Sustainability report 2025

Real estate – returns and impact

SLÄTTÖ

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ESG matters for investment performance

A chain of interlinked forces is transforming the real estate landscape. The growing economic impact of climate change, combined with regulatory pressure and rising energy costs, is accelerating the transition toward more efficient and resilient assets. This shift is now visible across the entire value chain — reshaping both investor and lender behaviour.

Three key drivers

1. Rising economic cost of climate change

The economic cost of climate change is already material and increasing. For real estate, that means greater physical risk from flooding, fires, and extreme temperatures.[1]

€43bn

Direct climate-related losses in Europe in 2025 (0.2% of GDP)

€126bn

Forecasted annual losses by 2029 (0.7% of GDP)

2. Regulation

Rising climate-related costs are driving tighter regulation across Europe. For real estate, this increases requirements for energy performance and renovation of existing buildings.[2]

-90%

EU emissions reduction target by 2040

16% / 26%

Required building renovations by 2030 / 2033 under EU's EPBD

40% / 36%

Share of EU energy use and CO_2 emissions from buildings

3. Energy prices

Energy has become a structural cost driver. The period of low and stable prices is over, with rising and more volatile energy costs directly affecting operating expenses and real estate income.[3]

+6.2%

Annual real increase in EU gas prices 2020–2025 (vs. 0% previous ten-year period)

+1.2%

Annual real increase in Swedish district heating 2020-2025 (vs. -0.3% previous ten-year period)

Impact on capital allocation

These drivers are now directly influencing capital allocation across the real estate market.[4] Sustainability is increasingly a requirement for investment decisions, financing, and leasing.

Preferences of real estate allocators

58%

Share of global real estate private markets AUM with climate targets

98%

Share of European real estate AUM with climate targets

€857bn

Real estate AUM with climate targets

Beyond institutional investors, tenants increasingly prefer energy-efficient assets, while banks require energy improvement plans for lower-rated buildings. Sustainability now directly affects both leasing attractiveness and access to financing.

ESG goes beyond climate

The business case extends beyond carbon and energy.

- Tenant attraction and wellbeing, business ethics, and community initiatives support occupancy, retention and stable income.
- Strong governance, compliance, and transparency underpin licence to operate.

Together, these factors position Slättö as a trusted partner for investors, lenders and municipalities, while supporting long-term value creation and attracting top industry talent.

Integrated in Slättö's investment management

Against this backdrop of tighter regulation, higher expectations from institutional capital, and continued focus on asset quality, we integrate sustainability into Slättö's investment activities as part of core business processes.

There is a clear financial rationale for integrating environment, social and governance issues deeply into real estate investment. It affects net operating income, capital value and risk. Slättö's materiality work therefore links ESG directly to these financial aspects.

Investment strategy

- Slättö's investment strategy is articulated in our House View.
- The House View also includes an ESG section, with insights on market sentiment on sustainability and future legislation impacting real estate.
- For example, we track market evidence suggesting that assets with stronger energy performance have better liquidity and potentially trade at tighter yields in the Nordic market.

Before investments

- Before new investments, ESG due diligence is integrated into underwriting.
- The due diligence rests on Slättö's materiality analysis.
- It covers ESG aspects such as energy performance, physical climate risks, embodied carbon and pollution risk.
- Key findings and mitigation strategies are summarized in the Investment Committee materials.
- This ensures actionable asset-level sustainability business plans are developed from acquisition onward.

Ownership

- During ownership, Slättö implements the asset plans set at transaction.
- For example, in standing assets, the focus lies on energy improvements and tenant attractiveness.
- We review ESG performance at asset and fund level at least annually, using KPIs based on the EU Taxonomy.
- Reporting has also been automated through Slättö's business intelligence system, linking ESG to financial data.

Exit

- Exit is addressed early. Already at the investment stage, Slättö identifies ESG actions in the business plan to complete before sale.
- For example, in project development, Slättö requires EU Taxonomy alignment, strong environmental certification and embodied carbon limits to capture prime-standard premium at exit.

Policy and reporting

Slättö has a well-defined ESG policy framework and investor reporting.

Governance and implementation:

- Responsible Investment Policy aligned with UNPRI
- Sustainability Taskforce led by Head of ESG
- The work is supported by internal specialists and external advisors

ESG in investments:

- ESG due diligence integrated in underwriting
- Covers energy performance, Taxonomy alignment, embodied carbon and contractor conduct, among other aspects
- Ensures ESG is embedded in asset business plans

Policy framework:

- Responsible Investment Policy
- Construction Supplier Code of Conduct
- Sustainability standards for project development and asset management
- SBTi-validated 2030 climate targets (net zero 2040 ambition)

Reporting and disclosures:

- EU SFDR and Taxonomy
- UN PRI
- Scope 1-3 GHG emissions reporting
- Science-based targets and CRREM
- GRESB

More information including fund-level SFDR reporting is available on the investor portal.

Sources:

[1] Research from University of Mannheim and ECB, 2025: "Dry-roasted NUTS: early estimates of the regional impact of 2025 extreme weather".

[2] European Commission.

[3] Slättö analysis of real energy price growth in Europe. Sources: Eurostat, UK Government, Statistics Finland, Denmark Forsyningstilsynet, Sweden Energiföretagen, European Commission Market Observatory for Energy.

[4] Slättö analysis of published climate targets of the world's top 100 real estate private markets allocators (the PERE top 100 list). Specific climate targets are numerical, time-bound net zero or emission reduction targets based on annual reports or other public documents from investors.

Materiality analysis

The landscape is evolving, with tighter regulation, higher energy prices and changing market demand, making ESG relevant to investment performance. But ESG is very broad. We need clear focus and concrete actions. Therefore, we prioritise certain areas over others, and adapt over time as the market evolves.

Slättö's priorities

Energy use
Reducing operational energy sits at the top of our priority list. It increases net operating income (NOI) from the assets, leading to higher asset value, lower risk, and potentially tighter yields.

Tenant satisfaction and wellbeing
They support lower vacancy, higher tenant retention and stable rent rolls. Our approach is active asset management that measures these aspects and continuously and cost-effectively improves.

Embodied carbon
Managing embodied carbon anticipates regulatory changes and broadens the buyer pool, as large Nordic real estate firms apply maximum carbon budgets. Embodied carbon is a big part of Nordic real estate's CO_2 impact.

Physical climate risks
Addressing physical climate risks reduces the probability and cost of asset damage from flooding, fires and extreme heat.

Supply chain and safety
Construction supplier code and contractor oversight target site safety to avoid risk.

Robust governance
It preserves the licence to operate and maintains investor, lender and government trust.

How we prioritise

We prioritise through a materiality analysis. Slättö's materiality analysis identifies ESG issues that combine measurable sustainability impacts with concrete financial consequences for real estate returns.

The analysis rests on a review of upcoming legislation, market evidence and direct dialogue with key stakeholder groups — notably tenants, investors and banks.

This materiality analysis serves as the foundation for Slättö's ESG due diligence, and is carried into the asset business plans after acquisition.

Sustainability impact: High
Financial impact: Medium

- Embodied carbon (2)
- Green, biodiverse spaces (4)
- Supply chain business ethics and work safety (10)
- Community (11)

Sustainability impact: High
Financial impact: High

- Operational energy (1)

Sustainability impact: Medium
Financial impact: Medium

- Physical climate risks (3)
- Waste, water and certifications (5)
- Diversity and wellbeing (7)

Sustainability impact: Medium
Financial impact: High

- On-site pollution (6)
- Slättö as an attractive workplace (8)
- Tenant attraction and wellbeing (9)
- Regulatory compliance (12)
- Internal governance (13)
- Transparent reporting (14)

Material issue list

ESG issue		Financial impact
1	Operational energy	Reducing energy use and installing renewable energy production in buildings increases net operating income. It also secures long-term value as market preferences shift towards low-carbon assets.
2	Embodied carbon	Designing construction projects with lower climate impact will help meet future regulation and shifts in market preferences.
3	Physical climate risks	A warming climate will increase flooding, fires and extreme temperatures, which can damage real estate assets. With proactive measures, future costs can be reduced.
4	Green, biodiverse spaces	Green areas make assets and neighbourhoods more attractive to tenants. We meet municipalities' preferences by increasing green spaces and including biodiversity aspects.
5	Waste, water and certifications	In new buildings and some cash flow assets, certifications are important for tenants and future buyers. Certifications cover many aspects, from waste and water to quality and wellbeing.
6	On-site pollution	With environmental due diligence before investments, we can reduce the potential costs of addressing pollution in older assets.
7-8	Diversity and wellbeing, Slättö as an attractive workplace	We need to attract and retain top talent to continue delivering market-leading returns to investors.
9	Tenant attraction and wellbeing	Initiatives for tenant satisfaction and wellbeing contribute to lower vacancies, lower turnover and willingness to pay higher rent.
10-14	Supply chain business ethics and work safety; Community; Regulatory compliance; Internal governance; Transparent reporting	Licence to operate, Slättö as a trusted and preferred partner for key business stakeholders.

Slättö ESG milestones

2025

- Completed 10 brown-to-green transitions to date
- Applied embodied carbon limits in new development projects
- Set 2030 mid-term Science Based Targets, validated by SBTi
- Strengthened ESG due diligence in transaction
- Automated portfolio environmental data within Slättö's business intelligence system
- Led roundtable discussions during London and New York Climate Weeks with large institutional investors, NGOs and value chain companies
- Held three research roundtables on biodiversity, steel construction and concrete

2024

- Slättö Sustainability Standards for Project Development and Asset Management
- Included embodied carbon in project procurement, leading to cost-effective carbon reductions in new residential construction
- Started work on SGBC NollCO2 certification of one project
- Held three research roundtables on net-zero solutions for concrete, wood construction and energy
- Completed 6 brown-to-green transitions

2023

- Committed to Science Based Targets Net Zero 2040
- Expanded energy audit program
- Analysis of energy capex opportunities, first investments done
- First GRESB, PRI reports
- Two feasibility studies for construction projects targeting the lowest possible climate impact
- Energy consumption followed up throughout portfolio
- Automated monitoring, smart water system, in-use certification in ~30 logistics and light industrial assets
- Tenant surveys throughout the portfolio

2022

- Reporting in line with EU Sustainable Finance Disclosure Regulation and Taxonomy
- ESG targets set by Slättö Board of Directors
- Full carbon footprint analysis of six projects
- Systematic energy audits across portfolio

2021

- First green leases for commercial assets
- First green loans signed
- GHG emission accounting scopes 1–2–3
- Social partnerships, e.g. Her House foundation, which facilitates social housing contracts

Sustainability goals and performance

This section summarises Slättö's goals in the environment, social and governance areas, our main metrics and 2025 results.

Environment

Committed to Science Based Targets, with a Net Zero 2040 ambition

Financial impact

- Increase net operating income
- Secure long-term asset value

Sustainability impact

- Reduce greenhouse gas emissions and minimise other environmental impacts

1-3 years target

Increase every year the share of Slättö's investments that are in line with the green criteria of the EU Taxonomy

People & society

Employee engagement and diversity
Tenant satisfaction and safety
Supporting vulnerable groups

Financial impact

- Talent retention
- Tenant attraction, lower vacancies

Sustainability impact

- Stronger and more inclusive communities

1-3 years target

>85% Employee satisfaction
>40% Women employees, management and board
Year-on-year improvement in tenant survey results

Governance

Regulatory compliance
Internal governance

Financial impact

- Licence to operate

Sustainability impact

- Responsible business

1-3 years target

Compliance with regulatory requirements, industry standards and internal governance framework

Environment goals

The near-term targets include year-on-year increases in the share of investments that meet the EU Taxonomy criteria; on-site renewable energy in 100% of projects, biodiversity action plans in all projects. The mid-term 2030 targets include reducing greenhouse gas emissions in scopes 1 to 3 in line with Slättö's Science Based Targets.

Energy efficiency

Goal
Increase EU Taxonomy alignment year-on-year

Performance 2025
49% Taxonomy aligned across Slättö's portfolio in 2025, an increase of 15% from 2024

Pro-forma, much higher after completion of asset business plans

63% of assets meeting at least the top 30% energy criteria of Taxonomy

Renewables

Goal
On-site renewable energy in 100% of projects

Performance 2025
43% of project developments completed in 2025 include on-site renewables

100% cash flow assets purchasing renewable energy

Environmental certifications

Goal
Certify 100% of projects and as many cash flow assets as relevant

Performance 2025
100% of projects certified

29% of cash flow assets certified

Social goals

Slättö targets employee satisfaction above 85%, more than 40% women in employee management and on the board, short-term sick leave below 2%, year-on-year improvement in tenant satisfaction, 100% of new projects signing the Construction Supplier Code of Conduct, and social contracts corresponding to 5% of residential assets.

Employees	Tenants	Social contracts
Goal Employee satisfaction >85% Gender diversity >40% Sick leave: short-term<2%, long-term <3%	**Goal** Tenant satisfaction year-on-year improvement +2%	**Goal** Social contracts 5% of residential assets
Performance 2025 **80% employee satisfaction**, an increase of 2% from 2024 **0,2%** short-term sick leave, 0% long-term **64-36%** gender distribution (men/women) among Slättö employees, 80-20% in Board	**Performance 2025** **76% tenant satisfaction**, an increase of 9% from 2024, in external surveys[1]	**Performance 2025** **3% social contracts** in residential assets

[1] External, independently-run tenant satisfaction surveys; results are weighted based on GAV per segment for the year 2025.

Governance goals

Governance targets are more qualitative: compliance with regulatory requirements, adherence to the internal governance framework, and use of globally recognised standards.

In 2025, Slättö further strengthened governance, for example by implementing the new IT legislation DORA, enhancing AML/KYC due diligence, and expanding the ESG pre-investment review in the Investment Committee process.

More information including fund-level SFDR reporting is available on the investor portal.

Environment

This section shows how Slättö works with environmental factors that impact investment performance, and how we measure progress. The areas cover different value drivers – improving operating performance through energy efficiency, managing risk through climate risk work, and future-proofing the portfolio through reduced carbon emissions and science-based targets.

Energy efficiency

Why it matters

Energy efficient assets have lower operating costs, more resilient rental income, lower risk and potentially tighter yields. This contributes to higher risk-adjusted returns for investors.

Targets and metrics

Energy efficient, green assets as a share of Slättö's portfolios is the key metric for us. We define this based on the green criteria of the EU Taxonomy, the most important standard in EU countries.

What we do

We integrate energy efficiency in our investment process, from due diligence at transaction where we look at the potential to bring the assets to modern standard, to asset management where we implement profitable energy upgrades.

2025 performance

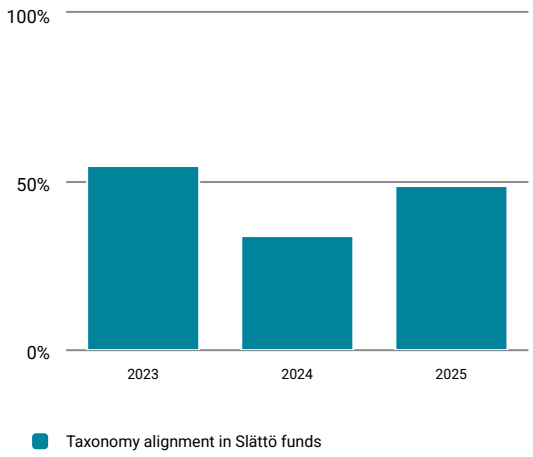
Taxonomy alignment:

- 49% across Slättö's portfolio in 2025. An increase of 15% from 2024.

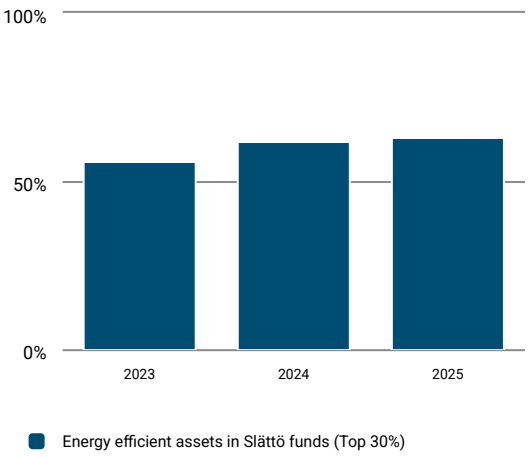
Energy efficient assets:

- 63% across Slättö's portfolio in 2025.
- These assets are in line with the energy criteria of the EU Taxonomy - top 30% in the country's building stock.

Taxonomy alignment in Slättö funds



Energy efficient assets in Slättö funds (Top 30%)



Slättö's assets under management increase over time. As a consequence, the share of taxonomy-aligned assets in our funds may temporarily decrease in percentage terms from year to year, while we drive improvements.

Renewable energy

Why it matters

Renewable energy production in buildings lowers operating costs. It also makes the income from the assets more resilient to energy price increases, as well as reducing emissions.

Targets and metrics

Our key metrics are the share of project developments and cash flow assets with on-site renewable energy, and the share of assets purchasing renewable energy.

What we do

Slättö works with renewable energy in two main ways: we install on-site renewables in developments and we roll out renewable energy solutions in existing assets. The main examples are converting assets from district heating to on-site geothermal, and installing rooftop solar panels.

2025 performance

Project development:

- Of the projects completed in 2025, 43% of assets by area are equipped with solar panels or geothermal heating, compared to 73% in 2024.
- The decrease is due to project-specific conditions, for example not all municipalities allow geothermal.

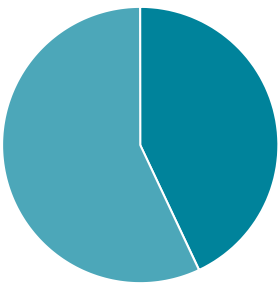
Cashflow assets:

- 100% of cash flow assets in Slättö's portfolio purchased renewable energy.
- 35% had on-site renewable energy production.

Renewable energy:

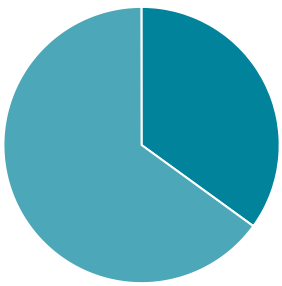
- Reached a total installed solar capacity of 6 671 kW, a 4x increase from 2022.

Project Development (2025)



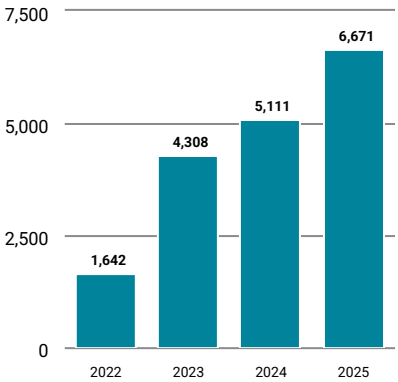
Projects with on-site renewable energy production ..
Projects without on-site renewable energy producti..

Cash flow assets (2025)



Assets with on-site renewable energy production (...
Assets without on-site renewable energy productio.

Solar energy installed



kW installed solar power

Physical climate risks

Why it matters	A warmer climate will increase flooding, fires, and extreme temperatures, which can damage real estate assets. Proactive measures can reduce future costs.
Targets and metrics	Our key portfolio metric is share of assets where physical climate risks are managed in line with the EU Taxonomy.
What we do	We apply a step-by-step process together with a large engineering consultancy, to assess each asset's exposure, vulnerability and materiality against the climate-related hazards listed in the EU Taxonomy, define relevant adaptation measures, and integrate these actions into the asset plans for implementation.
2025 performance	In 2025, 49% of assets in Slättö's portfolio across funds were Taxonomy aligned. Earlier years, this share was 34% and 55% in 2024 and 2023 respectively. The lower 2024 share compared to 2023 reflected acquisitions of standing assets. We will continue to increase this share.

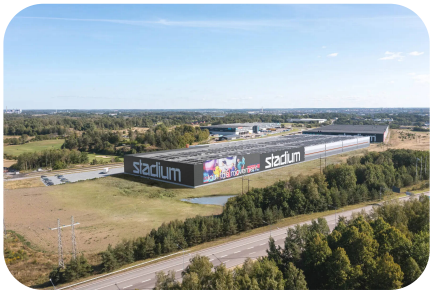
Carbon in construction

Why it matters	While regulators are setting mandatory carbon limits, the Nordic real estate market has already adopted voluntary ones. By reducing embodied carbon, our developments are regulation ready and more attractive, thus future-proofing our investors' portfolio and helping them decarbonise real estate.
Targets and metrics	Slättö has science-based climate targets to ensure we future proof our portfolios. The most widely used global standard, Science Based Targets initiative (SBTi), has approved our targets. The key metric is CO_2 per sqm in construction projects.
What we do	We reduce embodied carbon from construction, by setting requirements in tenders and contracts with general contractors. Greener materials, for example lower-carbon concrete and recycled steel, are used in our projects.
2025 performance	Across our development portfolio, we continued to implement lower embodied carbon solutions – demonstrating that emission reductions can be achieved without compromising financial returns.

Case studies

Residential - Bromsten, Stockholm

A large, 655-unit Stockholm residential project, where we are set to achieve 25% lower embodied carbon compared to Slättö's baseline from 2023.



Logistics - Norrköping

A large, 40,000 sqm modern logistics facility with 30% lower embodied carbon compared to Slättö's baseline from 2023.

Hotel - Falkenberg

A hotel project in modular wood construction, meeting the stringent certification NollCO2 for embodied carbon.

Biodiversity

Why it matters

Green and biodiverse spaces make assets and neighbourhoods more attractive to tenants and help meet municipalities' requirements. Protecting and enhancing biodiversity is also part of reducing environmental impacts.

Targets and metrics

Our main biodiversity target is to implement biodiversity action plans in all larger development projects.

What we do

Slättö's biodiversity measures in large development projects focus on local species, habitat conditions and water systems. We have also installed bee hives on rooftops of our logistics and light industrial assets to improve pollination. A part of Slättö's residential portfolio has green roofs, which lead to temperature regulation and stormwater management.

2025 performance

We have continued to integrate biodiversity into our investment process, with biodiversity measures in large development projects.

Case studies

Residential - Norrköping

Green courtyards providing shade, cooling and improved microclimates; stormwater management through planting beds and ponds; and connection to nearby woodland.

Logistics - Norrköping

We worked with the tenant Stadium to protect a local population of protected salamanders, by constructing ditches and ponds.

Residential - Linköping

We adapt the construction to preserve habitats for the spruce bark beetles, identified as a key species in the area.

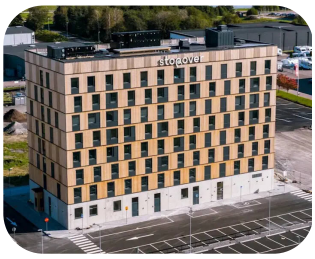
Environmental certification

Why it matters	A strong environmental certification is a core requirement in Slättö's project development. It is part of the business plan for development projects, in order to capture a prime-standard premium at exit.
Targets and metrics	We target a strong environmental certification in all development projects.
What we do	The certification depends on asset type. For logistics and light industrial developments, Slättö uses BREEAM Excellent or Sweden Green Building Council's Miljöbyggnad Silver. For residential projects, we target Miljöbyggnad Silver. In-use certification for cash flow assets is used selectively, where relevant.
2025 performance	In 2025, certifications covered 100% of projects, unchanged from 2023 and 2024. Certified cash flow assets accounted for around 29%.

Case studies

Logistics - Greater Helsinki

A Slättö logistics property in Finland holds the highest global environmental certification, BREEAM Outstanding.



Hotel - Falkenberg

The Stopover Falkenberg hotel holds the Miljöbyggnad Silver certification and targets the NollCO_2 standard.

Logistics - Greater Gothenburg

A significant share of our commercial portfolio is in-used certified under Miljöbyggnad iDrift.

Residential - Linköping

We also use the Nordic Swan Ecolabel in selected residential properties, as an alternative to Miljöbyggnad Silver.

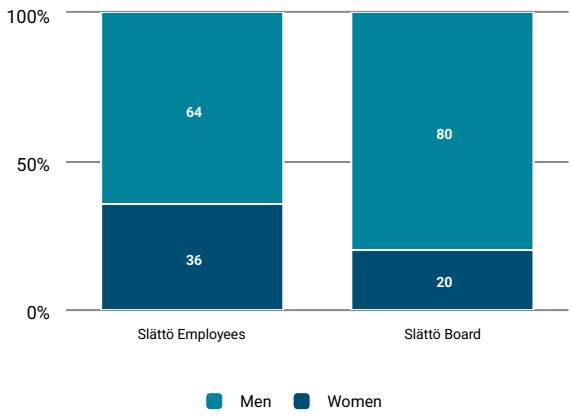
Social

This section shows how Slättö works with social factors that support long-term value creation, and how we measure progress. The areas cover key stakeholders – employees, tenants, supply chain and communities – and focus on performance, wellbeing and responsible business practices.

Employees

Why it matters	Social sustainability at Slättö is built on creating an attractive, well-governed workplace where diversity, wellbeing and capability development support strong performance, to the benefit of our investors both short- and long-term.
Targets and metrics	Slättö targets employee satisfaction above 85%, more than 40% women in employee management and on the board, a short-term sick leave below 2% and a long-term sick leave below 3%.
What we do	Yearly employee reviews assess not only performance but also behaviours in line with Slättö's values. Employee surveys are conducted yearly, and action plans are implemented to continuously strengthen leadership and culture. Slättö has a diversity and inclusion policy, and all employees are informed about it during onboarding.
2025 performance	• Employee satisfaction: Increased to 80% from 78% in 2024, a high level compared to industry standard. • Gender diversity: The gender distribution was 64% men and 36% women. This marks a positive development from 2024 (67% men, 33% women) and 2023 (66% men, 34% women). • Sick leave: Short-term sick leave at 0,2% and long-term at 0%, stable from previous years.

Gender diversity 2025 (2024)



Tenants

Why it matters	Social sustainability for Slättö's tenants is centred on tenant wellbeing, satisfaction and stable neighbourhoods. We carry out tenant satisfaction surveys in every asset across the portfolio, to inform continuous improvements and prioritise operational actions.
Targets and metrics	Slättö targets a year-on-year improvement in tenant satisfaction, measured in third-party surveys.
What we do	Slättö works to increase tenant satisfaction through active asset management and tenant communication. For example, we carry out tenant satisfaction surveys through independent third parties, local safety initiatives and tenant events.
2025 performance	2025 tenant satisfaction was 76%, with a year-on-year increase of 9%. This is the result of active asset management and increased tenant communication.

Case studies

Residential - Stockholm

In residential, we formalised tenant influence structures, including an agreement with the Tenant Association at Sveaborg 6.

Residential - Stockholm

We participate in municipal collaboration forums such as the Vårberg local improvement group.

Residential - Stockholm

We held residential tenant events including a food truck event, children's activities, a safety walk and Christmas coffee gathering at several assets. The aim is to strengthen local presence and tenant wellbeing.

Light industrial - Gothenburg

In logistics and light industrial assets, we have strengthened tenant relationships through increased on-site presence and communication. Tenant satisfaction with the work environment has also improved as a result of Slättö's energy investments.

Supply chain

Why it matters	Social sustainability in Slättö's supply chain is centred on labour rights, business ethics and worker safety in construction. In the Nordic context, Slättö assesses the main human rights risks relating to construction companies' supply chains, in particular labour rights and the health and safety of sub-contractor employees on construction sites.
Targets and metrics	Construction Supplier Code of Conduct is a requirement for all new development projects. It includes business ethics, anti-corruption and worker safety. Slättö targets 100% of new projects signing the Construction Supplier Code of Conduct.
What we do	Slättö screens construction suppliers through self-assessments, and project teams carry out regular reviews and site visits. In addition, from 2025, Swedish banks have introduced requirements on sustainable supply chain, increasing monitoring and reporting efforts for construction companies, the so-called Bankinitiativet.
2025 performance	In 2025, 100% of new projects signed the Construction Supplier Code of Conduct.

Community

Why it matters	Slättö's objective in this area is to contribute to stronger and more inclusive communities. This makes the neighbourhoods and cities we invest in more attractive, and strengthens Slättö's license to operate with stakeholders, benefiting our investors in the long term.
Targets and metrics	Slättö targets social contracts corresponding to 5% of residential assets managed directly.
What we do	Slättö partners with municipalities and civil society organisations to house women victims of domestic violence. Through philanthropic initiatives, we support the World Childhood Foundation, protecting children from sexual violence, and Idrott utan gränser, providing inclusive sport for children and youth.
2025 performance	2025 share of residential assets covered by social contracts was 3%, unchanged from 2024.

Notes

[1] Tenant satisfaction results across the portfolio are weighted based on GAV per segment for the year 2025.

Governance

This section shows how Slättö works with governance to support effective operations, manage risk and maintain investor confidence, and how this is embedded in both oversight and day-to-day activities.

Why it matters

Effective governance is central to Slättö's business model. It supports sustainable business operations, investor confidence and ultimately, long-term value creation.

Targets and metrics

Governance targets are primarily qualitative and focus on compliance with applicable regulatory requirements, adherence to industry standards, and effective implementation of the internal governance framework.

What we do

Governance starts with clear accountability and active oversight from the Board of Directors and senior management. Slättö operates under a framework of internal policies and guidelines covering, for example, investment processes, conflict of interest, anti-money laundering and data protection, and these are reviewed and updated regularly. Governance processes are integrated with Slättö's risk management framework and ongoing internal control activities.

2025 performance

During 2025, Slättö achieved its governance targets through full regulatory compliance with no breaches reported and strengthened risk management in the internal governance framework. No material governance-related incidents or Code of Conduct violations were identified.

2025 Highlights

ESG integration in investments

Enhanced ESG pre-investment reviews in the Investment Committee, including key risk indicators.

EU Taxonomy monitoring

Introduced Power BI-based monitoring to improve data quality and portfolio oversight.

ICT governance (DORA)

Aligned ICT governance with EU legislation DORA to strengthen operational resilience.

AML/KYC and joint ventures

Strengthened due diligence and formalised governance in joint ventures.

Governance in practice

A significant proportion of Slättö's partners and employees are invested in Slättö-managed vehicles, supporting alignment of interests with investors. Investor representation is also reflected through the funds' Advisory Boards.

Governance is embedded in both oversight and day-to-day operations:

- Board of Directors include independent directors
- Legal and Compliance function monitoring through transaction- and fund-level reviews
- Regular reporting to senior management and the Board
- Independent third-party assessments to ensure adherence and identify improvements

Together, these governance practices support disciplined investment decisions, reduce downside risk and strengthen access to capital – forming a foundation for long-term value creation.

Focus area: energy efficiency

There is a significant potential to make real estate greener. This requires an upfront investment in expertise, modern energy installations and digital solutions. The result is lower operating costs, higher rent, lower risk, and potentially tighter yields. Slättö has several cases to prove this. This section presents some of our case studies.

Residential

Geothermal conversion in Helsinki

Slättö has executed a conversion from district heating to geothermal energy in two old-stock residential apartment buildings in Helsinki, improving energy efficiency and reducing energy costs. CO_2 emissions for building heating were reduced by 87%.

PV solar panels were installed to power the geothermal heat pump, reducing reliance on external energy sources and strengthening the assets' sustainability profile and long-term operational resilience. The assets now benefit from reduced reliance on external energy supply, lower operating costs and stronger long-term resilience.

Key results

Investment, SEK	**~10 m**
Annual savings, SEK	**~1.2 m**
Yield on cost	**12%**

Residential - Helsinki

Energy performance uplift in greater Stockholm

Slättö acquired this newly built residential asset in Q4 2024. Already during due diligence, we saw an opportunity to improve the energy class and lower opex costs. We carried out a detailed energy analysis and identified the optimal set of improvements for the asset.

We have now completed the energy capex investment, which consists of a smart, energy-efficient heating solution combined with advanced building automation, resulting in an energy class uplift from C to B.

Solar panels have been implemented, providing on-site renewable electricity. We installed sub-metering, enabling tenant debiting and reduced energy costs.

Key results

Investment, SEK	**4.4 m**
Annual savings, SEK	**650 k**
Yield on cost	**14%**

Residential - Greater Stockholm

AI-optimised residential heating in Uppsala

Slättö carried out a case study of AI-driven heating optimisation in a newly built residential asset in Uppsala. As a result, we reduced the asset's heating energy consumption by 13%. The investment delivered a YoC above 30%, confirming a profitable energy efficiency measure.

The AI system optimises the building's heat curve in real time using apartment-level data, creating a more stable indoor climate. During the six-month case study, the system made close to 100 adjustments, lowering the average heat curve by up to 9°C while maintaining tenant comfort.

Key results

Investment, SEK	**271 k**
Annual savings, SEK	**100 k**
Yield on cost	**Above 30%**

Residential - Uppsala

Logistics and light industrial

Energy performance uplift in Halmstad

Slättö acquired this logistics asset in Q4 2020, identifying clear potential to improve energy efficiency and reduce operating costs. A focused upgrade program was implemented, including heating optimisation and ventilation upgrades, alongside an energy-efficient water heater, LED lighting and rooftop solar.

These measures improved system performance, reduced energy consumption and costs, and enabled on-site renewable energy generation. Results included ~SEK 240k NOI uplift, energy class improvement from E to A, 25% lower energy costs and an 8% increase in tenant satisfaction.

Key results

Investment, SEK	**2.4 m**
Annual savings, SEK	**240 k**
Yield on cost	**10%**

Logistics - Halmstad

Energy performance uplift in Gothenburg

Slättö acquired this old-stock light industrial asset in Q2 2023 with a clear value-creation plan focused on improving its low energy rating through a structured brown-to-green transition. As part of the upgrade, gas boilers were replaced with air-to-water heat pumps, alongside the installation of a heat recovery ventilation system and rooftop solar, resulting in a reclassification of the asset to a higher energy rating.

The measures have improved energy performance and indoor climate, reduced energy costs and reliance on external energy sources, and strengthened long-term asset quality. Results included an NOI increase of approximately SEK 100k, an upgrade in energy class from G to C, a 27% reduction in energy costs and an 8% increase in tenant satisfaction related to indoor climate.

Key results

Investment, SEK	**3.4 m**
Annual savings, SEK	**340 k**
Yield on cost	**10%**

Light industrial - Gothenburg

Energy performance uplift in Norrköping

Slättö acquired this old-stock asset with a structured energy capex plan prioritised to improve its energy classification. The property has since been upgraded with high-efficiency fans, delivering approximately 50% energy savings, and insulated heating pipes, resulting in improved energy performance and lower operating costs.

The measures have strengthened the asset's operational efficiency and reduced future capital needs. Results include an NOI increase of approximately SEK 350k, an energy class improvement, and a reduction in deferred capex in the asset.

Key results

Investment, SEK	**3.5 m**
Annual savings, SEK	**350 k**
Yield on cost	**10%**

Light industrial - Norrköping

Slättö's ESG disclosure

This section presents Slättö's data disclosures in the environment, social and governance areas, including our greenhouse gas accounting that is the basis for science-based targets.

Environment

Target	KPI	Outcome		
		2023	2024	2025
EU Taxonomy alignment (%)[1]	Year-on-year increase	55%	35%	**49%**
Energy efficient assets (%)[2]	Year-on-year increase	Not disclosed	72%	**63%**
Renewable energy on-site (%)	100% of projects	Not disclosed	73%	**43%**
Purchased renewable energy (%)	100% of cash flow assets	96%	100%	**100%**
Biodiversity action plans (%)	100% of our large development projects	Not disclosed	100%	**100%**
Environmental certification (%)	100% projects, maximize assets	100% projects; 53% cash flow assets	100% projects; 30% cash flow assets	**100% projects; 29% cash flow assets**
GHG emissions (Scopes 1–3)	Science-based targets (2030)	*See GHG disclosure below*		

Social

Target	KPI	Outcome		
		2023	2024	2025
Employee satisfaction (%)	>85%	80%	78%	**80%**
Gender diversity, Slättö employees (%)	>40%	66% men, 34% women	67% men, 33% women	**64% men, 36% women**
Gender diversity, Slättö board (%)	>40%	80% men, 20% women	80% men, 20% women	**80% men, 20% women**
Sick leave (%)	<2% short, <3% long	0.2% short; 0.0% long	0.3% short; 0.0% long	**0.2% short; 0.0% long**
Tenant satisfaction (%)[3]	+2% YoY improvement	Not disclosed	67%	**76%**
Supplier Code of Conduct (%)	100% new projects	100%	100%	**100%**
Social contracts (%)[4]	5% residential assets	5%	3%	**3%**

Governance

Target	KPI	Outcome		
		2023	2024	2025
Regulatory compliance	Full compliance	*No breaches reported*		
Governance framework	Follow internal framework	*Strengthened risk management*		
ESG reporting standards	Use global standards	*Fullfilled*		

More information specific to Slättö's funds is available on the investor portal. Earlier ESG disclosures can be found on Slättö's website.

Greenhouse gas emissions

As a real estate investment firm, the near totality of Slättö's emissions is linked to energy use in buildings and embodied carbon of construction projects. We therefore focus our efforts on these two aspects.

As Slättö's assets under management continue to grow, so does total CO_2 from the energy use of buildings. CO_2 per square meter increased in 2024 driven by acquisition of older assets with higher energy use compared to Slättö's 2023 portfolio.

Slättö's GHG footprint

Scope	Categories	Unit	2022	2023	2024	2025
Scope 1	Stationary fuels (and equipment)		-	-	-	-
	Mobile fuels (and vehicle)		-	-	-	-
	Fugitive emissions	Tonnes CO2e	-	4	4	4
	Process emissions		-	-	-	-
Total scope 1		**Tonnes CO2e**	**-**	**4**	**4**	**4**
Scope 2	Electricity	Tonnes CO2e	-	2	2	2
	District heating	Tonnes CO2e	2	1	1	1
Total scope 2		**Tonnes CO2e**	**3**	**3**	**3**	**3**
Scope 3	1. Purchased goods and services	Tonnes CO2e	-	273	273	TBC
	2. Capital goods		-	-	-	-
	3. Fuel and energy related activities	Tonnes CO2e	-	11	11	11
	4. Upstream transportation and distribution	Tonnes CO2e	-	1	1	1
	5. Waste generated in operations		-	-	-	-
	6. Business travel	Tonnes CO2e	4	33	33	33
	7. Employee commuting	Tonnes CO2e	N/A	4	4	4
	8. Upstream leased assets	Tonnes CO2e	14	16	16	16
	9. Downstream transportation and distribution		-	-	-	-
	10. Processing of sold products		-	-	-	-
	11. Use of sold products		-	-	-	-
	12. End-of-life treatment of sold products		-	-	-	-
	13. Downstream leased assets		-	-	-	-
	14. Franchises		-	-	-	-
	15. Investments					
	15.1 In-use emissions	MWh electricity	20,466	37,456	46,335	59,313
		MWh district heating	19,567	26,093	36,353	51,857
		MWh oil	5	-	-	3
		Tonnes CO2e	**2,091**	**2,773**	**3,682**	**6,189**
		Kg CO2e/sqm	7	6	6	6
	15.2 Fugitive emissions	**Tonnes CO2e**	**-**	**3,825**	**3,825**	**TBC**
	15.3 Upfront embodied carbon	**Tonnes CO2e**	**15,028**	**16,887**	**16,515**	**15,546**
		Kg CO2e/sqm	336	386	331	299
	15.4 Major renovations	**Tonnes CO2e**	**-**	**789**	**789**	**5,897**
	Total Category 15	**Tonnes CO2e**	**17,119**	**24,274**	**24,811**	**27,632**
Total scope 3		**Tonnes CO2e**	**17,136**	**23,823**	**25,149**	**27,697**
Total scopes 1-2-3		**Tonnes CO2e**	**17,139**	**24,612**	**25,155**	**27,703**

Emissions data is subject to inherent uncertainties given the high share of estimated data. Slättö's GHG accounting below is based on our current understanding of the GHG Protocol and Science Based Targets framework.

AUM increased substantially between 2023 and 2025, resulting in higher absolute CO_2 emissions, primarily driven by acquisitions of cash flow assets. Brown-to-green transition plans have been initiated for several assets. A small number of acquired assets include gas exposure; however, structured transition strategies are in place to support emissions reductions over time.[5]

Climate Compass (Danish Energy Agency) spend-based emission factors for major renovations carried out in 2025 were applied, whereas for 2024 and 2023, emission factors from the U.S. Environmental Protection Agency were used for the same category.

Intensity-based GHG

CO2e kg / sqm	2023	2024	2025
In-use emissions			
Residential	3.3	5.5	4.9
L&LI	7.6	9.2	8.3
Social infra	4.1	3.6	3.6
Hotel	2.5	5.1	14.9
Embodied carbon			
Residential	468.6	356.0	292.3
Other	330.8	328.5	315.1

Year-on-year changes in embodied carbon per square meter will vary depending on the number and type of projects completed each year. Embodied carbon may increase temporarily in the future, as we complete projects started before we applied limits.

The data presented in this table is based on the SBTi (Science Based Targets initiative) methodology.

Notes

[1] Slättö's assets under management increase over time. As a consequence, the share of taxonomy-aligned and energy efficient assets in our funds may decrease in percentage terms from year to year. Our focus is to increase taxonomy alignment like-for-like as we modernise and optimise newly-acquired assets.

[2] Meeting the criteria of the EU Taxonomy.

[3] Weighted based on AUM and tenant satisfaction survey results per segment.

[4] Measured in the residential portfolio directly managed by Slättö.

Definitions

Taxonomy aligned
Assets need to be energy class A or top 15% or 30% in the national stock (assets built before 12/2020) or 10% lower than nearly zero-energy buildings (assets built after 12/2020), in addition to other criteria.

Energy efficient assets
Meeting the Taxonomy criteria of top 30% in the country's building stock or better.

SBTi
Science Based Targets initiative, the leading organisation that defines best practice in emissions reductions and targets in line with climate science.

GHG
Greenhouse gases.

Capex
Capital expenditure.

On-site renewables
Solar energy and geothermal heating.

Social contracts
Contracts in collaboration with municipalities to house vulnerable groups, as well as rented apartments with special services for adults.

EU Taxonomy

Taxonomy is the standard for green economic activities set by EU legislation since 2022. For Slättö, the EU Taxonomy is the key portfolio metric for two very important issues: energy efficiency and climate risk adaptation. We integrate the Taxonomy criteria into underwriting,

asset management and exit planning.

Under the EU Taxonomy, the criteria for older assets is energy efficiency at top 15–30% of the national building stock, while new assets are assessed against near-zero energy building standards. In addition, there are physical climate risk criteria, as well as other requirements for new build.

In practice, Slättö uses the Taxonomy both to assess current asset quality at transaction, and to drive improvement over time.

- At transaction, Slättö considers assets that do not meet the energy criteria of the Taxonomy as both a risk and an opportunity.
- We incorporate energy upgrades into the business plan and deal terms, then begin implementation post-investment to support Taxonomy alignment.
- During ownership, our annual KPI is to increase the share of our portfolio that meets EU Taxonomy requirements.

We increase alignment through:

- Energy investments in existing buildings - either a “brown-to-green” approach or optimisation.
- Developing projects with near-zero energy standard.
- In addition to climate risk management.

The result is higher net operating income, lower risk, and potentially trading at tighter yields.

EU Sustainable Finance Disclosure Regulation

Slättö defines a sustainable investment under SFDR as an investment that makes a significant contribution to either one of the EU Taxonomy objectives, climate change mitigation or climate change adaptation, while not harming any other objective and meeting minimum safeguards.

More information including fund-level SFDR reporting is available on the investor portal.

Physical climate risks approach

Slättö integrates physical climate risks in transactions and asset management.

We use a four-step process based on the Taxonomy standards:

- Assess the risk exposure of an asset
- Assess if the asset is vulnerable, and what the material impacts would be if any
- Identify the solutions to adapt the assets to a changing climate
- If the impacts are material and the solutions feasible, implement the solutions

The assessments are not limited to desk-based review. Together with external experts, Slättö conducts asset-specific, on-site assessments that consider local topography, drainage systems, and historical weather patterns.

As examples, in logistics and light industrial, Slättö identified heat risk and responded with installation of sunscreen. In residential, a desktop analysis identified flood risk, but the subsequent on-site analysis concluded that the actual risk was low.

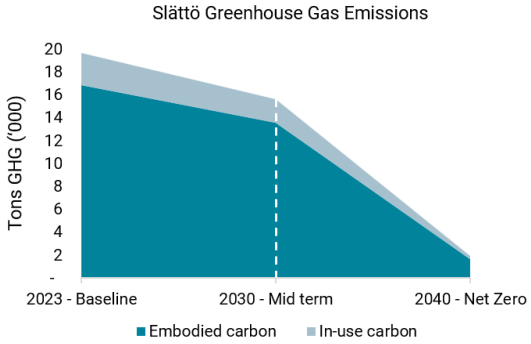
The result of this work is increasing the share of assets in Slättö’s portfolio where climate risks are managed in line with the EU Taxonomy criteria; and lowering the risk of physical damages or financial losses linked to climate-related events.

Slättö's Science Based Targets

Slättö has a net zero 2040 commitment and has validated its mid-term 2030 targets with SBTi.

Slättö targets a 33% reduction in total in-use carbon emissions and a 19% reduction in total embodied carbon by 2030. On an intensity basis, the targets are steeper: a 70% reduction in CO_2 per sqm for in-use carbon and 68% for embodied carbon. The targets include a substantial increase in Slättö's assets under management.

Our approach is pragmatic and action-focused. We reduce in-use carbon by carrying out profitable energy projects, which improve returns. We reduce embodied carbon by requiring cost-effective, low-carbon solutions in project development – thus future-proofing our construction projects.



A science-aligned path matters to investment performance

For in-use carbon, the financial link is direct: Slättö expects emissions reductions to come from profitable energy investments that lower operating costs, increase NOI and improve liquidity at exit.

For embodied carbon, the benefit is more long term: better readiness for regulation, stronger competitiveness and potentially better liquidity for modern-standard low-carbon projects.

- Regulation readiness is a strong driver. Denmark already has strict limits for embodied carbon in new projects. Other EU countries will follow suit as a result of new EU requirements under EPBD.
- The market is already moving in this direction. Most large Nordic real estate developers and investors set embodied carbon limits in projects.

In-use carbon

These emissions come from the operation of buildings, namely energy used for heating, electricity and water.

To reduce in-use emissions, Slättö integrates energy efficiency in its investment strategy and carries out profitable energy efficiency investments, both brown-to-green transitions and optimisation.

Embodied carbon

These are emissions from project development, in particular construction materials and process, that occur before the building is in operation.

Already today there is large potential to cut carbon a minimal cost impact. We include CO_2 in tenders and bid assessments, and run early carbon pre-studies. Our focus is on getting general contractors to use cost-efficient, low-carbon solutions, in particular material efficiency, optimised structures, greener concrete and recycled steel.

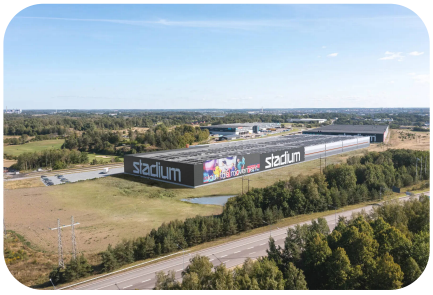
Slättö's target for embodied carbon in construction is challenging. Part of the target can be reached by using best-available cost-efficient solutions, in particular within concrete and steel. But innovation and faster scaling from the supply chain are required. Just as with other technologies like renewable energy or electric cars, we expect climate-smart solutions to scale and decrease in cost.

To build knowledge about the solutions, Slättö has initiated roundtables with researchers, investors and value chain partners on concrete and other climate-smart solutions. We have held six roundtables so far in 2024-2025. We also participate in academic research on concrete optimisation and circular materials.

Case studies

Residential - Bromsten, Stockholm

Slättö has included embodied carbon in the procurement of a large, 655-unit residential project in Bromsten, Stockholm. Slättö is applying CO_2 targets in the project, and the first block is expected to reach about 340 kg CO_2 per sqm, including all the building parts, at no higher cost. This represents 25% lower carbon than Slättö's 2023 baseline.



Logistics - Norrköping

In this 40,000 sqm modern logistics development Slättö is building for tenant Stadium, we are estimating embodied carbon of 232 CO_2 per sqm. This is a 30% reduction compared to our 2023 baseline, with minimal cost impact. The solutions used are a steel frame with a high share of recycled steel, and foundations and edge beams with climate-improved concrete. Key to success were early-stage climate assessment and an engaged general constructor.

Hotel - Falkenberg

Slättö has invested in the development of a hotel together with one of the Nordics' largest hospitality groups, Strawberry. The hotel is Strawberry's first in the concept Stopover. We have decided to use a modular construction in wood, which is cost competitive, suits a hotel project and has lower embodied carbon. The project has a footprint of 255 kg CO_2 per sqm including all building parts, and meets the ambitious certification NollCo2.

GHG accounting methodology

Scope 1

- Stationary fuels and mobile fuels (vehicles): none. Refrigerant losses included in category 15.
- For 2025, we have assumed the same figures as in 2024 and 2023, pending updates to the data.

Scope 2

- Electricity and district heating: emissions related to Slättö's office. Data is provided by the property owner, assuming our energy use is in proportion to floor area.
- For 2025, we have assumed the same figures as in 2024 and 2023, pending updates to the data.

Scope 3

1. Purchased goods and services

- Includes all upstream emissions (cradle-to-gate) from a wide range of purchased goods and services such as office maintenance, marketing, IT systems, rented equipment, telecommunications, literature, consulting, banking and other external services and consumables.
- In 2025, we also carried out a renovation of our Stockholm office; associated emissions are to be updated

2. Capital goods

- Not applicable.

3. Fuel and energy related activities not included in scope 1 or 2

- Upstream emissions calculated related to purchased energy (electricity and district heating).
- For 2025, we have assumed the same figures as in 2024 and 2023, pending updates to the data.

4. Upstream transportation and distribution

- Includes all shipping, post and delivery emissions.
- For 2025, we have assumed the same figures as in 2024 and 2023, pending updates to the data.

5. Waste generated in operations

- Data about waste from Slättö's office is not available.
- Waste from building materials is included in category 15, upfront embodied carbon.

6. Business travel

- Business travel from flights, train, and taxi.
- For 2025, we have assumed the same figures as in 2024 and 2023, pending updates to the data.

7. Employee commuting

- Covers emissions from Slättö employees commuting to work and includes Well-To-Tank emissions (indirect emissions from fuel production, such as extraction and transportation of fuels before they are used in vehicles).
- For 2025, we have assumed the same figures as in 2024 and 2023, pending updates to the data.

8. Upstream leased assets

- Leased company cars.
- For 2025, we have assumed the same figures as in 2024 and 2023, pending updates to the data.

9. Downstream transportation and distribution

- Not applicable.

10. Processing of sold products

- Slättö does not sell any products that meet the criteria for Category 10.

11. Use of sold products

- Not applicable.

12. End-of-life treatment of sold products

- Not applicable.

13. Downstream leased assets

- Not applicable.

14. Franchises

- Not applicable.

15 Investments

15.1 In-use emissions

- In-use emissions are related to the energy consumption of the cash flow assets owned by Slättö's funds. We apply the whole-building emissions approach, including tenant energy.
- Sources include real data based on energy metering and, where not available, estimates based on energy performance certificates, energy audits or interpolated from similar assets. We are actively working to increase real data, through the energy monitoring platform Mestro.[1]
- The availability of real data improved from 2024 to 2025, enabling a more detailed analysis in 2025. The level of detail also increased between 2023 and 2024 in connection with the submission of SBTi targets.
- For emission conversion factors, the location-based accounting method is used. Emission factors have been updated between the column 2023 and 2023 Updated. Emission factors are sourced from external sources and may change in the future.[2]
- For both in-use emissions and upfront embodied carbon, emissions are weighted by Slättö's ownership share for assets in joint ventures with other investors. Operational emissions are calculated based on the asset's holding period within the reporting year. Gross floor area is used as much as possible, when not available we use net lettable area.

15.2 Fugitive emissions

- Fugitive emissions for 2025 are to be updated. They are not included in the validated science-based targets.

15.3 Upfront embodied carbon

- These are the emissions linked to the construction of a building, from raw materials, to transport, construction and manufacturing waste. They include all emissions until the new building is put in operation (phases A1-A5 in a building life-cycle analysis, LCA). Some of the construction projects' footprint is based on real data, with LCA according to the EU Level(s) method.
- When an LCA is not available for a building, we estimate upfront embodied carbon using one of two methods: either the average embodied carbon for similar Slättö projects where an LCA has been done (e.g. for logistics and light industrial assets), or the average embodied carbon per type of building estimated by Sweden's National Board of Housing, Building and Planning (most appropriate for residential and schools).[3]
- We account for all the upfront embodied carbon from a construction project when the building is put in operation. Construction projects take several years to complete, therefore there will be large fluctuations in upfront embodied carbon from year to year, depending on how many and which types of projects are completed. Year-to-year comparisons are not representative of trends.
- Taking a conservative approach, we also include assets whose construction we finance on forward sale or forward funding.

15.4 Major renovations

- In 2025, five major renovations (>5 MSEK) were completed, with emissions calculated using spend-based emission factors derived from Climate Compass (Danish Energy Agency).
- We had few renovations in 2023-2024 and the data for those years is incomplete.
- Major renovations are excluded from the scope of our embodied carbon Science Based Target (SBT), which covers only Slättö's new construction.

Notes

[1] For more information about energy data sources and limitations, see Slättö's SFDR sustainability-related disclosures.

[2] Emission factors used for 2025 column: for electricity, 0.007, 0.037 and 0.076; for district heating, 0.057, 0.126 and 0.054 (Tonne CO2 per MWh) respectively Sweden, Finland and Denmark. Emission factors used for 2023 Updated and 2024 column: for electricity, 0.008 and 0.040; for district heating, 0.054 and 0.126 (Tonne CO2 per MWh) respectively Sweden and Finland.

[3] Average upfront embodied carbon per type of assets, using Boverket's 2027 method (all building parts), according to the 2023 Boverket-KTH study (**link**).

Biodiversity

Case studies

Residential - Norrköping

At Strömbrytaren in Norrköping, the planning programme includes green courtyards designed to provide ecosystem services such as shade, cooling and improved microclimates. Hard surfaces are limited to reduce heat islands, with permeable, light materials used to improve air circulation. The courtyards are also connected to the nearby woodland, creating a continuous green structure that supports biodiversity. In parallel, stormwater is managed through specially designed planting beds and ponds, linked to a larger floodplain for filtration before water reaches Motala Stream.

Logistics - Norrköping

At Vätet in Norrköping, Slättö has worked with the tenant Stadium to house a local population of protected salamanders. The project includes ditches and ponds constructed to support the species' habitat while still allowing development, combining biodiversity preservation with functional land use.

Residential - Linköping

At Berga Äng in Linköping, construction has been adapted to accommodate spruce bark beetles, identified as a key species in the area. By preserving habitats for these beetles, the project supports local ecological processes, while the development's green areas are designed to sustain a wider variety of species.

Water and waste

Reducing water use and waste lowers environmental impact, while strong performance in these areas supports environmental certifications that are important to tenants and future buyers. Slättö targets increased coverage of waste and water data to enhance transparency.

Slättö manages water and waste through a mix of technical upgrades in standing assets and structured requirements in development projects.

In standing assets, Slättö has implemented automatic meter readings and leak detection systems across parts of its logistics and light industrial portfolio. In part of its old-stock residential portfolio, Klippudden, older fixtures have been replaced with high-efficiency alternatives.

In development projects, water efficiency is integrated from the design stage. Slättö requires high-efficiency fixtures, leak detection systems, and commissioning of water systems. It also uses Smartvatten for post-construction monitoring during the holding period. In residential projects, sub-meters track individual tenant water use, with billing based on actual consumption,

On waste, Slättö aims to certify its logistics and light industrial portfolio under Miljöbyggnad iDrift, which includes requirements for waste management, four waste sorting bins and compliance with Sweden's food waste rules. In development, waste is measured in line with certification standards such as Miljöbyggnad Silver, including separation facilities and monitoring of hazardous and non-hazardous waste on site. Every development project has a waste management plan.

UN Principles for Responsible Investment (PRI)

Slättö Förvaltning AB is a signatory to the **UN Principles for Responsible Investment (UN PRI)**. This sustainability report is aligned with responsible investment principles outlined by the PRI, and constitutes Slättö's annual reporting to PRI. Slättö has reported to PRI annually since 2023.

Slättö's Responsible Investment Policy is aligned with the six PRI principles, covering policy and governance, ESG integration in investment decisions, and ongoing monitoring and reporting, all of which are addressed throughout this report. The policy is available at **slatto.se/sustainability**.

Slättö's PRI signatory profile is available at **unpri.org**.

SLÄTTÖ

Sustainability report 2025

slatto.se/sustainability