



# Green Bond Report 2017

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/greenbonds-framework.pdf>. The maturity date is 20 March 2024 and the coupon is NIBOR + 0.86 %.

As of 31.12.17 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 will be an energy positive and environment friendly office building of approximately 18,200 sqm, of which a 2,500 sqm parking basement. The new-build will utilise sun and sea water for heating and cooling. It will be covered by 3,500 sqm of solar panels and produce around 500,000 kWh of renewable energy annually. The building will have a positive energy balance over its lifetime also when all the energy that goes into building processes, materials and finally demolition is included. The project is aiming for a BREEAM-NOR Outstanding classification and Energy class A. The property is currently 64 per cent pre-let and will be finalised in March 2019.



### Brattørkaia 16, Trondheim

On Brattørkaia 16 in Trondheim, Entra is building a 10,500 sqm campus building for BI Norwegian Business School. The property is fully let on a 20-year lease. The project has high environmental ambitions and aims for a BREEAM NOR Excellent classification. The project will be finalised in the end of the second quarter of 2018.



### Powerhouse Kjørbo, Block 2, Sandvika

Powerhouse Kjørbo, Block 2 is 3,950 sqm and is located in the Kjørbo office park in Sandvika outside Oslo. Entra is refurbishing Block 2 at Kjørbo into a Powerhouse with a BREEAM-NOR Excellent classification. The property is fully let and the project was finalised in October 2018.



# 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/greenbonds-framework.pdf>. The maturity date is 22 September 2023 and the coupon is NIBOR + 0.94 %.

As of 31.12.17 the NOK 1 bn Green Bond proceeds had been fully utilised for financing the two properties Powerhouse Kjørbo, Block 1 in Sandvika and Schweigaardsgata 16 in Oslo, as further described below.

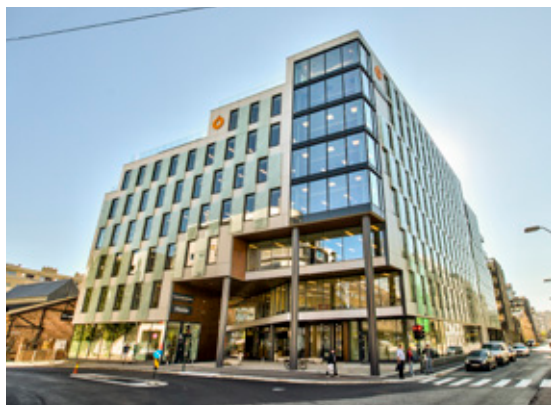
## Status Eligible projects financed



### Powerhouse Kjørbo, Block 1, Sandvika

Powerhouse Kjørbo, Block 1 is in the Kjørbo office park in Sandvika outside Oslo. The building was renovated into Powerhouse standard in 2014 and was the first building in Norway to achieve the rating BREEAM-NOR Outstanding.

Energy consumption 2017:	574 506 kWh
CO <sub>2</sub> Emissions 2017:	30 tCO <sub>2</sub> Scope 1-3
Water consumption 2017:	2 838 m <sup>3</sup>
Waste sorting 2017:	53 %



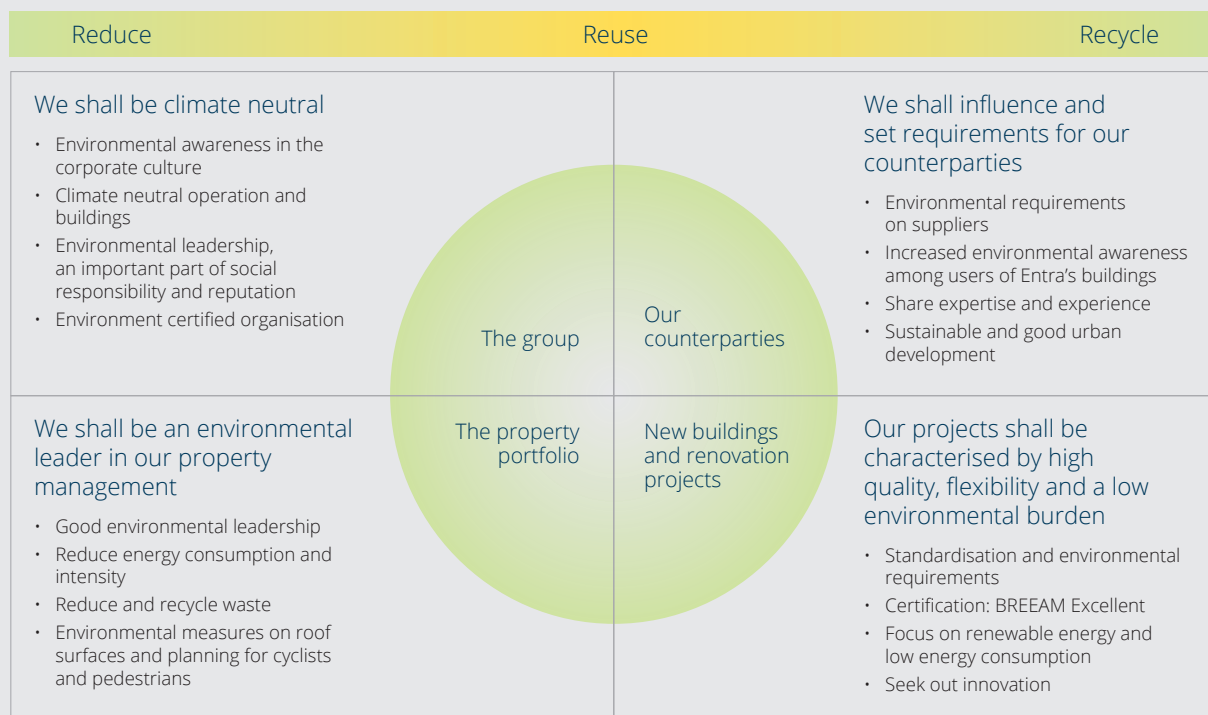
### Schweigaardsgate 16, Oslo

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 Excellent. The building is designed with 100 per cent LED lightning.

Energy consumption 2017:	1 383 500 kWh
CO <sub>2</sub> Emissions 2017:	72 tCO <sub>2</sub> Scope 1-3
Water consumption 2017:	2 449 m <sup>3</sup>
Waste sorting 2017:	55 %



## Our refined environment strategy



The calculation and projection have been made by CEMAsys.com and Entra. The emission reduction needed to be compliant with 2-degree target is based on IPCC AR5 methodology.

As can be seen from the graph it is estimated that Entra's emissions of greenhouse gasses 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 per year. Given that Entra expects an increased degree of occupation and extended working hours in the buildings, this is an ambitious goal.

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 CO<sub>2</sub> footprint. Energy is becoming steadily greener as a result of the phasing out of coal-fired power stations and fossil fuels in the European electricity market, combined with an extension of green energy through solar panels, wind and hydropower. Over time the greatest reduction in Entra's CO<sub>2</sub> footprint thereby takes place because the electricity bought is generally getting greener. The operation of buildings (without fossil heating) is therefore not expected to be a great environmental sinner in the future. Entra therefore believes that increased focus on influencing and setting requirements for its counterparties is important. In Oslo about 61 per cent of emissions come from the transport sector and 19 per cent from waste. Thus, influencing and setting requirements on suppliers, customers and other interested parties with a significant

environmental impact would contribute significantly to the overall carbon account.

Against this background Entra has outlined a new environment strategy directed towards four strategic focus areas: the group, its counterparties, the property portfolio, and the new-build and renovation projects. This is briefly summarised in the illustration above and explained further in the following paragraphs.

### Entra's environment strategy 2018-2020

#### Entra's business shall be climate neutral

Entra has a corporate culture in which environmental awareness is strongly embedded at all levels. This is something that Entra wishes to take care of and use as a resource in implementing a broader environmental focus. Entra strives for a culture in which every one of the company's 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.

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

**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"> <li>• Work to improve expertise, with concepts for increased environmental awareness and responsibility among the employees</li> <li>• Encourage employees to choose environmentally friendly transport</li> </ul>
Our operations and buildings shall be climate neutral	<ul style="list-style-type: none"> <li>• Work actively to reduce our CO<sub>2</sub> footprint and have an objective to reduce this by 60-70 per cent by 2030</li> <li>• Gradually replace energy bought with renewable energy produced by ourselves</li> <li>• Until our business is CO<sub>2</sub> neutral we will climate compensate for our CO<sub>2</sub> emissions by:                             <ul style="list-style-type: none"> <li>– Buying guarantees of origin for all electricity used in our buildings</li> <li>– Buying climate quotas related to other CO<sub>2</sub> emissions</li> </ul> </li> <li>• Draw up a plan for phasing out all cooling media that are not climate-friendly</li> <li>• Focus on the environment and innovation and have a lower return requirement for environmental investments</li> </ul>
Environmental leadership is an important part of our social responsibility and reputation	<ul style="list-style-type: none"> <li>• Attract the most competent and innovative resources</li> <li>• Make our environmental commitment known to our counterparties</li> <li>• Continue to issue green bonds</li> </ul>
Environmental certification and reporting	<ul style="list-style-type: none"> <li>• Organisation and head office certified in accordance with "Environmental Lighthouse" process</li> <li>• Goal to be a GRESB "Green Star"</li> <li>• Goal to retain CICERO rating "Dark shade of Green"</li> <li>• Ownership and follow-up of environmental targets in property management and project development</li> </ul>



Lighthouse) in 2017. As an extension of this, Entra will work on influencing attitudes and seeking to lift everyone's awareness so that the company will be an environmental leader as an office user as well.

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 CO<sub>2</sub> consumption and is thus the most important single source in calculating its carbon footprint. From 2016 to 2017 Entra reduced its CO<sub>2</sub> emissions from 7.1 tonnes to 6.5 tonnes mainly as a result of reduced energy consumption and greener electricity with lower CO<sub>2</sub> emissions. Entra has a goal to reduce its current CO<sub>2</sub> footprint by 60–70 per cent by 2030. This will be achieved through, among other things, replacing energy bought with green energy the company has produced itself, phasing out environmentally harmful cooling media, reducing the quantity of waste and focusing on green transport. The long-term goal is to remove as much as possible of the company's direct CO<sub>2</sub> emissions. The rapid developments taking place within solar and battery technology lead us to be optimistic in this regard.

In order to compensate for own emissions and make Entra's business climate neutral as early as 2018 Entra will buy guarantees of origin ("green power") corresponding to the energy consumption of its buildings and at the same time buy climate quotas in relation to the remaining CO<sub>2</sub> emissions. Climate quotas contribute to reducing greenhouse gas emissions in geographic areas where this is needed most. By buying climate

quotas, Entra thus contributes to reducing global greenhouse gas emissions, at the same time as Entra's management portfolio will be "climate neutral" from as early as 2018. Entra will also gradually produce more and more renewable energy through new building projects and projects on existing buildings.

During the previous strategy period Entra carried out a number of green measures in its buildings. This has been an important contributor to succeeding in reducing energy consumption. The measures have partly 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 for using roof surfaces for producing solar power. This type of investment has a long payback period, and Entra needs to identify new financing models. Entra will therefore consider whether to adopt a slightly lower return requirement in relation to environment investments and innovation that promotes 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 stakeholders to contribute to the "green shift". Specifically, this means that Entra will prefer partners with a clear environmental profile and will put the environment on the agenda in meetings with its counterparties. Entra will set environmental requirements on its suppliers and partners through conditions on purchasing and social responsibility, set requirements for fossil-free construction sites and

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

impose 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 the customers but also their employees and visitors are included in this definition. Entra will seek to implement environmental measures that are visible and inspiring for people in its buildings. Entra will also create conditions for its customers to be able to implement environmental measures, both on their own and in cooperation with Entra through "green benefit agreements". Entra will 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. Entra will continue to participate actively in various technical bodies, industry cooperation and industry organisations such as Grønn Byggallianse, Zero, NGBC and Norsk Eiendom.

An important part of Entra's strategy is that the company contributes to a sustainable and good quality urban development. Entra will own and develop buildings at transport intersections that support the use of environmentally friendly transport alternatives to and from work. With central locations in the main cities, Entra will also focus on the development of solutions that make it easy to use bicycles and ground plans that contribute to the local environment.

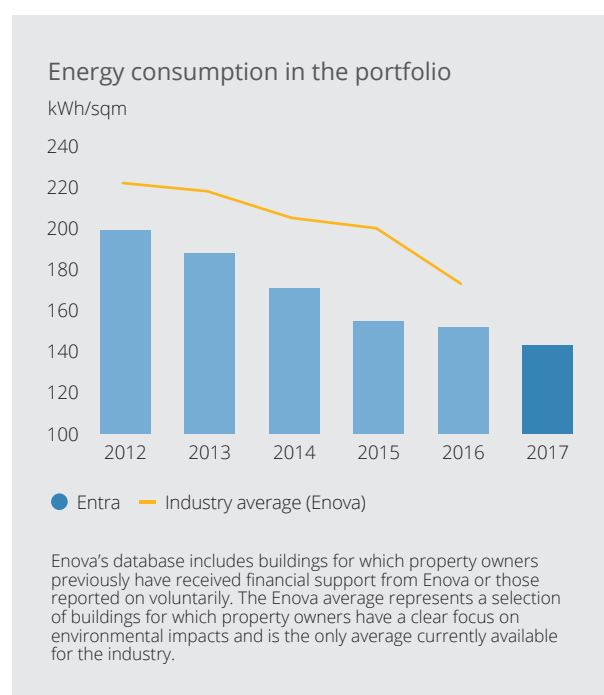
### Entra shall be an environmental leader in its property management

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 will evaluate the cost/benefit before a possible continuation to larger parts of the portfolio.

Over time Entra has built a culture in which energy management is an integrated part of its operating organisation. Entra has worked systematically over time to reduce energy consumption in its portfolio (from 202 kWh/sqm in 2011 to 143 kWh/sqm in 2017). An important reason why Entra has succeeded in this work is the systematic focus, with an energy management system which has made it possible to measure, compare and follow up. Entra is now at a level where continued





**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"> <li>• Use of environment leadership system for control, comparison and follow-up of individual buildings</li> <li>• Evaluate BREEAM-in-use after two completed certifications</li> </ul>
Reduced energy consumption and intensity	<ul style="list-style-type: none"> <li>• Target 135 kWh/sqm in 2020</li> <li>• Increase proportion of self-produced green energy</li> </ul>
Reduce peak load	<ul style="list-style-type: none"> <li>• Focus on load control in order to reduce energy demand during peak usage times in 2018</li> </ul>
Reduce and recycle waste	<ul style="list-style-type: none"> <li>• Target 70 per cent waste sorting in 2018</li> <li>• Reduce water consumption</li> </ul>
Environmental measures	<ul style="list-style-type: none"> <li>• Strategy for roof surfaces and facades</li> <li>• Make provision for cycle transport and pedestrians</li> <li>• Actively seek innovative and environmentally friendly solutions</li> </ul>

reductions in consumption must primarily be driven through technological development and continuous upgrading of the management portfolio to green buildings.

Entra will maintain low energy consumption in its management portfolio (< 150 kWh per sqm) by focusing on good energy management. 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 the environmental focus by using the coming years to build a culture where 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 and implemented on a continuous basis.

Part of Entra's strategy is to own properties close to transport intersections. Entra thus encourages its tenants to use public transport, to cycle or to walk. All Entra's buildings will have provision for cycle transport and pedestrians.

## ENTRA'S NEW-BUILD AND RENOVATION 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"> <li>• Further develop the standard specification for projects (the "Entra building")</li> <li>• Develop a standard specification for tenant requirements</li> <li>• Set requirements for fossil-free construction sites and request fossil-free transport</li> <li>• Establish a strategy for all projects in Entra with the following targets:               <ul style="list-style-type: none"> <li>– request and facilitate flexible solutions and multi-use premises</li> <li>– requirements for reuse of materials, reduction of waste quantities and degree of sorting</li> <li>– more materials with low CO<sub>2</sub> emissions (documented through EPD)</li> <li>– choice of building products with low life cycle costs (LCC)</li> </ul> </li> <li>• The environment strategy for the project is to be presented as part of the investment decision and followed up in business reviews</li> </ul>
Certification	<ul style="list-style-type: none"> <li>• Objective of a minimum of BREEAM-NOR Excellent on all new building projects</li> <li>• Objective of a minimum of BREEAM-NOR Very good on total refurbishments</li> </ul>
Focus on renewable energy and low energy consumption	<ul style="list-style-type: none"> <li>• Objective of close to zero energy buildings (energy consumption less than 40 kWh/sqm)</li> <li>• Plan solutions for increased production, storage and exchange of renewable energy</li> </ul>
Innovation	<ul style="list-style-type: none"> <li>• Actively seek innovative and environmentally friendly solutions</li> </ul>

### Entra's new-build and renovation projects shall be characterised by high quality, flexibility and a low environmental burden

Entra's new buildings and renovation 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 CO<sub>2</sub> 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 is also in the process of developing a standard delivery description for tenants where these factors are taken into account.

Entra's new-build projects are BREEAM-NOR certified with a target of achieving BREEAM-NOR Excellent. For renovation projects the target is to achieve minimum BREEAM-NOR Very Good. This requires, among other things, analysis of life-cycle costs, low energy consumption, a good internal climate and innovative measures.

Entra focuses on innovation and actively seek innovative environmental solutions for its properties and building projects. Entra focus 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 plans solutions for increased production, storage and exchange of renewable energy.

### Green Bonds

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.

"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

## 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 to;

Measure	Status
Certify the organisation	Entra's headquarter was certified as Miljøfyrtårn in 2017
Remove fossil heating in buildings	Only one building left with fossil heating. Planned to be phased out in 2018/2019
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	Certified three buildings in accordance with BREEAM In Use. Will evaluate rolling out on a larger part of the portfolio.
Conduct a study of what the roofs can and should be used for	Study different possibilities for use
Demand and reward innovative environmental solutions	Request and demand innovative solutions in new-build projects
Require architects to make plans for re-use of materials and minimise waste.	Implemented in Entra's standard technical requirements
Order energy budgets to calculate real energy use	Implemented in Entra's standard technical requirements
Demand and prioritise building products with low CO <sub>2</sub> emissions	To be implemented in Entra's standard technical requirements
Demand fossil free construction sites	To be implemented in Entra's standard technical requirements

# EPRA Sustainability Reporting

Entra reports on its energy, GHG emissions, water and waste impacts in accordance with the EPRA Sustainability Best Practice Recommendations.

## Organisational Boundary

Entra reports on asset-level sustainability impacts for assets within the management portfolio over which it has operational control. This boundary coincides with the Group organisational structure as determined for financial reporting purposes and excludes development assets.

## 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 for which it buys the specific utility. Entra does not presently have data collection on each asset-level performance measure for every asset within the organisational 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 refurbishments 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 disposal per 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 Entra's waste management supplier.

As that 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 not obtained third party assurance of its sustainability data for this reporting period but intends to acquire this from an independent assurance provider going forward for increased credibility of its performance measures.

## Landlord/Tenant Boundary

Entra is responsible, as landlord, for obtaining a portion of the overall utilities consumed at the asset 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 utilised 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.

## Segmental analysis

Segmental 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 Entra's managed assets

The following provides a short commentary on the asset-level performance indicators for Entra's management portfolio and headquarters. For each of the absolute and like-for-like performance measures commented below, Entra discloses the number of properties with data coverage. For an outline on its plans for managing future performance please refer to the sustainability report, page 28.

#### Management Portfolio

##### Energy

In 2017, absolute electricity consumption across the 75 managed assets where Entra has operational control totaled 87,329 MWh, a like-for-like drop of six per cent compared with 2016. Entra's focus on improving energy efficiency has given results, 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 optimising the management of its properties. One property specifically contributed to reduced electricity consumption as it no longer contains a data center. Landlord-obtained consumption amounted to 57,275 MWh, of which 0.4 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 54 managed assets totaled 41,232 MWh, a like-for-like drop of five per cent compared with 2016. This reduction is also greatly explained by Entra's increased focus on reducing energy consumption per sqm as well as the milder winter in 2017. Landlord-obtained consumption amounted to 33,894 MWh, of which zero per cent came from renewable resources.

Total direct fuel consumption was 9 MWh in 2017, down by 82 per cent on a like-for-like basis in comparison with 2016. Decreased fuel consumption from the two properties with oil and bio-oil furnaces corresponds directly with the milder winter season in 2017, as these 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 57 management properties in the portfolio with like-for-like performance data was 138 kWh per sqm in 2017, down by 5 per cent in comparison with 2016. Greenhouse gas intensity from building energy across the same assets fell to 6.12 kg CO<sub>2</sub>e per sqm, a drop of 11 per cent compared with 2016. This decrease is mainly explained by both the reduction in energy intensity and a seven per cent reduction in the three-year rolling average of the Nordic mix factor from IEA energy statistics to 0.052 tCO<sub>2</sub>e per kWh for 2017.

##### Water

Absolute water consumption across the 62 managed assets with available data in 2017 was 213,483 m<sup>3</sup> compared with 200,008 m<sup>3</sup> in 2016. On a like-for-like basis, total water consumption decreased by one per cent due to both a greater focus on increasing water efficiency as well as shifts in tenant consumption. Examples of the latter with greatest effect include a tenant no longer cooling a dataroom using water, partially offset by another tenant using more water in combination with research. Building water intensity across the 43 assets with like-for-like performance data was 0.26 m<sup>3</sup> per sqm in 2017, a zero per cent increase compared to 2016.



### Waste

In 2017, absolute waste creation across the 59 managed assets with available data increased to 2,785 tonnes from 2,349 tonnes in 2016, a like-for-like increase of five per cent. This is mainly explained by Entra's increased registration of waste data for two tenants at two different properties within the organisational boundary. 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 96 MWh in 2017, a six per cent rise compared to 91 MWh in 2016. This increase is explained by a larger number of active users over longer periods of time with a direct effect on the amount of lighting and ventilation needed.

Entra's pro-rated share of district heating and cooling decreased by 10 per cent from 75,944 kWh in 2016 to 68,717 kWh in 2017. A cold January combined with a system error on the heat pump resulted in a uniquely high consumption level of heating energy for the entire property in 2016.

The property at which Entra is a tenant does not have fossil fuels as an energy source.

Energy intensity for Entra's headquarters was 58 kWh per sqm in 2017, down by one per cent in comparison with 2016. Greenhouse gas intensity from energy fell to 2.12 kg CO<sub>2</sub>e per sqm, a drop of three per cent compared with 2.18 kg CO<sub>2</sub>e per sqm in 2016. This decrease is mainly explained by both the reduction in energy intensity and the net negative effect of an increase in electricity intensity and a reduction in the three-year rolling average of the Nordic mix factor from IEA energy statistics to 0.052 tCO<sub>2</sub>e per kWh for 2017.

Entra's proportionate share of water consumption in 2017 was 991 m<sup>3</sup> compared with 943 m<sup>3</sup> in 2016. This five per cent increase 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 m<sup>3</sup> per sqm in 2017, up by six per cent in comparison with 2016.

Entra's proportionate share of total waste created increased by two per cent from 14.2 tonnes in 2016 to 14.5 tonnes in 2017. Most of this increase directly reflects the inclusion of an additional tenant in the waste data collected for the property in 2017.

### 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 as that it considers all the sustainability performance measures material.



Continued

Waste	Waste-Abs, Waste-LfL	annual tonnes	Waste type	Hazardous waste	5	10	4	7	79 %	0.01	-	-99 %
				Non-Hazardous waste	2 344	2 775	2 159	2 267	5 %	14.2	14.5	2 %
				<b>Total waste created</b>	<b>2 349</b>	<b>2 785</b>	<b>2 163</b>	<b>2 274</b>	<b>5 %</b>	<b>14.2</b>	<b>14.5</b>	<b>2 %</b>
	proportion by disposal route (%)		Disposal routes, hazardous	Reuse	1 %	1 %	1 %	2 %	42 %	-	-	-
				Recycling	30 %	22 %	21 %	19 %	-9 %	23 %	19 %	-18 %
				Incineration (with or without energy recovery)	30 %	56 %	29 %	61 %	113 %	37 %	-	-99 %
				Landfill (with of without energy recovery)	40 %	21 %	49 %	18 %	-63 %	40 %	81 %	102 %
			Disposal routes, non-hazardous	Reuse	-	0.2 %	-	0.2 %	19 %	-	-	-
				Recycling	48 %	48 %	48 %	49 %	2 %	50 %	38 %	-24 %
				Incineration (with or without energy recovery)	38 %	35 %	37 %	35 %	-4 %	43 %	51 %	21 %
				Landfill (with of without energy recovery)	1 %	1 %	1 %	1 %	-11 %	1 %	1 %	-22 %
				Biodiesel production	14 %	16 %	15 %	15 %	2 %	7 %	11 %	48 %
				<b>Waste disclosure coverage</b>	<b>50 out of 91</b>	<b>59 out of 87</b>	<b>41 out of 65</b>	<b>41 out of 65</b>	<b>NA</b>	<b>1 out of 1</b>	<b>1 out of 1</b>	<b>NA</b>
				<b>Proportion of waste estimated</b>								

Certification	Cert-Tot	% total floor area	Level of certification	BREEAM-NOR	Outstanding	1 %	1 %	1 %	1 %	1 %
					Excellent	1 %	5 %	2 %	6 %	274 %
					Very Good	1 %	2 %	1 %	2 %	231 %
					Excellent	<b>3 out of 91</b>	<b>6 out of 87</b>	<b>3 out of 65</b>	<b>6 out of 65</b>	<b>NA</b>
					Very Good	-	4 %	-	5 %	454 %
					Very Good	3 %	6 %	4 %	7 %	61 %
					Excellent	<b>1 out of 91</b>	<b>3 out of 87</b>	<b>1 out of 65</b>	<b>3 out of 65</b>	<b>NA</b>
					Excellent	-	4 %	-	5 %	456 %
					Very Good	-	2 %	-	3 %	256 %
					Good	3 %	3 %	4 %	4 %	1 %
					Good	<b>1 out of 91</b>	<b>3 out of 87</b>	<b>1 out of 65</b>	<b>3 out of 65</b>	<b>NA</b>

**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 3 emissions from travel, waste and water consumption are calculated using a location based approach and DEFRA and Ecoinvent 2.2 factors.
- 5: Entra's headquarters data is also included in the total portfolio at that Entra is a tenant at one of its own properties.







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