









### General industry

The industry's three biggest sustainability-related challenges according to Trianon are:

- 1. Affordable and decent housing for everyone
- 2. Residential segregation and the socio-economic challenges that comes with it.
- 3. Climate impact from the lifecycle of a property (construction, maintenance, renovation, and end-of-life)

### How does Trianon compare to industry peers regarding sustainability initiatives?

Trianon works actively to address the most material sustainability aspects in the areas we are investing in. This has resulted in a focus on social issues, where the level of integration of social sustainability into our business model and operations outperform most of our industry peers. Trianon's performance on environmental issues is at industry average.

### Sustainable financing

In April 2019, Trianon established a Sustainability Financing Framework focused on social and energy efficient buildings. The Framework has been updated in 2022 to reflect best market practice as well as been broadened to include additional debt instruments. Trianon issued a sustainable hybrid bond under the framework in 2022. The purpose is to provide the company with greater opportunities to make social and environmental investments in southern and eastern Malmö.

Trianon further enhanced its sustainability work in 2022 with a sustainability-linked loan for SEK 1.9 billion with Handelsbanken to refinance existing loans. The loan, which is linked to social and environmental targets, aims to create a more inclusive housing market, increase security and reduce climate impact, as well as a provide lower interest rate if the company achieves its targets. This loan enhances Trianon's already ambitious sustainability work with a particular focus on social sustainability



### Trianon's Sustainable Hybrid Bonds

### Environment

### Trianon's climate-related opportunities are:

- 1. Provision of clean energy from local suppliers
- 2. Own clean energy (solar power)
- 3. Comparatively low risk of physical impact from climate change on our properties

### Trianon's three primary risks related to climate change are:

- 1. Flooding due to increased rainfall and/or rising sea levels
- 2. Higher temperatures and heat waves causing elevated indoor temperatures and/or increased costs for cooling
- 3. Lower value of property due to low ability to counter climate change impacts

See further risks below, under the heading "transition-related risks".

### Trianon's climate-related investments are:

- Energy efficiency measures in current properties
- Energy efficient new buildings and environmentally certified buildings (Miljöbyggnad Silver or equivalent in terms of energy consumption)
- Investments in renewable energy such as solar power

# Does Trianon rely on any scarce resources for its operations? What efforts are made to mitigate the risk of those resources becoming even more scarce in the future?

Water is not a scarce resource in the area Trianon operates at the moment but might become in the future. Trianon works actively to increase water efficiency at our properties and lower the intake of fresh water.



### **Environment**

Transition-related risks: Does Trianon anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively effected? If yes, is Trianon well positioned to handle that risk?

Opportunities:

- Benefit from our work with energy and carbon efficiency
- Comparatively high support and understanding for climate friendly initiatives among tenants

Risks:

- Increased costs of energy
- Increased costs for e.g. building material, both carbon inefficient material (higher taxes) and low carbon material
- (higher production costs and higher demand)
- Other legal regulations that lead to increased costs or investments

We anticipate that transition risks will result in lower-than-average negative effects for Trianon, because of our ongoing environmental initiatives and the added value we provide when it comes to social sustainability and local presence.

# Trianon's primary means of making a positive environmental impact or minimizing negative environmental impact. How are they tracked and communicated?

1. The result is tracked by energy and GHG data according to the GHG protocol, as well as through monitoring the materials/methods used in construction/renovation.

2. The results are communicated in our annual report (which includes our sustainability report) and the results of the hybrid bonds have been and will be reported yearly.



### Social

#### Does Trianon have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?

Trianon has a low rate of accidents. Any accident or incident that occurs is reported, and actions are taken to mitigate identified risks. Our work with Occupational Health and Safety is based on our work environment policy and is systematically followed up on a yearly basis.

#### Does Trianon conduct any community engagement activities aside from those directly connected to the business?

Yes, Trianon actively sponsors organizations as at various ways work with children and young people, preferably in their own residential areas. The sponsorship is adjusted according to local conditions and the needs we see that one sponsorship cooperation can fill in our residential areas. We actively cooperate with actors such as: FC Rosengård, Malbas, BK Olympic, Tillsammans i förening, Stiftelsen Läxhjälpen, Her House Foundation – all social foundations, actors and organizations operating in Malmö.

Trianon is also co-founder of the foundation Momentum in Malmö together with MKB Fastighets AB, <u>www.stiftelsenmomentum.se</u>. The foundation is a non-profit organization that promote integration and social cohesion especially for young people in Malmö.

Trianon is working to find long-term internships, fixed-term employment and summer jobs for the unemployed and young people living in Trianon's properties. Recently Trianon launched "Färdighet ger möjlighet", a job project with a fixed term employment for unemployed tenants. Trianon also uses social clauses to make demands on entrepreneurs that unemployed people should get into project or permanent employment.

#### Circular economy: How are purchases and waste managed?

Trianon's purchasing policy states that we aim to actively work for sustainable purchasing, offer our customers and suppliers to make sustainable choices and inspire everyone who works within Trianon to do the same.

In our latest new production project for residential properties in Sege Park, Malmö, sustainability, co-ownership, reuse and conservation are in focus.

### Trianon's Sustainable Work

### Governance

Do all staff members receive continuing education on anti-corruption? Is there an external whistle-blower function? Are there any ongoing or historical incidents involving corruption, cartels or any other unethical business conduct? Have any preventive measures been taken?

All employees are required to commit to our Code of Conduct, which covers anti-corruption. The staff is given information about Trianon's Code of Conduct on a regular basis through an internal information portal and during staff meetings and internal educations.

Trianon has an external whistle-blower function on the website.

No, Trianon has not had any, nor has any current, incidents involving corruption, cartels or any other unethical business conduct.

Trianon's business tax residence: Sweden

Are there independent members of the Board of Directors?

Yes, 4 out of 7 members of the board are independent.

Please state if and to what extent, Trianon has transactions with related parties:

Trianon has transactions of lower value with related parties.

Is the remuneration of the CEO and other members of the management team in line with the industry peers? Which KPIs dictate the renumeration?

The remuneration is in line with industry peers and fixed, thus not directly linked to any specific KPIs.



### Governance

#### Relative split of men/women in Trianon:

Board of directors including deputies: 2 women and 5 men Management: 2 women and 4 men All employees: 41 women and 52 men

### Is the Head of Sustainability a member of the management team?

Yes, the Head of Business Development is also Head of Sustainability. She is a member of the management team and reports directly to the CEO.

### Please state whether Trianon has the following policies or agreements in place:

- Union agreement: No
- Code of Conduct: Yes
- Diversity policy: Yes
- Anti-corruption policy: Is incorporated in the Code of Conduct

Trianon's Corporate Governance







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