



Sustainability Report
2022

NHC Group

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ESG



Norlandia
PRESCHOOLS



NHC Group is a Norwegian owned, multinational company with its headquarters in Oslo. The Group consists of the Norlandia Care (nursing homes, home care services and patient hotels), Norlandia Preschools (Norlandia and Kidsa preschools), Hero Group (integration services & reception centers), Aberia (child welfare and relief work) and NHC Property (property development).



NHC

Being the welfare innovator

a powerhouse safeguarding and developing welfare

A welfare innovator that exists for users

Dear reader,

You are now looking at the first edition of the ESG-report of the NHC Group. We have for several years published a CSR-report (Corporate Social Responsibility), highlighting the many areas in which we contribute to society. Now, we embrace the global trend of reporting even more broadly on all parameters pertaining to Environment, Social, and Governance (E, S, and G). For each of these three segments we detail initiatives undertaken to improve our practices or help the world. The report covers example from all our divisions and all countries where we are active.

Activities related to ESG are not a sideshow, it is very much at the core of what we do and our strategy. We have for years expressed our aspiration of being a welfare innovator. It is impossible to realize that aspiration without ESG being a central element of what we are trying to innovate.

We wish and expect to be judged by our stakeholders on our ability to live up to our stated expectations for ESG performance. Especially current and prospective employees and customers have different reference points now compared to what they had in the past. This will continue to evolve. We will not be a realistic choice as an employer or a service provider if we do not comply with these groups' raised expectations. We need to demonstrate that we understand their concerns and that we can deliver on meaningful ESG contributions.

While this report will showcase examples both big and small of ESG-related activities done throughout the organization, we seek to prioritize resources by assessing which current practices and possible changes can have a truly material impact. Our analytical framework especially weights the areas where we may be able to employ a systematic approach.

Our sustainability strategy is not static, we seek to continually incorporate new learnings and hear from new voices in the organization. That said, two major areas which I expect will continue to dominate our efforts in the years to come is building knowledge in kids and our consumption as a company.

It is worth occasionally reminding ourselves that the 2015 Paris agreement on climate change is indeed international law; it is a binding obligation like many other UN conventions our societies have committed to. Thus, the fight against global warming is a broadly agreed goal.



ESG activities are not a sideshow, they are at the core of what we do and our strategy.

NHC Group is a credible actor in matters related to sustainability. The company is now mainly financed through a green bond, where our interest payments are contingent upon our performance on certain sustainability-related indicators. Specifically, the bond is tied to evolution over time on these three parameters: share of electric vehicles in our car fleet, extent of energy consumption measurement in our operating units, and extent of implementation of sustainability-related pedagogy at our preschools.



A significant part of our group has also for several years been annually re-certified on the ISO-14001 criteria for environmental management. As such, we are used to keeping our house in order in the realm of environmental responsibilities.

A few keywords characterize our approach and recur throughout this report: Education, empowerment, and measurement.

Education

We seek to educate stakeholders on sustainability issues to enable comprehensive and inclusive changes in our service delivery. In particular, this approach is important in our preschools. By educating employees and children we encourage far-reaching understanding of social and environmental issues beyond our operations. Through the attitudes and behaviors children acquire in our preschools, we can expect a lifelong shift to more sustainable choices.

Empowerment

We encourage both employees and external stakeholders to develop innovative solutions to tackle sustainable development issues. We especially support initiatives by which employees make an impact on their local environment. Inclusion, diversity, and equal opportunity are core values which we live by and strongly communicate to the world around us.



Our green bond is tied to evolution over time on: our share of electric vehicles, extent of energy consumption measurement, and extent of implementation of sustainability-related pedagogy at our preschools.

Measurement

We strongly believe in the power of gathering and disclosing comprehensive information on material topics. Increased transparency leads to increased internal and external pressure to act on available information. By reporting on measures deemed to be significant for our operations, we follow our sustainability progress and engage stakeholders in our efforts. I hope you find the report interesting and maybe even inspiring. Please get in touch with me or one of my colleagues if you have suggestions on how we may be an even more sustainable company.

Regards,

Yngvar Tov Herbjørnsson
CEO



12,030
EMPLOYEES



30,150
USERS



7,014
MNOK
REVENUES



550
UNITS

BUSINESS AREAS



Preschools

Preschools
Schools
After school child care



Care

Nursing homes
Home care services
Patient hotels



Integration services

Refugee/asylum
reception centers
Interpreting



Individuals & families

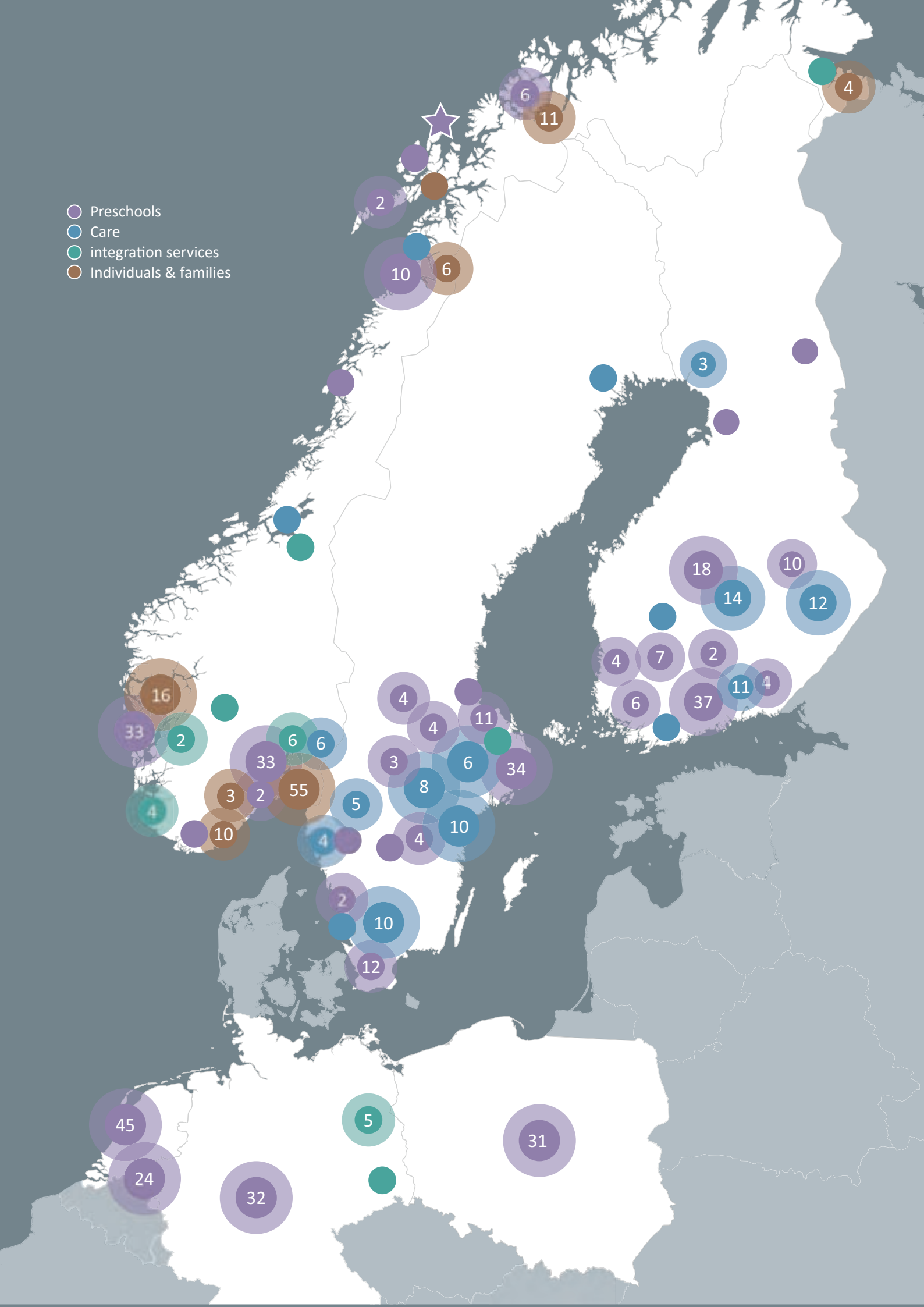
Child welfare services
Foster homes/familyhomes
BPA
Relief services for the
handicapped
Rehabilitation



Real estate and properties

Development,
purchase and sale
of property

Numbers as of Q2 2022.





THIS IS NHC



Our employees make a difference in the world through their daily work. Less loneliness among the elderly, more physical activity in children, greater sense of dignity in disadvantaged youth and empowerment of asylum seekers in Europe.

Making a difference in people's lives

The Norlandia Health & Care Group AS (“NHC” or the “Group”) is a family-owned, multinational company headquartered in Oslo, Norway. The owners, Kristian and Roger Adolfsen, started the operations in the early 1990s and have since inception focused on a long-term, socially responsible perspective. The Group currently consists of four companies in fields such as health care, preschools, integration services as well as services for individuals and families and has operations in Norway, Sweden, Finland, the Netherlands, Germany, and Poland. Our business is diverse, but a common factor among our users is that they are in a phase of their lives when they require care. Our understanding of their needs stretch across divisions and countries. We aim to be a welfare innovator and a powerhouse for safeguarding and developing welfare.

The NHC Group includes the following companies. Norlandia Care, Norlandia Preschools, Hero Group and Aberia.

Sustainability

Society doesn’t stand still, and neither do the welfare needs of the people and communities we serve. Across the NHC Group, we seek to improve people’s lives and we want to be a driver for positive change through pioneering of new ideas and methods.

Our business is diverse, and hence faces a variety of sustainability challenges and opportunities. The individual companies of the Group are responsible for identifying the sustainability themes most relevant for their operations – their sustainability priorities – using the UN Sustainable Development Goals as a foundation. The companies are also responsible for setting relevant strategies and targets around these priorities, ensuring the full organization

meets and exceeds expectations and contributes to sustainable development. This creates a greater commitment and stronger motivation across the Group.

Our employees are our most valuable resource

NHC has more than 11.000 employees and reaches around 70.000 people including clients, users, parents and relatives throughout our various businesses and operations. With this broad reach comes both responsibilities and opportunities. The policies and processes we implement in our businesses have the possibility to impact many lives. Through our work, we wish to promote an increasing awareness of sustainability topics and we are currently working to implement a more structured approach across the organization to ensure a higher degree of knowledge.

A higher degree of knowledge and awareness around sustainability will enable our employees, clients and users to make more environmentally friendly choices, both at work and in their private lives. During the coming years, we are therefore implementing basic sustainability training programs for all new employees to go through. In addition, we are launching more specialised training programs available to all employees.

The Group’s companies operate in labor-intensive sectors and hence our employees are our most valuable resource. NHC’s most significant contribution in society is made by its employees who provide services that are of value to individual users and to the larger community. Therefore, it is important for NHC that our employees are engaged in the development of our businesses, feel inspired and appreciated, and have a sense of pride in their daily work.

OUR ASPIRATION



OUR ROLE



OUR VALUE ADDED



Our companies and their sustainability priorities

Norlandia Care

Norlandia Care operates nursing homes, home care services and patient hotels, in Norway, Sweden, and Finland. Our services are a supplement to the offerings of municipalities and the public health care sector and we operate within the framework of the welfare model. The combination of our services and expertise makes us unique in the market. Within elderly care and patient hotel operations we have right from the start in 1997 been committed to combining competences from the two business areas. Within elderly care, we have emphasized hotel service; conversely, in the hotel operations we offer customized medical service with our care skills from nursing home operations. In Norlandia Care, we offer individual care with the aim to make life good for everyone – every day.



Norlandia Care sustainability priorities

In Norlandia Care, caring for our employees, reducing CO₂ emissions from transport and minimising food waste are among our sustainability priority areas.

We are a socially responsible corporation with a sound operation. We are a serious and responsible employer. We care for the environment and appreciate a multicultural and inclusive workplace. We have ambitious goals for workforce job satisfaction, sick leave, and employee turnover rates. We have a clear personnel policy and comprehensive ethical guidelines which are widely known and accepted by everyone at Norlandia.

Travelling between our locations and home care clients is part of our daily work and it requires various means of transportation. Transportation stands for a significant share of the world's greenhouse gas emissions, and a shift from fossil-based towards fossil-free transportation is needed to reach the world's climate goals. We are working to shift our car fleet from fossil, to hybrid and electric, contributing with important reduction of CO₂ emissions.

In our hotels and producing kitchens we measure food waste and constantly work to calibrate the amount of purchased food and raw materials to minimise unnecessary waste. In our home care, we aim to help our clients so they do not buy more than they actually consume.

Norlandia Preschools

Norlandia Preschools operates preschools and after school care in Norway, Sweden, Finland, the Netherlands, Germany, and Poland. Our aim is to teach the children in our preschools to be curious, to explore the world and to develop their own ideas. Through our preschool operations, we can impact the behaviour of future generations.

Our preschools are established and developed by local enthusiasts who want to create a beautiful and safe environment for children in the community. This creates strong and inspiring local cultures, which makes our facilities a good place to be – for both children and adults. Norlandia Preschools maintains and develops this culture. Meanwhile, we are facilitating the exchange of knowledge and experience between our preschools, between municipalities and counties, as well as across borders.



Norlandia Preschools sustainability priorities

In Norlandia Preschools, our greatest impact on society is via the education and experiences we provide for the children in our preschools. The children learn to take care of themselves, each other, and nature. Sustainable development includes nature, economics and social conditions and is a prerequisite for taking care of life on earth as we know it. Preschools have an important task in promoting values, attitudes, and practices for future sustainable societies.

Sustainable development is about people living today being able to meet their basic needs without destroying future generations' ability to meet theirs. It is about thinking and acting locally, nationally, and globally. The preschools must help children understand that today's actions have consequences for the future.

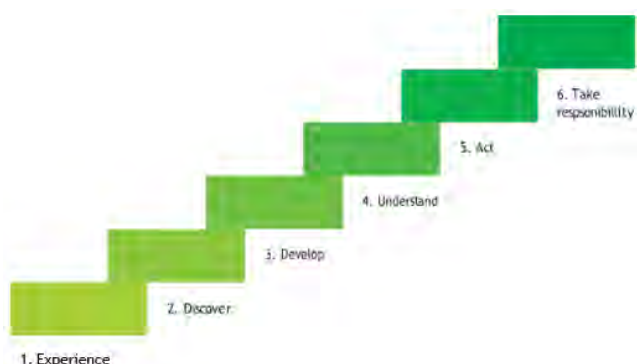
We have several programs implemented in our preschools aimed at supporting sustainable behaviour and development. Through our program “Food with taste”, we provide the children with knowledge around food and health. We let the children be part of meal preparations and we teach them about the interconnections between food, production, nature and culture. With “Norlandia Jump”, our aim is for the children to develop the motor skills needed for an active and healthy life and every day we have 20 minutes of organised physical activities. In 2019, we launched an initiative called “Go Green” in a number of preschools in Norway and Sweden.

The Go Green program

Our aim with the Go Green initiative is to increase knowledge and awareness around environmental sustainability. During 2020 and early 2021, we have further developed this initiative with the aim of launching a formal Go Green program across all our preschools. With this program, we provide the children with knowledge and awareness around how we can together contribute to a more environmentally sustainable future. Locally in our preschools, the Go Green program includes reducing food waste, sorting waste, reducing the use of plastics and increasing the share of recycling. This will be implemented during 2021 across our preschools. We will perform an internal evaluation on an annual basis, where preschools upon completion of the program will gain a Go Green stamp. This label will need to be renewed on an annual basis.

The Go Green program will be based on the sustainability ladder.

The sustainability ladder is a model that shows all the dimensions of sustainable development. The steps are



interdependent, and you need to complete each one before you can move to the next. The Go Green program includes activities within each step with the aim of providing the preschool children with the tools they need to promote sustainable development in the future.

Hero Group

Hero offers services aimed at refugees and immigrants in Norway, Sweden, Finland, and Germany. With highly developed welfare systems based on high employment rates for both men and women, the Scandinavian countries need newcomers to quickly become contributors. To facilitate integration of new citizens effectively, we need continuous innovation and social entrepreneurship. Hero operates reception centres, interpretation services, preschools and integration services to facilitate such integration. Our largest customers are the Norwegian Directorate of Immigration and the State Office for Refugee Affairs in Germany, and we also provide services to a large number of municipalities and private companies.



Hero Group sustainability priorities

The Hero vision is enabling a new future. Education and sustainability will increasingly be essential ingredients on our path towards this future. Our key sustainability priorities are educating our employees, residents and course participants, and reducing CO2 emission through less consumption, recycling and systematic waste handling.

All our work in Hero has to do with integration and inclusion. We accommodate newly arrived asylum seekers, teach language skills and support immigrants struggling to enter the labour market. In this work there is an awareness that our effort can be crucial for individuals and of great importance for the society at large. Increasingly, sustainability is an element in this awareness. Taking care of the local environment is meaningful for refugees settled in a Norwegian village or Berlin suburb when they are included in «dugnad» to pick plastic at a nearby beach or a park. Using local recycling stores and waste reduction allows people of lesser means to eat healthy and acquire the clothes that are needed in our colder climate. Knowledge and sound attitudes towards proper waste handling improve your chance for a job after a period of job training. In all of this, our employees need to be knowledgeable role models setting a good example.

Our approach to ESG

Aberia

Aberia offers childcare services, relief homes, and personal assistance to children, youths, and adults with different types of disabilities. The company was established in 2010 and currently has around 60 units across Norway and Sweden. Our vision is to ensure dignity for the individual, and we aim to give people the support they need in challenging phases of their lives.



Aberia sustainability priorities

In Aberia, reducing CO2 emissions from transport, creating sustainable working conditions for our employees, and minimising food waste are among our sustainability priority areas.

Travelling and living with our clients is part of our daily work, and we are working to systematically reduce emissions from our travels. This includes not only shifting towards electric vehicles in our fleet, but also reducing the total number of cars as well as choosing other means of transportation, such as public transportation. We are also working to increase the use of digital means where possible for administrative purposes, reducing the need for internal meeting-related travelling.

In our work to reduce food waste, adopting responsible purchasing habits is key. This requires knowledge and awareness among our employees. We also focus on reuse and recycling, and we should only buy new items when we can't find recycled alternatives.

NHC's sustainability prioritizations

At NHC we care about our employee and, we want to reduce our environmental footprint created through transport and waste. We have a clear understanding that this can be done by setting specific reduction targets, but also through influencing our employees, customers, and partners. A thread will unite already established quality and environmental processes to initiatives in the divisions calibrated against the UN's sustainability goals. All divisions carry out annual quality and sustainability summaries which are directly linked to risk and materiality assessments, and these will continue to largely form the basis for how we measure progress. NHC has drawn up a sustainability policy which will be implemented in the group. In addition, sustainability has been given a significant place in the preparation of the divisions and NHC's business plans. Based on these processes, the company's strategy and the recently completed quality and sustainability summary, some areas within sustainability have been selected for particular emphasis over the next 5 years. These are:

1. Effective measurement of environmental impact (environmental accounting)
2. Reduction of CO2 emissions
3. Employer of Choice -- our profile should attract
4. Food waste
5. Working to influence children through concept work and the GoGreen framework in preschools
6. Attitude and behavior program for employees and customers

By basing the objectives on our values, the owners' principles, and sustainable choices, NHC will be able to be an active contributor to reducing the climate footprint and increasing the focus on the environment. Thinking globally but acting locally is one such important element in a sustainable way of thinking. With an eye to the UN's sustainability goals, the organization is committed to a global engagement, from which we are now working to establish local measures. These will initially make small contributions, but over time we will see significant changes.



E



ENVIRONMENT



We work to reduce our emissions, protect the environment, and empower employees and customers to make more sustainable choices in their daily lives.

A better environment

In NHC we want to make the right choices for our climate, and we care about the environment. We also believe that both as an employer and as a service provider, we need to make the right choices regarding environment and sustainability to remain relevant as a company. We are present in many countries with thousands of employees and have a great opportunity to reach out to many customers and make an impact. We consider the environment in everything we do, and we believe we can make a difference. We want to reduce our emissions, protect the environment, and empower employees and customers to make more sustainable choices in their daily lives.

Each of our units comply with all laws and regulations, and prioritize their efforts based on their local conditions, needs and opportunities, in order to meet and contribute to the common NHC Group priorities and goals.

Even if the individual companies of the Group are responsible for identifying the sustainability themes most relevant for their operations, some sustainability priorities are common denominators across several businesses, and we have identified areas where we have the biggest influence on the environment, negatively or positively:

- Knowledge (of employees and customers, especially to children in preschools)
- Waste (food, medicine, chemicals, cleaning and more)
- Carbon (transportation, goods, travel [car/plane], energy consumption, construction and renovation)

NHC can influence the environment quickly and effectively by starting with a few simple measures, examples of this are energy saving and waste sorting.

Not least, we have a unique opportunity to positively influence future generations in terms of knowledge and habits. Educating children to make “green choices”, sort waste, reduce energy consumption by turning off lights, and be aware of water consumption will have a positive impact on the environment in the future.

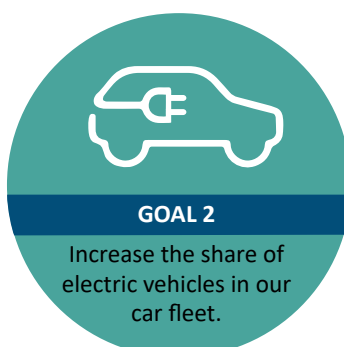
Here are the three main goals of NHC related to the environment:

1: Perform greenhouse gas accounting

Increasing the awareness of our climate footprint will enable us to make informed decisions to reduce our negative impact going forward and will contribute to reaching UN Sustainable Development Goal number 13.

NHC is of the view that performing greenhouse gas accounting is fundamental to managing the emissions of a company. Earlier, we did not measure or report on greenhouse gas emissions in our organization. To ensure we implement the right measures and initiatives to mitigate our future environmental impact, we needed to further invest in understanding our current footprint. We have therefore started to perform a greenhouse gas accounting at the group level, which is published on an annual

Our three main goals



basis as part of this report. In this way, we want to control that we reduce our climate footprint every year. And based on the reported figures, we will set more relevant goals in key areas in the future.

2: Increase the share of electric vehicles in our car fleet

Shifting to electric vehicles will contribute to reaching UN Sustainable Development Goals number 11 and 13.

Transportation is estimated to contribute approximately 16% of the world's greenhouse gas emissions, where road transport is the major contributor. NHC has mapped its energy usage and transport by car has been identified as a key driver. Across the NHC Group, we depend on transportation. Many of our employees travel between locations as part of their daily work to assist our clients and users. Focusing on low-emission transport is an important part of reducing the carbon emissions from our operations and we aim to shift our car fleet over to electric vehicles over time. The share of electrical vehicles should increase from 8 % in 2020 to 36 % in 2025.

The share of electric vehicles in the EU is today 0.2 % of all passenger cars, and the EU target for 2030 is 15%.

Increasing the share of electric vehicles in NHC's car fleet will reduce the carbon emissions from our operations. Electric cars lead to lower carbon emissions overall, even if electricity generation in some areas still relies on fossil fuels.



3: Provide sustainability education in our preschools

NHC is developing and launching a sustainability education program across our preschools ("Go Green program"). The program builds on the UN Sustainable Development Goals. The goals are universal, and the goal with "Go Green" is to create an interest for the environment, contribute to sustainable development, provide equal opportunities, and create awareness on natural resources. Ensuring that the children in our preschools gain the tools and knowledge they need to make sustainable choices in the future will contribute to reaching several of the UN Sustainable Development Goals, including numbers 4 and 13.



In Norlandia Preschools, our greatest impact on society is the education and experiences we provide for the children in our close to 400 preschools with around 20 000 children across Europe. Preschools have an important task in promoting values, attitudes, and practices for making societies sustainable in the future. In 2021, we launched our Go Green program across our preschools. Internal evaluations will be performed where preschools completing the program will gain a Go Green label, to be renewed on an annual basis. By 2025, 65 % of NHC's majority-owned preschools should have completed the "Go Green program".

The program builds on the UN Sustainable Development Goals and is further described and presented in a document publicly available on our website.

The Go Green program has the following goals:

- Create an interest for the environment and being outdoors in nature
- Contribute to environmentally sustainable development
- Create awareness around the opportunities which nature presents
- Share knowledge on recycling and reduce food waste
- Take ownership of our own future

An annual verification is conducted by division management. A list of minimum requirements to attain and retain the Go Green label are based on the following requirements:

- Go Green framework introduced to all staff in the unit
- Physical evidence and visible pedagogical material such as posters and stickers
- Children in the oldest age group aware and knowledgeable about the Go Green program
- Successfully implemented the "sustainability ladder" and "sustainability pedagogy"



NORLANDIA PRESCHOOLS THE NETHERLANDS

The greenest preschool in the Netherlands

In Den Bosch, a city in the south of the Netherlands, you will find Kindercampus Noord. This preschool and the afterschool care (BSO), both Norlandia, are located in the same building as the Noorderlicht primary school. And that building and its outdoor grounds are remarkable.

Noorderlicht primary school sees learning as an adventure and that means that education should be exciting. Children are encouraged to discover their own strengths and talents. That is why smart ICT and technology are central to education at Noorderlicht. Sustainability and caring for the world are also high on the list of priorities. The building is completely energy-neutral, thanks to the abundance of solar panels. Because nature has a positive influence on the senses, creativity and thinking skills of every child, a special garden has been designed with a natural

playground, edible garden, insect hotel and toad pool. The play area has paths, a slope and a cheat wall. It is very exciting for the children to look through it, without being noticed themselves. The tree trunk is beneficial for children's development. At first, they crawl and later they easily run over.

At Kindercampus Noord, children are set a good example every day. They separate waste, use sustainably produced bamboo nappies and choose things that last longer. For example, pencils with a thick tip instead of markers. Or sketch pads instead of loose paper, so that children feel responsible for their own paper use. And once they go to primary school, they use tablets. Not only inside, but also outdoors. The children bring their iPads outside, using a sturdy cover for the devices. They make photos and films, and also use apps like Leafsnap to identify plants.

Solar panels in Berlin

The installation of the photovoltaic systems contributes to the fulfilment of the climate protection goals of the state of Berlin. In total, Berlin wants to save about 500 tonnes of CO2 by using solar power in the buildings.

Hero Zukunft GmbH is contributing to this project and is happy that as of today two out of our four operated accommodation centres for asylum seekers in Berlin have already been connected to a photovoltaic system, since the end of 2021.



Arla Guldko 2021

The chef at the kitchen in our preschool Norlandia Pärnan in Huddinge got second place in the prestigious Arla Guldko award for "Bästa Matglädjeförskola" 2021. Johan has been working with a sustainability focus for many years. The main reason for Johans fantastic achievement is that his engagement has a big impact on all children at Pärnan and Johans grit has helped him inspire a lot of kids over the years and a lot of his colleagues within the Norlandia organisation.



Recycling initiative

In our Preschool Norlandia Eds in Upplands Väsby they have a recycling room where local businesses donate products that they can't sell, for example rolls of wallpaper slightly damaged and tiles with defects. This is used by the children for creativity and play, not only in Eds preschool but is free for other preschools, parents and people living nearby, to drop in and use as well.



Growing our own fruits and vegetables

It started with small boxes of vegetables, but thanks to the work of children and staff, and later also parents, a larger nursery garden and a small nursery garden were created at Norlandia Leszno preschool. The gardens, growing every year, give a lot of joy to the children who eagerly eat fresh fruits and vegetables that they have grown themselves. We teach the children that bio-waste can be used as compost for growing new plants, and the retention tanks installed this year will collect rainwater from spring, which we will use to water the plants.

We teach the youngest children good habits, thanks to which they will be more aware of the surrounding world and the impact their actions have on our planet. We hope that they will continue these habits in their adult lives.



Electric cars – reducing CO2 emissions

The world we live in is changing rapidly. We are facing the challenges of environmental problems. One of the problems is polluted air. The European Union's plan is to ban the sale of cars with combustion engines as early as 2035. Electric cars are more favorable to our planet than combustion motor cars in terms of climate change and air quality. Electric motor allows to minimize the emission of exhaust fumes in comparison to combustion engines which produce a lot of emissions that produce toxic compounds into the air.

In Poland we already have one electric car which is used to transport food to our preschool Norlandia in Olsztyn. These actions are aimed at protecting the environment and we are also planning to purchase another electric car for Norlandia preschools in Poland.





Our concept house in Greåker, Norway, is built to fulfill all environmental requirements.

NHC PROPERTY

NHC Property's sustainability policy

NHC Property's goal is to contribute to a sustainable development of our properties. Buildings account for around 40 percent of the world's energy consumption. If we reduce energy consumption, the industry can go from being a big part of the challenge to becoming part of the solution. NHC Property focuses primarily on renegotiating existing electricity agreements and replacing the ventilation unit in our preschools.

New construction

All NHC Property buildings shall satisfy the environmental legal requirements that apply for the current period. For projects projected in 2022, they follow the requirements of TEK 17, which entails energy class B.

Energy

Electricity is a large part of the energy consumption in NHC. Methods will be developed to be able to monitor electricity consumption so that local managers can get a good overview of consumption themselves and we will enter into a new power agreement that will make it easier to optimize electricity consumption. According to expertise in this field, electricity consumption will be reduced by itself only with awareness of how high consumption is. A conscious relationship with the use of energy will reduce the need and thus contribute positively

to the environment. Furthermore, we have prepared a list of assessments in collaboration with facility management partner on measures that save electricity for our preschools. The focus is on replacing the ventilation units, which has more modern technology, is more efficient and provides a better indoor climate for our children.

Environmental requirements for suppliers

NHC will focus on the environment at all levels, is therefore also concerned with our suppliers' climate footprint. All our suppliers must always comply with current environmental requirements in the building regulations. NHC Property has routines to ensure that our suppliers are within these requirements.



Voksentoppen ski and outdoor preschool

Going electric in home services

In recent years, Norlandia Home Services in Norway has worked to increase the proportion of electric cars in its car fleet. As a home service company, transport is one of the areas where we can influence the environment in a positive way. When we started in 2017, there were many who were skeptical about whether electric cars could meet our needs. Our cars drive 40-45000 km every single year and are in use around the clock. Five years later no one is skeptical anymore. By the end of January 2022 we will approach 100% electric cars.

Since 2018, we have also used electric bicycles whenever possible. We have three bikes available for our employees so that they do not have to drive a short distance. This is a win-win situation for both us and the environment.



Go Green calendar

From being extra careful with their toys to understanding where food comes from: At Norlandia Preschools in the Netherlands, we teach our children to take good care of the environment. We separate waste, use sustainably produced nappies and choose things that last longer.

During 2022, our preschools and after school care units, are going to work on making even greener choices. To inspire the staff, a special Go Green calendar has been created. The calendar is displayed in a visible spot for staff members. For example in the restroom, a staffroom or kitchen. The calendar offers all kinds of tips and tricks and each month a green challenge. Staff members get to work together and discover how easy it is to make (even) greener choices.



Sorting waste

Sorting waste is now an obligation for all of us and a good way we can contribute to protecting the environment. It is important to know how to recycle so that we can reuse products.

Children like to learn through play. In our preschools, we give children the opportunity to learn by doing. This includes other activities such as "Clean up the world".

Children in our preschools learn that by reusing waste we can protect the environment that is home to all living beings on earth.





NORLANDIA PRESCHOOLS POLAND

Retention tanks

Construction of retention tanks at Norlandia Preschools units in Poland is a result of our schools joining a campaign organized by IMGW and PIB called "We promised". The purpose of this program is to install retention tanks in selected preschools, located in areas most threatened by drought. One of these retention tanks was installed at our Norlandia Preschool in Sulechów. It will regularly collect rainwater that will be used to irrigate the preschools vegetable and flower beds.

Small gardeners, with great enthusiasm for growing plants, were also equipped with special tool sets: a bag with rakes, shovel, gloves and watering can.

Using the rainwater collected in the retention container the children will learn how to take care of the plants that grow on the grounds of the preschool. In addition, they will also complete specially prepared activities using the booklet "Kropelki Amelki", from which they will learn the reasons for the lack of water, as well as ways to collect and save it.

Our preschools often participate in these kinds of programs in order for our children to prepare to live in harmony with the natural world. Ecology in its broadest sense is not an empty word for our children, but a way of acting and thinking.

The municipality of Sulechów has already promised not only to save water but also to take care of the environment in general.

HERO NORWAY

Recycle and reuse

Hero Reception Centers are concerned with resource-saving operations and constantly takes measures in that direction. Among other things, reusing equipment that is well suited for further use instead of buying new. During the downsizing period in 2016-2017 we decided to store equipment for later use, instead of discarding it. Recently we have opened 3-4 new reception centers where we have made good use of previously used equipment. We have sent almost 200 cubic meters of stored equipment to our latest addition - Kirkenes reception center. This includes beds, refrigerators and other appliances, office equipment and equipment for activities, all of which we would otherwise have had to purchase. When one of our employees needs a new PC, we purchase perfectly good used laptops that come with a guarantee.





NORLANDIA PRESCHOOLS

Food with Flavor, securing great meals in Norlandia's preschools

We follow the intention of the national curriculum framework for preschools and emphasize knowledge about food, food enjoyment, as well as physical and mental health. Norlandia's "Food with flavor" will ensure that children have a healthy and varied diet and develop knowledge about food and their own health. Through participation in food and meal activities, children will have the opportunity to sense, experience and acquire good eating habits. And the children are themselves "Mini Chefs" who participate in the cooking.

One of the preschools that has increased its focus on Food with Taste is Norlandia Kløvermarka preschool, and recently the local newspaper Brønnøysunds Avis wrote an article about this.

Preschool manager Anne Iren Waag stated to the newspaper that they want the children to experience the joy of food:

- The children are involved in preparing and cooking the food. We talk to the children about the connection between food, production, nature and culture. We are concerned with ensuring that meals create a community and conversation around the table. The food served with us in Norlandia Kløvermarka preschool is both good, healthy and varied. In addition, it is positive for many parents in a hectic everyday life to not have to think about preparing a packed lunch for the child, Anne Iren Waag told the newspaper.

Since August 2021, Irene Lindtner Jørgensen has been a chef and worked with the concept "Food with Taste" for and with children and employees at Norlandia Kløvermarka preschool in Brønnøysund. The children between 4 and 6 years old are "Mini chefs" who are eager to be involved in the preparation of the food. This supports the intention given in the framework plan and the children's mastery, independence and autonomy.

- We have a fish day, a vegetarian day, a meat day, a porridge day and a leftover day each week. It must be sustainable.

Variations between seasons and culture help to provide changes and different and healthy experiences for the children. That said, there are also different considerations for each individual child that are involved in deciding. Food allergies and culture mean that not everyone can eat the same thing for the different meals, so a lot of work goes into planning before the actual cooking takes place, chef Irene Lindtner Jørgensen told the newspaper.

The preschool uses local ingredients as much as possible. The fish burgers that were on the menu the day Brønnøysunds Avis visited were made from fish from a local fisherman. And the children have used the autumn to participate in the harvesting and collection of local ingredients. Much of the food served in the preschool is local and short-distance.

And the food is good; the journalist wrote this after tasting the fish burger: «BANett had the honor of tasting what was today's lunch. It consisted of fish burger, salad and freshly baked burger bread. The taste was exquisite and absolutely beats my own lunch every day."

And the chef herself - who has an open Instagram page anyone can follow, called kokkeniklovermarkabarnehage - was pleased: -I actually get to work with my hobby and at the same time use the education in the best way, something I am very happy about, a smiling Irene Lindtner Jørgensen told the local newspaper. The food offer and how to work with Food with Flavor in the various Norlandia preschools has local variations, but the common denominator is that the food served in a Norlandia preschool is healthy and varied. Several of the preschools also have their own kitchen garden. The kitchen garden is an educational and exciting tool where children can follow the food cycle from farm to fork. All our preschools base their food offerings on food legislation and the authorities' guidelines for food and meals in the preschool.

White Guide Jr.

White Guide Junior is a well-known Swedish organisation that seeks to raise the quality of the public served meals in Swedish schools and preschools. They do that by publishing a guidebook every year. The result is based on a lot of visits to public kitchens and by testing thousands of meals. In the autumn every year they present "the best of the best" in many categories in their guidebook.

In the White guide junior competition 2021 Norlandia Preschool garnered almost 20% of all final nominations and our great co-workers Patrik Karlberg and Johan Hamberg were awarded prizes for best food management and for our concept "Mat med Smak".



Vegetable of the week

Studies show that Norwegian children still get too little vegetables, fruit and berries. We therefore wanted to focus on different vegetables and fruits in season. For seven weeks, we posted a #weeklygreen / #weeklyMatmedSmak on social media - with facts and inspiration on what to do with a fruit / vegetable. The children learned a lot during this time about the food from "farm to table" at the same time as it helped to increase the intake of fruit and vegetables among children in the preschool.

Focus on ecological raw ingredients

Since we launched Mat med Smak in 2017 we have focused on high quality and ecological raw ingredients. We strive to cook all our food from scratch with educated chefs standing in small restaurant kitchens in all our units. Through the years we have increased our ambitions. During 2021 we have implemented KRAV-certification in 25% of our preschool kitchens and aim for 100% during 2022. The KRAV label stands for food produced without artificial chemical pesticides, good animal welfare, reduced climate impact, more biodiversity and better working conditions.



Kota villages

In Finland, our nature preschools concept with KOTA (cottage) facilities has been a success and increased children's contact with nature. In three Finnish preschools, children spend most of their days in the forest and in the kotas built in connection with the preschool.

The home in the nature concept also fascinates employees for whom the working environment of a "kota village" is new and inspiring.

Nordic seasonal variations and the natural cycle are present in the activities and children learn to live in harmony with nature.



Mother Earth Day

In Spring 2021 Finnish preschools celebrated UN's Mother Earth day by planting plants in all Finnish preschools. The activity of planting represents our goal to offer the children of today and coming generations equal opportunity to enjoy and live in harmony with nature.



Photovoltaics in Białystok

The sun is an inexhaustible resource of energy that allows us to generate electricity – without toxic pollution or negative effects on global warming.

Photovoltaics is the conversion of sunlight into electricity, which is done through panels mounted on the roof.

The idea of using photovoltaics came from the desire to be environmentally friendly, high energy bills and the possibility of installing solar panels on the roof of our unit in Białystok. The benefits that photovoltaic brings include independence from the constant increases in prices for electricity, the ability to sell surplus stored energy, zero CO₂ emissions with constant production of electricity, and unlimited access to solar energy.



Our activities entail collecting data about resource use of each unit and projecting the costs of installation. Our next steps will be to choose the best offer to perform the installation and then install solar panels. Our future plans are to install solar panels on all of our units where we have the opportunity.

Responsible consumption in Aberia

We recycle or buy second hand when we can and buy new only when we have to. By 2023, 50% of our inventory and equipment purchases will be recycled or second hand goods.

We are building new units with sustainable materials and low emissions. We choose local solutions when we make purchases. When developing new properties we decide on location only after considering public transport possibilities for employees and clients, we buy and build locally when we can and we use sustainable materials to reduce the need for maintenance and waste.

We use Teams/digital meeting places and public transport whenever we can. We have physical encounters and use airplanes only when we have to. We have a goal of 40% reduction in domestic aircraft use relative to 2019 level. We are further committed to the following targets:

- 60% of the meeting activities at the management level are arranged for digital participation
- A minimum of 60% of training in Aberia is facilitated for digital participation.
- Waste sorting in all departments and office units.

Aberia has a large fleet of cars in our 80 units spread around Norway. Where practically possible, cars with fossil fuels are replaced by electric vehicles when renewing fleets. The number of km driven by each unit is reduced by an average of 20 % per year measured against 2020 level, the number of cars decreases annually by 5%. We have adapted a training module related to environmental aspects and sustainability in the Aberia School as part of the introduction program for new employees.



Children at Preschool Norlandia Leszno in Poland helped plant trees in the playground to celebrate tree day.

Go Green ideabook

In our preschools today there are thousands of small environmental agents. This means that we have great opportunities to influence future behavior of many individuals by working actively with the environment and operating sustainable preschools.

In the spring of 2021, we launched a booklet about the concept, Go Green. We hope this can contribute to increased knowledge about the topic, as well as making it easier to realize the Go Green concept in everyday life in the preschools.

Several dedicated employees have helped to create this booklet. In connection with the launch, we have also sent out seed bags with bee-friendly flower seeds for each department in all our preschools. We look forward to seeing creative and environmentally friendly ideas sprout and flourish.



Local food from farmer Arie

When the early birds arrive at our preschool before 7.30 am, they risk bumping into the cheerful farmer Arie. All by himself, in his wooden clogs, he is lugging crates full of fresh fruit and vegetables to the kitchens of the preschool and after-school care units in Heeze, a small village in the south of the Netherlands.

At our childcare center & BSO (after school care) De Parel and De Spinner, we offer the children from 0 to 12 years of age, organic fruit and vegetables grown locally. Farmer Arie delivers the most beautiful seasonal products from his own garden or direct surroundings. Farmer Arie takes the peels of the fruit and vegetables back with him and feeds it to his headstrong free-range pigs, the Pied Benthimers. Very circular. Very Go Green!



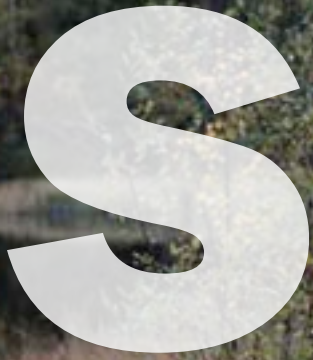
Saving water

Water affects nearly every aspect of our lives and is essential to our existence. Although the world's reserves seem vast, fresh, drinkable water makes up only a few percent of the earth's total water supply, and it may soon dwindle due to climate warming. Therefore, saving water should be a daily habit for all of us.

In order to inculcate in children the concern for natural resources we often emphasize the necessity of saving water and provide simple examples showing practical effects of water shortage on various areas of life. We refer to situations that children understand and love such as nature. We explain that if we do not take care of water resources together, lakes and rivers will start to dry up, and plants and animals will suffer.

Apart from theory, practice is also important. Children learn better through play that there are many ways to save water on a daily basis. These lessons can be taught to children as young as a few years old:

- Turn off the tap during hygiene activities - and only turn it on again when you need to rinse off the soap. When finished check that the tap is tight and no water is dripping from it
- Eco-friendly tooth brushing - offer to rinse the mouth after brushing with water from a cup instead of under the stream of running water. Show children how much water is wasted when you don't turn off the tap.
- Flush the toilet smartly - if the toilet has a dual-flush toilet, show your child the difference between the two and encourage him or her to choose the more economical flush mode.



SOCIAL



Our most significant contribution to society is made by our employees, who within the framework created by the company provide services that are of great value to individual users and society.

Contributing to society

NHC as a company has a social responsibility to contribute to a better society and a better world.

For society, the efforts of our employees are more important than the gifts the NHC companies give to worthy charities. We have some carefully selected causes to which we contribute financially, from NHC as a group, from our different divisions, from the different countries and from the different units. In this report, you can read about a few of these examples.

These support initiatives and all the small and big projects supported by our several hundred units are valuable, and altogether it is a lot. But our most significant contribution to society is most likely after all not this, but it is employees who within the frameworks created by the company over the years provide services that are of value to individual users and to the larger community. Employees and companies with a passion who seek to develop ever better services, for the benefit of users.

Our employees make a difference in the world through their daily work. Less loneliness among the elderly, more physical activity in children, greater sense of dignity in disadvantaged youth and a warm welcome of asylum seekers coming to Europe, to name a few.

In this report we share a few examples of some of the good and exciting things that are happening in our companies, all of which in their way contribute to society. When it comes to social measures, the environment, sustainability, and other contributions to society, it is important for us to concentrate our efforts where we have the best conditions for making the greatest possible impact and where we can see concrete and visible results.

We understand our role in society as being a driver of positive change. By that we mean greater user orientation, more awareness of efficient use of resources, persistent awareness of climate impact, a health-promoting work environment, and sustainable welfare solutions. We aim to take part in building society by developing standards and models that other actors - commercial, non-profit and public - can easily copy and use. NHC strives to be a welfare innovator that puts users and quality at the center. We are constantly seeking solutions that add value

and make our services better and more efficient. We exist for the users. We are transparent and we want to share our learnings and discoveries with others.

Also, we are open and inclusive, and a responsible employer. Our employees are the foundation of our company, the services and quality we deliver, and the key to our success. Valuing and ensuring their wellbeing is a core sustainability pillar. Our main priorities are to provide safe and healthy working environments, to be an inclusive organization and to every day make sure employees are given the opportunity to evolve and excel.

Our employees have put a lot of effort into helping refugees coming from Ukraine, after Russia started their unprovoked war. Hero mobilized all their efforts and contributed a lot by opening around 40 centers in Norway in a few weeks' time. Hero alone had around half of the total Norwegian reception capacity and has shown itself again to be a reliable partner trusted by the government. Also, to Germany, and especially Berlin, where Hero has several centers, did many refugees arrive. But even more came to Poland, where our employees and preschools along with the rest of the society received Ukrainian kids and opened their hearts to refugees.

We as a company and our employees value liberty, freedom, equality, peace, human rights and democracy – and because of the war against Ukraine, it has become even more important to stand up for what we believe in and contribute to this. Each and every one of us, as individuals and companies, must contribute to making our world as we want it to be.

Apprenticeships

Aberia offers apprenticeships to young people, both in positions within our core services, and within the office/ administration functions. At the Voksentoppen relief services center in Oslo we have at least two apprentices at any given time. We benefit from the contributions of exciting young talent with a lot of warmth, great work capacity and new knowledge. When we bring in new apprentices, we learn at least as much ourselves as they learn from us. We get a fresh set of eyes on our organization that make it possible to constantly improve both our services and our processes.



The Norlandia Kids Run

We emphasize making physical activity a natural part of everyday life at our preschools. Supporting one of the biggest running events in Norway is a natural extension of this commitment. "Sentrumsløpet" is an annual running event that takes place each spring in downtown Oslo. As a part of this event, we support the Norlandia Run for Children. The race itself is the culmination of many activities for children arranged on this festive day celebrating health and well-being. There are many games to participate in together with healthy snackfoods and an entertaining science show. Hundreds of children have participated in this event and their numbers are growing each year.

Red noses and Lock n Loll

Our Finnish preschools participated in the charity event Red Nose. This happy campaign invites all Finns to help the world's most vulnerable children. Children in our preschools prepared a set of boxes for donations for this important purpose.

After several covid waves and restrictions our Finnish preschools wanted children and their families to have some fun. Finnish performers Mimi and Kuku went on a Lock'n'Loll-tour to Finnish preschools and spread joy to children and their families. During these events generous donations to the Red Nose Organization were collected as well.



Norlandia Jump

In Sweden we have since 2018 been involved in a partnership with Generation Pep. Generation Pep is a non-profit organisation working hard to give children and young people equal opportunity to live active and healthy lives. It is part of the Swedish Crown Princess Couple's Foundation. Generation Pep is lead by Carolina Klüft, a Swedish Olympic gold medalist in heptathlon.

We have been a part of the development, together with Generation Pep, in designing a platform called Pep preschool that is a source of knowledge and inspiration launched in March 2021. The platform is free for all Swedish preschools (public and private) to sign up for and use.

Our partnership is a part of our Norlandia Jump strategy. Our concept was launched with the overall goal to increase both children's physical activity and knowledge about why it is so important. We, together with Generation Pep, would like to contribute to the whole preschool sector with knowledge and inspiration with Norlandia Jump and by launching the Pep Preschool platform together with Generation Pep.



Carolina Klüft



Norlandia employees leading physical activities for kids at the UnderBara Barn (Wonderful Children) Fair in Stockholm.



ABERIA NORWAY

Birgit Skarstein: Inclusion, accessibility and mastery

Birgit Skarstein is one of the most famous persons in Norway, mostly because of her groundbreaking attitudes towards what disabled people can participate in, perform and achieve. After her legs were irrevocably paralysed through failed hospital surgery when she was 20, she has become a famous athlete, TV-star and role model for thousands of disabled people in Norway.

As a committed speaker and debater, she communicates values that she herself translates into practice. Aberia has a partnership agreement with Birgit, and cooperate on internal and external gatherings with employees, users of our services, partners and others. She inspires, motivates and delights. She is herself a BPA (personal assistance services) supervisor and tells other users about fundamental matters such as taking control of your own life, aligning oneself smartly with one's own strengths and weaknesses, and respect for everyone's unique history and personality. Birgit gives many disabled people faith in themselves. She participated in the TV show "Skal vi danse" (Let's Dance) with the wheelchair as an important choreographic element and tool. She has won Paralympic and World Championship gold medals in both summer and winter sports, with single scull and sit-skis. Birgit and Aberia shares common values and motives and we will continue our cooperation for social participation and equality.



HERO NORWAY

Get to know asylum seekers through "Hils på"

Bereket and Merveen Heveen are six-year-old twins and very fond of each other. Some time ago they celebrated their birthday. It was a somewhat strange birthday. They have never celebrated their birthday so far from home, away from friends and in a place with few other children their own age. But it was nice anyway, because their mom baked a green cake and gave each of them a pink birthday crown with princess stickers, as they have always got before. Read their whole story at www.hilspå.no

Do you know an asylum seeker? In Hero's asylum centers, many different people live and work. Everyone has their own story to tell. We want to open the door to the asylum centers, so you can get to know some of them. With the webpage "Hils på"

(Say hello) we want to achieve understanding. Understanding of asylum seekers' everyday lives and challenges. Maybe we're more alike than we think? We are humble when we meet the individuals who come to our reception centers. They don't know our language; they don't know us and they often have more questions than answers. Everyday life is all about learning, mastering, and feeling safe. Our dream is to enable a new fu-ture. In that future, the understanding of differences is greater, and the fear of differences smaller. It all starts by opening the door - welcome to www.hilspå.no!

ABERIA NORWAY

Covid institution for children

Health is an important sustainability goal for Aberia. In early spring of 2021, we were asked to establish a specialized corona institution within child welfare. We established an institution with special precautions for corona contagion at very short notice, with employees and management who actively sought to work in the institution. It took only five days from we received and accepted the request from the government authorities to the point where employees were ready and trained in all aspects of running a child welfare institution with Covid-infected youths.





NORLANDIA PRESCHOOLS

Continued collaboration with Impande

Norlandia signed a partnership agreement in March of 2018 with the organization Impande to help build preschools in KwaZulu Natal, South Africa. The partnership with Impande includes raising funds, sharing expertise, and providing resources for the benefit of poor children in KwaZulu Natal. Many employees at Norlandia are engaged in work related to the Impande partnership: they are eager to share the knowledge and expertise they have acquired while working at our preschools.

Impande works in the Ugu District, in the province of KwaZulu Natal in South Africa. There are 1 million inhabitants in the district, of which 50 % are younger than 20 years of age. Funds provided by Norlandia is used to construct preschools in this district. Impande has an impressive history of achieving much with

limited means. They work to stimulate growth and development among children and young people from low-income families in South Africa, with the goal of improving conditions for these children during childhood.

This year, Norlandia preschools have helped to build two preschools in South Africa. In collaboration with Norlandia Aker Brygge preschool in Oslo, a safe and good preschool has been created for 61 children in Mmangweni. They have used a small building made of mud for 24 years. Now they finally have a proper building, clean water in large tanks, toilets, and a well-equipped playground suitable for motor development.

NORLANDIA PRESCHOOLS NORWAY

PedPod

The pedagogical leaders Kristin Twist and Jeanette Henriksen from Norlandia Skyttelveien preschool in Drammen have started a podcast about children and preschool called PedPod. In the podcast, they illuminate the profession through fascinating discussions on current topics such as pedagogy, relationships, the human brain, attachment, illness, siblings, etc. Often they have guests with special areas of competency join them. All of the episodes can be found on Spotify, iTunes, etc.





NORLANDIA PRESCHOOLS POLAND

Fundraiser for sick children

There are many children in need all over the world and one would like to help everyone. One of the parents from our preschool in Starachowice in Poland inspired us to help one specific individual. He suggested joining a fund-raising event for Igusi, a little girl in our town suffering from MS (multiple sclerosis). The girl needs very expensive medicine which her parents is not able to buy by themselves.

We did not want to organize another fundraiser or fair, so we decided to organize a sleepover for children in the preschool. All the income related to the event was donated for Ig's treatment. We assumed the cost of organizing, and the staff helped by volunteering.

There were many attractions: we baked pizza and ginger-bread cookies, there were also art workshops and experiments, but the biggest attraction was a night game which involved flashlights and the lights being off. We also read fairy tales, had a delicious dinner and breakfast in the morning.

Many people were willing to support Igusi. Parents took advantage of the free evening and children had great fun. The effect of our actions was a smile and tears of emotion of Iga's mom, who received a can full of money from the hands of our children. Of course, the children and their parents also asked when the next sleepover will be! We are already thinking about the next such action for a good cause.

NORLANDIA PRESCHOOLS SWEDEN

A new way to learn

Our pedagogical profile, EduZone, is a new way to organize and work with children in an educational environment. We want to challenge the norms of traditional preschools and inspire childrens natural creativity and curiosity.

EduZone allows both pedagogues and children to explore the different zones we've developed with the aim of making each educational area both broader and deeper. EduZone is based on the Swedish curriculum for preschool.



Raising children with disabilities

During Arendalsuka we invited the organization "Løvemammaene" (The Lion Mothers) to tell about the vulnerability of families with disabled children and what is crucial and good help for these families. We also arranged a seminar with Dagfinn Enerly and his spouse Mona, who shared their personal stories of their lives after the family needed personal assistants for Dagfinn, after a serious accident.



NORLANDIA PRESCHOOLS POLAND

Charity collection for shelters

"An animal is a living being capable of feeling suffering, it is not a thing. We owe them respect, protection and care." These are the first words of the Polish Animal Protection Act. By showing children that it is worth helping, we teach them empathy.

Winter is a very difficult time for animals in shelters. Our preschools in Poland conducted a collection in October and November of items needed by shelters such as food, leashes, collars, towels, blankets, toys and cleaning products.



NORLANDIA PRESCHOOLS NORWAY

Skiing for inner-city kids

Skiing is the national sport in Norway. Most Norwegians grow up learning to ski, but that isn't so easy for many children living in urban areas. The Norlandia preschools in Oslo and the surrounding area are fortunate to have their own outdoor activity center available at the entrance to the woods on the edge of Oslo. Vidsyn has previously been a preschool and is fully equipped for all kinds of outdoor experiences. Any Norlandia preschool that wishes to may book the center and make use of the fantastic outdoor facilities and activities that are available here, including borrowing skis.





ABERIA NORWAY

Professional amateurs

Professional Amateurs is a project that offers work training to young people who for various reasons do not have an other daytime activity. The project also aims to extend the life cycle of fixtures and furniture in homes, and is therefore a climate- and environmentally friendly activity as well. Organized in a non-profit subsidiary, Professional Amateurs undertake refurbishment and renovation assignments. Not infrequently, the homes are institutions in which like-minded youths themselves live. Professional Amateurs combine social responsibility for young people, and lower footprint on climate and the environment than traditional rehabilitation projects, in a way that give the participants valuable references for future job engagements.



NORLANDIA PRESCHOOLS POLAND

Packages for the poor

There are many people in difficult financial situation in the Wola district. Every year in December the Wola Association prepares Christmas packages which it delivers to those in need. We were happy to participate in this meaningful activity. Parents joined the effort by donating food, which will be given to the most needy people in the area. The most common items we received were: pasta, flour, rice, sugar, oil, canned fish, as well as canned fruits and vegetables, cereal, tea and coffee. We managed to collect a large number of items. It was very convenient for us to collect the items directly from the foundation.



The heroes of tomorrow

The food bank in Bodø got a nice extra stop on the pick-up route in February. In connection with the Quest theme «heroes», Norlandia Vollen nature preschool learned how they themselves can be heroes through their own behavior and actions. They found out that there are people in Bodø who have little money, and they decided to make a difference by collecting food and giving it to the food bank. They also received good help from their neighborhood grocery store, which contributed extra food. It was a fantastic effort by the employees who are inspiring the Superheroes of tomorrow.



HQ staff gave a helping hand

The global pandemic meant severe pressure on several of Norlandia's operations in Sweden with increasing sick leave of regular staff, sick residents, employees in family quarantine and waiting for test results. The situation has demanded extraordinary solutions.

To guarantee sufficient staffing at several units, staffing companies were contacted and a project was started to recruit people who had been laid off from previous jobs at, for example, restaurants and hotels.

A third way was to offer administrative staff within Norlandia the opportunity to make temporary contributions in nursing homes. In addition, employees themselves contacted close by units and offered their support and help.

There was a very large commitment among the employees and within the support functions, the work was reorganized to ensure that staff could help with various activities. Several important issues needed to be addressed. How long could the helping hands be away from their regular jobs? How do you handle the risk of infection?

A dozen employees at the head office in Sweden were finally able to leave their regular duties behind and made an important contribution in our operations. As an example business controllers and salary administrators worked as service staff in our elderly care units.

During the ongoing omikron pandemic several employees have continued to support operations and help out at our units.





GOVERNANCE



Business integrity is the cornerstone of a sustainable company. NHC seeks to run operations in a transparent manner to build trust in the societies where we operate.

Playing by the rules

Business integrity is the cornerstone of a sustainable company. NHC seeks to run operations in a transparent manner to build trust in the societies where we operate.

Management approach

The NHC Code of Conduct sets out NHC commitment and requirements for how NHC conducts its business. Each division in the Group have developed their own code of conduct, adapted to each operational area and landscape, but all based on the fundamental principles set out in the NHC Code of Conduct. The Code of Conduct applies to our employees, board members and hired personnel.

We further expect that our suppliers act in accordance with our Code of Conduct, and we incorporate the Code of Conduct as part of our supplier agreements.

The NHC Code of Conduct explicitly prohibits engaging in bribery and corruption in any form and sets out an expectation to the Group that business is conducted on such way that suppliers, partners and customers can have trust in the NHC Group.

NHC is a workplace that offer equal opportunities to our employees. We have adopted a separate policy on equal treatment and equality, that sets out guidance on how to work with these topics with the group and towards suppliers.

Reporting and handling of concerns

NHC has implemented whistleblowing routines, which imposes a duty to report possible violations of the Code of Conduct or other unethical conduct. NHC is depended on leaders taking his/her control responsibility seriously in order for us to prevent, detect and respond to unethical behaviour. Concerns can be reported to our ethics committee, also anonymously. NHC has a strict non-retaliation policy and encourages all employees to report their concerns.

2021 initiatives

In 2021, NHC implemented a policy on equal treatment and equality. Further, an ethics day was held throughout the whole NHC Group, in which the topic was "how can we be more inclusive at the workplace".



NORLANDIA CARE NORWAY

Ethics day

Each November, we hold a common ethics day for all employees, intended to facilitate conversations and good discussions in the workplace on a particular issue.

If we look around us, and perhaps inside ourselves as well, we see a lot of exclusion in society that is expressed and manifested in different ways. This year, we asked ourselves «Can we do more to be more inclusive in the workplace»?



FRÖSUNDA SWEDEN

First nursing home with LGBTQI profile

In September 2021, Norlandia's sister company Frösunda launched Sweden's first nursing home with a LGBTQI profile. The rainbow department, which is located at Frösunda's nursing home Hanveden in southern Stockholm, offers today 9 apartments to LGBTQI senior citizens in the greater Stockholm area.

The fact of the inexistence of a LGBTQI profile in Swedish elderly care in 2021, was surprising for the NHC leadership team. A 55+ LGBTQI senior living (not to be confused with a nursing home) opened already in 2013 in Sweden where younger senior citizens live together in harmony and openness. Given NHC's strategic objective – Being the Welfare Innovator – a project group was appointed with a mission to open a rainbow department for older senior citizens with an extensive need for care.

At the project start the idea was presented for RFSL – the Swedish Federation for Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex Rights – who welcomed the initiative with open arms. The timing was just right as senior citizens issues is a prioritized area at RFSL. Since 2018, the federation has shed light on areas such as involuntary loneliness, the need for LGBTQI competency at geriatric care and more research around older LGBTQI people's living situation. Together with RFSL, a steering

group was soon formed responsible for the development of the rainbow department based on the key areas openness, security, and the feeling of community.

Pell Uno Larsson, spokesperson for senior issues at RFSL says: "There is a concern among older LGBTQI people when it comes to an increased need for elderly care. We need to assure a feeling of security in that you will receive a good treatment by the staff having LGBTQI competence, and that you will be able to continue to live your life together with other LGBTQI people."

The 15th of September, the Grande Opening of the rainbow department took place at Hanveden. Together with Municipality officials, RFSL, press & media, residents, and staff, we all celebrated equality, freedom, and human rights.



frösunda.
ÄLDREOMSORG

Leader in diversity

The essence of our company is to be a welfare innovator. One very valuable way to innovate must be to introduce services that support and upholds the dignity of formerly marginalized members of our society. Completely in line with our new LGBT+ initiative in Sweden, we were recognized by the newspaper Financial Times in the fall of 2021 as a European leader in diversity.

The timing was impeccable, since this recognition came just when large parts of the company were engaged in deep discussions about the challenges and opportunities of a more inclusive working environment on our companywide ethics day.



NORLANDIA CARE SWEDEN

Thumbs up!

Norlandia Care is currently operating ten nursing home units in the Swedish city of Linköping. Each unit has its own Instagram-page where they upload posts on a regular basis to give relatives better insight into daily life at the homes.

The Linköping units have also united on a central Facebook-page where employees from all around the city have been interviewed. Each post ends with the phrase: "Not all superheroes wear capes, some wear uniforms in the colours black and green". This uplifting way of highlighting employees helps relatives get to know the people working at the homes while at the same time empower employees. On average, these posts have been viewed more than 4,000 times.



NORLANDIA CARE NORWAY

Pride

We encouraged all our preschools (and everyone else) to celebrate Pride in their own way. Among ways to celebrate, many ordered t-shirts with our Pride logo and had their own activities.

We want all different people to feel safe and proud of who they are. "The preschool shall promote respect for human dignity by making visible, appreciating and promoting diversity and mutual respect" (from the Norwegian government framework plan).





NORLANDIA PRESCHOOLS

Quality in our preschools

We are always working to improve the quality of our preschools. Now we are doing it by implementing CLASS (Classroom Assessment Scoring System). The program is a training and assessment tool which assures that our staff adequately supports and stimulates childrens well-being and development. High quality interaction between employees and children is conducive to promoting the children's sense of security, well-being, and progress. By using this tool, preschool employees receive feedback on how they facilitate cooperation and learning with the children. Research has demonstrated that the use of CLASS enhances the quality of communication and interaction in preschools.

While the preschool sector for a long time has been attentive to the development of structural aspects of quality (such as the buildings, the physical environment, and the absolute number of employees), CLASS will contribute to making us among the best in terms of what we actually do. CLASS is a tool to assess and improve the processes that are used in the preschools. A primary driver is the quality of employee-child relationships in the preschool. CLASS is a welcome tool for our employees and managers to secure relevant quality development.

As a valid observation tool, CLASS helps us to observe colleagues at the group level. We observe how employees contribute to care and learning support as well as in the organization and management of the department. To use CLASS, you must be certified. We have over 80 supervisors now who are actively implementing internal competence development and external preschool assessment. It is very inspiring to see the development of good learning environments thanks to CLASS implementation in many of our preschools.

HERO NORWAY

Leading in Diversity

Hero will be a leader in diversity. Our goal is to have at least 40 % of our employees with a refugee or immigrant background - because we believe diversity is a strength. Ethnic background is part of this diversity. We believe diversity helps us as a company to better achieve our goals. Therefore we recruit people from different backgrounds. We want our colleagues and users to be confident and be who they are. Everyone should be respected and have equal opportunities, regardless of ethnic background, sexual orientation, gender, age, belief or disability.





NORLANDIA PRESCHOOLS / CARE FINLAND

Norlandia's Generation Concept - meetings across generational boundaries

The Norlandia Generation Concept connects preschool, elderly care and service living home into a multi-generational entity. Our first unit with this concept is in Tuusula, just north of Helsinki. The unit is also home to Norlandia's first dog daycare center. The generation concept offers high quality services to all our residents and clients: preschool education with high standards, organic meals prepared by own chef in Deli Kitchen and innovative services in elderly care with HUR gym and Viva-go security system. The common areas inside and in the yard welcome all generations to meet and learn from each other, which also prevents loneliness among the elderly.

The Norlandia generation concept is a new welfare service offered to both children and seniors. The concept entails operation of a preschool and an elderly care home in the same property with a vision of creating a vibrant environment where children and seniors meet in a natural way.

In addition to separate premises for the units, common spaces are designed where meetings across the generational boundaries can take place. For the seniors, the concept means a more sociable way of living. Loneliness is a central societal problem

and by having the elderly live near children, the vision is to break solitude and thus enhance quality of life. Children will benefit from the concept by getting the chance to meet seniors and take part of their life experiences, share nature-related activities, and celebrate traditions. In other words, a "win win" service for the society!

A cornerstone of the concept is Norlandia's meal concept Mat med Smak. Traditional meals, new flavors and culinary surprises are on the menu, where our own chefs prepare home cooked meals every day. In addition, we have an ambition of using a high proportion of organic and locally produced groceries.

Offering "first-class pedagogy and nursing and care under one roof", is the concept's slogan. By linking the generations together, the goal is that the many natural meeting points will lead to good conversations and relationships, where the overall objective is to strengthen the quality of life for everyone.

iLead – culture in the making

Project iLead is about creating a common framework for future leadership and employeeship throughout NHC's extensive eco-system of units, divisions and countries. It's about creating country specific content that gives us confidence in who we are and understanding of how to work in an ever more transient society where diversity in competence and ability to capture fast shifting trends are considered high value skills. Using a common set of principles, the iLead project has provided country-specific guidance on appropriate approaches. After iLead, employees across company boundaries will recognize NHC leadership and employeeship based on these guiding principles and locally created policies.

iLead is also about awareness and understanding of behavioral nuances across borders and companies. The project has sought to acknowledge company diversity, increase awareness of our origins and further the understanding of cultural differences and similarities. iLead has engaged and involved more than 750 employees and leaders during the period of May - December 2021. We believe that iLead will contribute to the process of unifying over 10.000 employees. Our new common framework will support us in becoming a more environment-friendly service provider for the future.



NORLANDIA CARE SWEDEN

Gamification; more motivating job training

At Skräddaregårdens nursing home in Linköping, the management noticed an increasing number of deviations that could have been prevented if the information employees received during training was remembered.

To improve the ability to learn and remember the information given during job training, an alternative introduction program using Gamification was implemented. The introduction program, that is currently running as a test pilot, has questions and tasks the new employee can complete and thereby collect points, which they can use to buy things like coffee, cinema tickets, clothes etc.

Gamification focuses on three topics; interaction, learning the operation and web-based learning. For example, an assignment related to interaction could be to collect the surname of four co-workers, or to figure out which of the elders at the nursing home is oldest. The more assignments the new employee can complete, the more points they earn. The points work as a motivator to encourage employees to complete assignments. Years of research shows that when rewards can be attained, the brain is more acceptant to learn and retain new information.



Appendix: Sustainability-linked Finance Framework

Progress Report for Calendar year 2021



April 29th, 2022

Sustainability-Linked Finance Framework Progress Report for calendar year 2021

Executive summary and comment by the Chief Sustainability Officer

An Introduction to the NHC Group

Norlandia Health & Care Group AS (“NHC” or the “Group”) is a family-owned, multinational company headquartered in Oslo, Norway. The owners, Kristian and Roger Adolfsen, started the operations in the early 1990s and have since inception focused on a long-term, socially responsible perspective. The Group currently consists of five divisions in fields such as health care, preschools, integration services, services for individuals and families and social infrastructure within the property division. The Group has operations in Norway, Sweden, Finland, the Netherlands, Germany, and Poland. Our business is diverse, but a common factor among our users is that they are in a phase of their lives when they require care, and our understanding of their needs stretch across divisions and countries. **We aim to be a welfare innovator and a powerhouse safeguarding and developing welfare.**

The Group includes the following companies.





The NHC Group and Sustainability

Society doesn't stand still, and neither do the welfare needs of the people and communities we serve. Across NHC, we seek to improve people's lives and we want to be a driver for positive change through pioneering of new ideas and methods.

Our business is diverse, and hence faces a variety of sustainability challenges and opportunities. The individual companies of the Group are responsible for identifying the sustainability themes most relevant for their operations – their sustainability priorities – using the UN Sustainable Development Goals as a foundation. The companies are also responsible for setting relevant strategies and targets around these priorities, ensuring the full organization meets and exceeds expectations and contributes to sustainable development. This creates a greater commitment and stronger motivation across the Group.

In May 2021, NHC placed a senior secured sustainability-linked bond of NOK 1,700 million. This report provides an update on the Key Performance Indicators ("KPIs") and Sustainability Performance Targets ("SPTs") under the Sustainability-Linked Finance Framework from April 2021 (the "Framework"). This report should be read in conjunction with the CSR report to be published during 2022 for a complete update on the sustainability strategy and performance of NHC.

KPI 1: Perform greenhouse gas accounting

To ensure we implement the right measures and initiatives to mitigate our future environmental impact, we need to further invest in understanding our current footprint. We have therefore conducted a greenhouse gas accounting on group level.

KPI calculation: Greenhouse gas accounting on group level.

SPT 1: Perform greenhouse gas accounting

NHC has performed an accounting of the greenhouse gas emissions generated by the Group's operations. Numbers are reported as of 31 December 2021.

2021 results

		Total		
		Quantity	Unit	Emissions (tCO2e)
Scope 1 - Fuel Consumption:				
Petrol	191 331	Litre	420	
Diesel	117 691	Litre	296	
Natural Gas	356 377	m3	720	
Biomass (wood pellets + logs)	75	t	5	
Sum Scope 1			1 441	
Scope 2 - Electricity and heating:				
Purchased electricity location based	52 761 101	KWh	2 294	
District heating	9 851 393	KWh	1 438	
Sum Scope 2 Location based			3 732	
Purchased electricity market based	52 761 101	KWh	15 463	
Sum Scope 2 Market based			16 901	
Scope 3 - Indirect				
Business air travel	72 780	kg/CO2e	73	
Sum Scope 3			73	

A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). Source: GHG Protocol



Looking at SPT trajectories 2022 and onwards

By successfully completing the greenhouse gas accounting as targeted for 2021, the Group will establish targets in order to work with activities that over time will reduce the consumptions and energy use, and at the same time focus on scope 3 and identify other areas that the Group can positively influence the environment. We will be looking at for example reducing transportation; meaning shorter supply line, avoid unnecessary steps in our value chain and choose suppliers with an environmental profile. We will also look at company-wide usage of secondhand computers/hardware, furniture, building ecofriendly buildings, ecofriendly maintenance to mention some. These areas will be presented in our 2022 progress report with targets and SPT trajectories where possible.

NHC has a goal to be carbon neutral by 2030 and knowing our carbon footprint is a big step in achieving that goal.

KPI 2: Increasing the share of electric vehicles in our car fleet

Transportation is estimated to contribute with approximately 16% of the world's greenhouse gas emissions, where road transport is the major contributor. Across the NHC Group, we depend on transportation. Many of our employees travel between locations as part of their daily work to assist our clients and users. Focusing on low-emission transport is an important part of reducing the carbon emissions from our operations and we aim to shift our car fleet over to electric vehicles over time.

KPI calculation: Share of electric vehicles in NHC's car fleet, including both leased and owned cars.

SPT 2: Increasing the share of electric vehicles in our car fleet

The share of electric vehicles in NHC's car fleet should increase over time, and we have set the following SPT Trajectory:

Historic values			SPT Trajectory				
2018	2019	2020	2021	2022	2023	2024	2025
1 %	2 %	8 %	13 %	17 %	25 %	32 %	36 %

Actions to reach the SPT Trajectory: NHC's car fleet currently consists of a mix of electric, hybrid and fossil fuel cars. NHC will strive for all new car purchases across the Group to be electric, also including new lease contracts.

2021 results

The SPT for 2021 was achieved at 13% and shows that NHC is on track and have a positive trajectory towards 2022 target.

KPI 3: Sustainability education in our preschools

In Norlandia Preschools, our greatest impact on society is via the education and experiences we provide for the children in our preschools. In the second half of 2021, we launched our Go Green program across our preschools.

The Go Green program has the following goals:

- Create an interest for the environment and being outdoors in nature
- Contribute to environmentally sustainable development
- Create awareness around the opportunities that nature presents
- Share knowledge on recycling and reduce food waste
- Take ownership of our own future



SPT 3: Sustainability education in our preschools

In the second half of 2021, Norlandia Preschools started the implementation of the Go Green program across the organisation. Our aim is for all majority-owned preschools to implement this program over time. To gain the Go Green label, a preschool need to complete the program on an annual basis, and the label needs to be renewed every year through an internal evaluation process. We have set the following SPT Trajectory, indicating the share of our majority-owned preschools that should have completed the program on an annual basis.

SPT Trajectory				
2021	2022	2023	2024	2025
15%	30%	40%	47%	65%

Actions to reach the SPT Trajectory: The Go Green program has been launched internally across preschools.

2021 results

The SPT for 2021 was exceeded by three percent to a total of 18%. This is a positive development and shows trajectory above the targeted rate of implementation.

DNV verified our KPIs as per the Framework and attested the 2021 achievement. DNV's verification report is attached to this report.

There has been no material update to NHC's sustainability strategy, vision or plan related to and impacting the KPIs and SPTs.

For NHC Group

Dag Rune Gabrielsen

Chief Sustainability Officer



VERIFICATION STATEMENT

Statement no:
2022-0489

Valid from:
April 26, 2022

Valid to:
Current KPI revision

NHC GROUP

Verification of KPI performance of the Sustainability-Linked Finance Framework

Scope and objectives

DNV Business Assurance Norway AS (henceforth referred to as "DNV") has been commissioned by NHC GROUP (henceforth referred to as "NHC") to provide third-party verification of NHC's KPI performance in relation to the SPT trajectory described in NHC's Sustainable Finance Framework (the "Framework"). Our objective has been to verify NHC's methodologies to calculate the

- KPI performance for Greenhouse gas accounting,
- share of electric vehicles in the car fleet,
- share of preschools with sustainability education.

as well as to verify the underlying data for 2021. Our methodology to achieve this is described under 'Work Undertaken'.

Responsibilities of the Management of NHC and DNV

The management of NHC has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform NHC management and other interested stakeholders in the SECURITIES as to how NHC's actual KPI performance relates to the SPT trajectory, based on the information provided to us. In our work we have relied on the information and the facts presented to us by NHC. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by NHC's management and used as a basis for this assessment were not correct or complete.

Work undertaken

The verification was conducted between 23rd March 2022 and 25th April 2022, during which NHC provided its information. Our work constituted a review of the available information, based on the understanding that this information was provided to us by NHC in good faith. The work undertaken to form our opinion included:

- Discussions of NHC's methodology with NHC management (MS Teams)
- Q&A-sessions with NHC management for each of the KPIs
- Review of NHC's sustainable finance framework, annual and sustainability report and Second-Party Opinion
- Review of NHC's 2021 performance and documented evidence being basis methodologies

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14/02/2022

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Findings and DNV's opinion

- DNV note, that KPI1 "Perform Greenhouse Gas Accounting" for the NHC Group is a KPI that does not have an SPT and selecting the trajectory is not possible. DNV confirms, that NHC have performed a GHG accounting system for Group's operations for 2021, that includes Scope 1, Scope 2 and the business travel category Scope 3, specifically, business air travel.

Based on the information provided by NHC and the review procedures conducted, nothing has come to our attention that causes us to believe that NHC's performance is not in accordance with the KPI reporting requirements described under the Framework. DNV opines that NHC's methodologies to calculate the share of electric vehicles in the car fleet and the share of preschools with sustainability education are consistent with the purpose of NHC's KPI as defined in its Framework.

for DNV Business Assurance Norway AS

Oslo, 26th of April 2022

A handwritten signature in blue ink, appearing to read "D. Sukhinin".

Dmitry Sukhinin
Senior Sustainability Consultant

A handwritten signature in black ink, appearing to read "I. Finnebråten".

Ingebjørg Nueva Finnebråten
Quality Assurance

Norlandia.docx

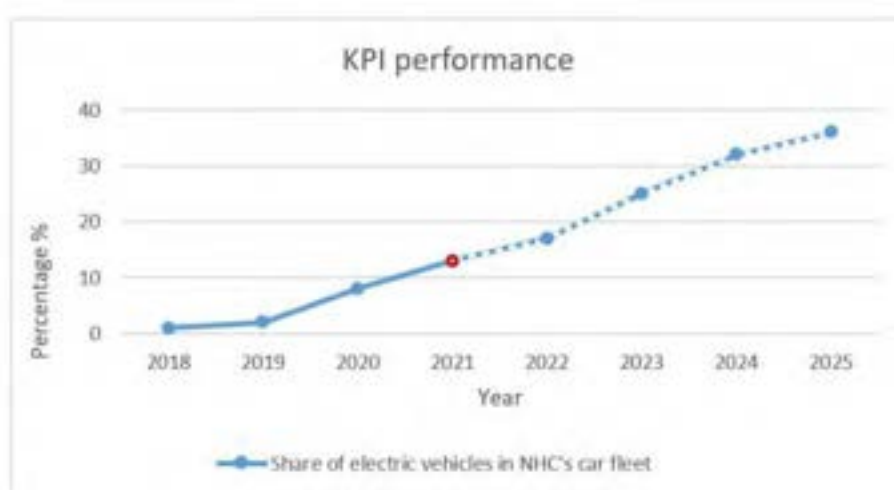
APPENDIX

NHC's actual KPI performance relative to the SPT trajectory described in NHC's Framework

KPI 2: Increasing the share of electric vehicles in our car fleet

Below graph visualises the data reviewed by DNV. It compares NHC's planned KPI performance of electric car fleet ratio against its actual performance in 2021. DNV's findings correspond with NHC's representation of actual KPI performance relative to its SPT trajectory.

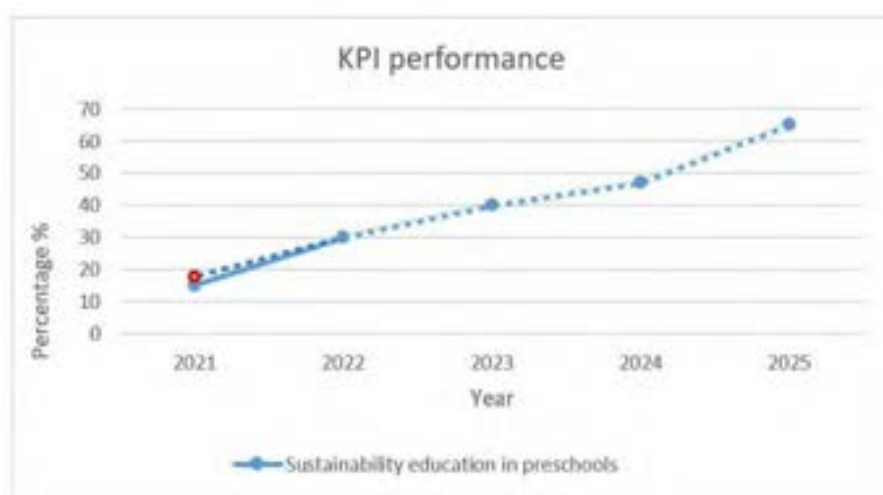
SPT and past performance	2018	2019	2020	2021	2022	2023	2024	2025
The share of electric vehicles in NHC's car fleet	1%	2%	8%	13%	17%	25%	32%	36%

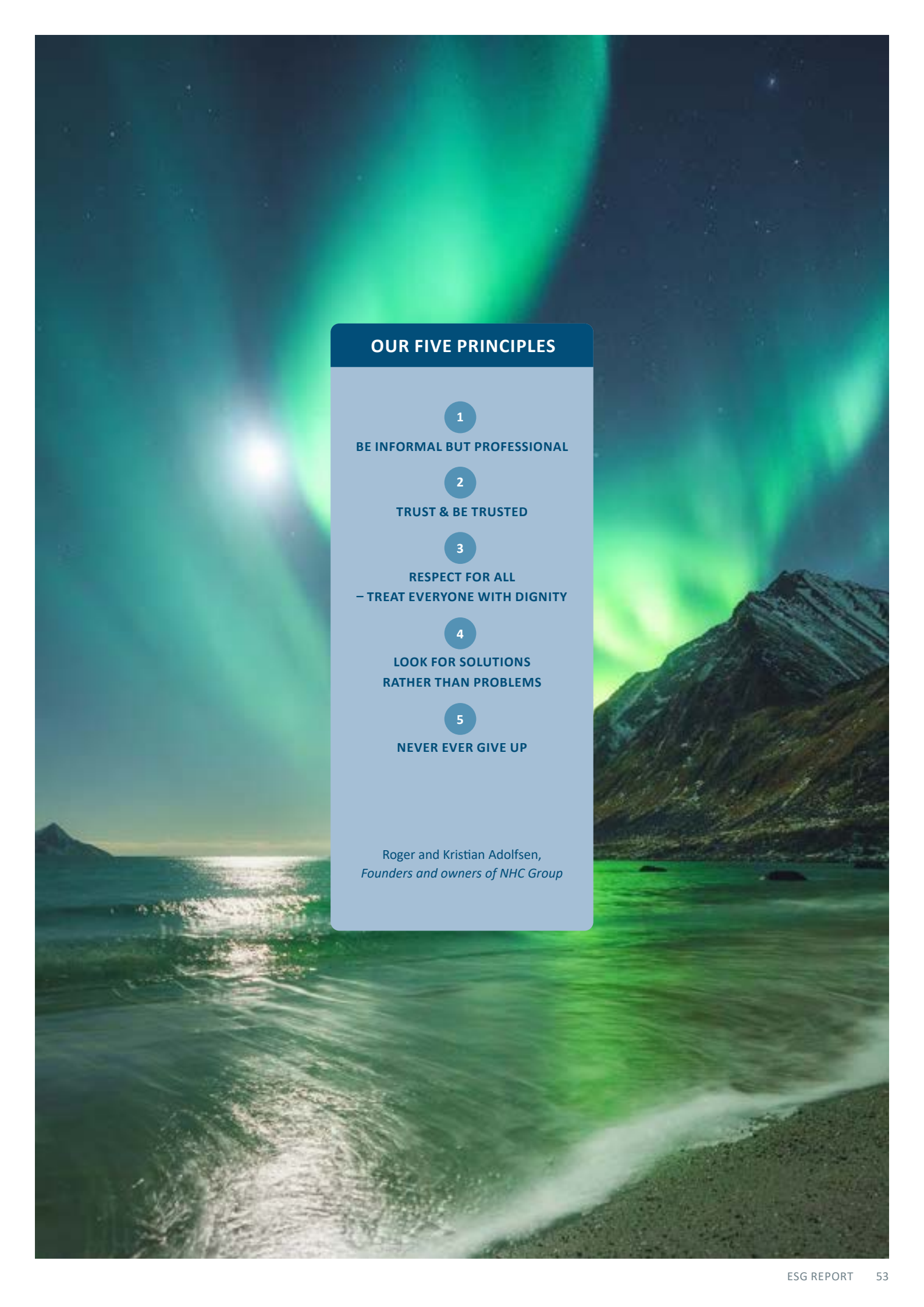


KPI 3: Sustainability education in our preschools

Below graph visualises the data reviewed by DNV. It compares NHC's planned KPI performance of share of preschools with the sustainability education as described in the Framework against its actual performance. DNV's findings correspond with NHC's representation of actual KPI performance relative to its SPT trajectory.

SPT	2021	2022	2023	2024	2025
Sustainability education in preschools	15%	30%	40%	47%	65%





OUR FIVE PRINCIPLES

1

BE INFORMAL BUT PROFESSIONAL

2

TRUST & BE TRUSTED

3

RESPECT FOR ALL
– TREAT EVERYONE WITH DIGNITY

4

LOOK FOR SOLUTIONS
RATHER THAN PROBLEMS

5

NEVER EVER GIVE UP

Roger and Kristian Adolfsen,
Founders and owners of NHC Group

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