

Castellum's four overall sustainability areas

The Planet

Castellum acknowledges the scientific evidence that human activity is accelerating climate change. Overstepping the planet's limits involves great risk for the future. Castellum has therefore decided to set targets for its own efforts and to govern its operations in a manner that is in line with the UN Sustainable Development Goals and the Paris Agreement.

Castellum's asset portfolio will be future-proofed by making buildings more energy-efficient, taking life cycle perspectives into account in investments, assuming responsibility for natural resources and biological diversity, increasing the share of renewable energy and adapting operations to the consequences of climate change. Castellum will be involved in the climate plans and policies of its customers and of government agencies, it will display leadership and to the greatest extent possible will inspire the industry to reduce its climate impact.

Climate risks

Castellum regards a changed climate as a significant risk that over the long term constitutes a risk to our operations, our properties and our tenants. When extreme weather arises – floods or heavy rains, for example – it causes damage and disruptions in several ways: directly to the property or neighbouring infrastructure (e.g. electrical outages, waste water backing up out of drains, or disruptions to public transportation to and from our properties). Therefore, Castellum has implemented specific risk analysis processes for all investments to better take into account such climate risks as the risk of flooding, land erosion and vulnerability to extreme weather.

Climate goals

In 2018, Castellum was the first property company in the Nordic region to have its climate goals approved by the Science Based Targets initiative (SBTi). The purpose of the SBTi is to guide companies across the globe in identifying and mapping their carbon emissions, and in establishing scientifically correct climate targets that are in line with the goals of the Paris Agreement on reducing global warming.

Castellum's goal is to achieve net-zero carbon emissions from operations by 2030, thus supporting both the Paris Agreement and the national ambition for a fossil fuel-free Sweden.

To achieve properly functional sustainability initiatives, Castellum will:

- Decrease the direct and indirect carbon emissions in Scopes 1, 2 and 3 that promote global warming.
- Use natural resources responsibly and efficiently so as not to jeopardise the planet's limits, and thus our climate and the opportunities for future generations in a finite world.
- Build and manage from a service life perspective, and promote circular models.
- Promote increased biological diversity and limit the use and spread of environmentally hazardous products.
- Create conditions for responsible waste management through minimising waste, guarding against pollutants and regarding waste as a resource for reuse and recycling.

Biodiversity

The great majority of Castellum's properties are not located in environments that are protected from the perspective of biodiversity or have a high biodiversity value. In cases where Castellum constructs new buildings, it always ensures that there is at least an equal amount of biodiversity upon completion of the project as there was before the building was constructed. To ensure this, a tool that has been specially produced and adapted to Castellum's development operation is used.

21 new projects were carried out during the year. All of these have been evaluated from a perspective of biodiversity. Several different measures such as planting of flora and preservation of water courses were taken to ensure that biodiversity has not been negatively impacted.

Future-proofing

Castellum will be part of driving this development forward and promoting sustainable development. We intend to create safe and healthy work environments for customers and employees. Castellum works with acknowledged sustainability certification systems and environmental inventories to create a sustainable asset portfolio in a changing world.

To achieve properly functional sustainability initiatives, Castellum will:

- Offer comfortable, healthy environments for people in and around our properties.

- All properties held for more than one year are to be environmentally inventoried. Updates must take place at least every ten years.
- All new production is to be certified for sustainability, and existing properties are to be certified in accordance with sustainability goals.

Well-being

Castellum works to promote health and wellness and to increase productivity, where equality and diversity are important conditions. Castellum is a flexible employer that offers freedom for its employees.

To achieve properly functional sustainability initiatives, Castellum will:

- Offer comfortable, healthy environments for our employees' well-being.
- Create an equitable organisation with a diversity reflecting the composition of society.
- Call attention to and change any discriminatory structures in the organisation.
- Be an attractive employer and attract the best and most professional employees.
- Continue with collective bargaining agreements and maintain all employees' rights to organise and participate in collective bargaining.
- Maintain a zero-tolerance attitude as regards child labour and forced labour in own projects.

Diversity and Equal Opportunity

Castellum has well-developed initiatives in diversity and equality, with the overall goal of promoting equal rights for all. All people are of equal worth and must be treated equally based on their individual conditions and possibilities regardless of gender, gender identity or expression, ethnicity, religion or other expression of faith, disability, sexual orientation and age.

All employees are individually responsible for helping to create a positive workplace. Everyone also has a responsibility to work for integration and to counteract all forms of discrimination. Women and men must be given the same opportunities to have an impact on their work situation.

GOVERNANCE OF MATERIAL SUSTAINABILITY ISSUES

	The Planet	Future-proofing	Well-being	Social responsibility
Sustainability issues	<ul style="list-style-type: none"> Environmental and climate risks Renewable energy Minimise climate impact Efficient use of resources More sustainable building materials and installations Partner with customers for increased sustainability performance (e.g. through waste management and green mobility) Adapt the properties for climate change Increased circularity Biodiversity and ecosystem services 	<ul style="list-style-type: none"> Offer smart, flexible workplaces Sustainability certification of buildings 	<ul style="list-style-type: none"> Attractive workplace Diversity and equal opportunity Occupational health and safety 	<ul style="list-style-type: none"> Healthy premises Sustainable financing Good business ethics and anti-corruption Ensure sustainable supply chains Develop local communities (e.g. through apprenticeships)
GRI Standards	GRI 302: Energy GRI 303: Water and Effluents GRI 304: Biodiversity GRI 305: Emissions GRI 306: Waste GRI 307: Environmental Compliance	C1 Product responsibility	GRI 401: Employment GRI 403: Occupational Health and Safety GRI 404: Training and Education GRI 405: Diversity and Equal Opportunity GRI 416: Customer Health and Safety	GRI 201: Economic Performance GRI 205: Anti-corruption GRI 207: Tax GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment GRI 413: Local communities
Why is this topic important for us?	By making efficient use of resources and applying the precautionary principle, we can reduce our negative impact on the planet, the environment and the climate. This also means that we can ensure a positive impact by developing our properties so that they comply with future environmental and climate requirements.	It is important that the operation is conducted responsibly with a high degree of ethics and a strong moral compass in relation to our stakeholders. We can promote a positive impact on our business environment by imposing environmental, social and human rights requirements in our supplier chain. If we do not, there is a risk that we will have a negative impact on our supplier chain. A clear focus on healthy premises and certified properties means we have a positive impact on our customers' environment.	The wellness and development of our employees, and offering them a safe work environment is key to the company continuing to develop in a positive direction.	We can make a positive contribution by acting in accordance with laws and regulations, delivering long-term sustainable financial results and paying tax. This is a condition for the continued performance of the operation.
Responsibility and actual/potential impact along the value chain	Making efficient use of resources in our operation while putting demands on suppliers and collaborating with customers is our responsibility. In the respective areas, we contribute together with our suppliers and customers to the positive and negative impact on the business environment that occurs in conjunction with construction, purchasing, property management and development.	We are responsible for placing clear requirements (environmental, social and with a strong link to human rights) on suppliers, and they have a great responsibility for complying with these. We are also responsible for our properties being safe for their users and the local community. Our role in the property industry means we have a direct positive impact on our business environment through offering healthy premises, promoting the development of local communities and by pursuing efforts on properties that are certified for sustainability.	<ul style="list-style-type: none"> We have a formal responsibility towards our employees, and endeavour to have a goal-oriented organisation where everyone feels involved We have a direct impact on our employees' workday in conjunction with construction, property management and purchasing By working on diversity and equality, we have a positive impact on our employees' work lives 	Meeting customer needs is our responsibility. We primarily develop properties together with our customers, but other stakeholder groups are also included in these procedures. Together with our customers, we contribute to the impact on the business environment that occurs in conjunction with construction, purchasing, property management and development.
Limitations in reporting	The sustainability data that is reported applies to Castellum as a Group. We focus on our own operation, from planning to implementation and administration. We also report carbon emissions from both upstream and downstream in the value chain. Any limitations are indicated in the respective tables.	Reporting occurs primarily for employees with supplementary disclosures from suppliers where available. We do not report information about customers and users. Any limitations are indicated in the respective tables.	Reporting occurs primarily for employees with supplementary disclosures from suppliers where available. We do not report information about customers and users. Any limitations are indicated in the respective tables.	The sustainability data that is reported applies to Castellum as a Group. There are no limitations in the reporting.
How we work	By ensuring efficient use of materials and natural resources, as well as efficient use of premises. Read more in the chapters "The Planet" and "Future-proofing".	By clearly structuring requirements and expectations of our suppliers.	By clearly structuring requirements and expectations of our employees.	We develop our properties, taking into account current and future needs in dialogue with customers and other stakeholders.
We aim to achieve the following:	The goal is to reduce our climate impact, achieving climate neutrality by 2030.	We aim to create long-term sustainability in our property portfolio.	We aim to create a healthy, risk-free and inspiring workplace where people feel committed and motivated, with a high degree of business ethics and a sense of responsibility.	The goal is to achieve workplaces that create value for us and for our customers.
Policies	<ul style="list-style-type: none"> Sustainability policy Guidelines for sustainability goals Code of Conduct Code of Conduct for suppliers Guidelines for sustainable vehicles and travel Other procedures 	<ul style="list-style-type: none"> Sustainability policy Guidelines for sustainability goals Code of Conduct for suppliers Other procedures 	<ul style="list-style-type: none"> Sustainability policy Guidelines for sustainability goals Health and safety manual, and work environment policy Code of Conduct HR manual and Manager manual Internal control procedures Other procedures 	<ul style="list-style-type: none"> Sustainability policy Accounting manual Financial policy Tax policy Other procedures
Commitments beyond Swedish law and guidelines	<ul style="list-style-type: none"> Climate targets approved by the SBTi Reporting in accordance with TCFD and the EU Taxonomy Regulation Fossil Free Sweden Supports the UN Global Compact 	<ul style="list-style-type: none"> Certification of buildings Observes the UN Global Compact 	<ul style="list-style-type: none"> Supports the UN Global Compact 	<ul style="list-style-type: none"> Supports the UN Global Compact Affiliated with WELL Portfolio
Targets	<ul style="list-style-type: none"> Climate neutrality 2030 Energy efficiency Proportion of certified buildings 100% renewable energy Fossil fuel-free vehicles 	<ul style="list-style-type: none"> High employee satisfaction index Proportion of certified buildings 	<ul style="list-style-type: none"> Low sick leave and few workplace injuries Diversity and equal opportunity 	<ul style="list-style-type: none"> Growth in income from property management Net investments Low financial risk Customer satisfaction index (CSI)
Special procedures, projects, programmes and initiatives	<ul style="list-style-type: none"> Environmental management system Method for climate calculations Sustainability training 	<ul style="list-style-type: none"> Whistleblower function 	<ul style="list-style-type: none"> Sustainability training in Code of Conduct and diversity 	<ul style="list-style-type: none"> Training in Code of Conduct
Evaluation of management	<ul style="list-style-type: none"> Monitoring of resource use and greenhouse gas emissions Resource use, environmental management systems and product responsibility are monitored as part of management's annual review Policies are evaluated annually and adopted by the Board 	<ul style="list-style-type: none"> Monitoring of cases in the whistleblower function on the Audit and Finance Committee Monitoring of local communities Annual evaluation of suppliers using social criteria during management review 	<ul style="list-style-type: none"> Monitoring of internal control Monitoring of diversity and equality, health and safety Policies are evaluated annually and adopted by the Board 	<ul style="list-style-type: none"> Analysis of Customer Satisfaction Index (CSI) Policies are evaluated annually and adopted by the Board