



# ESG Report 2021

Flexible, attractive and environment-friendly office properties



# ESG in Entra

It is of key strategic importance to Entra to operate our business in a sustainable manner and it is a prerequisite for the company's long-term results and value creation. Entra has a systematic approach towards understanding and managing the company's impact on society, as well as stakeholder requirements and expectations. This report highlights our 2021 activities in greater detail and outlines what we have planned for 2022.

## Reporting standards and responses

To enable our stakeholders to compare and evaluate our reporting, we compile and align the ESG reporting for 2021 with three reporting frameworks: the European Public Real Estate Association Sustainability Best Practices Recommendations on Sustainability Reporting (EPRA BPR), the Global Reporting Initiative Standards (GRI) and the Task Force on Climate-related Financial Disclosures (TCFD).

The EPRA BPR Guidelines provide a consistent way of measuring sustainability performance for real estate companies and cover environmental, social and corporate governance categories. The GRI Standards, applicable to all industries, include both relevant disclosures for a range of economic,

environmental and social topics as well as reporting principles related to the reporting process. This report has been developed in accordance with the GRI Core option. The TCFD framework provides for consistent climate-related financial risk disclosures. The EPRA, GRI and TCFD tables and references are included at the back of this report.

Entra believes that 100 per cent of its income and investments will be eligible for EU Taxonomy alignment. While actual requirements for alignment is still to be finalised, Entra has put significant efforts into understanding the new regulations, and will start reporting according to this framework during 2022.

In this report we have also set out a review of our Environmental, Social and Governance (ESG) strategy relative to the UN Sustainable Development Goals (SDG) against



We achieved the EPRA Sustainability Gold Level also in 2021 and the Global Real Estate Sustainability Benchmark (GRESB) Green Star status with a total score of 92, up from 87 in 2020.

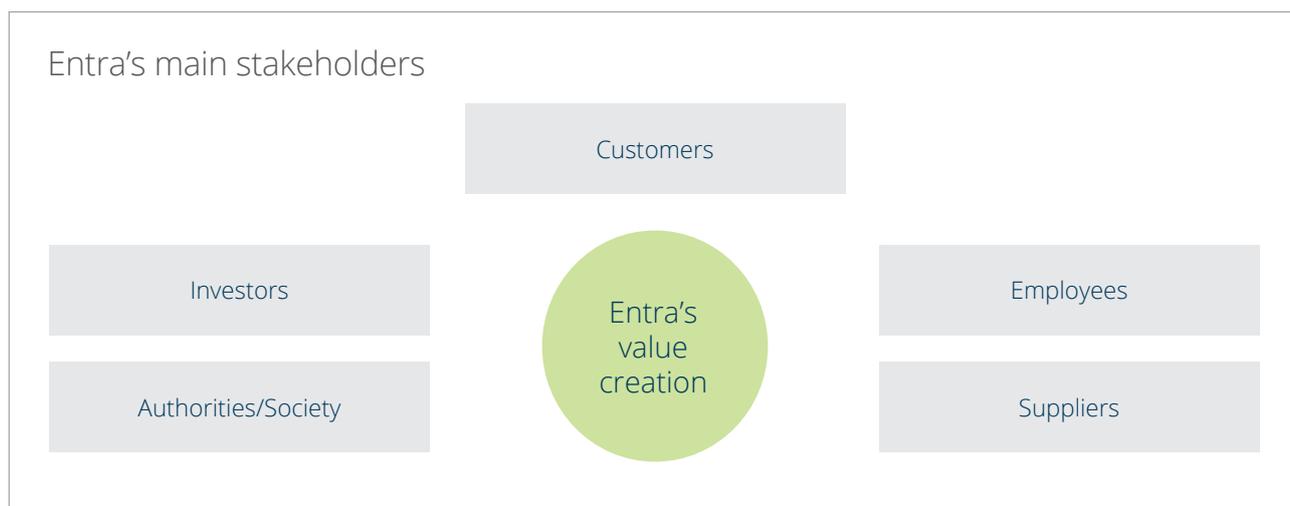


## Third party verification

Entra has engaged Deloitte to conduct a review and provide a limited level of assurance on Entra's ESG reporting. The review and assurance are carried out in accordance with the assurance standard ISAE 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" established by the International Auditing and Assurance Standards Board. The auditor's conclusion and scope of work is presented in the Auditor's report, included at the back of this Annual report.

## Management approach

ESG is fundamental to Entra's strategy and has been so for more than a decade. The Board of Directors determine the ESG strategy and review performance. This includes responding to climate related opportunities such as investment in renewables, improvements in energy efficiency and investment in low-carbon solutions. The Board also review and determine how to respond to different climate-related risks including policy, regulatory and legal risks, as well as the physical risks to our assets.



In addition to the quarterly reviews, Entra's business units also present in-depth business reviews to the Board of Directors at least on an annual basis. These reviews also include ESG targets and KPIs. Targets are aggregated into company KPIs which are followed up on a regular basis.

The CEO is responsible for following up the implementation of the ESG strategy in Entra. Entra's risk management framework is structured to enable effective identification, evaluation and management of climate-related risk. Ownership and management of all key risks, including climate related risks, are assigned to members of the corporate management who are responsible for implementing key risk mitigation plans. Implementation is mostly handled by the individual business units and is reported to the CEO/CFO through quarterly business reviews and in corporate management meetings.

Entra also has an ESG Committee with a separate responsibility to evaluate, follow-up and implement the ESG strategy as well as new initiatives. This Committee reports to corporate management on a regular basis.

### Stakeholder dialogue

It is important for Entra to maintain an open and honest dialogue with its main stakeholders. Such dialogue provides valuable feedback and enables Entra to continue to improve, to build trust and to enhance its reputation.

A process towards selecting the annual report's content and confirming its validity is undertaken on an annual basis. Entra engages with various groups and individuals to understand

specific opportunities and concerns about our business and its impact. Such engagement is, amongst others, based on dialogue, meetings and feedback from business partners, investors, customers, authorities and employees. Other sources of information include an assessment of media and industry reports. In 2021, the materiality analysis and focus areas have been revisited and the validity confirmed by Entra's Board and management.

Entra's stakeholders are particularly concerned about how we handle environmental matters, governance, ethics and anti-corruption measures, our corporate culture and employee satisfaction and our role as a major owner and urban developer of properties in the largest cities in Norway.

### Materiality analysis and focus areas:

Entra believes that a systematic approach towards understanding and managing the company's external factors is a prerequisite for future value creation. The main steps in selecting the focus areas involve identifying and understanding topics that are important to our business strategy and to our stakeholders.

The focus areas and priorities are based on a broader materiality analysis of areas where Entra and its stakeholders believe the company can make an important and sustainable impact. The topics are important for future progress and long-term value creation. The outcome of the analysis is in all material aspects similar to previous years and is illustrated on the next page.

## Materiality analysis



## Focus areas

Based on the materiality analysis the following five areas continue to be seen as core to Entra. The work within each field is further described in this report.





## Supporting the UN Sustainable Development Goals

As a major participant in the Norwegian commercial real estate market, we believe that we have an important role to play in supporting Norway's response to the 17 Sustainable Development Goals (SDGs). To do this, we have reviewed our sustainability strategy and program against the SDGs to highlight where we align.

We see the following goals as particularly significant to our business and how we operate: SDG 9 Industry, Innovation and Infrastructure, SDG 11 Sustainable cities and communities, SDG 12 Responsible consumption and production, and SDG 13 Climate action.



### Goal 9: Industry, innovation and infrastructure

Entra focuses on innovation and actively seeks innovative environmental solutions for its properties and building projects. Entra focuses primarily on low energy consumption and renewable energy in the existing asset portfolio and in all of its projects, with an overall ambition that new and totally renovated buildings will have an energy consumption of less than 40 kWh per sqm (close to zero energy buildings). Entra also seeks solutions for increased production, storage and exchange of renewable energy.



### Goal 11: Sustainable cities and communities

Entra seeks to contribute to cities and communities that are sustainable, attractive, inclusive and accessible for residents and others that work or visit the area. We take an active role in developing the areas and public spaces around our buildings, and we ensure they are accessible to those with disabilities. We seek to use environment friendly materials and solutions when developing and operating our buildings. We seek solutions for re-use and upcycling of furniture and materials to reduce carbon emissions, and we focus on making and maintaining our buildings climate resilient.



### Goal 12: Responsible consumption and production

Entra sets performance requirements in its development projects which focus on the efficient use of natural resources, lifecycle efficiency and high levels of waste reduction and recycling. This is reflected in our management of our buildings where we set targets for waste sorting and place focus on re-use of materials in our projects.



### Goal 13: Climate action

We have set science-based targets which are set towards not exceeding a 1.5 degrees Celsius rise in global temperature, in line with the Paris agreement. This means we are committed to reducing our carbon emissions and making sure our portfolio is climate-resilient. For a more comprehensive description of our work on taking climate action, please see the section below.

# Environment

Environmental leadership is one of Entra's three strategic pillars, and Entra has over many years developed a corporate culture with a strong environmental focus throughout the entire company. Entra's work to prevent climate change is built on the precautionary principle. Entra's environmental leadership has become well-known among its stakeholders, and the environmental commitment contributes to its ability to attract the best and most competent resources.

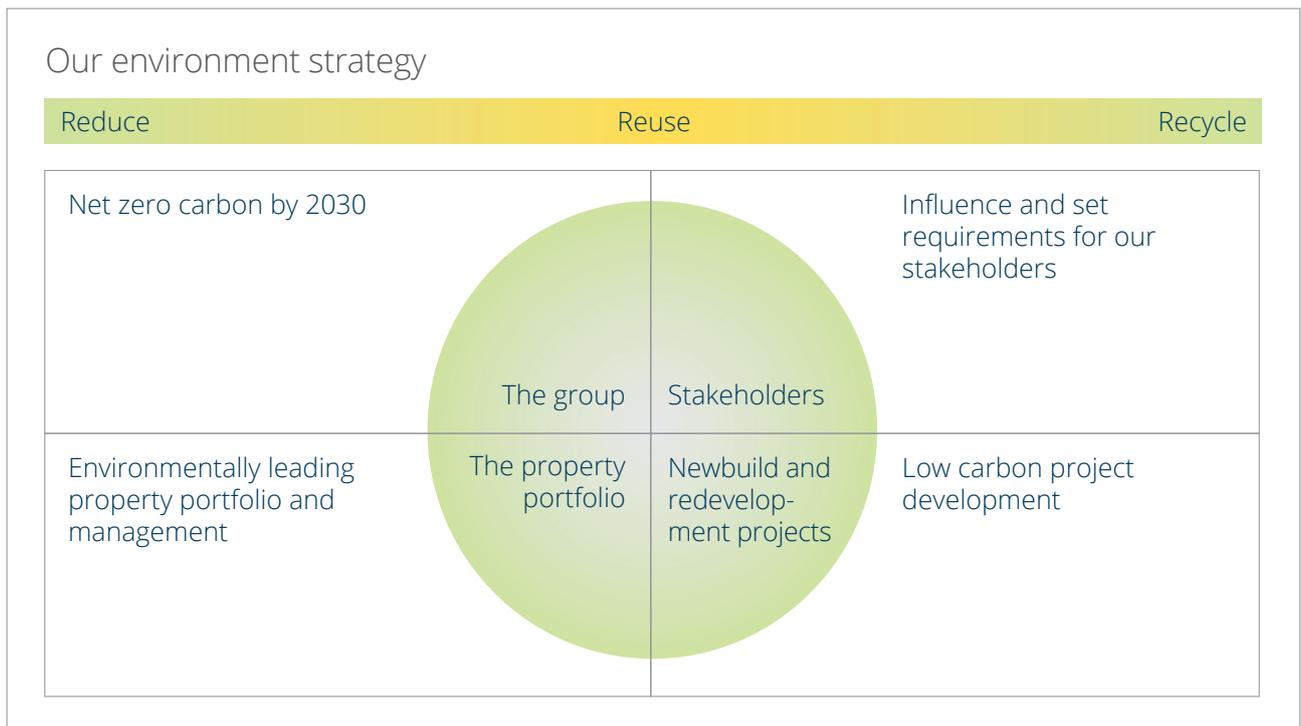
## Environment strategy

Entra is deeply committed to contribute to the transition towards a low carbon society and the overarching target is to become a Net Zero Carbon company within 2030, **according to the definitions and targets set out by World Green Building Council.**

Entra's environment strategy has a 360° approach and includes strategies and targets for 1) own organisation, 2) the property portfolio and property management, 3) the development projects, and 4) stakeholders, including suppliers and customers, amongst others.

At the core of the strategy lies Entra's continuous efforts to reduce energy consumption along with initiatives to produce green energy in order to reduce emissions from the buildings in its operational phase.

For new-build projects, Entra's long-term goal is to have CO<sub>2</sub> emissions that are 50 per cent below the industry average, in accordance with the criteria's set in Futurebuilt Zero<sup>1</sup>. For redevelopment projects, stronger focus is put on retaining and upgrading existing buildings rather than demolishing and building new. A greater focus on reuse of materials in accordance with Entra's strategy for circular economy has been developed. CO<sub>2</sub> accounting is applied for all new-build and redevelopment projects to better evaluate the projects impact and use of low emission materials. The results achieved regarding CO<sub>2</sub> emissions of some of Entra's reference buildings and pioneer projects in terms of environmental leadership are used as benchmarks for the ongoing and planned project portfolio.



<sup>1</sup> <https://www.futurebuilt.no/Nyheter#!/Nyheter/FutureBuilt-ZERO-veien-mot-nullutslipp>.

## The Group

Entra's overarching target is to become a Net Zero Carbon company within 2030. This is an ambitious target that needs focused work on reducing both direct and indirect emissions throughout the value chain. The most important measures will be taken within property management and property development where knowledge and expertise about existing and new solutions will be crucial. All employees in Entra are obliged to contribute, to influence and to continuously search for solutions to solve the problem.

### Focus areas own organisation

Entra has a corporate culture where environmental awareness is strongly embedded at all levels in the organization. This is something that Entra continuously seek to develop further and use as a lever in implementing an even broader environmental focus. Entra strives for a culture in which every one of the company's employees seeks to influence suppliers, customers, and partners to make wise environmental choices. Entra strives to attract the best employees and actively seeks to develop employee competence through R&D projects, education, and training. It is a strategic priority for Entra to stimulate this type of competence building to increase both employees' and Entra's overall expertise within the field. Entra works actively to increase environmental engagement and responsibility among its employees, customers, and suppliers. Entra still has much to gain from reinforcing its focus on a circular economy, reduced consumption, reuse and recycling of building materials, and waste handling.

Entra has an ambition to act as a role model in relation to lessees' environmental focus. As a consequence, Entra's head office in Oslo is certified in accordance with the environment requirements set out in "Miljøfyrtårn" (Environment Lighthouse).



Entra's ambition is that the operation of its buildings is climate neutral. Today, energy consumption amounts to approximately 77 per cent of Entra's CO<sub>2</sub> emissions from Scope 1 and 2 and is thus the most important source impacting our operational carbon footprint. Reducing energy consumption in the managed assets is therefore an important part of the path towards net zero carbon by 2030. From 2020 to 2021, Entra reduced its greenhouse gas intensity from 4.45 kg CO<sub>2</sub>e/sqm to 4.00 kg CO<sub>2</sub>e/sqm.

As part of the net zero carbon strategy Entra has set a target to reduce its Scope 1 and 2 CO<sub>2</sub> footprint by at least 70 per cent from 2015-2030, based on the science-based target methodology and principles. This will be achieved through reduced energy consumption, increased production of green energy, phasing out harmful cooling media, reducing the quantity of waste, and focusing on green transport. The rapid developments taking place within prop-tech, solar energy and battery technology contribute to our optimism in this regard.

In order to compensate for emissions from electricity used in our buildings and make Entra's business close to climate neutral

## TARGETS AND FOCUS AREAS IN OWN ORGANIZATION

Focus areas	Targets and measures
Environmental awareness is part of our corporate culture	<ul style="list-style-type: none"> <li>• Continuous work to improve expertise and increase environmental awareness and responsibility among the employees</li> <li>• Encourage employees to choose environmentally friendly transport</li> </ul>
Climate neutral operations and property management	<ul style="list-style-type: none"> <li>• Net zero carbon by 2030</li> <li>• Work actively to reduce the CO<sub>2</sub> footprint, target to reduce this by at least 70 per cent from 2015-2030</li> <li>• Gradually replace bought energy with self-produced renewable energy</li> <li>• Deliver only green energy on Entra's buildings through guarantees of origin for all electricity use</li> <li>• Phase out all cooling media that are not climate-friendly</li> <li>• Focus on innovation, potential for lower return requirements for environmental investments</li> </ul>
Environmental leadership is an important part of our social responsibility and reputation	<ul style="list-style-type: none"> <li>• Attract the most competent and innovative people and partners</li> <li>• Make our environmental commitment known to our counterparties</li> <li>• Influence our suppliers to deliver low carbon materials, products and solutions</li> <li>• Continue to issue green bonds and secure green bank financing where applicable</li> </ul>
Environmental certification and reporting targets	<ul style="list-style-type: none"> <li>• Organisation and head office certified in accordance with "Miljøfyrtårn" (Environment Lighthouse) process</li> <li>• Retain GRESB Five star rating"</li> <li>• Retain EPRA Gold rating</li> <li>• Retain CICERO rating "Dark shade of Green"</li> <li>• Ownership and follow-up of environmental targets in the management portfolio and project development</li> </ul>

already today, Entra buys guarantees of origin ("green power") corresponding to the electricity consumption of its buildings. Entra will also gradually produce more and more renewable energy through new development projects, on refurbishment projects and with solar panels on the roof of existing buildings.

Entra has also carried out several green measures in its buildings, amongst others through green benefit agreements together with the tenants as further described below. This has been an important contributor to succeeding in reducing energy consumption. This type of investment usually has a long payback period, and Entra has adopted a slightly lower return requirement in relation to environment investments and innovation that protects the environment.

### Our Stakeholders

Entra works actively with influencing and setting requirements for its suppliers, customers, and other stakeholders in order to contribute to the "green transition". Specifically, this means that Entra puts environmental matters on the agenda in meetings with its counterparties and seeks to work with companies with a credible environmental profile. Entra sets environmental requirements on its suppliers and partners through conditions on purchasing and social responsibility. Entra has imposed a total prohibition on the use of materials hazardous to health and the environment that are on the Substance of Very High Concern (SVHC) list and works towards fossil-free construction sites.

Entra works to increase awareness of the environment among users of its buildings. Not only its customers, the tenants of the buildings, but also their employees and visitors are included in this definition. Entra seeks to implement environmental measures that are visible and inspiring for the people that work in our buildings such as working with the lunch restaurants to reduce food waste and removing plastic packaging. Entra also works to enable the implementation of environmental measures, both by tenants individually and in cooperation with

Entra. An example is waste sorting where Entra has developed waste sorting stations and supporting material/information brochures. This initiative also underpins Entra's ambition to achieve at least 70 per cent waste sorting on its properties.

### Green Benefit Agreements

These agreements are Entra's own scheme for working with customers on environmental measures. Entra's role is to identify the potential measures together with customers and then implement and provide financing. Customers refund the cost through an increased rent for a set period on the basis that the customer's share of energy cost is reduced by more than the increase in rent. Once the initial investment has been paid down, the customer receives the benefit through lower common costs while Entra owns a more valuable property. Since 2011, Entra has signed more than 100 Green Benefit Agreements with its tenants.

In addition, Entra will continue to focus on reduction, reusing and recycling when making tenant alterations and furnishing premises and common areas, and will seek to influence customers and suppliers to make the right environmental choices.

Entra has been successful in making its environmental commitment known to its stakeholders, and has shared, and will continue to share, its expertise and experience with other industry participants.

### Membership of associations

Entra participates actively in various technical bodies, industry cooperation and industry organisations such as Powerhouse collaboration, Næring for Klima, Norwegian Green Building Council, Norsk Eiendom and Norges Bygg og Eiendomsforening (NBEF). Entra has signed up for Oslo European Green Capital Industry Challenges and has participated in several R&D projects such as "Svalvent" together with Sintef.

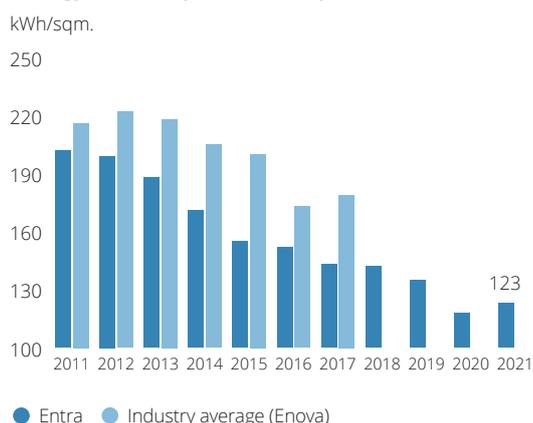
#### TARGETS AND FOCUS AREAS IN WORK WITH STAKEHOLDERS:

Focus areas	Targets and measures
Set environmental requirements for our suppliers	<ul style="list-style-type: none"> <li>• Environmental requirements in Entra's procurement conditions</li> <li>• Requirements for reduced waste quantities, reuse and recycling</li> <li>• Prohibition of use of materials hazardous to health and environment</li> <li>• Put environmental matters on the agenda in meetings and contracts with suppliers</li> </ul>
Increased environmental awareness among customer and end users of Entra's buildings	<ul style="list-style-type: none"> <li>• Carry out environmental measures that are visible and inspiring for people that work in and visit our buildings</li> <li>• Facilitate environmental measures implemented by customers</li> <li>• Identify green measures and sign "green benefit agreements" with customers</li> </ul>
Share our expertise and experience	<ul style="list-style-type: none"> <li>• Hold lectures, contribute to technical bodies, industry cooperation, industry organisations etc.</li> </ul>
Contribute to sustainable and good urban development	<ul style="list-style-type: none"> <li>• Contribute to relevant environmental solutions in property and urban development, with good transport and energy solutions, climate adaptation and greater biological diversity</li> </ul>

### The property portfolio

Entra uses a management system to compare, follow-up and control the various buildings' environmental qualities with a focus on the consumption of energy and water, as well as waste and waste sorting.

#### Energy consumption in the portfolio 2011-2021



Internal measurement method deviates from EPRA methodology as it adjusts for differences in e.g. outside temperature.

Over time Entra has built a culture in which energy management is an integrated part of its operating organisation. Entra has worked diligently to reduce energy consumption in its portfolio (from 202 kWh/sqm in 2011 to 123 kWh/sqm in 2021). Energy consumption in 2020 and 2021 was particularly low as activity in the buildings was significantly reduced during periods of partial lock down through the Covid-19 pandemic. An important reason why Entra has succeeded in this work is focused and systematic work and technical upgrades over time, supported by an energy management system which has made it possible to measure, compare and follow up various initiatives. Entra has operational staff with high technical competence who focus on deviations and energy use. Entra is now at a level where continued reductions in consumption primarily will be driven through technological development and continuous upgrading of the management portfolio to green buildings.

Entra will maintain its focus on reducing energy consumption in its management portfolio and has a long-term target to get the entire portfolio below 100 kWh per sqm by 2030. The short term target and KPI for 2022 is 126 kWh, reflecting a return to normal during 2022 with regards to utilization of the properties. Entra also works to reduce the load on the energy grid and lower costs in relation to energy intensity in the portfolio.

#### TARGETS AND FOCUS AREAS FOR PROPERTY PORTFOLIO AND PORTFOLIO MANAGEMENT:

Focus areas	Goals and measures
Environmental management	• Use environment leadership system for control, comparison and follow-up of individual buildings
Reduce CO <sub>2</sub> emissions in Scope 1 and 2 with 70 per cent by 2030	• Reduce energy consumption and phase out all harmful refrigerants
Increase proportion of self-produced green energy.	• Solar panels installed on four buildings as of year-end 2021
100 per cent green energy in Entra's buildings	• Either self-produced or through guarantees of origin. • Entra produces energy on four buildings as of year-end 2021 • Entra buys guarantees of origin for entire remaining energy consumption
Reduce peak load	• Focus on load control in order to reduce energy demand during peak usage times
BREEAM-In-Use certify the portfolio	• Target 100 per cent • Status as of 2021 is 73 per cent of rental values and 69 per cent of asset values either are, or are in process of being certified
Considerably reduce waste and increase waste sorting	• Target 70 per cent waste sorting in property management and 90 per cent in development projects • Status 2021: 69 per cent in property management and 95 per cent in development projects
Reduce water consumption	• Reduced water consumption (m <sup>3</sup> per sqm) by 6 per cent in 2021
Environmental measures	• Strategy for roof surfaces and facades under development • Make provision for bicycle transport • Actively seek innovative and environmentally friendly solutions



Powerhouse Brattørkaia

Entra has BREEAM-In-Use certified the asset performance and management of 20 buildings in the portfolio of which one is certified Outstanding, 15 are certified Excellent and four are certified Very Good. Entra has another six BREEAM-In-Use certifications ongoing as of year-end 2021. In addition, Entra has BREEAM-NOR certified 17 of its newbuild and redevelopment projects and have another four in process.

Entra will continue to enforce a culture where all Entra employees work systematically on all aspects of a circular economy, i.e., reducing, reusing and recycling. This means that Entra will focus on reducing the quantity of waste in buildings as well as looking at solutions for multi-use and reuse. Examples of this are paperless offices, a reduction in food waste in canteens, as well as a focus on reuse in relation to tenant alterations. Entra has set specific ambitions in relation to residual waste, the degree of sorting and water consumption.

In 2019, Entra did a pilot project and implemented solar panels on the roof and facades of Professor Olav Hanssens vei 10 in Stavanger. In 2020, Entra evaluated the attractiveness of all its roof surfaces in terms of potential implementation of solar panels, solutions for surface water and biological diversity, also considering climate risk.

Part of Entra's strategy is to own properties close to public transportation hubs. Entra thus encourages its tenants' employees to use public transport, to cycle or to walk. All Entra's buildings have provision for bicycle parking.

### Low carbon project development

Reducing emissions from refurbishments and project development is where Entra can make the largest contribution. The indirect CO<sub>2</sub> emissions from purchased goods and services is many times the level stemming from operations and management of buildings. Entra has developed its environment strategy for project development further during 2021 and set new and ambitious targets.

By 2030, the CO<sub>2</sub> emissions from project development shall be reduced by 80 per cent from today's average levels. Going forward, Entra will target Future-Built criterias in new-build and redevelopment projects. The overall target for energy use will be 30-40 kWh/sqm for newbuilds, and for redevelopment projects Entra's target is to obtain at least a 35 per cent reduction in energy consumption. Entra will seek to implement a high proportion of renewable energy on its projects, and all new-build projects shall be certified BREEAM-NOR Excellent or better. Entra will seek to use low emission materials, to considerably reduce waste, and to have close to 100 per cent waste sorting on its projects. In redevelopment projects, focus will be on reuse of inventory and materials. Entra strives to build with robust, reusable materials and installations. Ensuring that new materials are reusable is as important as reusing existing materials.

Entra is a leader in developing environmentally sustainable buildings and has for many years had high environmental ambitions on all its development projects. In cooperation with the Powerhouse alliance, Entra has redeveloped five older buildings to "Plus buildings/Powerhouses" at Kjørbo in Sandvika. At Brattørkaia in Trondheim, a new-built Powerhouse was finalised and opened in 2019.

A Powerhouse produces more energy than it uses over its lifetime, including the materials used for construction. In practice, the buildings therefore act as local power stations that deliver environment-friendly energy. Entra has thus contributed to increased focus of the entire industry to consider "virtually zero use of energy" on both new buildings and redevelopment projects.

In the early phase of development projects/urban development projects, Entra seeks to develop individual projects in connection with their surroundings in order to ensure optimized and efficient utilization of common infrastructure. As an example, Entra participates in a R&D project of a microgrid at Brattørkaia where the Powerhouse delivers energy to neighbouring buildings, electrical buses and buffering in a battery. Other measures include planning for location and design of power plants, supply of district heating and cooling, common solutions for waste, minimization and/or streamlining of traffic and logistics, as well as standard solutions for cluster technology.



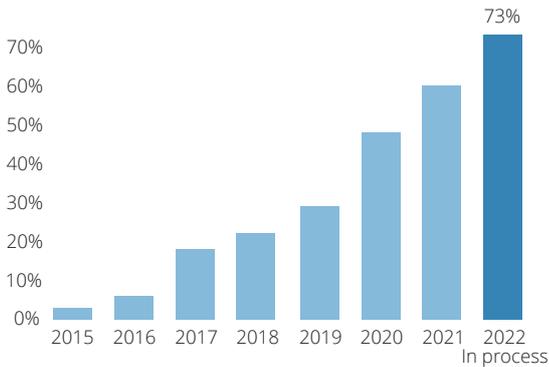
In 2020, Entra renovated and expanded a 4,300 sqm office property at Kristian Augusts gate 13 in Oslo where more than 80 per cent of the materials in the project was reused. Kristian August gate 13 became Norway's first circular building according to the FutureBuilt definition. The project demonstrates Entra's strong commitment to work for more sustainable and innovative solutions

Entra's projects are BREEAM-NOR certified, with a goal of obtaining, as a minimum, BREEAM-NOR Excellent for new-build projects, while for redevelopment projects the objective is a minimum of BREEAM-NOR Very Good. This requires, among other things, analysis of life-cycle costs, low energy consumption, a good internal climate and innovative measures. On completion of buildings currently under construction and ongoing certification processes Entra will have BREEAM-NOR built/redeveloped 21 buildings and BREEAM-In-Use certified 26 buildings.

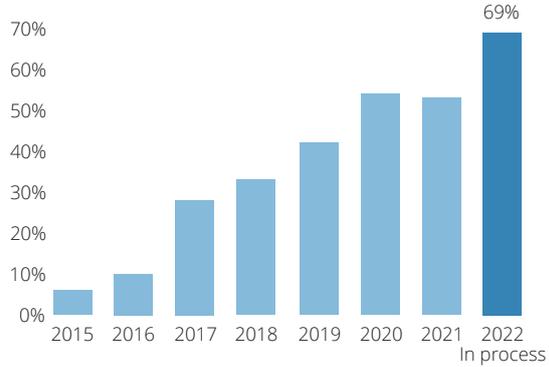
### BREEAM certification of the portfolio

Percentage share of portfolio certified in accordance with BREEAM-NOR/BREEAM-In-Use Very Good or better

BY RENTAL INCOME



BY VALUE



Entra's new buildings and redevelopment projects are planned and constructed in accordance with Entra's specifications - the "Entra building". This is to ensure high quality and lower costs. In the "Entra building", focus is placed on standardisation that will give reduced costs in a life cycle cost perspective (LCC) and operational synergies. Standardised technological systems in the buildings will also simplify integration with new "smart building" technology. Entra is working with requirements for materials with low CO<sub>2</sub> emissions and low life-cycle costs. Planning provides for flexible solutions with multi-use and reuse of materials. Entra will also develop a standard delivery description for tenants where these factors are taken into account.

Entra applies for and receives financial support from Enova for individual environmental measures taken in its development projects. Entra received NOK 1.4 million in support for its development projects in 2021.

### Green Bonds

Entra has issued 13 Green Bonds to date, capitalizing on the environmental qualities in the property portfolio. CICERO Center for International Climate Research (Norway's foremost institute for interdisciplinary climate research) has provided a second opinion to Entra's Green Bond Framework where Entra in 2016 was awarded the rating Dark Green, which is the best rating possible, for its future Green Bonds issues.

The rating Dark Green is given to projects and solutions that realise the long-term vision of a low-carbon and climate-resilient future already today. Typically, this will entail zero-emission solutions and governance structures that integrate environment concerns into all activities. Examples include renewable energy projects such as solar or wind.

### TARGETS AND FOCUS AREAS FOR PROJECT DEVELOPMENT:

Focus areas	Goals and measures
Reduce CO <sub>2</sub> emissions from projects by 80 per cent by 2030	<ul style="list-style-type: none"> <li>• Target Future Built criteria's in new-build and redevelopment projects</li> <li>• Target energy use of 30-40 kWh/sqm for newbuild projects and 35 per cent energy use reduction for redevelopment projects</li> <li>• Implement a high proportion of renewable energy</li> <li>• Use low emissions materials</li> <li>• Reuse of inventory and materials</li> <li>• Set requirements for fossil-free construction sites and request fossil-free transport</li> </ul>
Certification	<ul style="list-style-type: none"> <li>• Objective of a minimum of BREEAM-NOR Excellent on all new development projects, and minimum of BREEAM-NOR Very Good on refurbishments</li> </ul>
Waste	<ul style="list-style-type: none"> <li>• Considerably reduce waste and close to 100 per cent waste sorting in development projects</li> </ul>
Innovation	<ul style="list-style-type: none"> <li>• Actively seek innovative and environmentally friendly solutions</li> </ul>

“Based on the overall assessment of the project types that will be financed as well as well as governance, reporting and transparency considerations, Entra's Green Bond frameworks gets a *Dark Green shading*.”

– CICERO, Second opinion

#### THE ROADMAP TOWARDS 2050 BY THE GREEN BUILDING COUNCIL

Entra has signed up to “The New Roadmap towards 2050 for the Property Sector” by Grønn Byggallianse and Norsk Eiendom. Entra complies with and follows the 20 immediate measures set out in the Roadmap and listed below:

Measure	Status
Certify the organization	Entra's headquarters is certified as Miljøfyrtårn
Remove fossil heating in buildings	Completed on all Entra's properties except on four buildings where bio-oil is used on peak-load.
Only buy building products that do not contain hazardous substances	Covered by Entra's sustainable purchasing procedures
Introduce BREEAM-In-Use as a management system for the entire portfolio	26 properties certified or in process of being BREEAM-In-Use certified.
Conduct a study of what the roofs can and should be used for	Pre study performed, plans for more detailed study
Demand and reward innovative environmental solutions	Implemented in Entra's Environmental Follow-up Plan
Require architects to make plans for re-use of materials and minimize waste.	Implemented in Entra's Environmental Follow-up Plan
Order energy budgets to calculate real energy use	Implemented in Entra's standard technical requirements
Demand and prioritize building products with low CO <sub>2</sub> emissions	Covered by Entra's sustainable purchasing procedures
Demand fossil free construction sites	Implemented in Entra's Environmental Follow-up Plan
Define sustainability ambitions in the project	Implemented in Entra's Environmental Follow-up Plan
Demand biodiversity and use of native species	Implemented, part of BREEAM certification process
Plan for waste minimization and high sorting rate	Implemented in Entra's Environmental Follow-up Plan
New buildings must achieve an energy rating of A or B	Implemented in Entra's Environmental Follow-up Plan
Have an energy certificate for commercial buildings over 1,000 sqm and make a plan for upgrading the building portfolio to a higher energy rating	Plan for updating on total portfolio
Require reusable materials	Implemented in Entra's Environmental Follow-up Plan
Require re-use mapping in the early phase of rehabilitation and demolition projects and set goals for re-use share.	Implemented in Entra's Environmental Follow-up Plan
Set environmental competence requirements or contract partners.	Covered in< Entra's environmental pre-qualification criterias
Require CO <sub>2</sub> accounting for materials and set a goal of at least 20 per cent CO <sub>2</sub> reduction.	Part of Entra's environment strategy
Demand emission-free construction site.	Implemented in Entra's Environmental Follow-up Plan

### Climate risks and scenario analysis

Climate change and environmental damage are two of the most dramatic known challenges facing the world today, and many countries are already feeling the effects. In the Nordic countries the most relevant changes to be expected are in the form of a projected rise in sea level, milder winters, and increased intensity of extreme rainfall. A direct consequence of these are increased challenges related to surface water and flooding.

During 2021, Entra, together with Norconsult, has assessed the climate risks facing Entra in detail. Entra has used a scenario-based approach in analysing climate risks, in accordance with the TCFD framework and mitigating actions are prioritized based on a cost-benefit analysis. Entra aims to continuously monitor and mitigate climate related risk, like other risk factors facing the company.

#### The scenarios used

Entra has used three different scenarios (SSP1-RCP2.6, SSP2-RCP4.5, SSP3-RCP7.0) for temperature and wind related risks. Future sea level rises are based on scenario RCP8.5 for the period 2081-2100. Future changes in rainfall intensity and flood flows in 2100 are based on the relevant regional profile from the Norwegian Centre for Climate Services. For transition risk Entra has used a holistic analysis using a monte-carlo approach to ensure that correlation between the possible future scenarios are taken into account.

#### Critical input parameters, assumptions, and analytical choices for the scenarios used

Described below under Climate adaptation.

#### Time frames used for scenarios

The time frames are short (2020 – 2049), medium (2050 – 2079) and long (2080 – 2099).

The TCFD framework distinguish between two categories of climate related risk; 1) risk related to the physical impacts of climate changes, and 2) risk related to the transition to a low-carbon-society.

In the current studies, the impacts in category 1 has been found to be of minor consequence. Analysis in the studies has covered changes in risks related to water, wind, temperature and possible outcomes as wildfires and landslides. These are all events that cause physical consequences, and Entra therefore treats them as physical climate risk.

The expected effects of climate change have been quantified in terms of net present value to assess if and what mitigating measures should be performed at each property. Uncertainty analysis is included within the assessment, in order to gain insight into the volatility and effects caused by lack of data and/or poor data quality. Overall, the portfolio has high robustness to physical climate changes. Both the extent of and number of required physical mitigating actions have been assessed to be limited.

A similar approach has been used to identify the transition risk. During 2021, this analysis has been performed at the portfolio level. In terms of net present risk, rapid changes in demand for office space and changes in the accepted lifespan of the buildings in the portfolio is found to be of most importance and relevance. This key insight is now included in our risk management process, and Entra will continue to develop further processes to monitor and address these new perspectives.

There is considerable uncertainty ahead. Entra acknowledges this and will continue to develop processes to gain more insight into and knowledge of climate change and the consequences that are related to it. Entra has an active approach to assessing, monitoring, and following up climate related risks. Climate risk, together with other risks is a regular topic at Board of Directors meetings.

Actions and follow-up plans from the assessments are being acted upon by the organization, including, but not limited to, ensuring that Entra's portfolio of assets are prepared for the possible challenges ahead.

With the data at hand, Entra can continue to make better decisions and will focus on how to most efficiently make use of and implement the new information into its business model. The most important skill for Entra will be the ability to change and adapt.

### Climate adaptation

To adapt, one need to understand both the expected changes to come and the possibilities that new technology may bring. During 2021, Entra has mapped and analysed the physical climate risk to 74 of its properties. The goal is to meet every identified risk with the correct level of mitigation measures in order to ensure a suitable balance between investments and potential risk.

The method used for mapping and analysing climate risks is in accordance with the requirements given in BREEAM-In-Use version 6, EU taxonomy annex 2 and the TCFD criteria. The analysis covers the subjects Rsl 01, Rsl 03 and Rsl 06 in BREEAM-In-Use and the table in Appendix A to Annex 2 in EUs taxonomy, which is shown on the next page.

It is important to analyse the climate-related hazards in a correct and reliable manner. The analyses are undertaken by external experts in the following disciplines:

- Hydrology
- Geotechnics
- Engineering geology
- Hydrogeology
- Meteorology
- Risk management
- Building physics

	Temperature-related	Wind-related	Water-related	Solid mass-related
Chronic	Changing temperature (air, freshwater, marine water)	Changing wind patterns	Changing precipitation patterns and types (rain, hail, snow/ice)	Coastal erosion
	Heat stress		Precipitation of hydrological variability	Soil degradation
	Temperature variability		Ocean acidification	Soil erosion
	Permafrost thawing		Saline intrusion	Solifluction
			Sea level rise	
			Water stress	
Acute	Heat wave	Cyclone, hurricane, typhoon	Drought	Avalanche
	Cold wave/frost	Storm (including blizzards, dust and sandstorms)	Heavy precipitation (rain, hail, snow/ice)	Landslide
	Wildfire	Tornado	Flood (coastal fluvial, pluvial, ground water)	Subsidence
			Glacial lake outbursts	

Analysis of climate risk and possible future scenarios is not something done only once. It is a continuous process where Entra acknowledge the importance of staying up to date with available information and knowledge. By continuously updating its understanding, Entra cannot only react to, but proactively plan its adaption to, the changing climate.

### Future climate scenarios

In the EU taxonomy it is described that assessment of climate-related risk should be:

“(…) performed using the highest available resolution, state-of-the-art climate projections across the existing range of future scenarios consistent with the expected lifetime of the activity, including, at least, 10 to 30 year climate projections scenarios for major investments.”

State-of-the-art climate projections are based on climate data which have been produced by using the Shared Socioeconomic Pathways (SSP) and Representative Concentration Pathways (RCP) for the Coupled Model Intercomparison Project 6 (CMIP6). CMIP6 is a collection of global climate model simulations which are used in the UN climate panel's newest assessment reports (AR6). The models used in this project are MPI-ESM1-2-HR and CESM2, which are considered to give the most correct results for Scandinavia. Simulations with the regional scale Weather Research and Forecasting Model (WRF) have been used to downscale the data from the two selected climate models to a smaller grid. The following combinations of scenarios have been

used for the global climate model simulations and are gathered data from:

- SSP1-RCP2.6
- SSP2-RCP4.5
- SSP3-RCP7.0

The simulations have been run through a historic period (1990 – 2014) and a future period (2015 – 2100) for each scenario, giving a total of six sets of climate data (2 models with 3 scenarios each).

The climate data has been controlled against actual historic measurements and the model which gave the best fit has been used to analyze the different scenarios and different 30- or 20-year periods in the future. The climate data has then been used for temperature-related risk and wind-related risk. Changes in wind and temperature have been considered for each of the three scenarios.

Entra, together with its advisors, have used the state of the art models described above for temperature- and wind-related climate risk to ensure that our analysis is based on the most up to date projections. For water-related and solid mass-related climate risks the models are based on more uncertain input and assessment of these risks are therefore based on other methods, described in the relevant chapters below.

### Temperature related climate risk

Based on climate data from one of the climate models described in the previous chapter, CESM2, assessments have been made to examine how the net energy requirements for a building might change in the future if the external temperatures change.

The assessments were done with the same reference building for offices which forms the basis for the net energy requirements in the Regulations on technical requirements for construction works (TEK17). This makes it possible to compare results to those achieved using the climate data typically used today.

Using the reference building as a basis, three different building models were constructed. Each model represents a different building standard in terms of structural properties and technical installations:

- New building (TEK17)
- Intermediate level (TEK 07)
- Older buildings

This made it possible to consider how sensitive buildings from different time periods are to changes in temperature. For example, the energy consumption in an older building is more dependent on temperature than in a new building. This is due to a greater heating need because the requirements for thermal insulation, technical installations etc. at the time of construction were less strict than they are today. Assessments have been made for both Oslo and Bergen for the time period 2020-2050, with the three emission scenarios described in the previous chapter - SSP1-RCP2.6, SSP2-RCP4.5 and SSP3-RCP7.0.

There are major uncertainties associated with the climate model simulations. One of them is related to the projected cooling over the North Atlantic Ocean suggested by the CESM2 model, resulting in lower temperatures in some scenarios, in particular for

Bergen. The climate models involved in CMIP6 strongly disagree whether such a large cooling will occur.

Given that Entra mainly own office buildings in big coastal cities in Norway, the results of the simulations and calculations show that temperature related risks for Entra's portfolio are low, rather showing temperature related opportunities due to lower energy demand.

### Wind related risk

Using the future climate scenarios described above, an analysis of the expected future wind climate for Oslo and Bergen has been performed. Based on the level of detail and the climate data on which the analyses are based, it is considered that the wind climate for these two cities could be represented by the climate data for Eastern Norway and Western Norway/Central Norway. Combined, these climate data will be representative for all cities where Entra has properties.

The two climate models MPI-ESM1-2-HR and CESM2 form the basis for the analyses that have been performed for wind climate. Wind climate data has been extracted from both climate models for Oslo and Bergen, with three different emission scenarios, as described earlier. To assess the accuracy of the models, the simulated historic wind climate data from the two climate models have been compared to actual historical wind climate data from Oslo and Bergen.

Furthermore, average wind and 50-year return values for wind speed have been calculated for both Oslo and Bergen for each of the three emission scenarios. These values have been compared to the historical climate data from the climate models. Wind roses have also been prepared for the two cities at each of the three emission scenarios, for the time periods 2020-2049, 2050-2079 and 2080-2099.

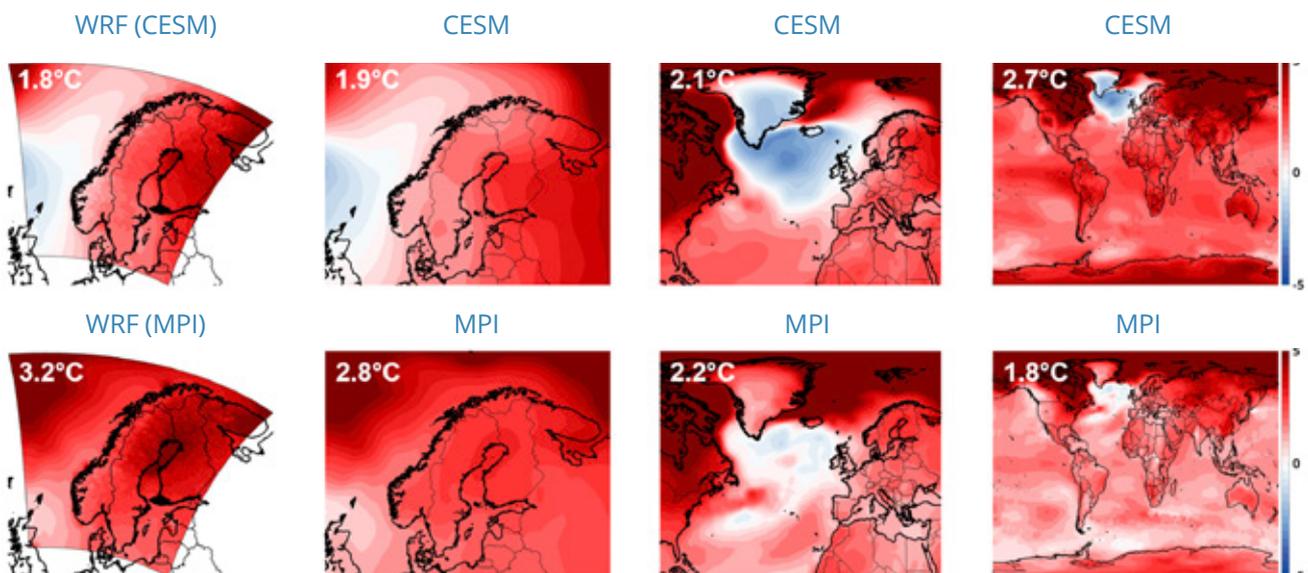


Figure. Changes in surface temperature during winter (december-february) from period 1990 – 2009 and 2080 – 2099 for scenario SSP2 (4.5). The colours represents the mean increase for each of the maps. Source: CICERO (Icebox).

In addition, an analysis of extreme wind has been performed, represented by a 99th percentile, for both cities and using both climate models.

The extreme wind values found from the climate models were significantly lower than expected, and a simple correction of the wind climate data for each city and climate model was therefore made. The simulated historical climate data from the climate models have been corrected against a set of climate data from the weather model WRF for the same period of time. This resulted in a correction matrix which was applied to the wind climate data from the different emission scenarios.

The results from the wind climate analysis show no clear trend for future mean values and return values. There are tendencies towards a reduction in mean wind speed, but one does not have sufficient grounds to make a firm conclusion. This is in accordance with the report *Climate in Norway 2100* from the Norwegian Centre for Climate Services, which concludes that very small changes in mean wind and extreme wind can be expected, based on the same emission scenarios used for these assessments. When it comes to wind roses, they only show minor changes in wind speed and direction over time with the different emission scenarios.

The assessments show low wind related risk for Entra's portfolio since wind patterns and wind speed will probably not change significantly in the future.

### Mass related risk

The methods and acceptance criteria used to analyse mass related risk are found in the Regulations on technical requirements for construction works (TEK17) and Norwegian Water Resources and Energy Directorates (NVE) guidelines on quick clay landslide safety (veileder Nr. 1/2019 Sikkerhet mot kvikkleireskred).

According to acceptance criteria in TEK17 Entra's properties must be assessed with an annual probability of different landslides, avalanches, and rockslides of less than 5000-year return period (safety class S3). Assessments regarding quick clay landslides are done by using special criteria based on consequence (tiltakskategori K4).

An initial assessment of the hazard related to quick clay landslides, avalanches and rockslides has been undertaken by an expert group with geotechnical and geological competence. Hazards related to individual buildings are then studied closer to determine risk. NVE has mapped different types of landslides, avalanche and rockslides that are used to identify and determine the degree of hazard and consequence for areas that are potentially exposed.

NVE has also mapped quick clay zones displaying the degree of hazard, consequence and risk of quick clay landslides. These maps together with geotechnical reports that are available for the individual buildings or cluster of buildings are then studied and NVEs guidelines are used to determine actual risk.

The assessments show low mass related risk for Entra's portfolio.

### Water related risk

The risk of flooding to each of Entra's properties has been assessed for both existing and future climate scenarios. The risk of flooding from a variety of sources (tidal, fluvial, surface water, sewers, groundwater and reservoirs) has been assessed.

Flood risk has been assessed based on a review of existing information on flood risk and a qualitative assessment by flood risk experts. Where available, flood risk maps produced by NVE (The Norwegian Water Resources and Energy Directorate), Kartverket (The Norwegian Mapping Authority) or local authorities have been used. ScalgoLive has also been used to identify local pathways for surface water flow and upstream catchment areas. Existing and future sea levels are provided by The Norwegian Mapping Authority, based on data from the Norwegian Directorate for Civil Protection (DSB). Future sea level rises are based on scenario RCP8.5 for the period 2081-2100. Sea levels are expected to rise by between 46 cm (Oslo) and 78 cm (Stavanger) in the cities where Entra has properties. Future changes in rainfall intensity and flood flows in 2100 are based on the relevant regional profile from the Norwegian Centre for Climate Services. In the Oslo area, short-term rainfall intensity is expected to increase by up to 50 per cent, whilst flood flows in larger rivers may increase by around 20 per cent.

In accordance with BREEAM, properties with an annual probability of flooding greater than 0,5 per cent (200 year return period) have been assessed as being high risk, whereas properties with an annual probability of flooding of less than 0,1 per cent (1000 year return period) have been assessed as low risk. Existing mitigation measures (for example non-return valves, waterproofing of basements etc.) have been taken into account when assessing flood risk. Changes in flood risk due to climate change and potential mitigation measures have been identified for each building.



There are several cost drivers related to physical climate risk. The various scenarios may influence several drivers at the same time. We also distinguish between direct and indirect consequences. In the analysis we also include consequences for third parties such as clients and owners of equipment stored in or on the properties. Regardless of the cause, most of the risk is related to direct damage to the property and equipment. In the study, cleaning and refurbishing of affected areas are generalised, while expensive technical equipment is mapped and assessed for each property. Examples of technical equipment that is included in the analysis is:

- Main electrical intake
- Electrical distribution units
- Generators and UPS
- Ventilation main units
- Heating units
- Electrical Transformers

In addition, third party entities as server-rooms, archives, store-rooms, shops and parking areas are included as cost items. Indirect downtime for repair and re-construction is also included. The cost level has been assessed by experts and compared to similar historical events. For each risk element, an affected area is calculated based on the building footprint, localisation and floors below ground level. This is the basis used to compute the consequence for each property.

The risk can then be computed based on the assessed probability of occurrence for each property as assessed by the climate experts. The expected effects of climate change have been quantified in terms of net present value to assess if and what mitigating measures should be performed at each property. Uncertainty analysis is included within the assessment in order to gain insight into the volatility and effects caused by lack of data and/or poor data quality.

Overall, the portfolio is considered to have high resilience to flooding.

### Transition risks and opportunities

In addition to physical climate risk, Entra has started to assess the climate-related transition risks and opportunities for the portfolio in accordance with BREEAM-In-Use issue Rsl 07.

The purpose of the assessment was to evaluate financial risks and opportunities for Entra's operations related to the transition to an economy with lower CO<sub>2</sub> emissions. As recommended in the TCFD framework, the considered transition risks are related to politics, technology, market and reputation.

To identify relevant risks and opportunities, a brainstorming was initially carried out and information was obtained from several platforms identifying topics considered relevant in terms of significance for a real estate company's existing building.

Consequently, a large amount of the potential transition risks and its potential impacts were identified. Climate-related transition risks are often complex, uncertain, and dependent upon other risks. A goal for the process has therefore been to identify the key drivers that influence the risk and the mechanisms that connect them. To ensure that correlation between the possible future scenarios is taken into account, a holistic analysis was applied and carried out with a monte-carlo approach. Important drivers identified has been:

- Changes in energy cost
- Changes in demand for space
- Changes in construction and rehabilitation cost
- Changes in quality needs
- Changes in demand for reporting and analysis
- Changes in Entra's reputation

At present, this analysis has been performed at a portfolio level. Based on the scenarios in the TCFD framework, distributions for each of the drivers has been estimated. This is not an exact science but is thought to be a good representation of the risk probability space for the upcoming years and will yield a detailed information on which drivers and possible scenarios that bring the most volatility.

This key insight is now included in Entra's risk management process, and Entra will continue to develop further processes to gather data, monitor and address these new perspectives.

# Social

Entra is a sustainable and socially responsible company and has included several procedures and initiatives in its daily operations. Entra's focus areas involve own employees and working environment, human rights, health and safety, urban development, and community engagement. Entra sets requirements for its own operations as well as for suppliers and partners. When evaluating new initiatives, Entra seek partners and suppliers with common values and targets.

## Motivated and responsible employees

Entra strives to develop a value-based culture characterized by the company's core values; Innovative, Responsible, Hands-on and One team. The core values and the company's principles for leadership are closely connected to behavior and how to follow up and develop own employees. Emphasis is put on employee motivation, which is considered to form the basis for an individual's desire and willingness to perform and thus to the development of the company. Employees are offered opportunities for personal and professional development through close dialogue with, and follow-up by, their immediate superior. It is fundamental that employees consider Entra to be a good and attractive place to work.

## Health and working environment

Entra aims to be a health-promoting workplace and carries out several measures to contribute to the health and wellbeing of its employees. All employees are offered annual health checks and a broad range of health services through Entra's occupational health service and health insurance. Entra also has an internal sports club where employees on a voluntary basis engage in social activities and several sports such as hiking, golf, running, squash, skiing and yoga. During 2021, the internal sports club has also facilitated interactive training sessions that employees can attend from home. Sick leave in Entra in 2021 was 2.6 per cent. This is low compared to a country average of 6.6 per cent as of Q3 2021. The objective is a continued low level of sick leave.

## Workers' rights

Entra complies with established standards and employment legislation. Entra is a member of the Confederation of Norwegian Enterprise, and tariff agreements have been established with employee organizations. Entra is covered by collective bargaining and the agreements are made applicable to all employees. Negotiations and follow-up in the event of operational changes or restructurings follow Norwegian law.

## Safety officer, working environment committee and Board representation

Entra's employees have elected safety officers. Their main function is to take care of employee's interests in matters that relate

to the working environment. The safety officers are elected for a two-year period among employees with experience and knowledge of the working conditions in the company. The safety officers have regular meetings with the HSE department. One of the safety officers is appointed as the chief safety officer, coordinating the work among the other safety officers.

Entra also has a working environment committee, according to Norwegian legislation. Entra's working environment committee is a decision-making and advisory body. The committee's most important function is to work for a safe working environment. The committee covers issues on its own initiative and at the request of the safety officers. All employees can contact the committee. The working environment committee consists of members from the company management and of representatives from the employees. Entra's current working environment committee consist of the CEO, EVP of HR and Communication, the chief safety officer and a person elected from the employees.

Employees in Entra are free to organize themselves and are organized in several different labour associations. Entra has established an accord with the Norwegian Engineers and Managers Association (FLT).

Employees are represented on Entra's Board with two employee-elected directors, and they are usually elected by employees organized in the labor associations.

Information on worker participation and consultation is given on [www.entra.no](http://www.entra.no). All new employees also receive information on this topic through health and safety introduction and training.

## Employee relationship and employee engagement

Each year, Entra carries out an employee job engagement survey. In recent years including 2021, Entra has used a standardized survey from Ennova. The survey gives a score both for the level of motivation and satisfaction of employees and the factors that drives their behaviors and attitudes. Entra's score is compared against a representative national benchmark (GELx) and a benchmark "top in class" of the 25 per cent best in Ennova's client database. In 2021, Entra had an employee motivation and engagement score of 79. Even with a decrease of 3 points from 2020, the score is significantly above the national benchmark GELx score of 73 and above the "top in class" score of 78. The past year has been characterized by new ways of working, due to Covid-19 and social distancing. Many employees have been working from home most of the year and just rarely attended physical meetings. These changes may have affected the score in 2021. Through 2021 the strategic

interest for the company, in addition to changes made in the organizational structure, also affected the score.

### Employees in Entra

The Board of Directors consists of four women and three men, whereof the Chair is a woman. The senior management team in Entra consist of two women and five men, whereof the CEO is a woman. Of all other managers in Entra, 49 per cent are women and 51 per cent are men.

At the end of 2021, Entra had 112 men and 65 women employed, of which two men and one woman were employed in Hinna Park AS. Entra had five temporary employees as of end 2021 whereof 20 per cent are women. Of the six employees working part-time 83 per cent are men and 17 per cent are women. All have voluntarily decided to work part-time as part of Entra's policy for seniors and early retirement or are employed part time because of studies.

### Equality and diversity

Different expertise and experience contribute positively to Entra's development and to a broader and better basis for decision-making. Equal opportunities and diversity are an integral part of Entra's standards. Entra believes in the benefits of diversity, and this goal is incorporated into Entra's recruitment procedures and is reflected in the composition of senior management. Entra strives for diversity on a broad basis, including gender, age, background, education, and nationality.

Average parental leave in 2021 was fourteen and eighteen weeks for men and women, respectively.

### Recruitment

Entra has professional recruitment processes that ensure transparency and equal opportunities. Most recruitments are handled using internal resources and is managed by the HR department. A recruitment process in Entra is a structured process which includes an analysis of the job description with the purpose of choosing the preferred tone of voice in the announcements to attract the right candidates, a relevant and position-adapted case for the candidate to solve, and a final interview with both the direct manager and their superior manager.

During a recruitment process, Entra aims to be open-minded, and all announcements invite everyone with the right competence to apply for a position. When recruiting for senior or key positions in Entra, both sexes should be represented in the final interview round. This applies for both internal and external recruitments and, if needed, targeted recruitment processes are used to fulfil this goal. Furthermore, Entra strive to attract younger employees within property management to secure continuity and transfer of experience. During 2021, Entra recruited sixteen new employees, of which four women and twelve men.

### Developing competence and engagement

Entra has HR processes where performance review, talent and succession planning, and development plans are closely linked together. This includes a dedicated development plan in accordance with each employee's ambitions and potential.

## GENDER EQUALITY IN ENTRA ASA – KEY METRICS

	2021	2020	2019
Gender distribution among employees (women/men)	64/110	70/116	66/108
Employee level 1 gender distribution (women/men)	2/5	3/4	3/4
Employee level 2 gender distribution (women/men)	23/24	24/31	22/27
Employee level 3 gender distribution (women/men)	39/81	42/79	41/77
Women's earnings in relation to men's (all employees at Entra)	106%	96%	101%
Women's salary in relation to men's at employee level 1	111%	101%	77%
Women's salary in relation to men's at employee level 2	93%	89%	87%
Women's salary in relation to men's at employee level 3	105%	97%	-
Women's bonus in relation to men's (all employees)	105%	110%	101%
Women's bonus in relation to men's at employee level 1	108%	125%	69%
Women's bonus in relation to men's at employee level 2	88%	82%	87%
Women's bonus in relation to men's at employee level 3	93%	105%	-
Sick leave per cent (women/men)	4.1%/1.7%	5.4%/1.8%	4.5%/1.5%
Absence for sick children, number of days total (women/ men)	40.5/52.2	34/24	43/35
Average weeks of parental leave taken (women/men)	25/15	18/14	23/0
Number of employees working part-time (women/men)	1/5	2/3	2/3
Number of employees involuntarily working part-time (women/men)	0/0	0/0	0/0
Number of employees in temporarily positions (women/men)	1/4	2/2	2/1

Employee level 1 = top management

Employee level 2 = managerial positions

Employee level 3 = other employees

Employees are evaluated based on achievements, ambitions, and potential based on specific criteria, including achievement of specific goals and compliance with Entra's values. This evaluation is part of a process where Entra builds its talent pool and secures succession planning.

Entra has also developed a training and competency policy relevant for most positions. Some courses and training are offered to all or most of the employees, whilst others are more specifically related to roles within property management.

Entra's value chain is broad and imposes significant requirements regarding relevant experience and expertise. Entra therefore acknowledges individual employee's needs for ongoing professional training suited to his/her area of work and has developed the Entra School to provide education and training programs for all levels of the organization. The Entra School includes an introduction course for new employees to enable employees to view their role in the company in a wider context and an internal management and key talent development program that runs for 1.5 years and focuses on the responsibilities and challenges of a management role. Ethics training occupies a central position in the introduction course and through annual dilemma training programs.

#### **Work-Life balance**

Entra seeks to facilitate for a good work-life balance based on the life phases and family situation of our employees. We act in compliance with the laws and collective agreements that regulate the various leave schemes and have implemented solutions that are easy to use if applying for a leave or time-off. Employee benefits, such as flexible working hours and full pay during illness and parental leave regardless of the National Insurance scheme limits, are important measures in the efforts to ensure equal opportunities.

Regular working hours are 37.5 per week, with the core time from 09:00 to 15:00. Employees in senior positions or in special independent positions have exemptions from the rules of the Working Environment Act § 10.2. Entra seeks to minimize the amount of overtime, but extra work is expected to be done during hectic periods. We experience that there is a mutual understanding of this in the company and that flexible working hours or a day-off can be used during less intense periods.

#### **Facilitation**

As far as practically possible, Entra seeks to facilitate for the different needs of all employees. The premises are universally designed with sufficient space and accessibility for potential users of wheelchair. Our workplaces are designed in accordance with the Workplace Regulations 4-2: § 2-4. This statutory provision ensures that the workplace design takes disability into account.

#### **Wages and working conditions**

Entra has developed a policy for compensation and benefits that ensures that employees with a similar position and at the same level are assessed according to specific and similar criteria to ensure equality. There is equality in the remuneration of men and women, and all employees are included in a collective bonus scheme. All employees are included in the same insurance schemes, and there is an equal pension scheme based on the salary level. Entra has no employees involuntarily working part-time.

Annual salary and tariff settlement in Entra follow a standardized process based on central negotiations with the union representatives and involves individual evaluation of the employee from their immediate superior based on standardized criteria. This process ensures consistent and performance-based salary adjustments. Evaluation and salary adjustments are reviewed by HR and the CEO. Entra monitors salary levels through external benchmarks in addition to internal benchmarks of positions of similar responsibility.

#### **Equality and diversity**

Different expertise and experience contributes positively to Entra's development and to a broader and better basis for decision-making. Equal opportunities and diversity are an integral part of Entra's standards. Entra believes in the benefits of diversity, and this goal is incorporated into Entra's recruitment procedures and is reflected in the composition of senior management. Entra strives for diversity on a broad basis, including gender, age, background, education, and nationality.

Entra seeks to have an organization that reflects the diversity of a modern society and has a particular focus on generations, gender and cultural backgrounds. Diversity is an important part of Entra's social responsibility work. In general, social responsibility is an important reputation factor when it comes to attracting a new generation of competent employees. Entra has worked actively with diversity for many years and has had a particular focus on:

- Achieving a more balanced distribution of generations in property management, which historically has been over-represented with men of high seniority.
- increasing the proportion of women in our defined group of talents and key personnel
- increasing the diversity of people with different cultural backgrounds



The work with diversity and gender equality in Entra is structured through:

- HR reporting: Annual reporting from HR to senior management and the Board, hereunder status on achievement of HR targets and plans and targets for the year to come.
- ESG Committee: Entra's ESG Committee is an interdisciplinary group working on all different aspects of ESG. The Committee works with the strategic focus areas for ESG, identifying objectives and KPIs in cooperation with the responsible in both business units and group functions.
- Practice and policy: All practices that address diversity are anchored with group management and the Board. Entra's ethical guidelines covers diversity, discrimination, and harassment, including procedures for whistleblowing both internally and through an external law firm.

Entra's work for diversity is also given weight through procurement of products and services. Requirements for diversity are set for purchasing of external legal services and for providers of facility management services. The company has structured and professional HR procedures that ensures follow-up of employees through the various phases of employment as well as safeguarding against discrimination.

#### Identified focus areas

Entra is in the process of further developing its recruitment strategy to focus on age and gender balance and fulfill a diversity analysis for the specific departments that are recruiting.

To recruit young people in the future, Entra participate in the apprenticeship scheme of the Norwegian public education system as a mean to develop own talents. The public apprenticeship is a two-year program, and the employer must be approved by the county municipality. Entra became an approved employer in 2021 and employed its first apprentice. Some departments in Entra already work with educational institutions or directly with students as examiners, supervisors or conducting lectures. An internship is a temporary employment for students, where the candidate gets relevant work experience, and will be a benefit for both parties. Entra will further assess the opportunity with relevant universities or business schools, after successfully trying this form of internship in the HR-department during the fall of 2021.

#### Potential risks of discrimination

The main risk of discrimination in Entra is unconscious discrimination. This is a risk that never can be eliminated, but which will be assessed and acted upon if it occurs. When starting up new initiatives, Entra will also initiate training of managers on how to succeed with inclusion. Entra currently has no reports from employees, safety representative or union representatives that discrimination has been experienced as part of our work processes.

#### Measures implemented to counter discrimination and contributing to increased equality and diversity

Entra is on a continuous basis working to ensure equal treatment of our employees and to further enhance diversity through our recruitment strategy. For 2022, Entra has planned for the following measures to follow up on equality and diversity:

- Use recruitment processes to actively increase diversity in Entra and make targeted searches to expand the candidate pools
- Equality and discrimination are regular agenda items in meetings of the working environment committee (AMU) to share an overview of areas of discrimination and get input from union and safety representatives on how current HR processes can be improved.
- Use data and third-party expertise to have the best possible processes regarding anti-discrimination, diversity and equality
- Courses and events to increase competence in diversity and inclusion

#### Evaluation of the work with diversity

Entra's efforts to increase the proportion of female employees and young employees have given results. Entra has an organization characterized by equality, with an increasing proportion of women in the property management department. Diversity is an important part of Entra's social responsibility work, and several measures have been implemented to contribute to increased equality and diversity.

#### Achievements in 2021:

- Started third-party data collection on discrimination, diversity and inclusion
- Developed a diversity policy
- Equality and discrimination have been discussed in in the working environment committee (AMU) to get input from union and safety representatives on areas of discrimination and current HR processes.
- Explored training opportunities that could be implemented in the organization

#### Targets for 2022

Entra seeks to maintain high employee engagement and targets a continued high score in the employee job engagement survey.

Entra actively seeks to increase the share of women within property management year on year. The challenge has historically been that there has been lower interest from women for jobs with required expertise within technical building operations and management. During the last years, we have adjusted the tone of voice in announcements, definition of the roles and targeted search processes to attract female candidates whilst maintaining the quality of applicants.

It will be difficult to achieve a 50 per cent share of women as property management contains almost one third of our employees and as the pool of applicants for new positions still has a majority of men. Our ambition is to have a relatively equal share of women and men in the rest of the company and among our talents and strategic successors to leading roles. In 2021, 39 per cent of the company's talents and strategic successors were women, and we had 49 per cent women in senior positions (Level 2).

To achieve the targets, the administration has defined measures on how to hire and develop employees. Such measures include, amongst others, a requirement policy to include both sexes in the final interview round for key positions, talent development and leadership development as well as coaching that seeks to encourage and promote female talent.

Entra also has an overall target to increase the level of employees with various cultural backgrounds.

### Human rights policy and statement

Entra is committed to develop an organizational culture which respects and supports internationally recognized human rights. Entra supports all internationally recognized human rights standards such as the United Nations Guiding Principles on Business and Human Rights, as well as relevant international conventions and standards such as those of the International Labor Organization.

Our commitment to the realization of human rights is set out in the Group's Human Rights Policy and its Social strategy. Key human rights issues and due diligence procedures are embedded in internal risk assessment processes and guidelines, as well as being addressed explicitly in documents such as the Socially Responsible Purchasing Guidelines. Entra reports on its performance in the annual ESG report based on the criteria appropriate to Entra in the Global Reporting Initiative. During 2022, Entra will also report on its work with transparency and work on fundamental human rights and decent working conditions in accordance with the new Transparency Act that will enter into force on 1 July 2022.

Entra does not accept discrimination or bullying in the workplace. Everyone is to be treated with respect, irrespective of gender, religion, age, ethnicity, nationality, any disability or sexual orientation. To secure compliance, Entra has a Human Rights policy, and human rights are included in guidelines and management tools, including those dealing with fundamental values, ethical guidelines, socially responsible procurement and through the focus on HSE and the working environment. Entra provides its employees with opportunities for professional and personal development and facilitates training to ensure that employees have the right competence and can use their expertise and assume responsibility. Entra demonstrates respect for its employees' private life and consider requirements for personal data protection (GDPR) through secure IT and HR systems.

### Health, Safety and Environment (HSE)

HSE work is central to Entra in all parts of the value chain. It shall be safe to visit and work in Entra's properties and construction sites. HSE is well established as a natural part of day-to-day operations, including being part of the bonus scheme for all employees. It is a focus area at all levels of the organisation and thus recognised widely in the organisation as a personal responsibility of all employees.

Entra's HSE strategy involves systematic work with:

- HSE in the daily operation of the buildings
- HSE in development projects
- HSE for own employees

The internal HSE policy in Entra has the following targets:

- It should be safe to work, visit and stay in and around Entra's properties and construction projects
- For own employees, Entra shall have a health-promoting work environment where no one will be injured or sick because of their work

Entra performs systematic HSE-training of its employees where different positions receive different training. All new employees are given an introduction to the HSE-system after joining the company.

Special training on operation of buildings is given to property managers. This involves training in fire protection, conflict management, FSE-course (electricity) and work in heights. Entra's project managers receive training in Entra's routines for ensuring HSE in the building projects as part of their introduction to Entra.

Members of the senior management are involved in practical HSE work and are expected to take the lead through behaviour and leadership. As part of this, a review of the latest HSE report is regularly on the agenda at management meetings and Board meetings. HSE status is also an important item on the agenda at all employee meetings. During 2020, particular focus was on the safeguarding of Entra's parking facilities against fire. In 2021, extra attention has been paid to follow up HSE focus in the ongoing development projects reflecting the very high number of projects, also with some new suppliers.

Entra works actively to increase awareness with regards to the registration of all types of incidents (including accidents and near misses). The reporting of incidents is important to prevent potential accidents and to increase the awareness internally among Entra's employees, suppliers and customers.



Illustrasjon: Goldbox

Entra has an occupational health and safety management system covering all parts of its business in accordance with Norwegian legislation. The regulations in the Working Environment Act is important, hereunder:

- Regulations concerning organization, management and employee participation ("Forskrift om organisering, ledelse og medvirkning")
- The workplace regulations ("Arbeidsplassforskriften")
- Regulations concerning performance of work ("Forskrift om utførelse av arbeid")
- Regulations concerning action and limit values ("Forskrift om tiltaks- og grenseverdier")
- Internal control regulations ("Internkontrollforskriften")
- Construction client regulations ("Byggherreforskriften")
- Regulations concerning HSE-card ("Forskrift om HMS-kort")

The HSE system has also been developed and implemented based on risk management and risk analysis on different levels of the organization. The system primarily covers Entra's workplaces and Entra's employees. However, Entra has

HSE-requirements on its suppliers and their subcontractors. In general, Entra requires that its social responsibility requirements, which involves HSE-requirements, are made valid throughout the chain of vendors.

Entra has contracted an occupational health service (OAS) for own employees. Entra's OAS is an officially approved organization for delivering OAS-services.

Among other things, the OAS performs:

- Annual health checks of employees.
- Vaccination
- Ergonomic evaluations
- Risk evaluations
- Emergency stand by
- Participation in work councils

### Targets and status

HSE targets are also aggregated into group KPI's with a focus on avoiding serious accidents. The HSE targets for 2021 were:

- There shall be no injuries in and around our buildings involving sick leave absence with more than three days sick leave, where Entra can be held responsible, and
- there shall be no injuries in our construction projects involving more than 16 days of sick leave.

Incidents are reported to the CEO and to the Board. Serious incidents are investigated to see what lessons can be learned and are an important element in further strengthening the HSE work.

There was one injury involving sick leave absence in and around our buildings in 2021, and there was one injury involving sick leave absence in our construction projects that involved more than 16 days sick leave.

Entra performs regular HSE audits of both development projects and management properties. In 2021, Entra performed nine HSE audits of which three development projects and six management properties.

### Urban development

Entra's strategy is to invest in clusters on the public communication hubs in the the four largest cities of Norway, Oslo and the surrounding area, Bergen, Trondheim and Stavanger. Entra aims to contribute to urban clusters that are attractive, inclusive, and accessible for residents, office users and all other relevant parties. A part of Entra's environment strategy is to be located close to major public transportation hubs, thus contributing to less use of private cars to the benefit of public transport and environment-friendly alternatives such as bicycles.

For Entra, urban development includes creating a good atmosphere and secure surroundings in and around the buildings for the benefit of tenants, visitors and others who pass through the area. Entra ensures that the space around its buildings and building sites is neat, clean, and attractive. Entra works to get a mix of activities on the ground floors within its property clusters to create life and variation among visitors and users of its buildings. Where applicable, Entra considers how to activate the ground floors of our buildings to contribute to city life at street level.

Entra emphasises the importance of a good dialogue with partners, competitors, and other stakeholders in its work on urban development. Entra involves neighbours, local politicians and others who live or work in the group's urban development districts in connection with new buildings and refurbishments. Involvement may constitute meetings and correspondence with neighbours, open meetings, information to the local press and a one-on-one dialogue with selected target groups.

Examples of areas and buildings where Entra has contributed to positive urban development are in Tullinkvartalet,

Sundtkvartalet and at Tøyen in Oslo, at Papirbredden in Drammen, Brattørkaia in Trondheim, Media City in Bergen and at Hinna Park in Stavanger. In the years to come, Entra will also be involved in the urban development of Bryn and the area around the central station in Oslo and Sandvika on the west fringe of Oslo.

### Community engagement

Community engagement has been an important part of Entra's ESG work for many years, and in total Entra has contributed with community engagement in and around 53 properties or around 63 per cent of its portfolio in 2021. The major initiatives are described below.

Entra has been a sponsor of the Church City Mission ("Kirkens bymisjon") in Norway since 2014. Entra's financial support to, and dialogue with, the Church City Mission strengthens the constructive measures that the Church City Mission is carrying out in connection with social challenges in the cities covered by the agreement. In Oslo, Entra is, among other things, involved in the "Neighbour cooperation" project. This initiative involves several companies located in the Oslo city centre, working to create a safer and better local environment for all those passing through the area, and to contribute to increased employment to disadvantaged groups that are currently out of work. Entra is actively involved in annual campaigns to provide Christmas dinners for the homeless and other initiatives to support "someone who dreads Christmas". The Church City Mission has also provided valuable insight in the planning of activities towards selected groups in Entra's work with social sustainability initiatives as part of the Urban development In Oslo.

For 21 consecutive years, Entra has also been a key sponsor of Ridderrennet, a global winter sports competition for disabled. Due to Covid-19, the event was cancelled also in 2021. To ensure the financial situation of the organisation, and future competitions, Entra's monetary support remained at the same level even though the competitions was cancelled.

During the autumn of 2021, Entra entered into a pilot project with Sisters in Business (SiB). SiB is a social entrepreneur that creates work for immigrant women through local textile production and repair of clothes. SiB has succeeded in providing work to women who have found it difficult to enter the labour market. The pilot took place at two of Entra's buildings, giving our tenants the opportunity to have different clothes repaired for free or buy textile products produced by SiB. All tenants that used the services provided by SiB were also encouraged to contribute to the Church's City mission instead of paying for the service. During the pilot, our tenants potentially saved 10.5 tonnes of CO<sub>2</sub>, on repairing clothes.

In 2022, Entra will continue to investigate how the cooperation with the Church City Mission and Sisters in Business can be further developed. Community engagement, hereunder initiatives within social sustainability and new initiatives that contribute to, and support employment of the new generation and disadvantaged groups is a particular focus area in Entra's social strategy.

# Governance

## Board's Corporate Governance statement

Entra's Board ("the Board") actively adheres to good corporate governance standards and will ensure that Entra complies with the requirements of section 3-3 b of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance of October 2021, issued by the Norwegian Corporate Governance Board (NUES). This is done by ensuring that good governance is an integral part of the decision-making process in matters dealt with by the Board. Moreover, Entra's corporate governance standards are subject to at least annual assessment and discussion by the Board.

## Compliance with the Norwegian Code of Practice for Corporate Governance

### CORPORATE GOVERNANCE IN ENTRA

	Compliance with the Code	Reference
1. The Board of Directors' Corporate Governance statement	●	Page 68
2. Business	●	Page 12–39
3. Equity and dividends	●	Page 76
4. Equal treatment of shareholders and transactions with related parties	●	Page 76–77
5. Free transferability	●	Page 76
6. General meeting	<sup>1</sup> ●	Page 77
7. Nomination Committee	●	Page 77–78
8. Board composition and independence	●	Page 71, 84–85
9. The work of the Board	●	Page 71–73
10. Risk management and internal controls	●	Page 28–39, 53–59 and 72–73
11. Remuneration of the Board	●	Page 75
12. Remuneration of Senior Executives	●	Page 73–76
13. Information and communication	●	Page 72
14. Takeover bids	●	Page 77
15. Auditor	●	Page 79–80

<sup>1</sup> Minor deviation, cf. section 6 below

## Roles and responsibilities

### Board of Directors

- Responsible for the long term success of Entra
- Sets the overall strategy and oversee its implementation
- Provides leadership and direction to the Group on its values and ethics
- Responsible for corporate governance
- Sets risk appetite and investment strategies
- Determines significant investments, acquisitions and disposals
- Responsible for risk management
- Responsible for financial performance, financial management and financial reporting
- Appoints core executive management positions

### Audit Committee

- Preparatory body supporting the Board on the exercise of its responsibilities relating to
  - Financial reporting
  - Internal controls and financial reporting processes
  - Compliance with ethical guidelines
  - Overall risk management
  - Review of the performance and independence of the auditor
  - Preparing the audit tender processes, and giving the Board a recommendation on the election of auditor

### Remuneration Committee

- Preparatory body to Board's considerations on compensation issues
- Prepares principles for remuneration packages and employment terms of the CEO and other Senior Executives
- Oversight of remuneration practices for all employees

### Nomination Committee

- Reviews structure, size and composition of the Board and its Committees
- Leads Board appointment processes
- Ensures shareholders' views are taken into account
- Recommends appointments to the Board

### CEO

- Leads the executive team and responsible for the overall management of Entra
- Articulate vision, values and purpose
- Develops and implements strategy
- Responsible for the overall performance of the business

### Executive management

- Supports the CEO on the implementation of strategy, financial performance and management of the group

### Management committees

- Investment committee
- Sustainability committee
- Compliance

## Board activity

The Board attends eight regular board meetings each year. Additional meetings are held on an ad hoc basis. 22 Board meetings were held in 2021 as a number of extraordinary board meetings were held in January, November and December following the strategic interest in in Entra as well as Entra's acquisition of Oslo Areal. The calendar below sets out the main topics discussed at each regular board Meeting.

### BOARD REPRESENTATION AND PARTICIPATION IN BOARD

February	March	April	June
<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>HSE report</li> <li>Transactions and investments</li> <li>Annual results and the Q4 report</li> <li>Portfolio valuation</li> <li>Management remuneration, STI and LTI</li> <li>Portfolio investments</li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>HSE report</li> <li>Transactions and investments</li> <li>Annual results and Annual report</li> <li>Going concern and viability statement</li> <li>ESG strategy and reporting</li> <li>Management review:               <ul style="list-style-type: none"> <li>HSE and annual HSE report</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>HSE report</li> <li>Transactions and investments</li> <li>Q1 report</li> <li>Portfolio valuation</li> <li>CEO and Board Committees instructions</li> <li>General remuneration principles</li> <li>Management Review:               <ul style="list-style-type: none"> <li>HR and competence development</li> <li>IT/cyber security</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>HSE report</li> <li>Transactions and investments</li> <li>Board meeting calendar</li> <li>CEO and Board Committee instructions</li> <li>Compliance</li> <li>Risk review</li> <li>Management Review:               <ul style="list-style-type: none"> <li>Procurement og vendors</li> </ul> </li> <li>Strategy session:               <ul style="list-style-type: none"> <li>Macro economic outlook</li> <li>Financial outlook</li> <li>Market insight and customer trends</li> <li>Portfolio strategy</li> <li>Capital structure</li> </ul> </li> </ul>
July	September	October	December
<ul style="list-style-type: none"> <li>Financial and operational performance,</li> <li>HSE report</li> <li>Transactions and investments</li> <li>Half year report</li> <li>Portfolio valuation</li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>HSE report</li> <li>Transactions and investments</li> <li>Property sight visits</li> <li>Management review               <ul style="list-style-type: none"> <li>Project development and contract strategies</li> </ul> </li> <li>Strategic review               <ul style="list-style-type: none"> <li>Capital structure and financial targets</li> <li>Environmental strategy</li> <li>Social sustainability strategy</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>HSE report</li> <li>Transactions and investments</li> <li>Q3 report</li> <li>Portfolio valuation</li> <li>KPI targets for next year</li> <li>Board evaluation</li> <li>Management review               <ul style="list-style-type: none"> <li>Procurement update</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>HSE report</li> <li>Transactions and investments</li> <li>Budget scenarios / financial model</li> <li>Financing plan and policy</li> <li>Investment policy</li> <li>Financial outlook</li> <li>Risk review</li> <li>Customer satisfaction survey</li> <li>Employer satisfaction survey</li> <li>KPI targets for next year</li> <li>ESG strategy and reporting</li> <li>CEO Review</li> <li>Compliance</li> <li>Recommendation for election of auditor</li> </ul>

## BOARD MEETINGS AND COMMITTEES IN 2021

	Board meetings	Audit committee	Remuneration committee	Board tenure since	Up for election
Siri Hatlen (Chair)	22		5	2012	AGM 2022
Kjell Bjordal (Vice Chair)	22	4	5	2012	AGM 2022
Widar Salbuvik	21	9		2016	AGM 2022
Camilla AC Tepfers	22			2019	AGM 2022
Hege Toft Karlsen <sup>1</sup>	12	5		2021 <sup>1</sup>	AGM 2022
Benedicte Schillbred Fasmer <sup>2</sup>	2	1		2020	-
Marit Rasmussen	22			2020	2022
Erling Nedkvitne	22		5	2018	2022

<sup>1</sup> Since AGM April 2021

<sup>2</sup> Until April 2021

### The Board's work

The Chair of the Board chairs board meetings. The Board has a Vice Chair who chairs meetings when the Chair cannot or should not lead the work of the Board. All directors receive information about the Group's operational and financial progress in advance of the Board meetings. The Company's business plan, strategy and risk are regularly reviewed and evaluated by the Board to ensure that the company creates value for shareholders in a sustainable manner. The Board draws up and adopts an annual plan, including topics for the Board meetings. Ordinarily, the CEO proposes the agenda for each individual Board meeting. The final agenda is decided in consultation between the CEO and the Chair of the Board. In addition to the directors, Board meetings are attended by the CEO, CFO, EVP Legal and Procurement (secretary of the Board), and other EVPs as needed. Other participants are called in on an ad-hoc basis. The Board decides on matters of material importance to the Group. These include, but are not limited to, approval of the annual and quarterly accounts, strategies and strategic plans, the approval of significant investments, the approval of significant contracts and the approval of substantial business acquisitions and disposals. When carrying out this work, the Board consider financial, social and environmental matters.

The Board receives quarterly reports and presentations on the Group's operational and financial status. The reports describe progress and status in the Group's operative and administrative functions during the reporting period. The individual business units hold meetings with the CEO and CFO to review operating activities prior to and in connection with such reporting. The reports form the basis for internal control, communication on status and necessary measures. The quarterly reports are reviewed at Board meetings and form the basis for the external financial reporting.

Each year the Board and its committees assess their own work and way of working as a basis for reviewing the need for changes and other measures. This assessment includes an evaluation of the Board's expertise, collectively and for each member, and how well the Board works as a team.

### Monitoring and control of financial reporting

Procedures have been established for financial reporting that involve carrying out a review of significant estimates, provisions, and accruals in conjunction with preparation of the quarterly and annual financial statements. Memorandums are prepared for significant accounting assessments, and non-routine transactions and are discussed in the Audit Committee. The valuation of the Group's properties is subject to a separate review and assessment at management level at the close of each quarter. This involves, among other things, holding meetings with the external appraisers conducting quarterly valuations of Entra's investment properties, with a particular emphasis on discussing perceptions of the market, risk premiums and documentation.

The Group reconciles and documents all balance sheet items in the group companies each quarter. Balance sheet items such as bank deposits, receivables, non-current assets, and liabilities are subject to thorough reviews. Loans, interest rates and interest rate hedging are subject to manual reconciliation each month. Ongoing projects are reviewed on a quarterly basis by the Project Development department. Rental income and other significant profit and loss items are subject to reconciliation each quarter. All reconciliations are reviewed and quality assured, as well as being analysed against the Group's forecasts and previous accounting periods.

Management reports significant operational and financial matters to the Board at the Group's Board meetings. Any significant matters and situations that arise outside Board meetings are discussed with the Chair of the Board and if necessary additional Board meetings are held.

In connection with the quarterly reporting, the Group's external auditor performs a review of the financial reporting, without issuing a review report.

The Group's quarterly and annual financial statements are reviewed by the Audit Committee before they are considered by the Board. As part of this process, management prepares a memorandum for the Audit Committee that describes significant accounting and financial assessments made during

the quarter. The Audit Committee annually reviews the external auditor's audit report, as well as the findings and assessments of reviews and audits in conjunction with interim and annual reports, if applicable. Any key audit matters and significant issues in the auditor's report are presented to the whole Board.

#### Financial management

The Group is managed by means of financial and operational targets linked to results and development, the return on equity and the weighted average cost of capital, the management of the debt portfolio and the return on the property portfolio. Risk assessments and profitability calculations are performed when acquiring properties and commencement of development projects in accordance with the Group's calculation model and required rate of return. The expected net present value and other key financial metrics of development projects are monitored throughout the course of each project. Long-term projections are made of expected financial developments as a component of the Group's risk management, using a model with detailed assumptions concerning the business's results, cash flow and balance sheet. The projections take into account cyclical developments in the economy, financial parameters and the property market. Scenarios and simulations are prepared for various developments. The simulations provide insightful information for the Board and management in their monitoring of developments in key balance sheet figures and cash flow.

Allocation of capital and the attitude towards risk are important parameters for guiding financial operations. Entra's finance policy contains a framework for the day-to-day management of the Group's financial risk. Principles have been defined for borrowing, management of liquidity risk and interest rate risk, and credit and counterparty risk. The Group's model for financial projections is updated on a continuous basis. Quarterly reports are made in accordance with the management guidelines for the financial operations, and to the Board through the quarterly business report.

Systematic monitoring of the general economic situation and its impact on the Group's financial risk is carried out. Based on expected developments in the economy and analysis of the Group's financial position, expected developments in both short-term and long-term interest rates, the strategy for interest rate positioning, capital requirements and planned financing activities are discussed, as well as opportunities in the financing market..

#### Financial reporting and communication

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the EU. Entra's reporting fulfils statutory requirements and provides sufficient information to allow the company's stakeholders to form an accurate picture of the business. Entra reports in accordance with the rules in the Norwegian Securities Trading Act, as well as with the requirements specified by the Oslo Stock Exchange for companies with listed shares and bonds.

Entra provides its shareholders, the Oslo Stock Exchange and the financial market in general with timely, consistent and precise information. Such information is given in the form of

annual reports, quarterly reports, stock exchange notices and investor presentations and meetings. The Board has set an IR policy for Entra's reporting of financial and other information.

The Group considers it important to inform shareholders about the Group's development and economic and financial status. Management members (CEO, CFO and Investor Relations Manager) are available for discussions with shareholders in order to develop a balanced understanding of such shareholders' situation and focus, subject however to the provisions in legislation and regulations. Management ensures that shareholders' viewpoints are communicated to the whole Board.

The Board has approved regulations relating to the handling of inside information and trading in the company's shares. Primary insiders require internal clearance by the EVP Legal and Procurement before they buy or sell Entra shares.

#### Risk management

The Board is responsible for ensuring that the Group's business, financial reporting and asset management are subject to adequate control and in accordance with applicable law. Entra's risk management is to support the Group's strategic and financial goals and help the Group avoid events that may have an adverse impact on the Group's operations, financial situation and reputation. This is further elaborated on pages 28-39.

#### Internal control and compliance

The Board reviews at least twice per year the Group's risk and internal control activities. This, combined with the management's risk assessments and information on ongoing measures, enables the Board to judge whether the Group's risk management procedures are satisfactory. Risk management and internal controls are also considered by the Board's Audit Committee.

Entra works systematically to ensure continuous improvement of its internal controls linked to financial reporting and efficient operations. The Group has a proactive approach towards risk management, and potential risks are identified, assessed, quantified and managed. This is further elaborated in the section on Risk Management.

In consultation with the Audit Committee, management defines areas where the Group conducts review of internal controls. Both internal and external resources are used on these reviews. The results of the most important reviews related to internal control are presented to the Audit Committee and the Board on at least an annual basis. An internal control plan is presented to the Board.

The Group follows up issues relating to ethical guidelines and corporate social responsibility. The environmental perspective is an integral part of the assessments made in connection with the Group's potential investments. Special requirements have been defined for the Group's suppliers in the document "Socially Responsible Procurement", and a supplier verification process is conducted each year to ensure that the Group's suppliers are familiar with and adhere to the contractual conditions. This is further elaborated under the section "Ethics and anti-corruption".

The Group's Chief Compliance Officer (CCO) is responsible for ensuring that the company has implemented a compliance program that will ensure that Entra is compliant with regulatory and legal requirements as well as internal policies and bylaws. The CCO performs an annual review of the Group's governing documents, including guidelines for ethical conduct, procurement, sustainability, anti-corruption, data protection and privacy, and supports the Board and the CEO in ensuring that these guidelines are implemented and enforced.

### Whistleblowing mechanisms and channels

The CCO is responsible for the Group's internal and external whistleblowing channels. The external channel is directly linked to an external law firm and contact details are available at [www.entra.no](http://www.entra.no). The Board are provided at least semi-annual reports on compliance related matters.

### Board committees

The Board has established an Audit Committee and a Remuneration Committee. The Board has established mandates for the work of the committees, which are subject to annual revision. In accordance with their respective mandates, the Audit Committee and the Remuneration Committee shall have two or three qualified shareholder representatives from the current Board. The representatives are in general elected by the Board for two years at a time. In case of Board changes during the election period affecting members of the Audit Committee or Remuneration Committee, the period lasts until the representative is up for next election as a Board member. The committees assist the Board with preparing its work, but decisions are taken by the whole Board.

#### Audit Committee

The Audit Committee acts as a preparatory body and supports the Board in assessing the integrity of Entra's financial reporting, internal controls and financial reporting processes, compliance with ethical guidelines, overall risk management and review of the performance and independence of the auditor. The CFO, the Head of Group Accounting, the Group Controller and the Head of Accounting (secretary of the Audit Committee) attend as representatives of the management. The Group's auditor also participates in all meetings. Other members of the management team attend as required. The chair of the Audit Committee reports on the significant assessments discussed in an Audit Committee meeting in the first following board meeting. The Board further has access to the minutes from each Audit Committee meeting. The Audit Committee has an established calendar of meetings, which in 2021 also included meetings to prepare and oversee the audit tender process, including a recommendation to the Board on the election of auditor. 9 (6) meetings were held in 2021.

#### Remuneration Committee

The purpose of the Remuneration Committee is to act as a preparatory body for the Board's consideration of compensation issues. The Remuneration Committee's main task is to prepare the Board's consideration of matters relating to the salary and employment terms of the CEO and Senior Executives, as well as changes to them. In addition, the Remuneration Committee prepares the Board's consideration of principle issues relating

to salary levels, result-related pay schemes (including share schemes), the pension scheme/conditions, employment contracts and similar for the Senior Executives of Entra, as well as other matters relating to compensation that are of particular importance for the Group's competitive position, profile, ability to recruit, reputation etc. The CEO discusses the handling of individual conditions of Senior Executives with the Remuneration Committee. The Remuneration Committee furthermore discusses and presents proposals to the Board on guidelines for the remuneration of Senior Executives, prepares the Board's statement on the determination of salaries and other remuneration of Senior Executives in accordance with section 6-16a of the Norwegian Public Companies Act, and deals with other statutory reporting requirements.

The Remuneration Committee is composed of the Chair of the Board and one or two members of the Board and shall be independent of Senior Executives. The CEO and EVP HR and Communication attend as management representative. The CEO does not participate in discussions on issues that affect the CEO personally or matters that relate to the Senior Executives as a whole. The Group's EVP Legal and Procurement acts as the committee's secretary. Five meetings were held in 2021.

### Salaries and remuneration of Board and senior executives

#### Remuneration of Board and Senior Executives

Pursuant to section 6-16a of the Norwegian Public Limited Liability Companies Act, the Board presents guidelines on the determination of salaries and other remuneration of the Board and Senior Executives, defined as the CEO and other members of the management team, to the annual general meeting for approval. The following guidelines were approved by the 2021 annual general meeting.

#### *Guidelines for management remuneration*

Remuneration of Senior Executives is based on the following general principles:

- Entra shall be a professional organization that attracts and retains skilled personnel and develops the competence of its staff. Entra thus needs to use remuneration, including competitive salaries, to ensure that the Group can recruit and retain competent and attractive expertise
- Moderation in the level of salaries of the Group's employees
- Management remuneration shall be competitive, but not leading
- The fixed salary shall be the main element of the remuneration, but all remuneration elements shall be considered in total
- The targets for any performance-related pay scheme shall be objective, measurable and definable, and there should be a clear correlation between the Group's business goals and the targets in such performance-related pay scheme
- Senior Executive remuneration shall be transparent and in line with the principles of good corporate governance

### Process for determination of remuneration

The Board has established a separate Remuneration Committee. The Remuneration Committee functions as an advisory body for the Board and the CEO and is responsible primarily for:

- Making recommendations to the Board based on the committee's evaluation of the principles and systems underlying the remuneration of the CEO and other Senior Executives
- Making recommendations to the Board based on the committee's evaluation of the overall remuneration of the CEO, including the annual basis for bonus payments and bonus payments made
- Assisting the CEO in determining the remuneration of the other Senior Executives
- Advising the Board and the CEO in compensation matters which the committee finds to be of material or principal importance for Entra

#### Determination of remuneration in 2021

The guidelines for management remuneration set forth above form the basis for all remuneration of Senior Executives. Furthermore, the following principles applied for 2021 and up until the annual shareholders' meeting in 2022.

The total remuneration of the CEO and other Senior Executives consists of a fixed package of salary and benefits supplemented by performance-based bonuses, share-based long-term incentive plans, employee share plans, pension, and insurance arrangements.

#### Fixed remuneration

The fixed remuneration provided to Senior Executives includes a base salary (which is the main element of remuneration) and benefits in kind such as a car allowance, mileage agreements and telephone. The Senior Executives also have insurance coverage and other benefits in line with what is offered to all employees in accordance with collective agreements, legislation, and normal practice in Norwegian companies.

#### Performance-related pay

The Group operates performance-related pay schemes for Senior Executives. For the Group's Senior Executives, performance-related pay in 2021 includes a performance-related pay scheme ("STI") and a long-term performance-based share incentive program ("LTI").

#### STI scheme

The STI scheme is based on set targets at Group level in accordance with Board approved scorecards for 2021, as well as predefined personal targets. The scorecard for 2021 consist of the following KPIs and topics:

- NOI margin (net operating income less administrative cost/ rental income)
- Customer satisfaction score
- Energy consumption and waste management in the property portfolio
- HSE (health, safety, and the environment)
- Employee satisfaction
- Compliance

For the CEO and the Deputy CEO, the STI scheme has a maximum limit of 50 per cent of base salary and for other Senior Executives the maximum limit is 30 per cent of base salary.

#### LTI scheme

The LTI scheme is based on two Key Performance Indicators (KPIs); Return on Equity before tax (RoE) and Total Shareholder Return (TSR), each weighting 50 per cent. The Board believes that these KPIs align the interest of Senior Executives and shareholders in a beneficial manner, even though both KPIs are also influenced by external factors beyond the control of management.

Actual performance is determined on a linear target scale between a hurdle at 100 per cent and a cap at 120 per cent for both KPIs.

1. Return on Equity: three-year average RoE before tax compared to a target determined by the Board of Directors
2. Total Shareholder Return: three-year Entra TSR performance compared to the performance of the FTSE EPRA/NAREIT index.

#### Overview of remuneration scale LTI scheme 2021

	Maximum LTI result CEO and Deputy CEO (%) <sup>1</sup>		Maximum LTI result Senior Executives (%) <sup>1</sup>	
Target achieved	100	120		
RoE	5.5	6.6	30	20
TSR	100% of index	120 % of index	30	20
<b>Result LTI</b>	<b>0</b>	<b>100</b>	<b>60</b>	<b>40</b>

<sup>1</sup> Calculated as actual achieved RoE & TSR divided by target RoE & TSR ("Result"). This Result is compared to the applicable target scale and if between 100 and 120 per cent, the linear percentage achievement is multiplied with the maximum 2021 result. I.e., if the Result is 110 per cent on the target scale, 2021 remuneration is calculated by 50 per cent multiplied by maximum 2021 result of 40 per cent and 60 per cent for Senior Executives and CEO/ Deputy CEO, respectively.

The LTI remuneration will be distributed in shares which will have a vesting period of five years, whereof 1/3 matures after three years, another 1/3 after four years and the remaining 1/3 after five years. LTI remuneration is not included in the basis for pensionable salary and there is a cap on share price increase under the LTI scheme at 200 per cent share price increase.

#### Reclaiming performance-related pay

The Company shall have the right to demand the repayment of any performance-related remuneration that has been paid on the basis of facts that were self-evidently incorrect, or as the result of misleading information supplied by the individual in question.

#### Share purchase scheme

The CEO and other Senior Executives are eligible to participate fully in Entra's discounted employee share purchase plan on the same terms as all other employees.

*Pension benefits*

The CEO and other Senior Executives has a contribution-based service pension on the same terms as other employees. The contributions are 5 per cent of salaries between 0 G<sup>1</sup> and 7.1 G and 15 per cent of salaries from 7.1 G to 12 G.

*Board compensation for company management and other employees*

The CEO and certain other Senior Executives have a number of internal directorships in subsidiaries and partly-owned companies. They do not receive any remuneration for these directorships.

*Severance package arrangements*

The CEO has the right to six months' severance pay based on the base salary in cases where the Board takes the initiative to terminate the employment. No other Senior Executives have pre-agreed severance pay agreements.

*Board remuneration*

The general meeting determines each year the remuneration of the Board based on the Nomination Committee's proposal. The Board's remuneration shall reflect the Board's responsibilities, expertise, and use of time and the complexity of the business. Remuneration is not dependent on results and no share options are issued to Board members.

Board members or companies to which they are connected shall not normally undertake separate assignments for the Group in addition to the Board appointment. If they nevertheless do, the whole Board is to be informed, and the fees for such assignments are to be approved by the Board. If remuneration is paid above the normal Board fee, this is to be specified in the annual report.

Employee-elected members of the Board receive fees in line with shareholder-elected Board members.

*Deviation from the Guidelines*

The Board may decide to deviate entirely or partly from the Guidelines in individual cases provided that there are special circumstances that make such deviation necessary in order to satisfy the long-term interests of the Company or to ensure the financial viability of the Company.

*Annual remuneration report*

Pursuant to Section 6-16b of the Norwegian Public Limited Liability Companies Act, a report on salaries and other remuneration to Senior Executive personnel and the Board will be presented at the Annual General Meeting, first time at the Annual General Meeting in 2022. The report will be made available on the Company's website.

## Remuneration of the Board in 2021

### Board remuneration in 2021

The Board has in 2021 received remuneration in accordance with the Nomination Committee's proposal, approval by the AGM. No remuneration was paid above the Board fee approved by the AGM.

All amounts in NOK thousand	Board fees	Committee fees	Total remuneration 2021 <sup>2</sup>
Siri Hatlen, Chair	501	61	562
Kjell Bjordal, Vice Chair	268	56	324
Widar Salbuviik	268	92	360
Camilla AC Tefers	268	-	268
Hege Toft Karlsen from 23 April 2021	193	52	245
Erling Nedkvitne, employee representative <sup>3</sup>	268	40	308
Marit Rasmussen, employee representative <sup>3</sup>	268	-	268
Benedicte Schilbred Fasmer from until 23 April 2021	75	-	75
<b>Total</b>	<b>2 109</b>	<b>300</b>	<b>2 409</b>

<sup>2</sup> The overview of the remuneration of the Board of Directors shows remuneration earned in the financial year.

<sup>3</sup> Does not include ordinary salary.

The Board and committee members received no other compensation than what is set out in the table.

<sup>1</sup> 1G is the Norwegian National Insurance Scheme's basic amount and was NOK 106,399 as of 31.12.2021.

## Remuneration of Senior Executives in 2021

The base salary of the Senior Executives increased by 2.7 per cent in 2021. Performance-related pay for 2021 is determined and paid in 2022 based on the principles determined in 2021.

### OVERVIEW OF TOTAL REMUNERATION TO SENIOR EXECUTIVES IN 2021

All amounts in NOK thousand	Base salary	Benefits in kind	Pension costs	Cash-based variable remuneration <sup>1</sup>	Share-based variable remuneration <sup>2</sup>	Total remuneration
Sonja Horn, CEO	3 841	135	127	2 519	1 042	7 663
Anders Olstad, CFO and Deputy CEO	3 238	135	127	2 162	885	6 547
Kjetil Hoff, COO	2 262	135	127	514	337	3 375
Per Ola Ulseth, EVP Project Development	2 108	135	127	486	402	3 257
Tore Bakken, EVP Market & Commercial Real Estate Development	2 109	135	127	487	373	3 230
Kristine Marie Hilberg, EVP HR & Organisation	1 687	135	127	385	237	2 571
Hallgeir Østrem, EVP Legal and Procurement from 1 July 2021 <sup>3</sup>	1 277	68	63	294	92	1 792
Åse Lunde, EVP Digitalisation & Business Development until 30 June 2021	1 746	135	127	-	671	2 679
<b>Total</b>	<b>18 269</b>	<b>1 013</b>	<b>950</b>	<b>6 845</b>	<b>4 040</b>	<b>31 117</b>

<sup>1</sup> Includes the provision based on targets met in 2021, which will be paid out in 2022.

<sup>2</sup> The LTI scheme has a vesting period of five years, whereof 1/3 matures after three years, another 1/3 after four years and the remaining 1/3 after five years. LTI is reported on expensed basis. As such, the earned LTI for 2021 also includes a portion of LTI earned in previous years.

<sup>3</sup> Remuneration for the six months period Hallgeir Østrem has been EVP Legal and Procurement.

The above amounts are subject to National Insurance contributions of 14.1 per cent. No loans were given by Entra to senior executives as of 31 December 2021.

## Equity and shareholders

Entra has only one class of shares. Each share carries one vote and otherwise has equal rights including the right to participate in general meetings.

### Free transferability

The shares are freely negotiable, with the exception of shares purchased by employees at a discount, and shares allocated in connection with the company's long-term incentive (LTI) scheme, see the section on Salaries and remuneration of Board and senior executives above. The Articles of Association place no restrictions on voting, ownership or negotiability in the shares.

### Equity and dividend

At 31 December 2021, the Group's book equity was 33,571 million (29,205 million), representing an equity ratio of 48 per cent (49 per cent). The Board considers this to be satisfactory by reference to the Group's goals, strategy and risk profile. At any given time, the company's financial strength and exposure is considered in the light of its objectives, strategy and risk profile.

The Board of Entra targets to pay out dividends corresponding to approximately 60 per cent of Cash Earnings on a semi-annual basis. Cash Earnings is defined as net income from property management less tax payable.

### Board authorisations

#### Capital increase

The Board has been authorised to increase the share capital by up to NOK 18,213,205, equivalent to 10 per cent of the company's share capital. The authorisation may be used for

the purpose to strengthen the company's equity and to cover capital need in connection with business opportunities. The authorization shall be valid until the annual general meeting in 2022 and will in all cases expire on 30 June 2022.

#### Purchase of own shares

The Board has been authorised on behalf of the company to acquire Entra shares in the market with an aggregated par value of up to NOK 9,106,603 e, equivalent to approximately 5 per cent of the company's share capital, for a maximum purchase price of up to NOK 2,731,980,900. Treasury shares acquired under this authorisation may only be disposed of by way of a subsequent cancellation in connection with a share capital decrease, cf. section 12-1 (1) no. 2 of the Companies Act. The lowest and highest price to be paid per share is NOK 50 and NOK 300, respectively. The company's acquisition and divestment of own shares shall be carried out on a stock exchange or otherwise at a trading price and in accordance with generally accepted principles for equal treatment of shareholders. This authorisation shall be valid until the annual general meeting in 2022 and will in all cases expire on 30 June 2022.

The Board has also been authorised on behalf of the company to acquire up to 500,000 shares in Entra ASA on behalf of the company with an aggregated par value of up to NOK 500,000, equivalent to approximately 0.27 per cent of the company's share capital, for a maximum purchase price of up to NOK 125,000,000. Shares may be acquired for the purpose of carrying out the company's share scheme for all employees in the Entra group and the long-term share incentive scheme for members of the senior management in the Entra group.

The lowest and highest price to be paid per share is NOK 50 and NOK 300, respectively. The company's acquisition of own shares shall be carried out on a stock exchange or otherwise at a trading price and in accordance with generally accepted principles for equal treatment of shareholders. Divestment shall be carried out in accordance with the purposes set out above, or on a stock exchange or otherwise at a trading price and in accordance with generally accepted principles for equal treatment of shareholders. This authorisation shall be valid until the annual general meeting in 2022 and will in all cases expire on 30 June 2022.

#### Equal treatment of shareholders and transactions with related parties

In the case of not immaterial transactions between Entra and a shareholder, a shareholder's parent company, a Board member, a Senior Executive, or persons related to them, the Board is to ensure that a valuation is in place from an independent third party. This does not apply when the general meeting is to consider the matter in accordance with the rules in the Norwegian Public Companies Act. An independent valuation shall also be provided in the case of transactions between companies in the same group where there are minority shareholders in such companies.

The Board is not aware of any transactions in 2021 between the company and shareholders, directors, executive personnel or parties closely related to such individuals that could be described as material transactions.

#### Takeover bids

The Board has an approved set of guidelines for takeover bids and will handle such situations in accordance with Norwegian law and the Norwegian Code of Practice for Corporate Governance. In a bid situation, Entra's Board and Senior Executives have a responsibility to help ensure that shareholders are treated equally, and that the Group's business activities are not disrupted unnecessarily. The Board will not hinder or obstruct takeover bids for Entra's activities or shares. The Board will ensure that shareholders are given sufficient information and time to form an opinion on an offer. If a takeover offer is received, the Board will issue a statement making a recommendation as to whether shareholders should or should not accept the offer. The guidelines have been followed during the recent strategic interest in Entra.

#### General meeting

The Board shall arrange for as many shareholders as possible to be able to exercise their rights to participate in Entra's general meeting, and for the general meeting to be an effective meeting place for shareholders and the Board, through, among other things, ensuring that:

- Agenda documents are sufficiently detailed for shareholders to be able to take a position on all matters that are to be considered,

- the deadline for notice of attendance is set as close to the meeting as practically possible and in accordance with the provisions in the Articles of Association,
- the Board and chair of the Nomination Committee attend the general meeting,
- routines are in place to ensure that the general meeting can elect an independent person to chair the general meeting; and,
- the Board and the person chairing the meeting shall ensure that the general meeting is able to vote on each item, hereunder for individual candidates for appointment to the Group's governing bodies.

Shareholders who are not able to be present at the general meeting shall be given the opportunity to vote through a proxy or through electronic participation. Entra shall:

- Give information on the procedure for attending by proxy,
- appoint a person who can vote for shareholders as proxy, and
- prepare a proxy form, which as far as possible is laid out in such a way that votes can be given for each matter that is to be considered and candidates who are to be elected.

The entire Board has not usually attended the General Meeting as the items on the agenda of the General Meeting have not required this. The Chair of the Board is always present, and other Board members participate on an ad-hoc basis. From the Group's perspective, this is sufficient.

#### Nomination Committee

Article 6 of the Group's Articles of Association states that the company shall have a Nomination Committee composed of up to five members.

The members of the Nomination Committee, including the chair, are elected by the general meeting for a period of up to two years. Members of the Nomination Committee shall be shareholders or representatives of shareholders and the committee should be composed so that broad shareholder interests are represented. Each gender shall be sought represented in the Nomination Committee.

The Nomination Committee shall give its recommendation to the general meeting regarding election of shareholder-elected members to the Board of Directors and members of the Nomination Committee, as well as remuneration to members of the Board of Directors and the Nomination Committee. The remuneration to members of the Nomination Committee is determined by the general meeting, and the general meeting may adopt instructions for the Nomination Committee. The Nomination Committee ensures that shareholders' views are taken into account when qualified members are nominated to the governing bodies of Entra, and shareholders are invited to provide input to the Nomination Committee.

None of the Committee's members represents Entra's management or Board, and they are all considered to be independent. The Nomination Committee is considered to have a composition that reflects the common interests of the community of shareholders.

See [www.entra.no](http://www.entra.no) for more information on the members of the Group's Nomination Committee and the Nomination Committee's contact details.

### Ethics and anti-corruption

Entra has zero tolerance for corruption in all parts of the group's business. Ethical behaviour is a necessary condition for a sustainable business. Entra conducts its business in an ethical and transparent manner, acts within the law and its ethical guidelines and behaves in line with its fundamental values of being responsible, innovative, hands-on, and one team.

#### Ethical guidelines

Entra's ethical guidelines are built on principles of equal opportunities for all, concern for the environment and a society view that emphasizes ethics, transparency, honesty and sincerity. The long-term success of the Group is based on trust. To maintain this trust Entra must ensure that its behaviour is consistent with its corporate values. The Group's ethical guidelines describe the way Entra is to treat its stakeholders and the behaviour which is expected of its employees. The ethical guidelines provide guidance and support to the Group and its employees in decision making and problem-solving processes.

The ethical guidelines are incorporated in the management development programme and are evaluated by the Board on an annual basis. Entra creates ethical awareness through training programmes, including an e-learning programme, and all employees and the Board of Directors are required to sign the ethical guidelines annually.

Entra has established whistle-blowing routines. Internal and external questions about ethics, harassment, whistleblowing etc. can be directed to the Group's Compliance Officer, or anonymously to an independent, experienced law firm with a duty of confidentiality in order to lower the threshold for an employee compared with having to contact a member of staff in Entra. The Compliance Officer reports on any matters to the board twice a year. A direct point of contact on such matters to an external law firm is available on [www.entra.no](http://www.entra.no) and on Entra's intranet. There have been no reported incidents in 2021.

Entra's fundamental procurement principle is to achieve the best possible total result through competition and supplier management. Procurement is also to take advantage of economies of scale.

Entra aims to be a responsible purchaser in all parts of the value chain and has established a set of processes and routines for procurement that include requirements on documentation, role/work division (dualism) and equal treatment of suppliers

through competition. The routines are set to counter conflicts of interest and corruption.

New employees participate in procurement training covering processes, guidelines and tools for implementing best practice and fair procurement processes. Anti-corruption measures is an item on these training courses.

In 2017, Entra implemented dilemma training in ethics for its employees. The dilemma training is part of the introduction course for new employees, and there is an annual target that all employees should complete such online training each year. 100 per cent of the employees as well as the Board of Directors completed online training course in 2021.

Entra continuously monitors the suppliers within its supplier base to ensure that the company only does business with serious counterparties.

### Entra's supply chain

Entra spends approximately 2 billion per year on external suppliers. The main suppliers are the largest construction companies in Norway and their sub-suppliers such as carpenters, electricians and plumbers. In property management, the largest suppliers are facility service suppliers such as canteen operations and cleaning services. Entra has signed framework agreements with its largest suppliers which mainly consist of large Norwegian companies.

#### Sustainability in the supply chain

The construction industry in which Entra operates faces challenges related to business crime and social dumping. Entra has established procedures to ensure that Entra only uses qualified suppliers.

Entra performs risk assessments for its entire value chain and facilitates action plans to reduce any identified risk. Entra has identified suppliers that perform work on Entra's construction sites and cleaning vendors as high-risk suppliers within social responsibility and follow-up this sector accordingly.

There is considered to be limited risk associated with rights to e.g., exercise freedom of association and collective bargaining, child labor or forced and compulsory labor in Entra's direct supply chain. There may, however, be more risk further down in the supply chain with sub-suppliers, although none have been identified in 2021.

#### Supplier qualification requirements

Entra has set "Socially Responsible Purchasing Guidelines" that must be followed by suppliers and their sub-contractors in its supplier qualification requirements. The document is an integral part of all purchasing contracts.

The document covers themes such as:

- Sustainable development and environmental considerations in the choice of materials
- External environment and focus on energy and environmental footprint savings
- HSE on construction sites
- Well-functioning work conditions and labour rights
- Economy and solidity
- Business ethics and relations

The guidelines are set to ensure that there are good working conditions in the suppliers' and in their sub-suppliers' businesses. The guidelines states that it is only allowed with two levels of sub suppliers for large suppliers and one for others.

Suppliers and sub-contractors are to be registered in the Registry of Business Enterprises and are obliged to provide a corporate identity code.

Entra is against all forms of discrimination. All employees and hired staff who are engaged in working on contracts must have salary and working conditions that fulfil the statutory requirements in accordance with the applicable collective agreements at the relevant time. Entra may require a supplier to produce documentation that shows the salary terms and working conditions for employees and hired staff at the supplier and their sub-suppliers.

#### Supplier audits

Entra performs audits of its suppliers to assure that operations follow Norwegian legislation and those principles stated in Entra's Socially Responsible Procurement Guidelines. Risk factors in the supply chain as well as HSE risks are the main focus issues for the audits. An annual audit plan for Entra's operations and especially the property portfolio is prepared based on a risk assessment of the following:

- Project/property/supplier size and complexity
- Contract conditions, contract model and vendor selection
- The results of changes, previously conducted audits and controls
- Project organization
- Start and lifetime of the project

There are no set criteria for the number of audits to be performed each year, although there is typically a correlation with the number of ongoing development projects in the portfolio. During 2021, five supplier audits were carried out. The audits were undertaken by a combination of internal personnel and external audit companies. The reports were thoroughly evaluated, and deviations and suggestions for improvements have been followed up.

#### Supplier reviews

In addition to supplier audits, Entra performs bi-annual reviews of "high-risk suppliers", with annual sales to Entra exceeding NOK 0.2 million. The review emphasizes supplier adherence to

Entra's supplier qualification requirements and includes;

- Credit checks to ensure suppliers' financial stability
- Checks to ensure suppliers have reported tax/vat submissions (last six months)
- Checks whether construction suppliers are registered in the "StartBank" qualification system
- Checks to determine if cleaning vendors are listed in the regulatory register for cleaning companies

#### Supplier Management Programme

Since 2015, Entra has invited master agreement suppliers to annual meetings to develop a common approach to the challenges faced by the industry (including HSE). The main purpose is to have an established arena for dialogue and cooperation that, in addition to resolving commercial issues, will focus on contributing to meeting the sector's challenges relating to working conditions, corruption and business crime. In 2020, Entra reviewed and updated its Socially Responsible Procurement Guidelines. A self-assessment questionnaire was sent out to all perceived high-risk suppliers to get confirmation of receipt and compliance with the new guidelines. The goal is closer involvement, increased awareness levels and better reporting.

#### Auditor

The Audit Committee evaluates and makes a recommendation to the Board and the general meeting regarding the choice of external auditor. When evaluating the auditor, emphasis is placed on the firm's qualifications, capacity and the auditor's fee. The general meeting elects the Group's auditor. Since 2012, Entra's auditor has been Deloitte. Roger Furholm was appointed responsible partner of the audit team in 2021.

#### Plan for the auditor's work

Each year the auditor presents a plan for the execution of the auditor's work to the Audit Committee that in turn informs the Board of its most important aspects.

#### Auditor's relationship to the Board

The auditor attends all meetings of the Audit Committee, as well as the Board meeting in which the annual report and financial statements are considered and adopted. At the meetings, the auditor goes through any significant changes in the Group's accounting principles, the evaluation of material accounting estimates and any material matters where there has been disagreement between the auditor and the management. There is one annual meeting with the Audit Committee and the auditor, and one meeting with the whole Board and the auditor, which is not attended by representatives from the management.

#### Auditor's review of the Group's internal controls and financial reporting

When presenting the results of the interim audit to the Audit Committee, the auditor focuses on the Group's internal controls, identified weaknesses and proposals for improvements. The auditor summarises the findings and assessments of the annual audit for Group management and the Audit Committee. Material issues if applicable are summarised for the Board.

#### **Auditor's independence**

Each year the auditor's independence is assessed by the Audit Committee. The Board has drawn up guidelines on the engagement of the external auditor, governing what work the auditor can do for the Group in view of the requirement for independence. Any major assignments other than statutory audits are approved by the Audit Committee in advance. Management informs the Audit Committee of all additional services supplied by the external auditor at each Audit Committee meeting.

#### **Audit firm rotation**

Entra is required to initiate a tender process for the appointment of the external auditor every 10 years. As a public-interest entity, Entra is not allowed to have the same external auditor for more than 20 consecutive years. In 2021, Entra conducted a tender for audit services starting in 2022, and will present the recommendation to the AGM on 22 April 2022.

#### **General meeting**

The auditor attends the annual general meeting for consideration of the annual financial statements. The auditor's fee for the statutory audit and other services is approved by the general meeting.





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To the Board of Directors of Entra ASA

## INDEPENDENT AUDITOR'S ASSURANCE REPORT ON ENTRA'S ESG REPORT FOR 2021

We have been engaged by the Board of Directors of Entra ASA to provide limited assurance in respect of the environmental, social and governance information presented in the Entra – Annual Report 2021, the sections ESG in Entra, pages 42 – 83, GRI and TCFD tables, pages 173 – 178, and EPRA Sustainability Performance Measures, pages 179 - 185, in total referred to as "the Report". Our responsibility is to provide a limited level of assurance on the subject matters concluded on below.

### *Responsibilities of the Board of Directors*

The Board of Directors are responsible for the preparation and presentation of the Report and that it has been prepared in accordance with the reporting criteria described in the Report, including the GRI Standards and the Norwegian Code of Practice for Corporate Governance. The Board of Directors are also responsible for establishing such internal controls that they determine are necessary to ensure that the information is free from material misstatement, whether due to fraud or error.

### *Auditor's responsibilities*

Our responsibility is to express a limited assurance conclusion on the information in the Report. We have conducted our work in accordance with ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.

Deloitte AS is subject to International Standard on Quality Control 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Considering the risk of material misstatement, our work included analytical procedures and inquiries with management and individuals responsible for the preparation of the Report and for sustainability management at corporate level, as well as a review on a sample basis of evidence supporting the information in the Report.

We believe that our work provides an appropriate basis for us to provide a conclusion with a limited level of assurance on the subject matters.



#### *Conclusions*

Based on our work, nothing has come to our attention causing us not to believe that:

- Entra has applied procedures to identify, collect, compile and validate ESG information for 2021 to be included in the Report, as described in the Report.
- ESG information presented for 2021 is consistent with data accumulated as a result of these procedures and appropriately presented in the Report.
- Entra applies a reporting practice for its corporate governance reporting aligned with the Norwegian Code of Practice for Corporate Governance.
- Entra applies a reporting practice for its sustainability reporting aligned with the Global Reporting Initiative (GRI) Standards reporting principles and the reporting fulfils level Core according to the GRI Standards. Entra's GRI index presented in the Report appropriately reflects where information on each of the disclosures of the GRI Standards is to be found within the Entra - Annual Report 2021.

Oslo, March 3, 2022  
Deloitte AS

**Roger Furholm**  
State Authorised Public Accountant

**Frank Dahl**  
Sustainability expert

(This document is signed electronically)



# GRI table

The reports have been prepared in accordance with the GRI Standards. Deloitte has been engaged to conduct a limited assurance on the reporting. References relate to different chapters or appendixes in the Annual Report 2021 (AR). References are made to where information about each disclosure is presented, either this is fully or partly disclosed according to GRI Standards requirement.

## GENERAL DISCLOSURES

Disclosure #	Disclosure name	Reference and/or response
<b>ORGANIZATIONAL PROFILE</b>		
102-1	Name of the organization	Entra ASA
102-2	Activities, brands, products, and services	AR, The business
102-3	Location of headquarters	AR, The business
102-4	Location of operations	AR, The business
102-5	Ownership and legal form	AR, Board Report: Shareholder Information
102-6	Markets served	AR, The business
102-7	Scale of the organization	AR: This is Entra: Our results: The business: Employees and Organisation, ESG: EPRA Sustainability reporting
102-8	Information on employees and other workers	AR, Board report: AR, Social: Motivated employees - Equality and diversity: EPRA Sustainability reporting
102-9	Supply chain	AR, Governance: Ethics and anti-corruption - Entra's supply chain
102-10	Significant changes to the organization and its supply chain	No significant changes in 2021
102-11	Precautionary Principle or approach	Environment: Climate and the environment
102-12	External initiatives	AR, ESG: Reporting standards and responses: Supporting the UN Sustainability Development Goals: Climate and the environment:
102-13	Membership of associations	AR, ESG: Reporting standards and responses: Climate and the environment - Membership of associations: Motivated employees
<b>STRATEGY</b>		
102-14	Statement from senior decision-maker	AR: Letter from CEO and Board of Directors Report
<b>ETHICS AND INTEGRITY</b>		
102-16	Values, principles, standards, and norms of behavior	AR: Letter from CEO: The Business, Corporate governance AR, Governance: Ethics and Anti-corruption
<b>GOVERNANCE</b>		
102-18	Governance structure	AR, Governance
<b>STAKEHOLDER ENGAGEMENT</b>		
102-40	List of stakeholder groups	AR, ESG: Stakeholder dialogue
102-41	Collective bargaining agreements	AR, Social: Motivated employees - Workers rights
102-42	Identifying and selecting stakeholders	AR, ESG: Stakeholder dialogue
102-43	Approach to stakeholder engagement	AR, ESG: Stakeholder dialogue
102-44	Key topics and concerns raised	AR, ESG: Materiality analysis and focus areas, Supporting the UN Sustainable Development Goals: Stakeholder dialogue

REPORTING PRACTICE		
102-45	Entities included in the consolidated financial statements	AR: Note 3 and 30
102-46	Defining report content and topic Boundaries	AR, ESG: Stakeholder dialogue, Materiality analysis and focus areas
102-47	List of material topics	AR, ESG: Stakeholder dialogue, Materiality analysis and focus areas
102-48	Restatements of information	No significant restatements of information
102-49	Changes in reporting	No significant changes from previous reporting periods
102-50	Reporting period	Annual report for 2021
102-51	Date of most recent report	Annual Report 2020
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Back of AR
102-54	Claims of reporting in accordance with the GRI Standards	AR: First page, AR, ESG: Reporting standards and responses
102-55	GRI content index	Appendix to Annual Report
102-56	External assurance	Appendix to Annual Report: Third party verification by Deloitte

### SPECIFIC STANDARD DISCLOSURES

Disclosure #	Disclosure name	Reference and/or response
<b>ECONOMIC</b>		
103 1-3	Management approach for economic standards and disclosures	AR: Board report: Corporate governance AR, ESG: Management approach
<i>GRI Standard: Economic performance</i>		
201-1	Direct economic value generated and distributed	AR: Key figures, Financial Statements
201-2	Financial implications and other risks and opportunities due to climate change	AR: Risk management Environment: Climate and the environment
201-3	Defined benefit plan obligations and other retirement plans	AR: Note 26
<i>GRI Standard: Anti-corruption</i>		
205-1	Operations assessed for risks related to corruption	AR: Risk management, AR, Governance: Ethics and anti-corruption
205-2	Communication and training about anti-corruption policies and procedures	AR, Governance: Ethics and anti-corruption
205-3	Confirmed incidents of corruption and actions taken	No incidents of corruption in 2021
<i>GRI Standard: Anti-competitive Behaviour</i>		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There has been no such incidents in 2021
<b>ENVIRONMENTAL</b>		
103 1-3	Management approach for environmental standards and disclosures	AR: Board report: Governance AR, ESG: Management approach: Materiality analysis and focus areas: Climate and the environment
<i>GRI Standard: Energy</i>		
302-1	Energy consumption within the organization	ESG: EPRA Sustainability reporting
302-2	Energy intensity	Environment: Climate and environment: EPRA Sustainability reporting
302-4	Reduction of energy consumption	Environment: Climate and the environment:
<i>GRI Standard: Water and Effluents</i>		
303-3	Water withdrawal	AR, ESG: EPRA Sustainability reporting
<i>GRI Standard: Emissions</i>		
305-1	Direct (Scope 1) GHG emissions	AR, ESG: EPRA Sustainability reporting
305-2	Energy indirect (Scope 2) GHG emissions	AR, ESG: EPRA Sustainability reporting
305-3	Other indirect (Scope 3) GHG emissions	AR, ESG: EPRA Sustainability reporting
305-4	GHG emissions intensity	Environment: Climate and environment: EPRA Sustainability reporting

<b>GRI Standard: Waste</b>		
306-3	Waste generated	AR, ESG: EPRA Sustainability reporting
306-4	Waste diverted from disposal	AR, ESG: EPRA Sustainability reporting
306-6	Waste diverted to landfill	AR, ESG: EPRA Sustainability reporting
<b>GRI Standard: Environmental Compliance</b>		
307-1	Non-compliance with environmental laws and regulations	There has been no such incidents in 2021
<b>GRI Standard: Supplier environmental assessment</b>		
308-1	New suppliers that were screened using environmental criteria	AR, Governance: Ethics and anti-corruption, supplier qualification requirements
<b>SOCIAL</b>		
103 1-3	Management approach for social standards and disclosures	AR:Board report: Corporate governance AR, ESG: Management approach: Materiality analysis and focus areas: Motivated employees: Ethics and anti-corruption: Health, safety and environment (HSE): Urban development
<b>GRI Standard: Labor/Management relations</b>		
402-1	Minimum notice periods regarding operational changes	AR, Social: Motivated employees - Workers rights
<b>GRI Standard: Occupational Health and Safety</b>		
403-1	Occupational health and safety management system	AR, Social: Health, Safety and Environment
403-2	Hazard identification, risk assessment, and incident investigation	AR, Social: Health, Safety and Environment
403-3	Occupational health services	AR, Social: Health, Safety and Environment, AR, Risk factors
403-4	Worker participation, consultation, and communication on occupational health and safety	AR, Social: Health, Safety and Environment, Social: Safety officer, working environment committee and Board representation
403-5	Worker training on occupational health and safety	AR, Social: Health, Safety and Environment
403-6	Promotion of worker health	AR, Social: Health and working environment
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	AR, Governance: Supplier audits, supplier reviews
403-8	Workers covered by an occupational health and safety management system	AR, Social: Health, Safety and Environment
403-9	Work-related injuries	AR, Social: Health, Safety and Environment, EPRA Sustainability reporting
<b>GRI Standard: Training and education</b>		
404-1	Average hours of training per year per employee	AR, ESG: EPRA Sustainability reporting
404-3	Percentage of employees receiving regular performance and career development reviews	AR, ESG: EPRA Sustainability reporting
<b>GRI Standard: Diversity and Equal Opportunity</b>		
405-1	Diversity of governance bodies and employees	AR, ESG: EPRA Sustainability reporting
<b>GRI Standard: Non-discrimination</b>		
406-1	Incidents of discrimination and corrective actions taken	There has been no such incidents in 2021
<b>GRI Standard: Freedom of Association and Collective Bargaining</b>		
407-1	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk	AR, Governance: Ethics and anti-corruption There has been no such incidents in 2021
<b>GRI Standard: Child Labor</b>		
408-1	Operations and suppliers at significant risk for incidents of child labor	AR, Social: Human Rights, Governance: Ethics and anti-corruption There has been no such incidents in 2021
<b>GRI Standard: Forced or Compulsory Labor</b>		
409-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	AR, Governance: Ethics and anti-corruption There has been no such incidents in 2021

<i>GRI Standard: Local Communities</i>		
413-1	Operations with local community engagement, impact assessments, and development programs	AR, Social: Community Engagement
<i>GRI Standard: Marketing and Labeling</i>		
417-1	Requirements for product and service information and labeling	Entra certify new-build and rehabilitation projects in accordance with the BREEAM standard. The BREEAM standard is a third party certification of the assessment of an asset's environmental, social and economic sustainability performance, using standards developed by BRE
417-2	Incidents of non-compliance concerning product and service information and labeling	There has been no such incidents in 2021
417-3	Incidents of non-compliance concerning marketing communications	There has been no such incidents in 2021
<i>GRI Standard: Customer Privacy</i>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There has been no such incidents in 2021
<i>GRI Standard: Socioeconomic Compliance</i>		
419-1	Non-compliance with laws and regulations in the social and economic area	There has been no such incidents in 2021



Illustrasjon: CODE/Fiction Studio

# Reporting according to the Task Force on Climate-Related Financial Disclosures (TCFD)

Entra has started a process to adapt the company's reporting in accordance with the recommendations in the TCFD framework to describe how we work strategically with climate related risks and opportunities. Entra's approach to climate risk and opportunity is discussed in our ESG Report on pages 54-59, and as part of the overall risk analysis on page 28-39. The table below describes the scope of the reporting and page references are made for the respective areas.

Governance	Strategy	Risk Management	Indicators and goals
Recommended disclosures	Recommended disclosures	Recommended disclosures	Recommended disclosures
A. The Board's monitoring of climate-related risks and opportunities	A. Climate-related risks and opportunities the organisation has identified	A. The organization's process for identifying climate-related risks	A. The organisations indicators for evaluating climate-related risks and opportunities
→ ESG report page 54-59, and Risk Factors page 28-39	→ ESG report page 54-59, and Risk Factors page 28-39	→ ESG report page 54-59, and Risk Factors page 28-39	→ ESG report page 54-59, and Risk Factors page 28-39
B. Management's role regarding assessing and managing climate-related risks and opportunities	B. Impact from risks and opportunities on the organisations operations, strategy and financial planning	B. The organizations' processes for managing climate-related risks	B. Emissions of Scope 1, 2 and 3 under the Greenhouse Gas Protocol
→ ESG report page 54-59, and Risk Factors page 28-39	→ ESG report page 54-59, and Risk Factors page 28-39	→ ESG report page 54-59, and Risk Factors page 28-39	→ pages EPRA reporting 179-185
	C. Preparation of the organisation's strategy in consideration of various climate-related scenarios	C. Integration of the above processes in the organizations general risk management	C. Goals for managing climate-related risks and opportunities
	→ ESG report page 54-59, and Risk Factors page 28-39	→ ESG report page 54-59, and Risk Factors page 28-39	→ ESG report page 54-59, and Risk Factors page 28-39

# EPRA Sustainability Performance Measures

Entra reports on its energy, GHG emissions, water, waste and social governance impacts in accordance with the EPRA Sustainability Best Practice Recommendations (SBPR). This common reporting standard is a framework developed by property companies to promote transparency in sustainability reporting. To give our stakeholders greater confidence, this report has been independently assured by Deloitte based on the international standard ISAE 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information".

## ORGANIZATIONAL BOUNDARY

Entra reports on asset-level sustainability impacts for assets within the management portfolio over which it has full operational control. This boundary coincides with the Group organizational structure as determined for financial reporting purposes and excludes assets under construction or in redevelopment. We do not report data for single-let properties as we have no management control of these properties and are unable to collect utilities data. For the reporting year 2021 this is only one property. The environmental reporting period corresponds to the period from 1 January to 31 December.

## DATA COVERAGE

For each asset-level performance measure, Entra discloses the number of properties reported on out of the total number of management properties in the Group portfolio. Entra does not presently have data collection on each asset-level performance measure for every asset within the organizational boundary but aims to increase the data coverage going forward as it creates conditions for proper efficient technical management in our buildings.

Like-for-like performance measures include properties consistently in operation during the two most recent full reporting years and exclude asset acquisitions, disposals, major refurbishments and developments as well as fully vacant properties. Like-for-like performance measures also exclude assets with changes in the level of data coverage between the two reporting periods where the missing data cannot be reliably estimated.

## ESTIMATION

In general estimation of missing data for partially unavailable or unreliable utility consumption for asset-level performance measures is carried out to a very small extent. In these cases, data for missing periods is estimated using known consumption from other periods for the metered supply in question. The proportion of estimated data is disclosed as a percentage of the total data provided for the relevant performance measure. The same method of estimation is used for all performance measures and for all assets. For 2021 there was no estimation except for HQ as described below.

Note that while there is limited estimation of waste data itself, the percentage of waste per disposal route is calculated by multiplying actual waste created by the proportion of waste solutions for each waste group. This information on waste processing is provided directly by our waste management supplier.

As information is unavailable for Entra's office space HQ only, all performance measures for Entra's headquarters (excluding electricity) are calculated based on Entra's proportionate share of actual utility data for the property where Entra is a tenant. Entra's HQ is located in Oslo.

Entra does not carry out data adjustment based on climate or occupancy rates. Variations in asset-level performance attributed to fluctuations in these factors are instead commented directly in the performance narrative, if relevant. As of 31.12.21, the portfolio occupancy was 97,8 per cent.

## THIRD PARTY ASSURANCE

Entra has obtained third party assurance of its sustainability data for this reporting period. Statement from our auditors can be found on page 82-83.

## LANDLORD/TENANT BOUNDARY

Entra is responsible, as landlord, for obtaining a portion of the overall utilities consumed at the assets level. Total landlord-obtained consumption includes both utilities for common areas as well as tenant consumption sub-metered from the landlord. The remaining consumption is obtained and paid directly by the tenants. Entra has access to tenant-obtained consumption data and reports on whole building consumption for all asset-level environmental performance measures. Utilities purchased by Entra as the landlord (landlord-obtained) and those directly purchased by tenants (tenant-obtained) are presented separately under total consumption.

## NORMALIZATION

As a majority of Entra's management portfolio is utilized as office space, floor area is deemed the most appropriate denominator for asset-level performance measures. Whole building consumption is divided by Gross Leasable Area (GLA). The denominator GLA is closely aligned with the numerator as total consumption includes tenant-obtained utilities and is also consistent with the areas disclosed in Entra's financial reporting.

For absolute intensities, Entra either includes pre-existing data or pro-rates consumption up to the full year for properties entering or exiting the management portfolio during the reporting period. This removes the mismatch between the collected consumption data in the numerator and GLA as the denominator for more comparable absolute intensities.

Number of hours/days worked is used as the denominator when calculating health and safety performance measures.

### SEGMENTAL ANALYSIS

Segmental reporting and analysis by geography or property type does not grant significantly greater insight into asset-level performance measures. As presented in its financial reports, Entra's management portfolio contains mainly office properties within Oslo, Norway and other regional cities, of which Oslo represents the majority location of portfolio value.

### DISCLOSURE ON OWN OFFICES

Entra discloses the environmental impact of its own occupation separately within its sustainability reporting. As Entra is a tenant at a property within its own management portfolio, this data is also included in the total portfolio consumption. Please refer to the paragraph on estimation for a note concerning the calculation of data for Entra's headquarters.

### PERFORMANCE NARRATIVE ON OUR MANAGED ASSETS

The following provides a short commentary on the asset-level performance indicators for Entra's management portfolio and headquarters for 2021. For an outline on our plans for managing future performance please refer to the ESG section page 42-59.

### COVID-19 SITUATION

2021 was yet a challenging year due to the Covid-19 pandemic. Just before summer it all seemed brighter, and the Norwegian government removed all restrictions in Sept 2021. In December lock-down was introduced again due to a new virus. 2021 was a year where the Government still was encouraging employees to work from home if possible and avoid using public transportation - especially in the biggest cities. We have no concrete measures on how many people that have worked from an Entra office building in 2021 as we do not count people entering security gates. Nevertheless, we know that utilizations are directly correlated with the number of people in the building, and that activity in the office buildings throughout the year has been reduced compared to before the pandemic. Still, we see that the activity in our office building was higher in 2021 compared to 2020.

### MANAGEMENT PORTFOLIO

#### Energy

Entra's focus on improving energy efficiency has given results over the past 10 years, not only through concrete measures such as replacing central environment operation control systems and improving the zoning control of outdoor environments but also by generally optimizing the management of its properties. In 2021, absolute electricity consumption across the 67 managed assets with available data, totaled 85,748 MWh, a 5 per cent increase from 2020. Measured as like-for-like, the increase was 7 per cent. Landlord-obtained consumption amounted to 62,440 MWh, of which 2.1 per cent came from renewable resources (four buildings). Entra aims to increase this proportion by extending its green energy consumption through solar panels, wind and hydropower.

Absolute district heating and cooling consumption across the 51 managed assets totaled 47,298 MWh, a like-for-like increase of 25 per cent compared with 2020. This is mainly explained by the need of ventilation and tuned indoor temperature because of

more employees was physically in the office buildings during 2021 compared to 2020. Landlord-obtained consumption amounted to 42,754 MWh.

In 2021 there was one property with fuels consumption of 119 MWh. This is a school building that uses fuels to help heating systems in periods with cold weather, which was the case in the beginning of 2021. There was no use of fuels in 2020. Entra is currently working towards phasing out fossil fuel consumption within its portfolio and will removed all oil boilers.

Building energy intensity across the 64 management properties in our portfolio with like-for-like performance data was 131 kWh per square meter in 2021, up by 6 per cent in comparison with 2020.

#### Greenhouse gas

Greenhouse gas intensity from building energy across the same assets fell to 3.97 kg CO<sub>2</sub>e per square meter, a drop of 5 per cent compared with 2020. This decrease is mainly explained by reduction in emission factor because the Nordic Mix has become greener, and energy efficient new built project now are included in Like-for-Like calculations.

GHG emissions presented in the EPRA table are based on local-based and market-based emission factors for electricity. If calculated using market-based emission factor for electricity, the GHG emission from electricity is about 11,376 tones CO<sub>2</sub>-e in 2021.

#### Water

100 per cent of water consumption comes from municipal water supplies sources. Absolute water consumption across the 66 managed assets with available data in 2021 was 153,369 m<sup>3</sup> compared with 156,699 m<sup>3</sup> in 2020. On a like-for-like basis, total water consumption decreased by 5 per cent. Building water intensity across the 63 assets with like-for-like performance data was 0.15 m<sup>3</sup> per square meter in 2021, a 6 per cent decrease from 2020.

#### Waste

In 2021, Absolute waste creation across the 61 managed assets with available data was 2,543 tons. Compared with 2,501 tons in 2020 this was an increase of 2 per cent. Like-for-like decreased with 3 per cent from 2,378 tons in 2020 to 2,306 tons in 2021. Entra continuously works towards greater coverage of waste created by tenants who have waste groups managed independently of Entra's waste monitoring system.

#### Entra Headquarters:

Entra's electricity consumption at its headquarters totaled 138,742 kWh in 2021, a 31 per cent increase compared to 106,281 kWh in 2020. In 2020 there was very little activity in the building due to Covid-19 restrictions and there has been some more employees at work in our buildings during 2021 with a direct effect on the amount of lighting and ventilation needed.

Entra's pro-rated share of district heating and cooling increased by 38 per cent from 60,363 kWh in 2020 to 83,569 kWh in 2020.

The property at which Entra is a tenant does not have fuels as an energy source.

Energy intensity for Entra's headquarters was 79 kWh per square meter in 2021, up by 33 per cent in comparison with 2020. Greenhouse gas intensity from energy ended at 2.64 kg CO<sub>2</sub>e per square meter in 2021 compared to 2.15 in 2020. This is mainly explained by increased energy consumption.

Entra's proportionate share of water consumption in 2021 was 308 m<sup>3</sup> compared with 384 m<sup>3</sup> in 2020. This 20 per cent decrease is a directly consequence of home office and Covid-19. Building water intensity was 0.11 m<sup>3</sup> per square meter in 2021, compared to 0.14 m<sup>3</sup> per square meter in 2020.

Entra's proportionate share of total waste created decreased by 16 per cent from 12,2 tonnes in 2020 to 10,3 tons in 2021. Most of this decrease directly reflects the activity at HQ due to Covid-19 and home office (effect on paper, food waste and waste to incineration).

#### **Performance narrative on social**

Diversity-employee gender is calculated as a percentage of female to men. In 2021 Entra made changes in the organizational structure resulting the female shares of Senior executives in 2021 was 29 per cent compared to 43 per cent in 2020. Diversity pay gender ratio is calculated woman to men.

Employee turnover over the past years have been stable. In 2021 Entra completed organizational changes which resulted in somewhat higher turnover. In 2021, 17 people started working in Entra and 26 people left the company. New hire rates are calculated based on people started in Entra divided on the number of employees by the end of 2021. Turnover rate is calculated based on people that left Entra divided on the number of employees by the end of 2021.

There've been zero injury on direct employees involving sick leave absence in our construction projects in 2021, and in 2021 two smaller incidents without sick leave related to management portfolio.

The Injury rate, Lost day rate and Accident severity rate are all calculated per 1,000,000 hours worked.

#### **Location of EPRA Sustainability Performance in companies' reports**

Entra reports the entirety of the EPRA Sustainability Performance Measures in its Sustainability Report, including a comprehensive EPRA sBPR table that uses the performance measure codes.

#### **Reporting period**

Entra reports both absolute and like-for-like performance measures for the two most recent years but may choose to report performance measures over a longer period in the future should this provide meaningful data.

#### **Materiality**

Entra has not conducted a materiality review for the EPRA performance indicators as we consider all the sustainability performance measures in the EPRA table to be material.

# EPRA Sustainability Performance Measures

## ENVIRONMENT

Impact area	EPRA Code	Units of measure	Indicator	Total portfolio						Headquarter (s)		
				Absolute performance (Abs)			Like-for-like by property type (Lfl)			Absolute performance (Abs)		
				2020	2021	2020	2020	2021	2020	2021		
<b>Energy</b>	Elec-Abs, Elec-Lfl	annual kWh	Electricity	56 969 079	62 440 320	55 333 987	61 837 967	106 281	138 742			
			Proportion of landlord-obtained electricity from renewable resources	2.0%	2.1%	2.1%	2.1%	-	-			
			Total tenant-obtained electricity	24 723 370	23 307 194	24 118 774	23 307 194	-	-			
			<b>Total landlord- and tenant-obtained electricity consumption</b>	<b>81 692 449</b>	<b>85 747 514</b>	<b>79 452 761</b>	<b>85 145 161</b>	<b>106 281</b>	<b>138 742</b>			
			<i>Electricity disclosure coverage</i>	<i>63 out of 77</i>	<i>67 out of 84</i>	<i>60 out of 68</i>	<i>64 out of 71</i>	<i>1 out of 1</i>	<i>1 out of 1</i>			
		%	<i>Proportion of electricity estimated</i>	-	-	-	-	-	-			
			District heating and cooling	32 456 978	42 754 303	32 056 683	42 281 831	60 363	83 569			
			Proportion of landlord-obtained heating and cooling from renewable resources	-	-	-	-	-	-			
			Total tenant-obtained heating and cooling	5 293 362	4 543 341	5 293 362	4 543 341	-	-			
			<b>Total landlord- and tenant-obtained heating and cooling</b>	<b>37 750 340</b>	<b>47 297 644</b>	<b>37 350 045</b>	<b>46 825 172</b>	<b>60 363</b>	<b>83 569</b>			
		<i>District heating and cooling disclosure coverage</i>	<i>47 out of 77</i>	<i>51 out of 84</i>	<i>45 out of 68</i>	<i>49 out of 71</i>	<i>1 out of 1</i>	<i>1 out of 1</i>				
	%	<i>Proportion of district heating and cooling estimated</i>	-	-	-	-	-	-				
		Fuels-Abs, Fuels-Lfl	Fuels	-	-	-	-	-	-			
		Proportion of landlord-obtained fuels from renewable resources	-	-	-	-	-	-	-			
		Total tenant-obtained fuels	-	119 360	-	119 360	-	-	-			
		<b>Total landlord- and tenant-obtained fuels</b>	<b>-</b>	<b>119 360</b>	<b>-</b>	<b>119 360</b>	<b>-</b>	<b>-</b>	<b>-</b>			
		<i>Fuels disclosure coverage</i>	<i>0 out of 77</i>	<i>1 out of 84</i>	<i>0 out of 68</i>	<i>1 out of 71</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>			
	%	<i>Proportion of fuels estimated</i>	-	-	-	-	-	-	-			
	annual kWh / sqm.	<b>Energy Intensity</b>	<b>Building energy intensity</b>	<b>123</b>	<b>131</b>	<b>124</b>	<b>131</b>	<b>59</b>	<b>79</b>			
<b>Greenhouse gas emissions</b>	GHG-Dlr-Abs	annual tonnes CO <sub>2</sub> e	Direct	66	179	27	179	-	-			
	GHG-Indlr-Abs	annual tonnes CO <sub>2</sub> e	Indirect/location based	4 255	3 876	3 925	3 816	6	7			
			Indirect	1 339	1 237	1 232	1 171	7	6			
		kg CO <sub>2</sub> e / sqm. / year	<b>GHG emissions intensity</b>	<b>GHG Scope 1 and 2 intensity from building energy</b>	<b>4.45</b>	<b>4.00</b>	<b>4.18</b>	<b>3.97</b>	<b>2.15</b>	<b>2.64</b>		
		%	<i>Energy and associated GHG disclosure coverage</i>	<i>63 out of 77</i>	<i>67 out of 84</i>	<i>60 out of 68</i>	<i>64 out of 71</i>	<i>1 out of 1</i>	<i>1 out of 1</i>			
		<i>Proportion of energy and associated GHG estimated</i>	-	-	-	-	-	-	-			
<b>Greenhouse gas emissions - Guarantee of origin</b>	GHG-Indlr-Abs	annual tonnes CO <sub>2</sub> e	Indirect/location based	10 503	11 376	10 172	11 264	NA	NA			



# EPRA Sustainability Performance Measures

## SOCIAL

EPRA Code	Units of measure	Indicator	Corporate performance					
			2020	2021				
<b>Diversity</b>	Diversity-Emp	% of employees	Gender diversity	Direct employees within significant employee categories having strategic influence on company activities	Board of directors Senior Management	57% 43%	57% 29%	
	Diversity-Pay	Ratio average basic salary	Gender pay ratio	Direct employees basic salary within significant employee categories as identified in diversity-emp	Managerial positions Board of directors Senior Management	44% 109% 101%	49% 104% 111%	
		Ratio average bonus		Direct employees bonus within significant employee categories as identified in diversity-emp	Managerial positions Board of directors Senior Management	89% NA 125%	93% NA 108%	
					Managerial positions	82%	88%	
<b>Employee Training and Development</b>	Emp-training	Average hours	Training and development	Direct employees training hours (vocational, paid educational leave, external courses, specific topics, etc.)		24	27	
	Emp-dev	% of employees	Performance appraisals	Direct employees who receive regular performance and career development review		100%	100%	
	Emp-Turnover	Total number	New hires		Direct employees		15	17
		Rate	New hires		Direct employees		8.2%	9.4%
	Total number	Turnover		Direct employees		6	26	
	Rate	Turnover		Direct employees		3.3%	14.4%	
<b>Health and safety</b>	H&S-Emp	% og total days	Sick leave	Direct employees		3.1%	2.6%	
	Total number		Incidents, direct employees	Developments		1	0	
				Managed portfolio	Managed portfolio		0	2
	Per 100 000 hours worked		Lost day injuries, direct employees	Developments	Developments		1	0
				Managed portfolio	Managed portfolio		0	0
	Per 100 000 hours worked		Fatalities, direct employees	Developments	Developments		0	0
				Managed portfolio	Managed portfolio		0	0
	Per 100 000 hours worked		Incident rate	Incidents, direct employees	Direct employees		2.99	6.28
			Lost day rate	Incidents, direct employees	Direct employees		2.99	0
	Per 100 000 hours worked		Accident severity rate	Incidents, direct employees	Direct employees		0	0
			% of assets	Assets for which H&S impacts are assessed or reviewed for compliance	Assets for which H&S impacts are assessed or reviewed for compliance		100%	100%
	Total number		Number of incidents	Registered internal control deviations at assets in management portfolio	Registered internal control deviations at assets in management portfolio		1 662	1 760
		Narrative	Asset health and safety assessments	Asset health and safety assessments		See narrative in sustainability report on page 65-67	See narrative in sustainability report on page 65-67	
Narrative		Number of incidents	Asset health and safety compliance	Asset health and safety compliance		See narrative in sustainability report on page 65-67	See narrative in sustainability report on page 65-67	
		Narrative	Community engagement, impact assessments and/or development programs	Community engagement, impact assessments and/or development programs		See narrative in sustainability report on page 67	See narrative in sustainability report on page 67	

GOVERNANCE

EPRA Code	Units of measure	Indicator	Corporate performance			
			2020	2021		
Governance	Gov-Board	Total number	Executive board members	Composition of highest governance body	0	0
		Total number	Non-executive board members	Composition of highest governance body	7	7
		Total number	Non-executive board members with competence within environmental topics	Composition of highest governance body	5	5
		Average tenure (years)	Board members	Composition of highest governance body	4.3	5.8
		Narrative on process		Process for nominating and selecting the highest governance body	See narrative in ESG section on page 71 and 76	
Gov-Selec						
Gov-Col		Narrative on process		Process for managing conflicts of interest	See narrative in ESG section on page 76-77	

Social data note

- 1: Diversity-Emp: Gender diversity, percentage of female to men
- 2: Diversity-pay: gender pay ratio women to men
- 3: NA = "Not applicable"
- 4: Employees training: 116 out of 186 attending educational training over a longer periode in 2020
- 5: Incidents are actual injuries



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