



Green Bond Report 2018

Flexible, attractive and environment-friendly office properties





Green Bond report

During 2016 and 2017 Entra has issued two Green Bonds, capitalising on the environmental qualities in a selection of its portfolio. CICERO (Norway's foremost institute for interdisciplinary climate research) has certified the Green Bond Framework.

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

In accordance with the Green Bond Framework Entra's Chief Compliance Officer has verified this Green Bond Report, the internal tracking method and allocation of funds from the Green Bond proceeds.

Green Bond 2017–2024 ISIN NO 0010789464

Floating rate unsecured bond issue of NOK 1 bn. The purpose of the issue is financing of Eligible Projects as defined in and otherwise in accordance with Entra's Green Bonds Framework which can be downloaded on https://entra.no/uploads/article-documents/2_green-bonds-framework.pdf. The maturity date is 20 March 2024 and the coupon is NIBOR + 0.86 %

As of 31.12.18 the NOK 1 bn Green Bond proceeds had been fully utilised for financing of three development projects, as further described below.

Status Eligible projects financed

Powerhouse Brattørkaia, Brattørkaia 17 B, Trondheim

Powerhouse Brattørkaia is an energy positive and environment friendly office building of approximately 18,200 sqm which was finalised in Q1 2019. The property is currently 91 per cent pre-let, and several letting processes are ongoing. Powerhouse Brattørkaia utilise sun and sea water for heating and cooling. The building is covered by ~ 3,500 sqm of solar panels and thus produce around 500,000 kWh of renewable energy annually. This is more than twice as much as the building consumes for heating, cooling, ventilation and lighting. It means that the building has a positive energy balance in its lifetime also when all the energy that goes into building processes, materials and finally demolition is included. The property is aiming for the environmental classification BREEAM-NOR Outstanding and Energy class A.



Brattørkaia 16, Trondheim

On Brattørkaia 16 in Trondheim, Entra has built a 10,500 sqm campus building for BI Norwegian Business School which was finalised in the end of the second quarter of 2018. The property is fully let on a 20-year lease. The property is classified BREEAM-NOR Excellent.



Powerhouse Kjørbo, Block 1 and 2, Sandvika

Powerhouse Kjørbo, Block 1 and 2 are 7,230 sqm and are located in the Kjørbo office park in Sandvika outside Oslo. Entrar has recently refurbished the Blocks at Kjørbo into a Powerhouse with a BREEAM-NOR Excellent classification. The properties are fully let.



Green Bond Issue 2016–2023 ISIN NO 0010774797

Floating rate unsecured bond issue of NOK 1 bn. The purpose of the issue is financing of Eligible Projects as defined in and otherwise in accordance with Entra's Green Bonds Framework which can be downloaded on <https://entra.no/uploads/article-documents/green-bonds-framework.pdf>. The maturity date is 22 September 2023 and the coupon is NIBOR + 0.94 %

As of 31.12.18 the NOK 1 bn Green Bond proceeds had been fully utilised for financing the two properties Powerhouse Kjørbo, Block 4 and 5 in Sandvika and Schweigaardsgate 16 in Oslo, as further described below.

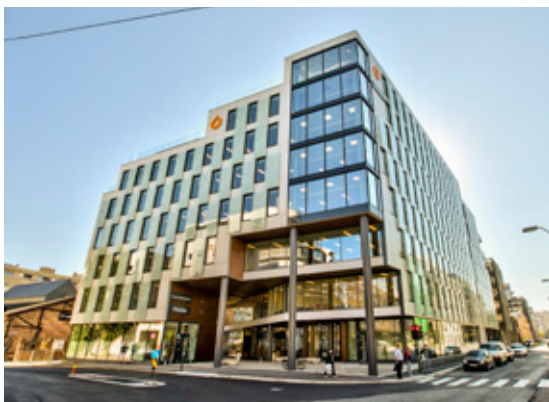
Status Eligible projects financed



Powerhouse Kjørbo, Block 4 and 5, Sandvika

Powerhouse Kjørbo, Block 4 and 5 are in the Kjørbo office park in Sandvika outside Oslo. The buildings were renovated into Powerhouse standard in 2014 and were the first buildings in Norway to achieve the rating BREEAM-NOR Outstanding.

Energy consumption 2018:	277 000 kWh
CO ₂ Emissions 2018:	222 tCO ₂ Scope 1-3
Water consumption 2018:	na
Waste sorting 2018:	58 %



Schweigaardsgate 16, Oslo

Schweigaardsgate 16 in Oslo is a new built office property which was finalised in 2015. The property is 15,500 sqm and is classified BREEAM-NOR Excellent. The building is designed with 100 per cent LED lightning.

Energy consumption 2018:	1 690 000 kWh
CO ₂ Emissions 2018:	79 tCO ₂ Scope 1-3
Water consumption 2018:	4 241 m ³
Waste sorting 2018:	69 %

Sustainability report

To operate our business in a sustainable manner is of key strategic importance to Entra and is seen as a prerequisite for the company's long-term results and value creation. Entra has a systematic approach towards understanding and managing the company's impact on society, as well as stakeholder requirements and expectations. This report highlights our activities and achievements during 2018 and outlines what we have planned for 2019.

Reporting standards and responses

To enable our stakeholders to compare and evaluate our reporting, we compile and align the Sustainability report for 2018 with two reporting frameworks: the EPRA Sustainability Best Practices Recommendations on Sustainability Reporting (EPRA BPR) and the Global Reporting Initiative Standards (GRI).

The EPRA BPR Guidelines provide a consistent way of measuring sustainability performance for real estate companies and cover environmental, social and corporate governance impact categories. The GRI Standards, applicable to all industries, include both relevant disclosures for a range of economic, environmental and social topics as well as reporting principles related to the reporting process. This report has been developed in accordance with the GRI Core option. The EPRA tables are included at the back of this Sustainability report, and the GRI tables are included at the back of the annual report.

In this report we have also set out a review of the UN Sustainable Development Goals (SDG) against our sustainability strategy and highlighted where we align.

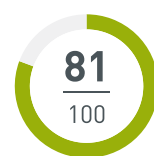
We have again submitted a response to CDP and, for the first time in 2018, provided a response to the Global Real Estate Sustainability Benchmark (GRESB). We achieved the CDP score B and GRESB Green Star status with a total score of 81.

Third party verification

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

Management approach

Sustainability is fundamental to Entra's strategy and has been so for many years. The Board of Directors review and set out the sustainability focus areas and overall risk analysis at least on an



GRESB Score
GRESB Average 68

Green Star
Peer Average 73

annual basis, and various sustainability topics are on the Board agenda regularly, e.g., revision of the environment strategy, corporate governance, ethical guidelines, and risk analysis. The individual business units present business reviews to the Board of Directors at least on an annual basis. These reviews also include sustainability targets and KPIs. Targets are then aggregated into company KPIs and followed up on a regular basis.

The CEO is responsible for following up the implementation of the sustainability strategy in Entra. Implementation and evaluation of risks and opportunities is mostly handled by the individual business units and is reported to the CEO/CFO through quarterly business reviews and in corporate management meetings. Entra has also set up a Sustainability Committee that has a separate responsibility to evaluate, follow-up and implement new initiatives. This Committee reports to corporate management on a regular basis.

Supporting the UN Sustainable Development Goals

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

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



Goal 9: Industry, innovation and infrastructure

Entra focuses on innovation and actively seeks innovative environmental solutions for its properties and building projects. Entra focuses on renewable energy and low energy consumption

in all of its projects with an overall ambition that new and totally renovated buildings will have an energy consumption of less than 40 kWh per sqm (close to zero energy buildings). Entra also seeks solutions for increased production, storage and exchange of renewable energy.



Goal 11: Sustainable cities and communities

Entra seeks to contribute to urban districts that are sustainable, attractive, inclusive and accessible for residents and others that work or visit the area. We take an active role in developing

the areas and public spaces around our buildings, and we ensure they are accessible to those with disabilities. We seek to use environment friendly materials and solutions when developing and operating our buildings. We seek solutions for

re-use of furniture and materials, and we focus on making and maintaining our buildings climate resilient.



Goal 12: Responsible consumption and production

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



Goal 13: Climate action

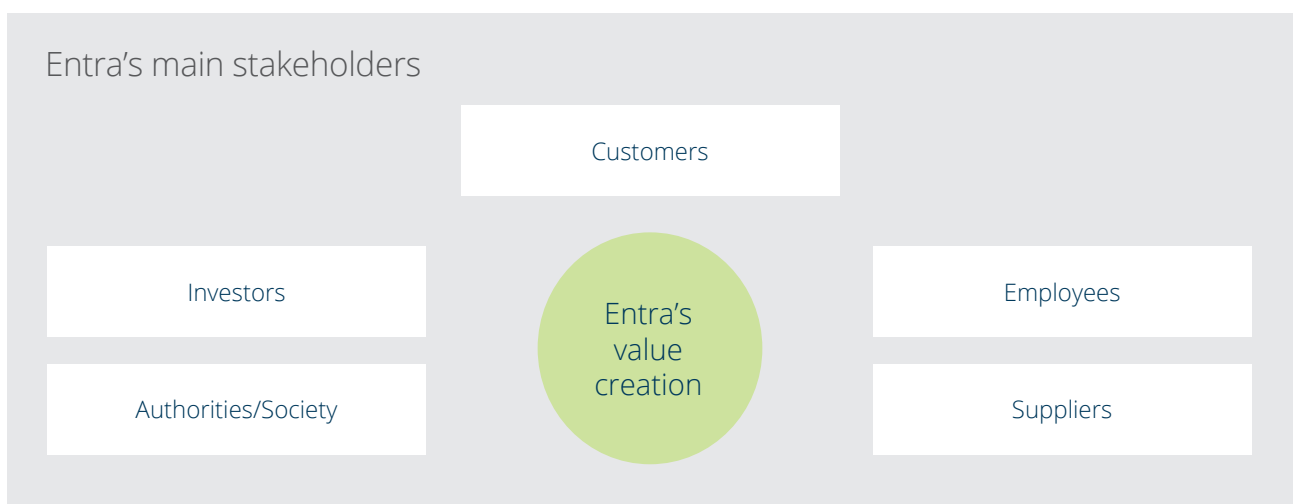
We have set science-based targets which are set towards a two degrees reduction scenario. We are committed to reduce our carbon emissions and make sure that our portfolio is climate-resilient. For a more comprehensive description of our work on taking climate action, please see the section below.

Stakeholder dialogue

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


A structured process towards selecting the report's content and confirming its validity is undertaken on an annual basis. The focus areas of this report have been revisited and confirmed by Entra's Board and management. Entra engages with various groups and individuals to understand specific opportunities and

Entra's main stakeholders







Focus areas




Climate and the environment




Urban development



Motivated employees



Ethics and anti-corruption measures



Health and safety

concerns about our business and its impact. Such engagement is, amongst others, based on dialogue, meetings and feedback from business partners, shareholders, customers, investors, authorities and employees. Other sources of information include an assessment of media and industry reports. In 2018, the materiality analysis and focus areas have been revisited and their validity confirmed by Entra’s management and Board.

Entra’s stakeholders are particularly concerned about how we handle environmental matters, governance, ethics and

anti-corruption measures, our corporate culture and employee satisfaction and our role as a major owner and developer of properties in the largest cities in Norway.

Materiality analysis and focus areas

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

The focus areas and priorities are based on a broader materiality analysis of areas where Entra and its stakeholders believe the company can make an important and sustainable impact. The topics are believed to be important for future progress and long-term value creation. The materiality analysis was re-visited and reviewed by Entra's Board and management in December 2018. The outcome of the analysis is in all material aspects similar to the previous year and is illustrated on the next page.

Based on the materiality analysis the five areas set out in the illustration on the previous page continue to be seen as core to Entra and the work within each field is further described in this report.

1. Climate and the environment

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

Background and CO₂ targets

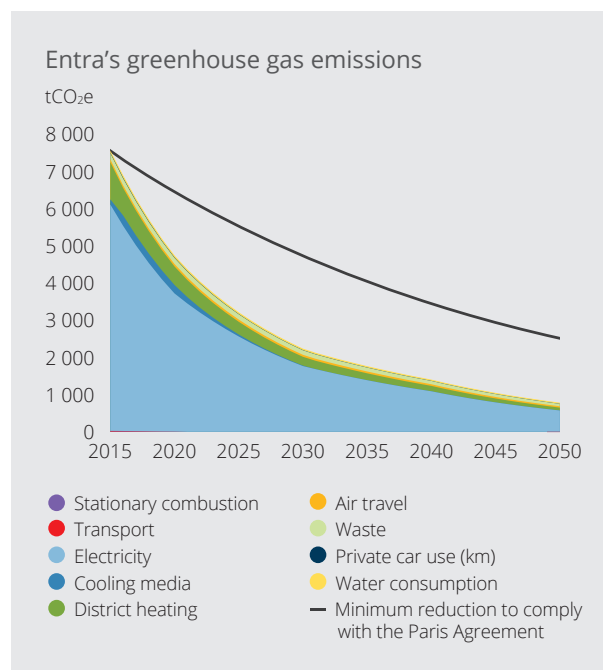
According to the Paris Agreement, global warming is to be limited to 2° Celsius and efforts should be made to achieve 1.5°. Norway is one of 196 UN countries that have signed the agreement, and the nation is committed to cutting CO₂ emissions by 40 per cent by 2030. The City of Oslo has chosen a more aggressive ambition and has a goal to cut the city's CO₂ emissions by 50 per cent by 2020 and 95 per cent by 2030¹⁾. Against this background, Entra's environmental strategy is built on how Entra can contribute to cutting its own CO₂ emissions as well as influence others to cut theirs.

The figure above to the right illustrates a projection of Entra's direct CO₂ emissions and the factors that are included in the calculation. The calculation and projection have been made by CEMAsys.com and Entra, and the CO₂ factor used in the calculation is based on Electricity Nordic mix.

As can be seen from the graph, it is estimated that Entra's emissions of greenhouse gases can be reduced by 70 per cent by 2030. The estimates assume that Entra continues to reduce annual energy consumption in its buildings by 2 per cent a year. Given that Entra expects an increased degree of occupation and extended working hours in the buildings, this may, however, be ambitious. The emission reduction needed to be compliant with the 2° target is based on IPCC AR5 methodology.

The main source of Entra's greenhouse gas emissions is energy consumption in its buildings which constitutes about 90 per cent of Entra's direct CO₂ footprint.

We have also increased our focus on influencing and setting requirements for our counterparties. In Oslo, it is estimated that 61 per cent of emissions come from the transport sector,



19 per cent from waste and 17 per cent from buildings¹⁾. We thus believe that influencing and setting requirements on suppliers, customers and other stakeholders with a significant environmental impact would contribute significantly to the overall carbon account.

Entra's environment strategy 2018–2020

In order to maintain and strengthen Entra's position as an environmental leader, Entra has outlined a short-term strategy and targets for 2018–2020. The strategy has the following overall objectives:

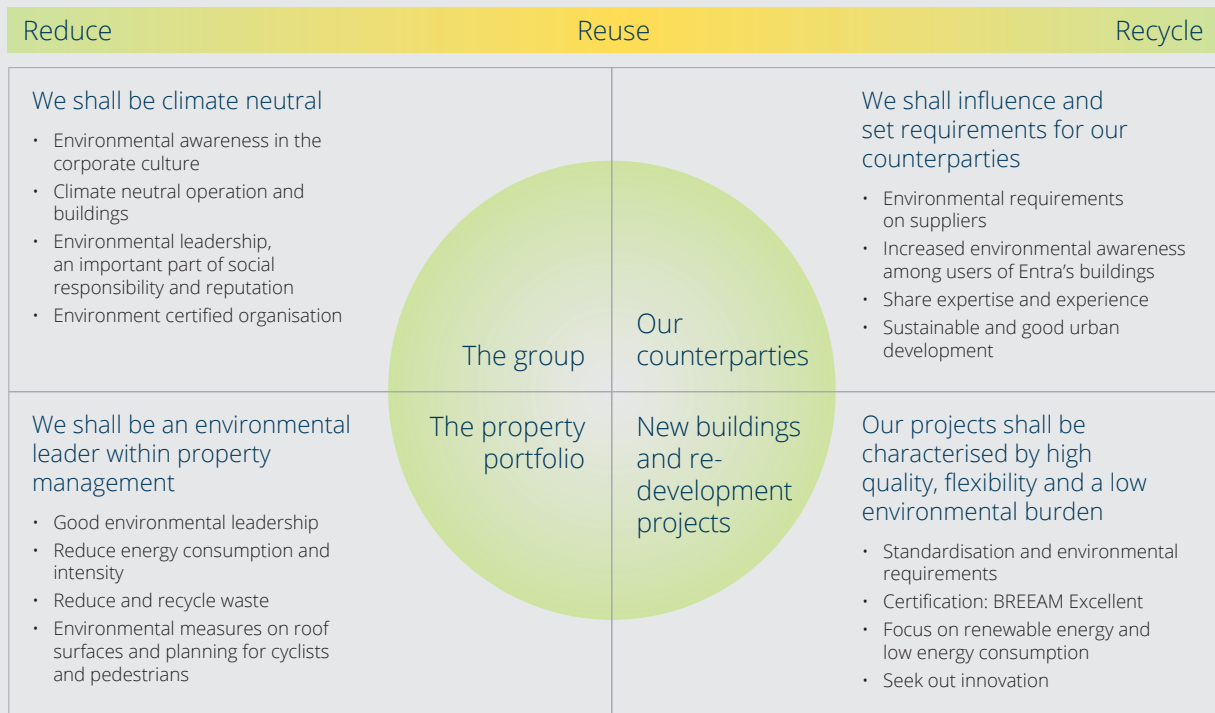
- Entra shall be an environmental leader within property management
- Entra's property portfolio shall be climate neutral
- Entra shall influence and set requirements for our counterparties
- Entra's newbuild and redevelopment projects shall have a high degree of quality and flexibility and a low environmental burden

Entra's business shall be climate neutral

Entra has a corporate culture where environmental awareness is strongly embedded at all levels in the organization. This is something that Entra wishes to maintain and further enhance and use as a lever in implementing an even broader environmental focus. Entra strives for a culture in which all employees seeks to influence suppliers, customers and partners to make wise environmental choices. This means that Entra will work actively with concepts for increased environmental engagement and responsibility among its employees, customers and suppliers. Entra still has much to gain from reinforcing its focus on a circular economy and concepts that contribute to reduced consumption, reuse, recycling and waste handling.

¹⁾ Source: Oslo Kommune (2016) Climate and energy strategy for Oslo, Adopted by the City Council in Oslo 22.06.2016 (Proposition 195/16). pg. 10.

Our refined environment strategy



Entra has an ambition to act as an example in relation to a lessee's environmental focus. As a consequence, Entra's head office in Oslo was in 2017 environmentally certified in accordance with the requirements set out in "Miljøfyrtårn" (Environment Lighthouse).

As an extension of this, Entra will work on influencing attitudes and seek to lift everyone's awareness so that the company also is an environmental leader as an office user.

Entra's ambition is that operation of its buildings is climate neutral. Today, energy consumption amounts to approximately 90 per cent of Entra's direct CO₂ consumption and is thus the most important single source in impacting our carbon footprint. From 2017 to 2018, Entra reduced its CO₂ emissions by 11 per cent, from 6.455 tonnes to 6.383 tonnes. In 2018 Entra also purchased electricity certificates for near all the electricity used in its buildings. Entra has a goal to reduce its current CO₂ footprint by 70 per cent from 2015–2030. This will be achieved through, among other things, replacing energy bought with green energy we have produced ourselves, phasing out environmentally harmful cooling media, reducing the quantity of waste, and focusing on green transport. The rapid developments taking place within solar and battery technology contribute to our optimism in this regard.

In order to compensate for its own emissions and make Entra's business close to climate neutral, Entra buys guarantees of origin ("green power") corresponding to the electricity consumption of its buildings. Entra will also gradually produce more and more renewable energy through new development and redevelopment projects.

Entra has also carried out a number of green measures in its buildings, and this has been an important contributor to succeeding in reducing energy consumption. These measures have, amongst others, been financed through green benefit agreements under which lessees have contributed to the financing through part of the reduced energy costs being used to finance the measure. Entra sees continued possibilities for implementing green measures, for example by using roof and wall surfaces for producing solar power. This type of investment usually has a long payback period, and Entra will therefore consider whether to adopt a slightly lower return requirement in relation to environment investments and innovation that protects the environment.

Entra shall influence and set requirements for its counterparties

Entra will work actively to influence and set requirements for its suppliers, customers and other interested parties to contribute to the "green shift". Specifically, this means that Entra prefers

ENTRA'S BUSINESS SHALL BE CLIMATE NEUTRAL – FOCUS AREAS AND TARGETS

Focus areas	Targets and measures
Environmental awareness is part of our corporate culture	<ul style="list-style-type: none"> • We will work to improve expertise, with concepts for increased environmental awareness and responsibility among the employees • We will encourage employees to choose environmentally friendly transport
Our operations and buildings shall be climate neutral	<ul style="list-style-type: none"> • We are working actively to reduce our CO₂ footprint and have an objective to reduce this by 70 per cent from 2015-2030 • We will gradually replace energy bought with renewable energy produced by ourselves • Until our business is CO₂ neutral, we will climate compensate for our CO₂ emissions by: <ul style="list-style-type: none"> – Buying guarantees of origin for all electricity used in our buildings – Buying climate quotas related to other CO₂ emissions • We plan for phasing out all cooling media that are not climate-friendly • We focus on the environment and innovation and will consider to have a lower return requirement for environmental investments
Environmental leadership is an important part of our social responsibility and reputation	<ul style="list-style-type: none"> • Attract the most competent and innovative people and partners • Make our environmental commitment known to our counterparties • Continue to issue green bonds and secure green bank financing where applicable
Environmental certification and reporting targets	<ul style="list-style-type: none"> • Organisation and head office certified in accordance with "Environmental Lighthouse" process • GRESB "Green Star" • Retain CICERO rating "Dark shade of Green" • Ownership and follow-up of environmental targets in the regions and project development

partners that also have a clear environmental profile and will put the environment on the agenda in meetings with their counterparties. Entra sets environmental requirements on its suppliers and partners through conditions on purchasing and social responsibility, sets requirements for fossil-free construction sites and imposes a total prohibition on the use of materials hazardous to health and the environment.

Entra seeks to increase awareness of the environment among users of its buildings. Not only its customers, the tenants of the buildings, but also their employees and visitors are included in this definition. Entra will seek to implement environmental measures that are visible and inspiring for the people that work in our buildings. We will also create conditions for our tenants to be able to implement environmental measures, both on their own and in cooperation with Entra through, amongst other initiatives, Green Benefit Agreements. Entra's role is to identify the potential together with customers and then implement and finance the measures. Customers refund the cost through an increased rent for a set period of time on the basis that the customer's share of operating costs is reduced by more than the increase in rent. Once the initial investment has been paid down, the customer receives the benefit through lower common costs. Since 2011, Entra has signed more than 100 Green Benefit Agreements with its tenants.

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

Entra has had great success in making its environmental commitment known to its counterparties and has shared, and will continue to share, its expertise and experience with the industry.

Membership of associations

Entra participates actively in various technical bodies, industry cooperation and industry organisations such as Powerhousealliansen, Grønn Byggallianse, Zero, NGBC and Norsk Eiendom. Entra also participates in R&D projects such as "Svalvent" together with Sintef and in a cooperation project with Obos, Norsk Gjenvinning and CSR Consulting regarding industrial solutions for upcycling of materials.

Entra shall be an environmental leader within property management

Entra shall have a continuous focus on environmental measures in the management portfolio.

Entra uses an environment management system to compare, follow-up and control the various buildings' environmental qualities with a focus on the consumption of energy and water, as well as waste and waste sorting. Entra has BREEAM-in-use certified three buildings in the portfolio and has another four certifications ongoing. In addition, Entra plans to start the BREEAM In-Use certification process for four more buildings in 2019.

Over time Entra has built a culture in which energy management is an integrated part of its operating organisation. Entra has

ENTRA SHALL INFLUENCE AND SET REQUIREMENTS FOR ITS COUNTERPARTIES – FOCUS AREAS AND TARGETS

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

worked systematically over time to reduce energy consumption in its portfolio (from 202 kWh/sqm in 2011 to 142 kWh/sqm in 2018). An important reason why Entra has succeeded in this work is the systematic work over time, supported by an energy management system which has made it possible to measure, compare and follow up various initiatives. Entra is now at a level where continued reductions in consumption must primarily be driven through technological development and continuous upgrading of the management portfolio to green buildings.

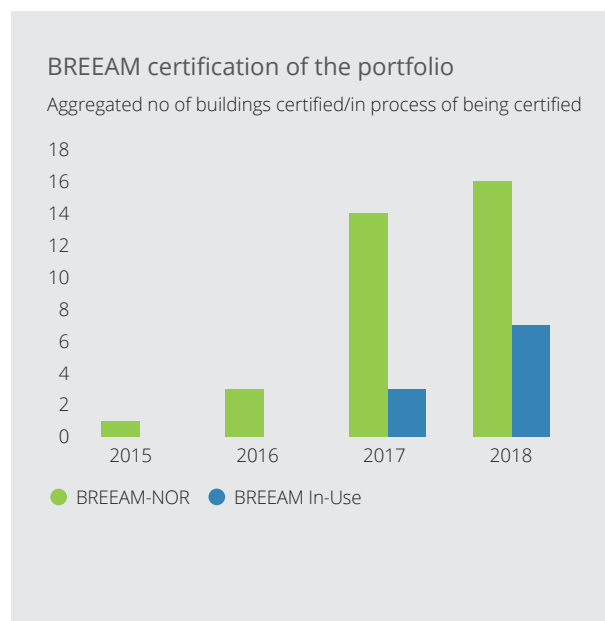
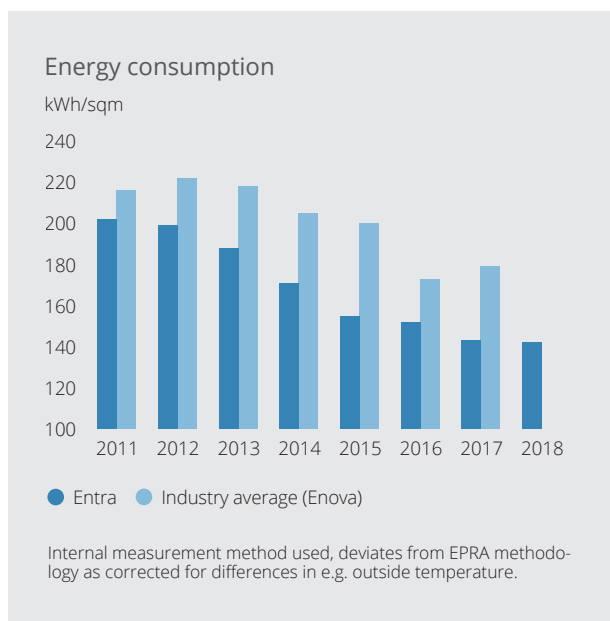
Entra will maintain its focus on reducing energy consumption in its management portfolio and has a target to get below 135kWh per sqm in 2020. Entra can contribute to a reduced load on the energy grid and lower costs in relation to energy intensity in the portfolio, by introducing this as a parameter in the same way as consumption.

Entra also want to broaden its environmental focus by using the coming years to implement a culture where all Entra employees work systematically on all aspects of a circular economy – i.e. reducing, reusing and recycling. This means that Entra will focus on reducing the quantity of waste in buildings as well as looking at solutions for multi-use and reuse. Examples of this are paperless offices, a reduction in food waste in canteens, as well as a focus on reuse in relation to tenant alterations. Entra has set specific ambitions in relation to residual waste, the degree of sorting and water consumption for the period 2018–2020.

Entra is in the process of developing a strategy for environmental measures on its roof surfaces (use of solar panels, solutions for surface water, biological diversity etc.). Survey work is proceeding, and measures will be assessed on a continuous basis.

ENTRA SHALL BE AN ENVIRONMENTAL LEADER IN OUR PROPERTY MANAGEMENT – FOCUS AREAS AND TARGETS

Focus areas	Targets and measures
Good environmental leadership	<ul style="list-style-type: none"> • Use environment leadership system for control, comparison and follow-up of individual buildings (Optima) • Breeam In-Use certify four more buildings in 2019 • Breeam In-Use certify HQ offices
Reduced energy consumption and intensity	<ul style="list-style-type: none"> • Target 145 kWh/sqm in 2018, 140 kWh/sqm in 2019 and 135 kWh/sqm in 2020 • Increase proportion of self-produced green energy
Reduce peak load	<ul style="list-style-type: none"> • Focus on load control in order to reduce energy demand during peak usage times in 2018
Reduce and recycle waste	<ul style="list-style-type: none"> • Target 75 per cent waste sorting in 2019 in both projects and property management. • Reduce water consumption
Environmental measures	<ul style="list-style-type: none"> • Strategy for roof surfaces and facades • Make provision for cycle transport • Actively seek innovative and environmentally friendly solutions



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

Entra’s new-build and redevelopment projects shall be characterised by high quality, flexibility and a low environmental burden

Entra has been a leader in the development of environmentally sustainable buildings and has for many years had high

environmental ambitions on all its projects. In cooperation with the Powerhouse alliance, Entra has refurbished five older buildings to “Plus buildings/Powerhouses” at Kjørbo in Sandvika and at Brattørkaia in Trondheim a new-built Powerhouse is under construction. A Powerhouse produces more energy than it uses over its lifetime, including the materials used for construction. In practice, the buildings therefore act as local power stations that deliver environmentally-friendly energy. Entra has thus contributed to persuading the industry to consider “virtually zero use of energy” on both new buildings and redevelopment projects.

ENTRA’S NEW-BUILD AND REDEVELOPMENT PROJECTS SHALL BE CHARACTERISED BY HIGH QUALITY, FLEXIBILITY AND A LOW ENVIRONMENTAL BURDEN – FOCUS AREAS AND TARGETS

Focus areas	Targets and measures
Standardisation and environmental requirements in projects	<ul style="list-style-type: none"> • Further develop the standard specification for projects (the “Entra building”) • Develop a standard specification for tenant requirements • Set requirements for fossil-free construction sites and request fossil-free transport • Establish a strategy for all development projects in Entra with the following objectives: <ul style="list-style-type: none"> – request and facilitate flexible solutions and multi-use premises – requirements for reuse of materials, reduction of waste quantities and degree of sorting – more materials with low CO₂ emissions (documented through EPD) – choice of building products with low life cycle costs (LCC) • The environment strategy for the project is to be presented as part of the investment decision and reported in BR
Certification	<ul style="list-style-type: none"> • Objective of a minimum of BREEAM-NOR Excellent on all new development projects • Objective of a minimum of BREEAM-NOR Very good on major redevelopments
Focus on renewable energy and low energy consumption	<ul style="list-style-type: none"> • Objective of close to zero energy buildings (energy consumption less than 40 kWh/sqm) • Plan solutions for increased production, storage and exchange of renewable energy
Innovation	<ul style="list-style-type: none"> • Actively seek innovative and environmentally friendly solutions

THE ROADMAP TOWARDS 2050 BY THE GREEN BUILDING COUNCIL

Entra has signed up to “The Roadmap towards 2050 for the Property Sector” by Grønn Byggallianse and Norsk Eiendom. Entra complies with and follows the 10 immediate measures set out in the Roadmap listed below:

Measure	Status
Certify the organization	Entra's headquarters were certified as Miljøfyrtårn in 2017
Remove fossil heating in buildings	Completed on all Entra's properties except two buildings which were acquired in 2018. A plan for phasing out will be established
Only buy building products that do not contain hazardous substances	Covered by Entra's sustainable purchasing procedures
Introduce BREEAM In-Use as a management system for the entire portfolio	Seven properties certified or in process of being BREEAM In Use certified. Planning additional four certifications in 2019
Conduct a study of what the roofs can and should be used for	Study ongoing
Demand and reward innovative environmental solutions	Request and demand innovative solutions in new-build development projects.
Require architects to make plans for re-use of materials and minimize waste	Implemented in several of our projects. Possibilities investigated on a project by project basis
Order energy budgets to calculate real energy use	Implemented in Entra's standard technical requirements
Demand and prioritize building products with low CO ₂ emissions	To be implemented in Entra's standard technical requirements
Demand fossil free construction sites	To be implemented in Entra's standard technical requirements

Entra's new buildings are BREEAM-NOR certified, with a goal of obtaining, as a minimum, BREEAM-NOR Excellent, while for redevelopment projects the objective is a minimum of BREEAM-NOR Very Good. This requires, among other things, analysis of life-cycle costs, low energy consumption, a good internal climate and innovative measures. On completion of buildings currently under construction and ongoing certification processes Entra will have BREEAM-NOR built/refurbished 16 buildings and BREEAM In-Use certified seven buildings.

Entra's new buildings and redevelopment projects shall be planned and built in accordance with Entra's specifications - the “Entra building”. This is to ensure high quality throughout and lower costs. In the “Entra building”, focus is placed on standardisation that will give reduced costs in a life cycle cost perspective (LCC) and operating synergies. Standardised technological systems in the buildings will also simplify integration with new “smart building” technology in the future. We will request materials with low CO₂ emissions and low life-cycle costs. Planning will provide for flexible solutions and multi-use and reuse of materials will be a focus area. Entra also plans to develop a standard delivery description for tenants where these factors are taken into account.

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

Entra applies for and receives financial support from Enova for individual environmental measures taken in its development projects. Entra received approximately NOK 20 million in five of its development projects in 2018.

Green Bonds

During 2016 and 2017, Entra has issued two Green Bonds, capitalizing on the environmental qualities in a selection of its portfolio. CICERO (Norway's foremost institute for interdisciplinary climate research) has certified the Green Bond Framework.

Entra was awarded the rating Dark Green, which is the best rating possible.

The rating Dark Green is given to projects and solutions that realise the long-term vision of a low-carbon and

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

We find no weaknesses in Entra’s Green Bond framework.”

– CICERO, Second opinion

climate-resilient future already today. Typically, this will entail zero-emission solutions and governance structures that integrate environment concerns into all activities. Example projects include renewable energy projects such as solar or wind

2. Motivated employees

Entra focuses on developing a culture characterized by pride, positivity, responsibility and involvement. Emphasis is put on employee motivation, which is considered to form the basis for an individual’s desire and willingness to work well and thus to contribute to the development of the company. Employees are offered opportunities for personal and professional development through close dialogue with, and follow-up by, their immediate superior. There is a correlation between resources, tasks and authority. Together the employees create the basis for further development and growth. It is important that employees should consider Entra to be a good and attractive place to work.

At the end of 2018, the Group had 164 employees, of which 162 work full time and two are temporary employees. 138 of the employees work in Oslo (including Sandvika and Drammen), 10 in Bergen, 13 in Trondheim and 3 in Stavanger.

Focus on developing competence and engagement

Entra’s value chain is broad and imposes significant requirements regarding relevant experience, expertise and coordination. Entra therefore acknowledges the individual employee’s need for ongoing professional education suited to his/her area of work and has developed the Entra School to provide education and training programmes for all levels of the organisation. These include an introduction course for new employees, which is intended to enable employees to view their role in the company in a wider context, and a management and key talent development programme that runs for 1.5 years and focuses on the responsibilities and challenges of a management role. Ethics training occupies a central position in the introduction course and through annual dilemma training programmes.

Employee relationship and employee satisfaction

Each year Entra carries out an employee job satisfaction survey. In 2018, Entra used the survey from Ennova for this purpose. The survey is standardized and gives a score both for the level of motivation and satisfaction of employees and the factors that drives their experience. Entra’s results are compared against a representative national benchmark (GELx) and a benchmark “top in class” of the 25 per cent best in Ennova’s client database. In 2018, Entra had an employee motivation and satisfaction score of 83, an improvement of 4 points from 2017’s score of 79. The score is also significantly above the national benchmark GELx score of 70 and also well above the “top in class” score of 76. The result of this survey confirms the positive development from the employee job satisfaction score measured in prior years.

Health and working environment

Entra carries out a number of measures to contribute to the health of its employees. As an example, all employees are offered annual health checks. Entra also has an internal sports club that is active in a number of sports such as running, cycling, skiing and yoga. Sick leave in Entra in 2018 was 4.2 per cent. This is low compared to a country average of 6.2²⁾ per cent. The objective is a continued low level of sick leave.

Workers’ rights

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

Safety officer, working environment committee and Board representation

Entra has a safety officer and a working environment committee. Employees are represented on Entra’s Board with two employee-elected directors.

The safety officer’s main function is to take care of employee’s interests in matters that relate to the working environment. The safety officer is elected for two years at a time from among employees with experience and knowledge of working conditions in the company.

Entra’s working environment committee is a decision-making and advisory body. The committee’s most important function is to work towards a fully safe working environment. The committee covers issues on its own initiative and at the request of the safety officer. All employees can contact the committee.

Employees in Entra are free to organise themselves and are organised in several different labour associations. Entra has established an accord with the Norwegian Engineers and Managers Association (FLT). The accord sets out agreement on a number of important matters affecting members’ work lives.

Equality and diversity

Equal opportunities and diversity are an integral part of the company's personnel policy. Entra believes in the benefits of diversity, and this goal is incorporated into Entra's recruitment procedures and is reflected in the composition of senior management. Entra strives for diversity on a broad basis, including gender, age, background, education and nationality. Employee benefits, such as flexible working hours and full pay during illness and parental leave regardless of the National Insurance scheme's limits, are important measures in the efforts to ensure equal opportunities.

Targets and status

Entra seeks to maintain high employee satisfaction and aims for a continued high score in the employee job satisfaction survey.

3. Ethics and anti-corruption

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

Ethical Guidelines

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

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

Entra has established whistle-blowing routines. Internal and external questions about ethics, harassment, whistleblowing etc. can be directed to the Group's Compliance Officer, or anonymously to an independent, experienced law firm with a duty of confidentiality in order to lower the threshold for an employee compared with having to contact a member of staff in Entra. A direct point of contact to the law firm is available on entra.no and on Entra's intranet.

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

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

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

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

Entra's supply chain

Entra spends NOK 2–2.5 bn per year on external suppliers. The main suppliers are the largest construction companies in Norway and their sub-suppliers such as carpenters, electricians, plumbers etc. In property management, the largest suppliers are facility management suppliers such as canteen operations, cleaning etc. Entra has signed framework agreements with its largest suppliers which mainly consist of large Norwegian companies.

Corporate Social Responsibility in the supply chain

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

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

There is considered to be limited risk associated with rights to e.g. exercise freedom of association and collective bargaining, child labour or forced and compulsory labour in Entra's direct supply chain. There may, however, be more risk further down in the supply chain with sub-suppliers, although none has been identified in recent years. Entra has set "Socially Responsible Purchasing Guidelines" that must be followed by both suppliers and their sub-suppliers in its supplier qualification requirements.

Supplier qualification requirements

In order to enter into an agreement with Entra, all suppliers must accept and follow Entra's "Socially Responsible Purchasing guidelines for suppliers".

The document covers themes such as:

- Sustainable development and environmental considerations in the choice of materials
- External environment and focus on energy and environmental footprint savings

²⁾ Source: Statistics Norway: Sickness absence Q3 2018



- HSE on construction sites
- Well-functioning work conditions and labour rights
- Economy and solidity
- Business ethics and relations

The guidelines are set to ensure that there are good working conditions in the suppliers' and in their sub-suppliers' businesses. Suppliers and sub-suppliers are to be registered in the Registry of Business Enterprises and are at all times obliged to provide an organisation number. Entra is against all forms of discrimination. All employees and hired staff who are engaged in working on contracts must have salary and working conditions that fulfill the statutory requirements in accordance with the applicable collective agreements at the relevant time. Entra may require a supplier to produce documentation that shows the salary terms and working conditions for employees and hired staff at the supplier and their sub-suppliers.

Supplier audits

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

- The risk picture of the project/property/supplier
- The project/property/supplier size and complexity
- Contract conditions, contract model and vendor selection
- The results of changes, previously conducted audits and controls
- Project organisation
- Start and life-time of the project

There are no set criteria for the number of audits to be performed each year, although there is typically a correlation with the number of projects in the portfolio.

During 2018, one Health, Safety and Environment (HSE) audit and five supplier audits were carried out. The audits were undertaken by an external audit company, and the reports were thoroughly evaluated together with the handling of deviations, observations and suggestions for improvement. In addition, audits focusing on the fire regulations applicable to two management properties were carried out. The status of the audit work is reported to Entra's Board of Directors and top management on at least a quarterly basis.

Supplier reviews

In addition to supplier audits, Entra performs bi-annual reviews of selected suppliers, with annual sales to Entra exceeding NOK 0.2 million. The review emphasizes supplier adherence to Entra's supplier qualification requirements and it includes;

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

Selected suppliers with annual sales to Entra exceeding NOK 0.2 million must also respond to a survey covering sustainability topics. In 2018, 108 suppliers were asked to respond to the survey.

Supplier Management Programme

Since 2015, Entra has invited master agreement suppliers to annual meetings to discuss developing a common approach to the challenges faced by the industry (including HSE).

The main purpose is to have an established arena for dialogue and cooperation that, in addition to resolving commercial issues, will focus on contributing to meeting the sector's challenges relating to working conditions, corruption and business crime.

In 2018, Entra reviewed its ethical guidelines for suppliers together with master agreement suppliers in order to ensure that the guidelines are being followed. The goal is closer involvement, increased awareness levels and better reporting.

Targets and status

During 2018, Entra revised the content in the "Socially Responsible Procurement Guidelines" for suppliers. The new version has strengthened environmental requirements for purchasing materials, and there are stronger restrictions on the use of hazardous materials and wood from protected rain-forests. Further, vendors need to have an established return scheme for packaging products and waste.

Entra continues to review its suppliers' quality systems, focusing on sustainability topics. An annual self-assessment questionnaire is sent to suppliers in the 4th quarter every year. The report output is evaluated and aims to establish a priority list of suppliers which need further review on their adherence to the general principles of "Socially Responsible Purchasing".

As part of its ongoing business Entra carried out supplier audits and other reviews as described above and will continue to do so in 2019.

In 2017, Entra implemented dilemma training in ethics for its employees. The dilemma training is part of the introduction course for new employees and there is an annual target that 95 per cent of employees should complete such online training each year. Close to 100 per cent of the employees as well as the Board of Directors completed such online training course in 2018.

4. Health, Safety and Environment (HSE)

HSE is central to Entra in all parts of the value chain. Entra has a high and continuous focus on keeping its assets safe and in good condition. Furthermore, it shall be safe to visit and work in our properties and projects. HSE is well established as a natural part of day-to-day operations and is a focus area at all levels of the organisation and is a personal responsibility of all employees. Entra's HSE strategy involves systematic work with:

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

The internal HSE policy in Entra has the following targets:

- It should be safe to work, visit and travel in and around Entra's properties and construction projects
- For our own employees, we will have a health-promoting work environment where no one will be injured or sick as a result of their work
- All HSE-related legal requirements must be met.

Members of the senior management are involved in practical HSE work and are expected to take the lead through behaviour and leadership. As part of this, a review of the latest HSE report is regularly on the agenda at management meetings and Board Meetings. HSE status is also an important item on the agenda at all employee meetings.

Entra works actively to increase awareness with regard to the registration of near accidents and accidents. The reporting of undesired incidents is important in order to improve, and at the same time increase awareness internally among Entra's employees, suppliers and customers.

Serious incidents and incidents resulting in injuries are reported via the line organization to the company's Chief Executive and to the Board of Directors. Such incidents are investigated to see what lessons can be learned and are an important element in further strengthening the HSE work.

Targets and status

HSE targets are also aggregated into group KPI's with a main focus on avoiding serious accidents. The HSE targets for 2018 were:

- There shall be no injuries involving sick leave absence that are due to Entra in and around our buildings
- There shall be no injuries in our construction projects involving more than 16 days' sick leave

During 2018, there had been one injury involving sick leave absence that was due to Entra in and around our buildings, and there had been five injuries involving sick leave absence in our construction projects, of which two involved more than 16 days sick leave.

Entra performs regular HSE audits of both development projects and the properties under management. In 2018, Entra performed an external HSE audit of one development project and external audits of fire safety in two management properties.

5. Urban development

Entra's strategic core areas are the four main cities Oslo and the surrounding area, Bergen, Stavanger and Trondheim. Entra's goal in its core areas is to contribute to urban districts that are attractive, inclusive and accessible for residents and other relevant parties. A part of Entra's environment strategy is to be located close to major public transportation hubs, thus contributing to less use of private cars to the benefit of public transport and environmentally-friendly alternatives such as bicycles.

For Entra, urban development means creating a good atmosphere and secure surroundings in and around its buildings for the benefit of tenants, visitors and others who pass through the area. Entra ensure that the space around its buildings and building sites is neat, clean and attractive. Entra gives consideration to tenant composition in order to create life and variation among visitors and users of its buildings. Where applicable, Entra considers how the ground floors of buildings can be used to create life at street level.

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

Examples of areas and buildings where Entra has contributed to positive urban development are Papirbredden in Drammen, Brattørkaia in Trondheim, Tullinkvartalet and Tøyen in Oslo and Hinna Park in Stavanger.

6. Other topics

Diversity and equality

Different expertise and experience contribute positively to Entra's development and to a broader and better basis for decision-making. Equal opportunities and diversity are an integral part of the Entra's personnel policy. Entra strives for diversity on a broad basis, including gender, age, background, education and nationality.

There are especially two areas where the administration is actively working to increase diversity;

- to achieve a more balanced gender distribution in property management (which historically has consisted almost exclusively of men), and
- to increase the proportion of women at the level below group management and in the defined group of talents and key personnel.

To achieve the above targets the administration has defined concrete measures on how to hire and develop employees. Such measures include, amongst others, a requirement to include women in the final interview round for key positions, talent development giving deliberate priority to women and leadership development and coaching to promote female talent.

Human rights

Entra seeks to contribute to diversity and equal opportunities for all and will promote, respect and prevent breaches of internationally recognised human rights.

Entra does not accept discrimination or bullying in the workplace. Everyone is to be treated with respect, irrespective of gender, religion, age, ethnicity, nationality, any disability or sexual orientation. In order to secure compliance, human rights are included in guidelines and management tools, including those dealing with fundamental values, ethical guidelines, socially responsible procurement, the focus on HSE and the working environment.

Entra provides its employees with opportunities for professional and personal development and facilitates training to ensure that employees have the right competence and are able to use their expertise and assume responsibility. Entra demonstrates respect for its employees' private life and take into account requirements for personal data protection through secure IT and HR systems.

Community engagement

In addition to its core areas for CSR work, Entra has had a community engagement for many years.

Entra has been a sponsor of the Church City Mission (Kirkens Bymisjon) in Norway since 2014. Entra's financial support to, and dialogue with, the Church City Mission strengthens the constructive measures that the Church City Mission is carrying out in connection with social challenges in the cities covered by the agreement. In Oslo, Entra is involved, among other things, in the "Neighbour cooperation" project, which involves several companies located in the Oslo city centre working to create a safer and better local environment for all those passing through the area. Entra is actively involved in Christmas campaigns to collect money to provide Christmas dinners for the homeless and Entra employees have been knitting scarves for the campaign "Support someone who dreads Christmas".

For 18 consecutive years, Entra has also been a key sponsor of Ridderrennet, a full week of skiing activities and competitions for all classes of visually and mobility disabled persons. In 2018, around 500 disabled skiers from different countries participated in various competitions at Beitostølen. In addition to monetary support, Entra also contributes with volunteers from among the employees.

EPRA Sustainability Reporting

Entra reports on its energy, GHG emissions, water and waste impacts in accordance with the EPRA Sustainability Best Practice Recommendations (sBPR). To give our stakeholders greater confidence, this report has been independently assured by Deloitte based on the international standard ISAE 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information".

Organizational Boundary

Entra reports on asset-level sustainability impacts for assets within the management portfolio over which it has full operational control. This boundary coincides with the Group organizational

structure as determined for financial reporting purposes and excludes assets under construction or in redevelopment. We do not report data for our single-let properties as we have no management control of these properties and are unable to collect utilities data. The environmental reporting period corresponds to the period from 1 January to 31 December.

Data Coverage

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

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

Estimation

Estimation of missing data for partially unavailable or unreliable utility consumption for asset-level performance measures is carried out to a very small extent. In these cases, data for missing periods is estimated using known consumption from other periods for the metered supply in question. The proportion of estimated data is disclosed as a percentage of the total data provided for the relevant performance measure. The same method of estimation is used for all performance measures and for all assets.

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

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

Entra does not carry out data adjustment based on climate or occupancy rates. Variations in asset-level performance attributed to fluctuations in these factors are instead commented directly in the performance narrative, if relevant.

Third party assurance

Entra has obtained third party assurance of its sustainability data for this reporting period. Statement from our auditors can be found on page 55.

Landlord/Tenant Boundary

Entra is responsible, as landlord, for obtaining a portion of the overall utilities consumed at the assets level. Total landlord-obtained consumption includes both utilities for common areas

as well as tenant consumption sub-metered from the landlord. The remaining consumption is obtained and paid directly by the tenants. Entra has access to tenant-obtained consumption data and reports on whole building consumption for all asset-level environmental performance measures. Utilities purchased by Entra as the landlord (landlord-obtained) and those directly purchased by tenants (tenant-obtained) are presented separately under total consumption.

Normalisation

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

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

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

Segment analysis

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

Disclosure on own offices

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

Performance narrative on our managed assets

The following provides a short commentary on the asset-level performance indicators for Entra's management portfolio and headquarters. For an outline on our plans for managing future performance please refer to the sustainability report, page 37–43.

Management Portfolio

Energy

Entra's focus on improving energy efficiency has given results over the past years, not only through concrete measures such as replacing central environmental operation control systems and improving the zoning control of indoor environments but also by generally optimizing the management of its properties. In 2018, absolute electricity consumption across the 64 managed assets

with available data, totaled 92,383 MWh, a 6 per cent increase from 2017. Measured as like-for-like, the increase was 8 per cent. 2018 has been a very challenging year managing energy efficiency due to climate. Winter was very long and summer exceptional warm and dry. These factors are difficult to influence. Landlord-obtained consumption amounted to 59,381 MWh, of which 0.3 per cent came from renewable resources. Entra aims to increase this proportion by extending its green energy consumption through solar panels, wind and hydropower.

Absolute district heating and cooling consumption across the 50 managed assets totaled 46,069 MWh, a like-for-like rise of 4 per cent compared with 2017. This increase is a direct consequence of the long winter and warm summer in 2018. Landlord-obtained consumption amounted to 37,131 MWh.

Total direct fuel consumption was 23 MWh in 2018, up from 9 MWh in 2017. Increased fuel consumption from the two properties with oil and bio-oil furnaces corresponds directly with the longer winter season in 2018, as fuels only function as peak load energy sources. Entra is currently working towards phasing out fossil fuel consumption within its portfolio.

Building energy intensity across the 58 management properties in our portfolio with like-for-like performance data was 142 kWh per square meter in 2018, up by 3 per cent in comparison with 2017. Greenhouse gas intensity from building energy across the same assets fell to 5.86 kg CO₂e per square meter, a drop of 4 per cent compared with 2017. This decrease, despite of an increase in energy consumption is mainly explained by a 7 per cent reduction in the Nordic mix electricity emission factor.

GHG missions presented in the EPRA table are based on local-based emission factors for electricity. If calculated using a market-based emission factor for electricity, the GHG emission from electricity is about 3,546 tonnes CO₂e in 2018, down from about 25,046 tonnes CO₂e for 2017. This considerable decrease is due to the purchase of guarantees of origin for all electricity purchased by Entra (landlord-obtained electricity consumption).

Water

Absolute water consumption across the 59 managed assets with available data in 2018 was 241,246 m³ compared with 213,483 m³ in 2017. On a like-for-like basis, total water consumption increased by 27 per cent due to various reasons, such as some properties in the like-for-like analysis has become fully let, shifts in tenant consumption etc. Examples is properties with training and shower facilities, possibilities for bike wash, very dry summer (watering of lawns) and one tenant using more water in combination with research. Building water intensity across the 53 assets with like-for-like performance data was 0.26 m³ per square meter in 2018, same level as in 2017.

Waste

In 2018, absolute waste creation across the 53 managed assets with available data increased to 3,368 tons from 2,785 tons in 2017, a like-for-like increase of 22 per cent. This is mainly explained by Entra's increased registration of waste data and

fully let properties. Entra continuously works towards greater coverage of waste created by tenants who have waste groups managed independently of Entra's waste monitoring system.

Entra Headquarters

Entra's electricity consumption at its headquarters totaled 103,563 kWh in 2018, an 8 per cent rise compared to 96,004 kWh in 2017. This increase is explained by a larger number of active users over longer periods time with a direct effect on the amount of lighting and ventilation needed.

Entra's pro-rated share of district heating and cooling increased by 28 per cent from 68,717 kWh in 2017 to 87,857 kWh in 2018. A cold and long winter combined with unusual hot summer resulted in a uniquely high consumption level of both heating and cooling energy for the entire property in 2018.

Entra's headquarter does not have fuels as an energy source.

Energy intensity for Entra's headquarters was 68 kWh per square meter in 2018, up by 16 per cent in comparison with 2017. Greenhouse gas intensity from energy was on the same level as 2017, 2.12 kg CO₂e per square meter. This is mainly explained by a reduction of the Nordic mix factor from IEA energy statistics for 2018.

Entra's proportionate share of water consumption in 2018 was 984 m³ compared with 991 m³ in 2017. This 1 per cent decrease reflects the yearly variations in the amount of water needed to cool technical installations located on the rooftop, which are dependent upon the temperature levels during the summer. Building water intensity was 0.35 m³ per square meter in 2018, same level as in 2017.

Entra's proportionate share of total waste created decreased by 9 per cent from 14.5 tonnes in 2017 to 13.2 tons in 2018. Most of this decrease directly reflects the inclusion of an additional tenant in the waste data collected for the property, but also less redevelopments/reconstructions in the building which created less wood waste in 2018.

Location of EPRA Sustainability Performance in companies' reports

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

Reporting period

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

Materiality

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





EPRA Sustainability Performance Measures

ENVIRONMENT

Impact area	EPRA Code	Units of measure	Indicator	Total portfolio			Headquarter (s)			
				Absolute performance (Abs)			Like-for-like performance (LfL)		Absolute performance (Abs)	
				2017	2018	2017	2018	2017	2018	
Energy	Elec-Abs, Elec-LfL	annual kWh	Electricity	57 275 355	59 380 667	46 487 147	48 514 539	96 004	103 563	
			Total landlord-obtained electricity							
			Proportion of landlord-obtained electricity from renewable resources	0.4 %	0.3 %	0.5 %	0.4 %	0 %	0 %	
			Total tenant-obtained electricity	30 053 634	33 002 301	27 388 706	31 520 871	-	-	
			Total landlord- and tenant-obtained electricity consumption	87 328 989	92 382 968	73 875 853	80 035 410	96 004	103 563	
			<i>Electricity disclosure coverage</i>	<i>75 out of 87</i>	<i>64 out of 81</i>	<i>57 out of 65</i>	<i>58 out of 67</i>	<i>1 out of 1</i>	<i>1 out of 1</i>	
		%	<i>Proportion of electricity estimated</i>	<i>0 %</i>	<i>0 %</i>	<i>0 %</i>	<i>0 %</i>	<i>0 %</i>	<i>0 %</i>	
			Total landlord-obtained district heating and cooling	33 893 755	37 130 714	29 752 516	30 010 283	68 717	87 857	
	DH&C-Abs, DH&C-LfL	annual kWh	District heating and cooling	0 %	0 %	0 %	0 %	0 %	0 %	
			Proportion of landlord-obtained heating and cooling from renewable resources							
			Total tenant-obtained heating and cooling	7 338 115	8 938 120	6 307 700	7 599 056	-	-	
			Total landlord- and tenant-obtained heating and cooling	41 231 870	46 068 834	36 060 216	37 609 339	68 717	87 857	
			<i>District heating and cooling disclosure coverage</i>	<i>54 out of 73</i>	<i>50 out of 81</i>	<i>43 out of 54</i>	<i>45 out of 67</i>	<i>1 out of 1</i>	<i>1 out of 1</i>	
	%	<i>Proportion of district heating and cooling estimated</i>	<i>1 %</i>	<i>0 %</i>	<i>1 %</i>	<i>0 %</i>	<i>0 %</i>	<i>0 %</i>		
		Total direct landlord-obtained fuels	-	-	-	-	-	-		
Fuels-Abs, Fuels-LfL	annual kWh	Fuels	0 %	0 %	0 %	0 %	0 %	0 %		
		Proportion of landlord obtained fuels from renewable resources								
		Total tenant-obtained fuels	9 335	22 952	9 335	22 952	-	-		
		Total landlord- and tenant-obtained fuels	9 335	22 952	9 335	22 952	-	-		
		<i>Fuels disclosure coverage</i>	<i>2 out of 2</i>	<i>2 out of 2</i>	<i>2 out of 2</i>	<i>2 out of 2</i>	<i>NA</i>	<i>NA</i>		
	%	<i>Proportion of fuels estimated</i>	<i>0 %</i>	<i>0 %</i>	<i>0 %</i>	<i>0 %</i>	<i>0 %</i>	<i>0.0 %</i>		
Energy-Int	annual kWh / sqm	Energy Intensity	134	145	138	142	58	68		
Greenhouse gas emissions	GHG-Dir-Abs	annual tonnes CO ₂ e	Direct	232	298	232	298	-	-	
	GHG-Indir-Abs	annual tonnes CO ₂ e	Indirect/location based	5 432	5 113	4 661	4 543	6	6	
		annual tonnes CO ₂ e	Indirect/market based	25 046	3 536	25 046	3 536	NA	NA	
			Indirect	791	972	653	836	3	5	
	GHG-Int	kg CO ₂ e / sqm / year	GHG emissions intensity	5.90	5.65	6.12	5.86	2.12	2.12	
			<i>Energy and associated GHG disclosure coverage</i>	<i>75 out of 87</i>	<i>64 out of 81</i>	<i>57 out of 65</i>	<i>58 out of 67</i>	<i>1 out of 1</i>	<i>1 out of 1</i>	
	%	<i>Proportion of energy and associated GHG estimated</i>	<i>0 %</i>	<i>0 %</i>	<i>0.3 %</i>	<i>0.0 %</i>	<i>0 %</i>	<i>0 %</i>		

Continued

Water	Water-Abs, Water-LfL	annual cubic metres (m ³)	Water	Total water consumption	213 483	241 246	162 216	205 822	991	984
	Water-Int	annual m ³ / sqm	Water Intensity	Building water intensity	0.26	0.29	0.26	0.26	0.35	0.35
Waste	No. of applicable properties		Water disclosure coverage		62 out of 67	59 out of 81	43 out of 65	53 out of 67	1 out of 1	1 out of 1
	%		Proportion of water estimated		0.6 %	0.0 %	0.8 %	0.0 %	0 %	0 %
	Waste-Abs, Waste-LfL	annual tonnes	Waste type	Hazardous waste	10	18	7	14	0.00	0.22
			Non-Hazardous waste		2 775	3 350	2 267	2 759	14.5	13.0
	Total waste created		Total waste created		2 785	3 368	2 274	2 773	14.5	13.2
	proportion by disposal route (%)		Reuse		1 %	4 %	2 %	0 %	0 %	0 %
			Recycling		22 %	13 %	19 %	14 %	19 %	2 %
			Incineration (with or without energy recovery)		56 %	75 %	61 %	75 %	0 %	95 %
			Landfill (with or without energy recovery)		21 %	9 %	18 %	10 %	81 %	3 %
			Reuse		0.2 %	0 %	0 %	0 %	0 %	0 %
		Recycling		48 %	47 %	49 %	48 %	38 %	41 %	
		Incineration (with or without energy recovery)		35 %	34 %	35 %	33 %	51 %	43 %	
		Landfill (with or without energy recovery)		1 %	0 %	1 %	1 %	1 %	1 %	
		Biodiesel production		16 %	18 %	15 %	19 %	11 %	16 %	
No. of applicable properties		Waste disclosure coverage		59 out of 87	53 out of 81	41 out of 65	31 out of 67	1 out of 1	1 out of 1	
%		Proportion of waste estimated		0 %	0 %	0 %	0 %	0 %	0 %	

Certification	Cert-Tot	% total floor area	Level of certification	BREEAM-NOR	1 %	1 %	1 %	1 %	1 %
					Outstanding	5 %	5 %	6 %	6 %
					Excellent	7 %	11 %	9 %	14 %
Cert-Tot	No. of applicable properties		Level of certification		8 out of 87	10 out of 81	8 out of 65	10 out of 67	
	% total floor area		BREEAM In-use: Asset Performance		5 %	5 %	6 %	6 %	
			Very Good		6 %	5 %	7 %	7 %	
Cert-Tot	No. of applicable properties		Level of certification		3 out of 87	3 out of 81	3 out of 65	3 out of 67	
	% total floor area		BREEAM In-use: Building Management		5 %	5 %	6 %	6 %	
			Very Good		2 %	2 %	3 %	3 %	
		Good		3 %	3 %	4 %	4 %		
No. of applicable properties		Proportion of waste estimated		3 out of 87	3 out of 81	3 out of 65	3 out of 67		

Data Qualifying Note

- 1: NA = "Not applicable"
- 2: GHG Scope 1 emissions from fossil fuels and refrigerants are calculated using DEFRA factors.
- 3: GHG Scope 2 emissions from use of electricity and district heating and cooling are calculated using a location based approach. For electricity, a three-year rolling average of the Nordic mix factor from IEA energy statistics reports is utilized.
- 4: GHG Scope 2 alternative Electricity emission - Market based method (RECs, GoO)
- 5: GHG Scope 3 emissions from travel, waste and water consumption are calculated using a location based approach and DEFRA and Ecoinvent 2.2 factors.
- 6: Entra's headquarters data is also included in the total portfolio at that Entra is a tenant at one of its own properties.

EPRA Sustainability Performance Measures

SOCIAL

			Corporate performance	
EPRA Code	Units of measure	Indicator	2017	2018
Diversity	Diversity-Emp	% of employees	Board of directors Top Management	57 % 40 %
	Diversity-Pay	Ratio average basic salary	Managerial positions Board of directors	33 % 126 %
		Ratio average bonus	Top Management Managerial positions	72 % 90 %
			Board of directors Top Management Managerial positions	NA 50 % 84 %
Employee Training and Development	Emp-training	Average hours	Direct employees within significant employee categories having strategic influence on company activities	52 35
	Emp-dev	% of employees	Direct employees who receive regular performance and career development review	100 % 100 %
	Emp-Turnover	Total number Rate	Direct employees	14 28
		Total number Rate	Direct employees	16 15
Health and safety	H&S-Emp	Per 100 000 hours worked	Direct employees training hours (vocational, paid educational leave, external courses, specific topics, etc.)	-
		Per 100 000 hours worked	Direct employees who receive regular performance and career development review	-
		Days per employee	Direct employees	2.0 %
	H&S-Asset	% of assets	Direct employees	-
H&S-Comp	Total number	Number of incidents	Assets for which H&S impacts are assessed or reviewed for compliance	100 %
Comty-Eng	Narrative	Community engagement, impact assessments and/or development programs	Registered internal control deviations at assets in management portfolio	1 208 1 372

See narrative in sustainability report on page 47

SUSTAINABILITY PERFORMANCE MEASURES (GOVERNANCE)

			Corporate performance	
EPRA Code	Units of measure	Indicator	2017	2018
Governance	Gov-Board	Total number	Executive board members	-
		Total number	Non-executive board members	7
		Average tenure (years)	Composition of highest governance body	5
	Gov-Selec	Narrative on process	Composition of highest governance body	2.3
Gov-Col	Narrative on process	Process for nominating and selecting the highest governance body	See corporate governance report page 56-63	
		Process for managing conflicts of interest	See corporate governance report page 56-63	

Social data note

1: NA = "Not applicable"

2: Employees training, 4 out of 164 attending educational training over a longer period in 2018



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To the management of Entra ASA

Independent Auditor's Report on the Entra – Sustainability Report 2018

We have reviewed certain aspects of Entra – Sustainability Report 2018 (“the Report”). The Report is presented in the Entra – Annual Report 2018, pages 34 – 55, as well as issued as a separate report. The Report is the responsibility of and has been approved by the management of the Company. Our responsibility is to draw a conclusion based on our review.

We have based our work on the international standard ISAE 3000 “Assurance Engagements other than Audits and Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board. The objective and scope of the engagement were agreed with the management of the Company and included those subject matters on which we have concluded below.

Based on an assessment of materiality and risks, our work included analytical procedures and interviews as well as a review on a sample basis of evidence supporting the subject matters. We have performed interviews and meetings with management and individual resources responsible for sustainability aspects and reporting at Entra.

We believe that our work provides an appropriate basis for us to provide a conclusion with a limited level of assurance on the subject matters. In such an engagement, less assurance is obtained than would be the case had an audit-level engagement been performed.

Conclusions

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

- Entra has applied procedures to collect, compile and validate sustainability information for 2018 to be included in the Report, as described in the Report.
- Sustainability information presented for 2018 in the Report is consistent with data accumulated as a result of these procedures and appropriately presented in the Report.
- Entra applies a reporting practice for its sustainability reporting aligned with the Global Reporting Initiative (GRI) Standards’ reporting principles and the reporting fulfils the in accordance level Core according to the GRI Standards. Entra’s GRI table presented in the Entra – Annual report 2018 appropriately reflects where information on each of the reported disclosures of the GRI Standards is to be found within the Report and the Entra – Annual Report 2018.

Oslo, 4 March 2019
Deloitte AS

Eivind Skaug
State Authorized Public Accountant

Frank Dahl
Deloitte Sustainability

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