

Appendix II – ESG Questionnaire

General Industry

<p>Please list the industry's three biggest sustainability-related challenges</p>	<ul style="list-style-type: none">i. Greenhouse gas emissions through the energy use (both in the construction and operational phase of the building) and through the embodied emissions in the materials and resources used in the buildings.ii. Health, safety and security of employees and contractors.iii. Resource efficiency, waste management and creating circular and non-toxic material flows.
<p>How does the firm compare to industry peers regarding sustainability initiatives? Above, on par, or below?</p>	<p>Nivika is on-par or above peers in regard to sustainability initiatives and our goal is to be the leading real estate company in our region in the fight against climate change. We have a strong focus on reducing the impact across our value chain: from the choice of frame material for new construction, how the cement is produced or use of wood raw material, to the choice of energy sources, but also on creating conditions for those who work in and around the properties to, for example, have the opportunity to take the bicycle or public transport to their workplaces or access car pools with electric vehicles.</p>
<p>Is the company a signatory of the UN Global Compact or Science Based Targets, report to the CDP or engage in any other relevant sustainability initiatives?</p>	<p>No. But our sustainability strategy have the base in UN Sustainable development goals.</p>

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Environmental [1/2]

<p>Please list, if any, the firm's climate-related opportunities</p>	<ul style="list-style-type: none">• Energy efficiency: +70% of our properties should be connected and monitored through an energy management system and reduce the energy use of the portfolio by at least 15% (measured by kWh/m²) by next year. Going forward, we will also certify all the residential properties we build according to Miljöbyggnad Silver – requiring the energy use of the buildings to be 20% lower than the national building regulation.• Climate risks: Nivika is well aware of current and future physical climate risks in our region and work with runoff surfaces, stormwater ponds and more green spaces around the properties.• Impact of the construction: promote increased construction with prefabricated modular buildings in wood – the, by far, most climate-smart and eco-friendly method of housing production and something we want to promote further going forward. Nivika has a long-term collaboration with Husgruppen in Jönköping, which specializes in building locally produced and prefabricated modular elements (reducing the need for transport) for the construction of energy and cost-effective housing modules that are suitable for, for example, smaller apartments.
<p>Please list the firm's three primary risks related to climate change</p>	<ul style="list-style-type: none">• The environmental impact of building materials (such as cement) are likely to be priced higher (through e.g. carbon taxes/emission allowances) and transferred on to consumers of materials (such as Nivika), which will increase construction costs.• Physical climate risks in the region where Nivika operates include heavy snow loads and flooding of near rivers, and addressing these are associated with increasing costs.• Warmer and longer heat waves which increase cost for cooling.
<p>Does the firm anticipate any climate-related investments?</p>	<p>Climate related risks are something we are already accounting for in the design phase of our buildings but the issues are likely to become more frequent in the future – which will increase the need for climate-related investments in existing buildings as well. We will also continue to make investments to improve the energy efficiency of existing buildings in the portfolio. Nivika also works with runoff surfaces, stormwater ponds and more green surfaces around our properties.</p>

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Environmental [2/2]

Does the firm rely on any scarce resources for its operations? If so, what efforts are made to mitigate the risk of those resources becoming even more scarce in the future, e.g. recycling, reusing, substitutes or improved resource efficiency?

The real estate sector is a large consumer of finite resources and the extraction and production of material resources have substantial impacts on both the environment and human health globally. It is therefore essential for us to work towards reducing our consumption of such resources and sustain their value for longer periods. The construction materials we use should have a long lifetime and we are conscious of the cement and wood raw material we choose in the construction. All wood we use is certified according to the FSC and/or PEFC schemes. 99% of energy usage within Nivika properties, where Nivika has the subscription, is renewable energy.

Transition-related risks (for example changed customer preferences or legislation): Do you anticipate any risks or opportunities due to the transition to a carbon neutral society? Is there any risk of the firm's offer being negatively effected? If yes, is the firm well positioned to handle that risk?

- The awareness of climate change among customers is increasing rapidly and Nivika must meet this demand. As an example, we recently decided to, going forward, certify all our new residential properties according to Miljöbyggnad Silver - setting strict requirements on resource efficiency, health and wellbeing, and high quality of the indoor environment for residents/tenants.
- Customers will increasingly require buildings to use renewable energy sources and this is high on the agenda for Nivika. Our target is to invest in additional solar power systems on to buildings, with a capacity of 1750 kW and potentially generating 1.5 million kWh per year.
- Customers/employees will increasingly require access to electric charging stations and access to different sharing services (rather than owning the vehicles themselves). Nivika has implemented several initiatives to reduce the need for transport and promote electric vehicles, including providing electric car pools for tenants, increasing the installation of charging stations for electric vehicles by 100% by 2021, and upgrade our own fleet of service vehicles to electric drive.

Please list the firm's (1-2) primary means of making a positive environmental impact or minimising negative environmental impact. (If applicable please list the corresponding most relevant UN Sustainable Development Goals) How are they tracked and communicated?

The 2030 Agenda for sustainable development and its 17 SDGs form the basis of Nivika's sustainability strategy. We work systematically to implement initiatives that support the Agenda and have identified those SDGs where we can have the greatest impact. These include Goal 3: Good health and well-being, Goal 5: Gender equality, Goal 7: Affordable and clean energy, Goal 8: Decent work and economic growth, Goal 11: Sustainable cities and communities, and Goal 12: Sustainable consumption and production.

More details on how we contribute to these goals is described in our sustainability strategy and will be reported on in our sustainability reporting.

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Social

<p>Does the firm have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?</p>	<p>Nivika has a very low accident rate compared to hours worked. Last year only one LTA was registered.</p> <p>Health and safety issues are becoming increasingly complex and important in construction projects. Nivika works preventively with safety through, among other things, internal routines and tools. Work environment issues are important to minimise incidents and accidents and a zero vision for workplace accidents applies to everyone who works for or performs assignments for Nivika.</p>
<p>Does the company conduct any other community engagement activities aside from those directly connected to the business?</p>	<p>Nivika’s aim is to make a positive impact in the societies we are part of and conduct our business in a socially responsible manner. We have a long-term and extensive exchange with students at the Campus in Värnamo and the University of Jönköping, striving to give these students opportunities for practical experiences and education in both construction and sustainability work. We are also an active supporter of a construction project in Uganda - “The Fortress”, an initiative which provides safe homes for vulnerable, young pregnant women in Kampala. The project has a total budget of 1.5MSEK.</p>
<p>Circular economy: How are purchases and waste managed? Please list the firm’s demands on its suppliers, if applicable</p>	<p>Nivika make demands on the suppliers through the specifications of the Miljöbyggnad Silver certification, and work with the tenants through e.g. energy advice, electric bike and carpools. Our purchasing policy states that, as far as possible, Nivika must only enter into agreements with suppliers who have an externally audited environmental certification such as ISO, EMAS or similar, and to avoid suppliers who have no organized environmental work and thus no documentation about it.</p>
<p>Are there any goals, policies, or codes of conduct applicable to the firm’s suppliers? How often does the firm conduct audits of its suppliers?</p>	<p>Nivika works with framework agreements with the largest/most important suppliers where at least a yearly follow up and reconciliation is required.</p>

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Governance [1/2]

<p>Do all staff members receive continuing education on anti-corruption? Is there an external whistle-blower function? Are there any ongoing or historical incidents involving corruption, cartels or any other unethical business conduct? Have any preventive measures been taken?</p>	<p>In December 2020 the Board approved the Nivika Code of Conduct and during the first half of 2021 this will be communicated to all our employees as well as to vendors and other stakeholders.</p> <p>We have an internal whistle-blower function, where all employees have the possibility to contact our Chairman of the Board.</p> <p>No ongoing or historical incidents.</p> <p>We have an approval flow where at least two different employees must sign off to all costs. Both as a documented routine and automated function in the ERP-system.</p>
<p>Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen</p>	<p>Sweden.</p>
<p>Are there independent members on the Board of Directors?</p>	<p>There are two independent members of the Board, the Chairman Elisabeth Norman, and the member Thomas Lindster, a former Bank Director.</p>
<p>Please state if and to what extent, the company has transactions with related parties?</p>	<p>Yes, Nivika purchase administrative services from Värnanäs, one of the main shareholders and Holmgren Group, another main shareholder, is the largest tenant for Nivika. Please find further details in the risk factors and in our annual report.</p>

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Governance [2/2]

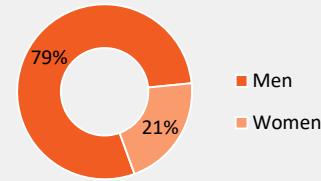
Is the remuneration of the CEO and other members of the management team in line with industry peers? Which KPIs dictate the remuneration (particularly if sustainability and gender diversity are included)?

Yes, the remuneration is in line with the branch-level.
Remuneration for CEO and the management team are approved by the Chairman of the Board.

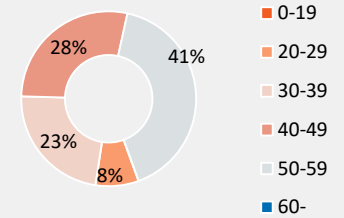
Please indicate the relative split of men/women at every level of the firm, particularly the Board of Directors and management team

29% women in the Board and 17% in management positions.

Employees, gender distribution



Employees, age distribution



Is the Head of Sustainability a member of the management team? If not, who does that person report to?

Yes. Jerry Johansson is the head of sustainability and a member of the management team.

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Policies or agreements in place

Union agreement	Nivika has an agreement via Almega.
Code of Conduct	Yes, approved in December 2020.
Diversity policy	Included in Nivika Code of Conduct.
Anti-corruption policy	Included in Nivika Code of Conduct.