

Carbon Accounting Report 2022

Storebrand Eiendomsfond Norge (SEN KS)

The aim of this report is to get an overview of the organization's greenhouse gas (GHG) emissions, which is an integrated part of the company's climate strategy. Carbon accounting is a fundamental tool to assess and identify concrete measures to reduce GHG emissions. The annual report enables the organization to benchmark performance indicators like carbon intensity and evaluate progress over time. The report covers 100 % of the SEN KS portfolio with (for comparability) a full operational year in the company's ownership, consisting of 20 properties totaling 418.081 m² in 2022, as listed below. The fund invests in properties in Norway only. The accounts include the buildings' full operational emissions from energy and water consumption and waste production and handling. Tenant energy emissions are allocated in Scopes 1 and 2. The practice of allocating energy-related emissions from tenant spaces in scope 3 is becoming common and is allowed according to the GHG protocol. This will be considered going forward.

SEN KS:

1. Grev Wedels Plass 9, including Skippergata 3 from 2020
2. Brynsalleen 6
3. Nydalsveien 36-38
4. Gullhaug Torg 2B
5. Philip Pedersens vei 7-9 (Lysaker Polaris)
6. Solheimsgaten 7A-E
7. Østfoldhallen Kjøpesenter
8. Østfoldhallene Big Box
9. Metro Kjøpesenter
10. Gneisveien 16-18 (Bergerterminalen)
11. Gneisveien 12 (Berger Omlastningssentral)
12. Torvuttaket 19 (Deli Skog Syd Øst)
13. Båntjernveien 12 – 14
14. Fornebu Hotell
15. Lagårdsveien 44
16. Destilleriveien 11
17. Helsefyr Hotell
18. Portalen Hotell
19. Lagårdsveien 46 (included from 2021)
20. Dr. Hansteins Gate 13-17 (Included from 2022)

Reporting Year Energy and GHG Emissions

Emission source	Description	Consumption	Unit	Energy (MWh)	Emissions tCO ₂ e	% share
Stationary combustion total				176.2	37.8	1.8 %
LPG		-	kWh	-	-	-
LPG	Oppv/kjøøl	175,547.4	kWh	175.5	37.7	1.8 %
Burning oil	Oppv/kjøøl	652.7	kWh	0.7	0.2	-
Scope 1 total				176.2	37.8	1.8 %
Electricity total				48,669.5	1,265.4	59.7 %
Electricity Nordic mix	Fellesanlegg	8,023,435.5	kWh	8,023.4	208.6	9.8 %
Electricity Nordic mix	Leietakere	40,646,076.9	kWh	40,646.1	1,056.8	49.9 %
District heating location total				14,653.3	120.2	5.7 %
District heating NO/Oslo		6,766,407.5	kWh	6,766.4	64.3	3.0 %
District heating NO/Fredrikstad		884,820.9	kWh	884.8	7.5	0.4 %
District heating NO/Stavanger/Sandnes		1,023,477.0	kWh	1,023.5	-	-
District heating NO/Bergen		1,362,300.0	kWh	1,362.3	1.9	0.1 %
District cooling NO/Bergen		1,038,840.0	kWh	1,038.8	6.8	0.3 %
District heating NO/Nydalen		880,801.6	kWh	880.8	11.3	0.5 %
District cooling NO/Nydalen		308,900.0	kWh	308.9	2.0	0.1 %
District cooling NO/Sandvika		1,478,484.7	kWh	1,478.5	11.2	0.5 %
District heating NO/Lysaker/Fornebu/Lilleaker		410,890.0	kWh	410.9	3.4	0.2 %
District heating NO/Drammen		114,261.0	kWh	114.3	6.6	0.3 %
District heating Norway mix		384,080.0	kWh	384.1	5.3	0.3 %
District heating general total				38.1	-	-
District heating, renewable	Bioolje	38,080.0	kWh	38.1	-	-
Scope 2 total				63,360.9	1,385.6	65.4 %
Waste total				-	611.8	28.9 %
Residual waste, incinerated	Usortert	1,080,018.2	kg	-	542.2	25.6 %
Mixed waste, recycled	Sortert	3,270,777.2	kg	-	69.7	3.3 %
Water total				-	82.9	3.9 %
Water supply, groundwater		143,602.3	m ³	-	82.9	3.9 %
Scope 3 total				-	694.7	32.8 %
Total				63,537.1	2,118.1	100.0 %
KJ				228,733,398,360.0		

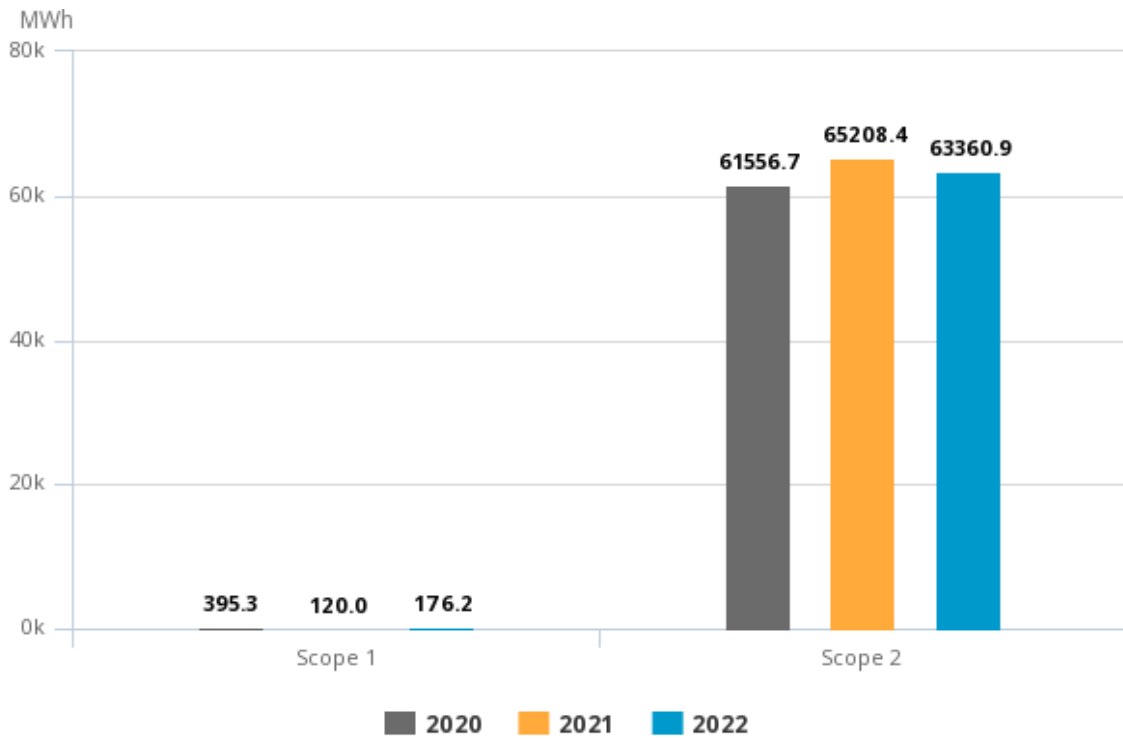
Reporting Year Market-Based GHG Emissions

Category	Unit	2022
Electricity Total (Scope 2) with Market-based calculations	tCO ₂ e	12,946.1
Scope 2 Total with Market-based electricity calculations	tCO ₂ e	13,066.3
Scope 1+2+3 Total with Market-based electricity calculations	tCO ₂ e	13,798.8

Annual GHG Emissions

Category	Description	2020	2021	2022	% change from previous year
Stationary combustion total		84.8	25.8	37.8	46.8 %
LPG		81.4	-	-	-
LPG	Oppv/kjøøl	3.3	-	37.7	100.0 %
LPG	Oppv/kjøøl	-	25.6	-	-100.0 %
Burning oil	Oppv/kjøøl	-	-	0.2	100.0 %
Burning oil	Oppv/kjøøl	-	0.2	-	-100.0 %
Scope 1 total		84.8	25.8	37.8	46.8 %
Electricity total		2,083.6	1,523.6	1,265.4	-16.9 %
Electricity Nordic mix	Fellesanlegg	395.1	262.7	208.6	-20.6 %
Electricity Nordic mix	Leietakere	1,590.2	1,260.9	1,056.8	-16.2 %
Electricity Nordic mix		98.2	-	-	-
District heating location total		126.0	127.3	120.2	-5.5 %
District heating NO/Oslo		52.7	77.6	64.3	-17.2 %
District heating NO/Fredrikstad		3.2	8.6	7.5	-12.3 %
District heating NO/Bergen		12.5	3.0	1.9	-36.5 %
District cooling NO/Bergen		10.9	-	6.8	-
District heating NO/Nydalen		21.7	16.1	11.3	-30.2 %
District cooling NO/Nydalen		6.6	-	2.0	-
District cooling NO/Lysaker/Fornebu/Lilleaker		8.9	-	-	-
District heating NO/Lysaker/Fornebu/Lilleaker		5.2	5.4	3.4	-37.4 %
District heating NO/Lillestrøm		4.3	-	-	-
District cooling NO/Sandvika		-	16.6	11.2	-32.2 %
District heating NO/Stavanger/Sandnes		-	-	-	100.0 %
District heating NO/Drammen		-	-	6.6	100.0 %
District heating Norway mix		-	-	5.3	100.0 %
District heating general total		-	-	-	-
District heating, renewable	Bioolje	-	-	-	-
Scope 2 total		2,209.5	1,650.8	1,385.6	-16.1 %
Waste total		517.9	585.1	611.8	4.6 %
Residual waste, incinerated	Usortert	432.7	517.7	542.2	4.7 %
Residual waste, incinerated		22.3	-	-	-
Mixed waste, recycled	Sortert	62.2	67.4	69.7	3.3 %
Mixed waste, recycled		0.7	-	-	-
Water total		34.8	70.0	82.9	18.4 %
Water supply, municipal		34.8	-	-	-
Water supply, groundwater		-	70.0	82.9	18.4 %
Scope 3 1 total		2.6	-	-	-
Water supply, municipal		2.6	-	-	-
Water supply, groundwater		-	-	-	-
Scope 3 total		555.3	655.1	694.7	6.0 %
Total		2,849.7	2,331.7	2,118.1	-9.2 %
Percentage change		100.0 %	-18.2 %	-9.2 %	

Annual energy consumption (MWh) Scope 1 & 2



Annual Market-Based GHG Emissions

Category	Unit	2020	2021	2022
Electricity Total (Scope 2) with Market-based calculations	tCO ₂ e	13,365.2	11,451.4	12,946.1
Scope 2 Total with Market-based electricity calculations	tCO ₂ e	13,491.2	11,578.7	13,066.3
Scope 1+2+3 Total with Market-based electricity calculations	tCO ₂ e	14,131.3	12,259.6	13,798.8
Percentage change		100.0 %	-13.2 %	12.6 %

Annual Key Energy and Climate Performance Indicators

Name	Unit	2020	2021	2022	% change from previous year
Total energy scope 1 +2 (MWh)		61,952.0	65,328.4	63,537.1	-2.7 %
Sum energy per location (MWh)		61,556.7	65,208.4	63,360.9	-2.8 %
Sum square meters (m2)		418,081.0	425,807.2	445,689.2	4.7 %
kgCO2/m2 (Scope1+2)		5.9	3.9	3.2	-18.9%
kWh/m2 (Scope1+2)		158.3	153.1	142.2	-7.2%
Total eiendom kgCO2e/m2 (Scope1+2+3)		7.3	5.5	4.8	-13.2%

Methodology and sources

Methodology

The Greenhouse Gas Protocol initiative (GHG Protocol) was developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD). This analysis is done according to *A Corporate Accounting and Reporting Standard Revised edition*, currently one of four GHG Protocol accounting standards on calculating and reporting GHG emissions. The reporting considers the following greenhouse gases, all converted into CO₂-equivalents: CO₂, CH₄ (methane), N₂O (laughing gas), SF₆, HFCs, PFCs and NF₃.

For corporate reporting, two distinct approaches can be used to consolidate GHG emissions: the equity share approach and the control approach. The most common consolidation approach is the control approach, which can be defined in either financial or operational terms.

The carbon inventory is divided into three main scopes of direct and indirect emissions.

Scope 1 includes all direct emission sources. This includes all use of fossil fuels for stationary combustion or transportation, in owned and, depending on the consolidation approach selected, leased, or rented assets. It also includes any process emissions, from e.g., chemical processes, industrial gases, direct methane emissions etc.

Scope 2 includes indirect emissions related to purchased energy; electricity and heating/cooling where the organisation has operational control. The electricity emission factors used in CEMAsys are based on national gross electricity production mixes from the International Energy Agency's statistics (IEA Stat).

Emission factors per fuel type are based on assumptions in the IEA methodological framework. Factors for district heating/cooling are either based on actual (local) production mixes, or average IEA statistics.

In January 2015, the GHG Protocol published new guidelines for calculating emissions from electricity consumption. Primarily two methods are used to "allocate" the GHG emissions created by electricity generation to the end consumers of a given grid. These are the location-based and the market-based methods. The location-based method reflects the average emission intensity of the grids on which energy consumption occurs, while the market-based method reflects emissions from electricity that companies have purposefully chosen (or not chosen).

Organisations who report on their GHG emissions will now have to disclose both the location-based emissions from the production of electricity, and the market-based emissions related to the potential purchase of Guarantees of Origin (GoOs) and Renewable Energy Certificates (RECs).

The purpose of this amendment in the reporting methodology is on the one hand to show the impact of energy efficiency measures, and on the other hand to display how the acquisition of GoOs or RECs affect the GHG emissions. Using both methods in the emission reporting highlights the effect of all measures regarding electricity consumption.

The location-based method: The location-based method is based on statistical emissions information and electricity output aggregated and averaged within a defined geographic boundary and during a defined time period. Within this boundary, the different energy producers utilize a mix of energy resources, where the

use of fossil fuels (coal, oil, and gas) result in direct GHG-emissions. These emissions are reflected in the location- based emission factor.

The market-based method: The choice of emission factors when using this method is determined by whether the business acquires GoOs/RECs or not. When selling GoOs or RECs, the supplier certifies that the electricity is produced exclusively by renewable sources, which has an emission factor of 0 grams CO₂e per kWh.

However, for electricity without the GoO or REC, the emission factor is based on the remaining electricity production after all GoOs and RECs for renewable energy are sold. This is called a residual mix, which is normally substantially higher than the location-based factor. As an example, the market-based Norwegian residual mix factor is approximately 7 times higher than the location-based Nordic mix factor. The reason for this high factor is due to Norway's large export of GoOs/RECs to foreign consumers. In a market perspective, this implies that Norwegian hydropower is largely substituted with an electricity mix including fossil fuels.

Scope 3 includes indirect emissions resulting from value chain activities. The scope 3 emissions are a result of the company's upstream and downstream activities, which are not controlled by the company, i.e., they are indirect. Examples are business travel, goods transportation, waste handling, consumption of products etc.

In general, the carbon accounting should include information that users, both internal and external to the company, need for their decision making. An important aspect of relevance is the selection of an appropriate inventory boundary which reflects the substance and economic reality of the company's business relationships.

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