains.

Human rights and transparency

Since the Transparency Act came into force in 2022, the Olav Thon Group has systematised its efforts aimed at ensuring that human and worker's rights are respected throughout the group's value chain.

DUE DILIGENCE EFFORTS

The Transparency Act requires that the Olav Thon group further its activities aimed at human rights and transparency and that the group monitor all efforts in this area. The goal for 2023 was to meticulously review the different product categories to identify potential risks. The group assessed products at a general level, but continues to work in 2024 to gain even better insight.

ESTABLISHING RESPONSIBILITY

To ensure that human and workers' rights are respected throughout the group's value chain, policies, guidelines and ethical requirements have been prepared for both our own employees and suppliers.

This gives the end user the opportunity to buy more ethically. Both human rights and transparency, as well as responsible business practices, are therefore important topics for the Olav Thon Group. These two topics are closely interlinked and related efforts often overlap.

The group has implemented category-based procurement. A procurement policy has been drawn up, as well as detailed procedures for supplier selection. This includes analysing several aspects of social responsibility relevant to the individual categories in which these considerations are integrated. The group has prepared a separate set of ethical requirements with strict requirements for suppliers and subcontractors. The requirements focus on human rights, working conditions, the environment, anti-corruption and improvement efforts related to these topics. These requirements are attached as appendices to all supplier agreements. When calling for tenders and concluding agreements, they are reviewed prior to any signing. It is noted that the supplier must fulfil these requirements and/or have a good account of how they strive to fulfil them. Read more about our ethical requirements on page 24.

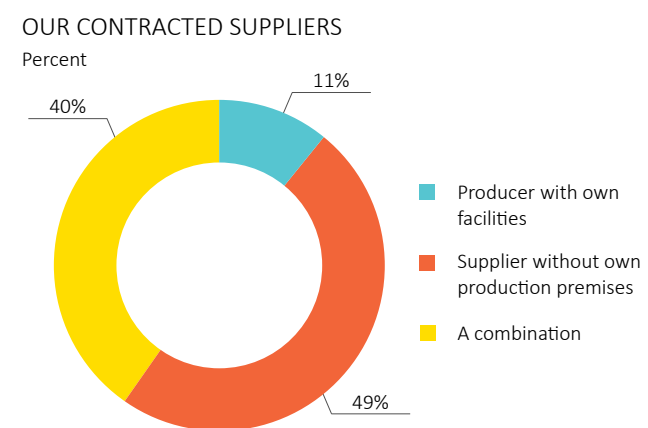
Responsible business practices in the value chain

To ensure that the Olav Thon Group actually pursues responsible business practices, we need to gain better insight into the value chain. This is done in accordance with the Norwegian Transparency Act through due diligence assessments. The group distributes an annual supplier survey to follow up on our contracted suppliers.

ANNUAL SUPPLIER SURVEY

The group carries out an annual supply chain review. The annual review involves a survey that is sent out to all contracted suppliers. In 2023, two different surveys were sent out to contracted suppliers – one for small service providers and one for all others. A total of 385 contracted suppliers received a supplier survey and 215 responded. This translates into a response rate of 56%, which is five percentage points lower than the previous year's rate of 61%. We will continue our efforts to increase the response rate in 2024.

The survey awards points to each question based on the



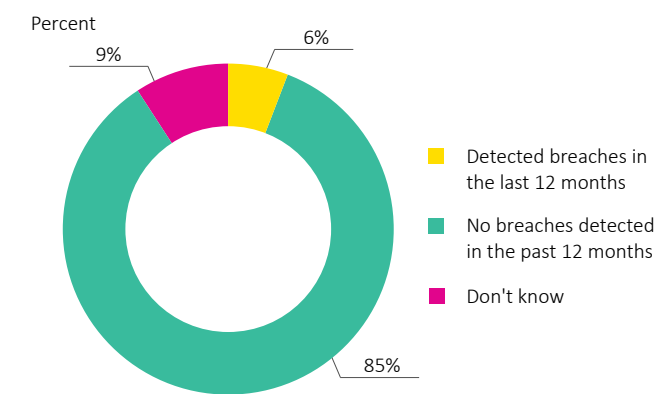
answers given. The average score was 83 out of 100, an increase of 7% compared to the previous year. The results show that around 80% have established responsibility in terms of, among other things, a strategy for social responsibility or sustainability and code of ethics.

Twelve suppliers responded that they have detected breaches of their code of ethics in the past 12 months. This corresponds to 6% of the suppliers who responded to the survey. Of the 12 that identified violations, five suppliers state that they have implemented improvement measures related to these violations. The remaining seven will be followed up by our purchasing department.

PRIORITISED RISK

Almost all contracted suppliers are Norwegian and therefore covered by the Working Environment Act. Several are also covered by the Transparency Act. Nevertheless, we know that risks such as migrant workers or underpaid labourers can also occur in Norway. In addition, we lack insight into conditions further down the

DETECTED BREACHES OF THE CODE OF ETHICS



Future outlook

In 2024, it is expected that the group will increase its capacity to continue focusing on due diligence in accordance with the Transparency Act, as well as analyses of supply chains in accordance with the sustainability strategy. There is a desire to establish a method for due diligence assessments to ensure systematic and continuous efforts.

The group also wants to examine possibilities for the follow-up and evaluation of contractors on completion of construction projects with regard to compliance with the

supply chain.

An overall risk assessment has been carried out, which resulted in three product categories that we wish to gain more insight into. In 2023, we started to closely examine these categories in order to assess supply chains and identify risks.

Larger contractors fall into the category for which the group spends the most amount of money. These are general contractors used for construction projects. In 2023, environmental guidelines were prepared for our general contractors. The guidelines will largely standardise the requirements and include, among other things, ethical requirements for suppliers.

The goal for 2023 was to analyse the supply chain for one to three products. An IT hardware supply chain was analysed. The challenge with IT hardware is that a single product may entail several hundred subcontractors, many of which operate in countries that do not have the same human rights as in Norway. The same component in a unit may be produced at several different facilities, so a single product may have different value chains. There is consensus that greater transparency is needed in the sector, but this is challenging to achieve. The supplier can also confirm that a risk-based approach is used to identify and mitigate those risk areas with the highest risk.

Our statement on the Transparency Act is published annually on thon.no.

ethical requirements.

The group will continue our analyses and risk assessments of the supply chain. The goal for 2024 is to analyse the supply chain in 10 product categories (at a more granular level than the previous risk assessment). This is an area we have little past experience with, so there is some uncertainty related to this goal. In 2023, this turned out to be more challenging than expected, an experience that we take with us as we move forward.

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

29.04.2024

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

GRI index

The Olav Thon Group's sustainability report for 2023 has been prepared in accordance with GRI Standards for sustainability reporting. Below is a general account of the Olav Thon Group, following the template of the Global Reporting Initiative (GRI).

GRI 2 – General information

ORGANISATION AND REPORTING PRACTICES

GRI 2-1	Organisational details	Pages 7-9
GRI 2-2	Units included in the sustainability report	Page 21
GRI 2-3	Reporting period, frequency and point of contact	Page 21
GRI 2-4	Information implementation	Pages 26, 29 and 38
GRI 2-5	External audit	None

ACTIVITIES AND WORKERS

GRI 2-6	Activities, value chain and other business relationships	Page 7-9
GRI 2-7	Employees	Page 7
GRI 2-8	Workers who are not employees	No overview available

GOVERNANCE

GRI 2-9	Management structure and composition	Page 9
GRI 2-10	Nomination and election of the highest governance body	Page 9
GRI 2-11	Head of the highest governance body	Page 9
GRI 2-12	Role of the highest governing body in the management of impacts	Pages 19-20
GRI 2-13	Division of responsibilities	Pages 19-20
GRI 2-14	Role of the highest governance body in sustainability reporting	Page 21
GRI 2-15	Conflicts of interest	Page 9
GRI 2-16	Communication of misconduct	Page 9
GRI 2-17	Knowledge of the highest governance body	Page 9
GRI 2-18	Evaluation of the highest governance body's performance	Page 20
GRI 2-19	Guidelines for remuneration	Page 9
GRI 2-20	Process for determining remuneration	Page 9
GRI 2-21	Annual compensation rate	Not relevant

STRATEGY, GUIDELINES AND PRACTICES

GRI 2-22	Sustainability strategy statement	Page 5
GRI 2-23	Mandatory guidelines	Page 20
GRI 2-24	Anchoring of mandatory guidelines	Page 20
GRI 2-25	Process for compensating negative impact	-
GRI 2-26	Mechanisms for seeking advice and raising concerns	Page 9
GRI 2-27	Compliance with laws and regulations	No breaches
GRI 2-28	Membership in associations	Thon Hotels is a member of NHO Reiseliv Otherwise no such memberships

STAKEHOLDER ENGAGEMENT

GRI 2-29	Approach to stakeholder engagement	Page 14
GRI 2-30	Collective agreements	Approx. 70%

GRI 3 – Key topics

FINANCE

GRI 201-1	Direct economic impact	Page 10
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TRANSITION TO A LOW-EMISSION SOCIETY

GRI 302-1	Energy consumption	Pages 28-29
	a. 21,177 MWh (gasoline, diesel, propane, LPG, natural gas and light heating oil)	
	b. 28,706 MWh (pellets)	
	c. i. 269,112 MWh	
	ii. 73,254 MWh	
	iii. 11,487 MWh	
	iiii. No consumption of steam	
	d. i. No electricity sold	
	ii. 50,038 MWh	
	iii. 8,859 MWh	
	iiii. No steam sold	
	e. 344,839 MWh	
	f. Standards, methods and requirements: These points are described in the PDF The Olav Thon Group's 2022 Carbon Accounting Report on our website.	
	g. Conversions from volume to energy are taken from The Olav Thon Group's carbon accounting report.	
		Pages 26-27
GRI 305-1	Direct greenhouse gas emissions (Scope 1)	
	a. 4,887 tCO ₂ e	
	b. All are included	
	c. No biogenic emissions in Scope 1	
	d. N/A	
	e. The GWPs used in the calculation of tCO ₂ e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period.	
	f. Operational control and financial control	
	g. Standards, methods and requirements: These points are described in the documentation on our website.	
		Page 27
GRI 305-2	Energy-related indirect greenhouse gas emissions (Scope 2)	
	a. 9,328 tCO ₂ e	
	b. 88,350 tCO ₂ e	
	c. All are included	
	d. N/A	
	e. The GWPs used in the calculation of tCO ₂ e 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 documentation on our website.	

- a. 308,473 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 16 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 documentation on our website.

GRI 306-3	Waste overview	Pages 38-39
GRI 307-1	Failure to comply with environmental laws and regulations	No known cases
GRI 403-1	Working environment committee	Pages 47-48
GRI 404-1	Education, training and advice	Pages 48-49
GRI 405-1	Age and gender distribution	Pages 45-46
GRI 406-1	Cases of discrimination	No known cases
GRI 407-1	Follow-up of suppliers (freedom of association)	Pages 51-52
GRI 408-1	Follow-up of suppliers (abolish child labour)	Pages 51-52
GRI 409-1	Supplier follow-up (forced labour)	Pages 51-52

Appendix

The appendix provides supplementary information on the 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.
- Payments to authorities: Tax payable, correction tax in previous years and property tax.
- Payment to suppliers of capital: Interest expenses paid to lenders and dividends paid to non-controlling interests.
- Investments in society: Investments in local communities in connection with construction projects and support for the Red Cross.

In 2023, NOK 144 million was invested in society, distributed as follows: NOK 12 million invested in local communities in connection with construction projects; NOK 132 million has been donated 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 taken from the Olav Thon Group's profits.

CARBON ACCOUNTING REPORT

The carbon accounting report has 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 accounting report is in accordance with the GHG protocol and use emission factors from the IPCC (AR4). An account of the data in general is described for the individual data in the various parts of the report, and in the appendix. The complete carbon accounting report, with the associated report on methodology from CEMAsys, is available on the Olav Thon Group's website.

FUEL

The fuel data is an extract from our fuel supplier. It is derived from a single extract for 2023 and grouped by

company. We only have data available from when the company card was 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.

This was done for the first time last year for the 2021 carbon accounting. Price changes throughout 2022 and 2023 mean that it is not correct to use the 2021 rates going forward. A new annual estimate has therefore been made in the carbon accounting to take this into account.

ENERGY FIGURES

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 and Unger Fabrikker.

Our energy monitoring system (EOS), Energinet, is a tool for monitoring energy consumption to ensure good development and optimisation of the property. Reported energy consumption is consumption that does not include the tenant's own consumption. Conversions from actual consumption of petrol, diesel and propane to energy consumption (MWh) are taken from our carbon accounting.

An abnormally high level of energy consumption was registered for a property in December of 2023. The

difference was such that it was decided to use the data from 2022 for December for this property. The difference is due to an error in the SD system.

PURCHASED GOODS AND SERVICES

CAPITAL GOODS

Emissions related to capital goods are defined in accordance with the group's financial definition of capital goods. This includes additions in notes 12 and 13 to the annual report.

FUEL AND ENERGY-RELATED ACTIVITIES

The category of fuel and energy-related activities is in line with the same consumption entered in Scopes 1 and 2. For more information about the data, see the fuel, fossil gas and energy information in the appendix.

EMPLOYEE COMMUTING

Calculations have been made based on the number of employees in the company, the average distance between home and workplace and a national distribution of modes of transport used to commute to the workplace. The number of employees per mode of transport multiplied by the average distance provides the number of passenger kilometres per mode of transport, which is then multiplied by emission factors for the different modes of transport. Emission factors from Statistics Sweden were used here.

BUSINESS TRAVEL

A single extract is collected 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.

Extracts have also been made from the group's purchasing system to retrieve data for buses and taxis used for business trips.

LEASED ASSETS

An assessment has been made of the level of energy intensity (kWh per square metre) of the different shopping centre and commercial property building categories. It is used to calculate an estimate of the buildings' total energy consumption. By then subtracting the company's total consumption, we can calculate each tenant's estimated consumption. The same energy intensity is used regardless of the year.

FRANCHISES

The data is obtained directly from the group's partner hotels through an annual survey. The consumption data entered into the carbon accounting report therefore depends on which hotels respond to the survey. We strive to receive responses from everyone, but there is no guarantee.

WASTE FIGURES

The figures for waste originate from our waste disposal

suppliers. This mainly means that the figures come from Retura and Norsk Gjenvinning for waste in Norway, and Stena Recycling for waste in Sweden. In addition, we collect waste data from our hotels in Benelux. All waste figures have been obtained for the entire calendar year of 2023. The sorting percentage is calculated based on the waste volume and residual waste fractions.

The Olav Thon Group has an overview of which waste fractions are used in sorting at source. Different codes are used depending on the country. In Norway, NS codes are used, while EAL codes are used in Sweden and the EU. Our supplier for the carbon accounting report, CEMAsys, uses EF codes, which also reflect the emissions factor of the various waste fractions. 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 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 correct EF codes because the EF codes determine the calculation variable for the conversion of waste volume to CO2 equivalents.

The treatment method comes per order line from Retura. For the rest of the waste we have carried out a survey of NS codes and the most common treatment methods for the various waste fractions. We received a list from Retura with NS codes and how they are treated (material recovery, energy recovery and landfill) which together with information on Norsk Gjenvinning's website has formed the basis for this mapping.

Data from Retura and Norsk Gjenvinning are retrieved regularly from automated data. Order lines with waste unit kg and litres are included. Order lines with work, service and similar are excluded.

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

Waste management companies in Benelux do not have systems for weighing the waste, but the number of kilograms is based on the type of waste and the size of the waste container. Therefore, these figures are only an estimate and not the actual volume of waste.

GENDER AND AGE

The gender and age statistics are obtained from the Olav Thon Group's personnel system, as well as manually from our companies in the Benelux and Unger Fabrikker. The data is based on each individual who worked at least one of the Olav Thon Group companies full-time or part-time in 2023. This does not include on-call or extra workers or hired temporary workers. The figures only include employees from companies managed by our HR system,

in addition to the Benelux and Unger Fabrikker, due to limited access to this 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. In connection with the Olav Thon Group's sustainability strategy and goal of 40% of each gender at management levels 1–3, a survey of everyone in a leadership role (personnel responsibility) has been carried out to ensure the correct division of levels. We have assumed that the group management is the top management level (level 1) and worked our way down from there. The definition is based on position rather than person. In other words, where one person has two positions, the top management position was decisive. This is also reflected further down. For example, persons at management level 4 can have a manager who is at management level 3, but also level 2. In this case, management level 2 applies. The person at management level 4 will remain at level 4 despite the fact that the person concerned reports directly to someone at management level 2. The data for gender distribution among managers originates from the Olav Thon Group's HR system in Norway. This system includes the manager levels for all managers. The number of managers is grouped by gender, followed by a simple percentage calculation of gender distribution for manager levels 1–4 and an overall summary.

EMPLOYEE DEVELOPMENT

The data originates from our course system and the figures show the number of participants in each 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 per course and not which persons participated. We can therefore not say anything about gender distribution in these courses either.

In addition, it is also important to point out that several employees also take external courses. We do not have this

type of overview.

SUPPLY CHAIN FIGURES

The figures are based on a supplier survey conducted in the second quarter of 2023. The Factlines system is used to control and follow up on any risk in the Olav Thon Group's supplier chain.

The survey was sent out to all of Olav Thon Group's contracted suppliers via the supplier survey portal. The response rate was 61%. 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. Small service providers only received the part that is based on the group's own ethical requirements for suppliers.

Part 1 covers the following areas:

- CSR strategy and code of ethics
- 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 company

Part 2 covers the following areas:

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

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

THE OLAV THON GROUP

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