

Heimstaden's Sustainability Strategy

Sustainability – the only way forward

The sustainability strategy is about our daily sustainability work, creating value for customers, the company and the community around us. Contributing to solutions to the challenges that lays ahead for our society, in terms of climate changes, socio-economic differences, housing shortage and so on.

Sustainability runs through all areas of our operations and includes ecological, economic and social aspects. Our properties should always affect the climate as little as possible.



A better world – for all

With structured and coherent sustainability efforts, where everyone is working together to reach mutual goals, the world can be prepared to handle the challenges of our society. Therefore we have signed the UN Global Compact in 2019 and we work accordingly to UN's 17 Sustainable Development Goals.

By developing and managing sustainable and attractive apartments in regions of growth, we generate long-term value for customers and the society. As a big real estate company, we have a great impact on the climate, and thereby greater responsibilities.

The whole company needs to be involved in the everyday sustainability work and every employee should know how their role in the organisation can fill the sustainability strategy with tangible actions. The strategy visualises our priorities, clarifies responsibilities and secures that the right measures are implemented and reviewed.

Best in class

Heimstaden's goal is to be the most sustainable residential real estate company in Europe and a leading force in the development of sustainable solutions for the real estate industry. We are a natural participant in sustainable societal development, contributing to the creation of vital and inclusive neighbourhoods based on local conditions in the countries and locations we operate.



With care for our customers

We have a social responsibility as a residential real estate company and customers must enjoy and thrive in their homes. We meet them on a daily basis and are close to them in their everyday lives, giving us a unique opportunity to understand their needs and wishes regarding social aspects of living, well-being, comfort and society. Dialogue is central and we regularly measure customer satisfaction. It is also important that everybody has the chance to have a home.

Targets:

- Customer satisfaction – total service: 80%, treatment: 86% – by 2023
- At least 3% of our apartments consists of social lease contracts by 2023. This means we dedicate apartments that are rented out to municipalities or non-governmental organisations – and they, in their turn, provide housing for the homeless, newly arrived migrants, women's shelters and people with varying abilities etc.

Sustainable properties

Buildings and apartments are both our main product and impact on the environment and climate. Running our business in an environmentally sustainable way is vital when it comes to fighting climate change.

Targets:

- Fossil-free operations in Scandinavia by 2030*
- Sub-target: 100% renewable electricity by 2021. Reduce amount of purchased electricity by 10% per square metre by 2023*. Newly built houses should have at least a Sweden Green Building Council Silver certificate. Fossil-free fleet of vehicles by 2025.
- A minimum of 1% reduction in water use per square metre and annually by 2030.
- Ecosystem services to be evaluated in all new construction and larger projects. In the event of negative impact, at least as many ecosystem services (or more) should be restored.

* The target is revised during spring of 2020. During 2019 and 2020 we purchased many properties in the Netherlands, Germany and Czech Republic. Since every country has their own mix of energy, our new goal map, that is under revision, is to be differentiated.



Friendly workplace

We focus on a passionate and value-driven work culture based on a good working environment, equal opportunities, diversity and inclusion. Every month, we measure the temperature of our leadership, job satisfaction, meaningfulness, autonomy, work situation, participation, personal development, team spirit, involvement and security. We also measure how likely our employees are to recommend Heimstaden as a place to work (eNPS). This makes us an attractive employer and many people want to work for us.

Targets:

- 8.5 on a 1-10 scale in leadership, job satisfaction and total temperature by 2023
- 65 in eNPS* on the scale -100 to +100 by 2023
- Gender equality in Group Management Team (40%-60%)
- Zero work-related absences by 2023
- Zero work-related injuries by 2023
- Zero tolerance of discrimination

* Employee Net Promotor Score

Societal contribution

Operating as a sustainable company we take societal responsibility. This includes creating job opportunities for those who normally can find it hard to get employment.

Targets:

- Minimum of 3-4% of employees (on an annual basis) to be apprentices with a focus on people who are excluded – e.g. long-term unemployment, people with varying abilities and newly arrived migrants.
- 100 jobs per year to young people – e.g. summer jobs, student employees and trainees.



Building trust and confidence

Building long-lasting relationships that starts with our values and expectations about how we should behave and do business with integrity and transparency, integrating environmental social and anti-corruption aspects into the demands we place on ourselves and our business partners.

Targets:

- 100% of employees to have signed the Code of Conduct and completed training
- 100% of contractors and suppliers to have signed the Code of Conduct

Sustainable commitments

Hemistaden has signed the UN Global Compact – the world's largest sustainability initiative, committing us to work according to the ten principles in the areas of human rights, labour practise, the environment and anti-corruption. Our sustainability strategy should keep pace with the UN's 17 Sustainability Development Goals. The purpose of these 17 goals are to solve global challenges – from poverty and education to climate change, inequality and peace. Our sustainability goals are in line with many of the global goals.

The goals that are especially relevant to our business are gender equality, decent work, reduced inequalities, clean energy, sustainable cities and communities, climate action and biodiversity and ecosystem services.

LFM30

Heimstaden has joined the Swedish initiative Lokal Färdplan Malmö that focuses on achieving a climate neutral building and construction sector by 2030. This means that together with our construction partners, we strive to implement LFM30 and its targets in our own operations when it comes to new buildings and larger projects in Malmö, which is also where the headquarters of the Heimstaden Group is situated.



Heimstaden