



Willhem

GRESB Real Estate Assessment 2020

SUBMITTED: 3 Nov 2020 10:27:26am Tue UTC

Standing Investment



Management (%)

Performance (%)

Legend:

- This Entity (Green circle)
- Peer Group Avg. (Black diamond)
- Peer Group (Black circle)
- GRESB Average (White square with black border)
- GRESB Universe (Grey circle)
- Asia (Red plus)
- Europe (Red X)
- Americas (Red asterisk)
- Oceania (Red cross)
- Globally Diversified (Red hash)
- Entities with only one component submitted (Yellow X)

Scorecard Summary:

- GRESB Score:** 80 / 100 (Green Star). GRESB Average 70, Peer Average 69.
- Management Score:** 27 / 30. GRESB Average 26, Benchmark Average 27.
- Performance Score:** 53 / 70. GRESB Average 44, Benchmark Average 41.

ESG Breakdown

**Environmental**

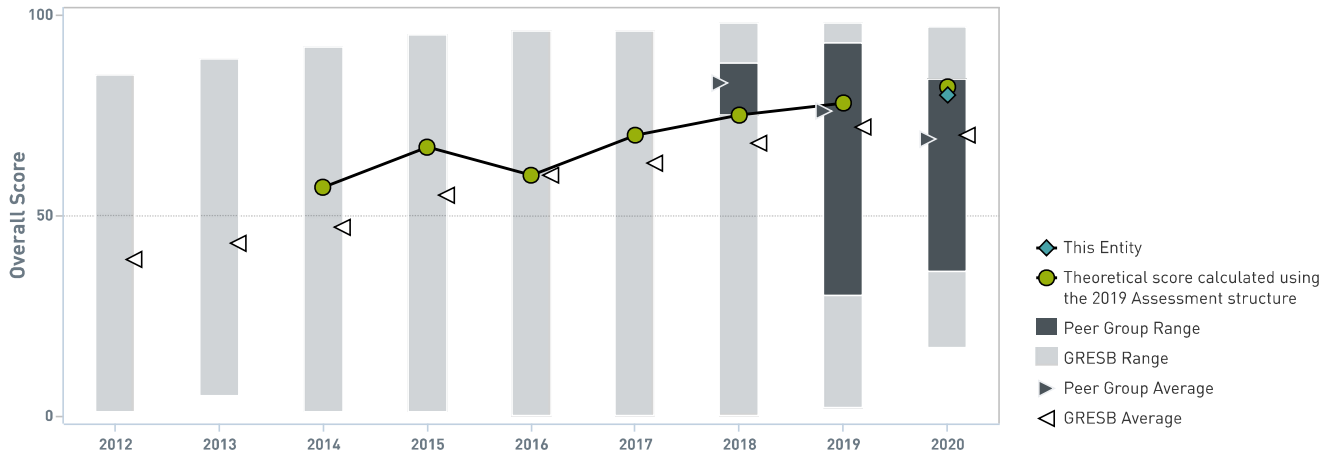
GRESB Average 38 Benchmark Average 34

**Social**

GRESB Average 15 Benchmark Average 16

**Governance**

GRESB Average 17 Benchmark Average 18

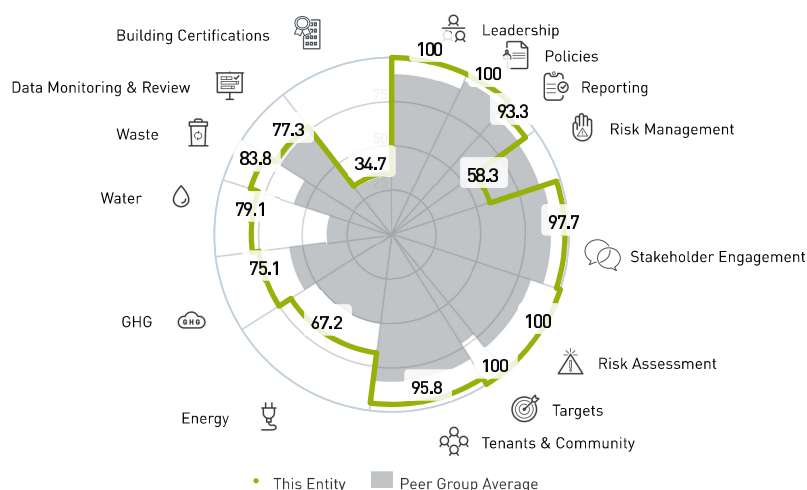
Trend**Theoretical score**

Methodology: this is an estimate that does not take into account changes to validation requirements or indicator specific scoring methodology.

The 2020 GRESB Assessment structure fundamentally changed, establishing a new baseline for measuring Performance. The split between Management and Performance components brings a stronger focus on consistent data collection and reporting.

GRESB advises against a direct comparison between 2020 GRESB Scores and prior year results. Changes to the 2020 Assessment produced inconsistent impacts regardless of geographic region, property type or investment strategy. Most participants experienced score shifts ranging +/- 4 points. A small number of participants experienced greater point swings, typically driven by shifts in portfolio structure rather than performance issues. Compounding the structural changes, Covid-19 negatively impacted data collection efforts across the industry, with disproportionate impact on certain regions and property types. Objective comparison between years is therefore not possible.

GRESB calculated a 2020 Theoretical Score to support the interpretation of this year's results, providing insight into the impact of the Assessment restructuring on a participant's results. This score provides an "estimate" based on the Indicator and Aspect weights compared to past year's. This year-on-year context will only be provided in 2020 GRESB Benchmark Reports. The goal of the Theoretical Score is to demonstrate the movement due to structural changes between the 2020 Benchmark and the 2019 Benchmark. It is not directly comparable with the 2019 GRESB Score and should only be used for directional guidance. This 2020 Theoretical Score calculation does not take into account 1) indicators removed from the 2020 GRESB Real Estate Assessment; 2) changes in score weightings of elements within an indicator (e.g. Data coverage weight within Energy consumption score), 3) changes in portfolio asset count or structure; 4) benchmarking at a more granular level within property types; or 5) updates to validation requirements.

Aspects, Strengths & Opportunities

MANAGEMENT COMPONENT

Benchmark group: Europe | Core (400 entities)



PERFORMANCE COMPONENT

Benchmark group: Northern Europe | Residential: Multi-Family | Core (11 entities)



Entity & Peer Group Characteristics

This Entity

Geography:	Sweden
Sector:	Residential
Legal Status:	Non-listed
Total GAV:	\$4.29 Billion
Reporting Period:	Calendar Year
Peer Group (11 entities)	

Peer Group Geography:	Northern Europe
Peer Group Sector:	Residential
Legal Status:	Non-listed
Average GAV:	\$1.32 Billion

Regional allocation of assets	100% Sweden	55% United Kingdom 14% Finland 11% Sweden 9% Ireland 8% Denmark 3% Netherlands < 1% Russian Federation
Sector allocation of assets	93% Residential: Multi-Family 7% Mixed use: Other < 1% Mixed use: Office/Retail	99% Residential: Multi-Family < 1% Mixed use: Other < 1% Residential: Family Homes < 1% Mixed use: Office/Retail < 1% Residential: Other
Control	58% Landlord controlled 42% Tenant controlled	61% Landlord controlled 39% Tenant controlled
Peer Group Constituents		

Aberdeen Standard Investments	Catella Residential Investment Management GmbH	Get Living Plc
Invesco Real Estate	Irish Life Investment Managers Limited	LGIM Real Assets
Legal and General Property	Long Harbour Ltd	M&G Real Estate
SATO Corporation	Willhem	

Validation

GRESB Validation

Automatic	Automatic validation is integrated into the portal as participants fill out their Assessments, and consists of errors and warnings displayed in the portal to ensure that Assessment submissions are complete and accurate.
Manual	Manual validation takes place after submission, and consists of document and text review to check that the answers provided in Assessment are supported by sufficient evidence. The manual validation process reviews the content of all Assessment submissions for accuracy and consistency.
Boundaries	The evidence provided in Performance R1.1 Reporting Characteristics is reviewed for a subset of participants to confirm that all direct real estate assets held by the reporting entity during the reporting year are included in the reporting boundaries.
Not selected	

Asset-level Data Validation

Logic Checks	There is a comprehensive set of validation rules implemented for asset-level reporting. These rules consist of logical checks on the relationships between different data fields in the Asset Portal. These errors appear in red around the relevant fields in the Asset Portal Data Editor, along with a message explaining the error. Participants cannot aggregate their asset data to the portfolio level, and therefore cannot submit their Performance Component, until all validation errors are resolved.
Outlier Detection	Based on statistical modelling, GRESB identifies outliers in reported performance data for selected indicators in the Real Estate Performance Component. This analysis is performed to ensure that all participating entities included in the benchmarking and scoring process are compared based on a fair, quality-controlled dataset.

Evidence Manual Validation

LE6	P01	P02	P03	RM1	SE2.1	RP1 Annual Report Sustainability Report Integrated Report Corporate Website Reporting to Investors Other Disclosure
SE5	TC2.1	MR1	MR2	MR3	MR4	

■ = Accepted

■ = Partially Accepted

■ = Not Accepted/Duplicate

■ = No Response

Manual Validation Decisions - Excluding Accepted Answers

Evidence

Indicator	Decision	Reason(s):
RP1 - Other Disclosure	Partially accepted	Only contains actions and/or performance from one element of E, S, or G

Other Answers

Indicator	Decision	Other answer provided:
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Reporting Boundaries

Additional context on reporting boundaries



The supporting evidence shows the lettable area, for properties owned at the last of december 2019.

The reported area in R1.1 is the lettable multiplied area with 1,25 for all assets, to account for an average 20 % share of common areas. Actual data for this is not kept for most assets. Data on a representative subset of assets shows that a 20 % assumption would fit in general, though it may differ greatly between individual assets.

In Willhems portfolio, one assets is not always defined as one property, though this is the case more often than not. In some instances, one large property is divided into several assets, or several small properties are consolidated into one asset. The supporting evidence shows properties and not assets.

The total area reported in the annual report is 1 803 353 m2. When multiplying by 1,25 and adding the GFA properties sold during 2019, the resulting number is 2 320 325 m2, which differ by 0,1 % from the total sum in R1.1. The difference can be accounted for by small changes in area in individual properties during the year, for example by adding/converting non-lettable space to lettable, and vice versa.

For all assets with a share of residential:multi-family lettable area ≥ 75 %, Residential Multi-family has been assigned as the primary property type. This accounts for over 90 % of assets. Subtyping is explained later.
43 assets do not fall into this category. Of these, 3 falls under the Mixed use: Office/retail category. These are marked in the provided evidence. The remaining 40 are classified as Mixed use: other, many of those are a mix of residential and retail. In 8 of these cases, and a total of around 10 000 m2 or 0,5 %, the property types are pure non-residential healthcare, retail, school, preschool and other odd types of property within the portfolio. Because that these property types would represent only a share of 0,5 %, these cases have been included in the "mixed use: other" category, for practical reasons. These 8 cases has also been marked in the provided evidence.

Willhem's major property type is multi-family residential buildings. We do not keep information on low/mid/high rise explicitly, but can obtain this information via the unit numbers which includes floor number. The methodology for this has been to extract the maximum floor level number for each asset, and assign low/mid/high rise according to the specified levels. This information, however, is not published in the annual report, or in any other formal statement.

Acquisitions and dispositions are only reported on an aggregated level as total GAV in the annual report. However, in the unaudited year-end report, the name and size of acquired and disposed properties are reported. The year-end report was made public on Willhem's website in February.

Evidence provided (but not shared with investors)

Development



Management (%)

Development (%)

Legend:

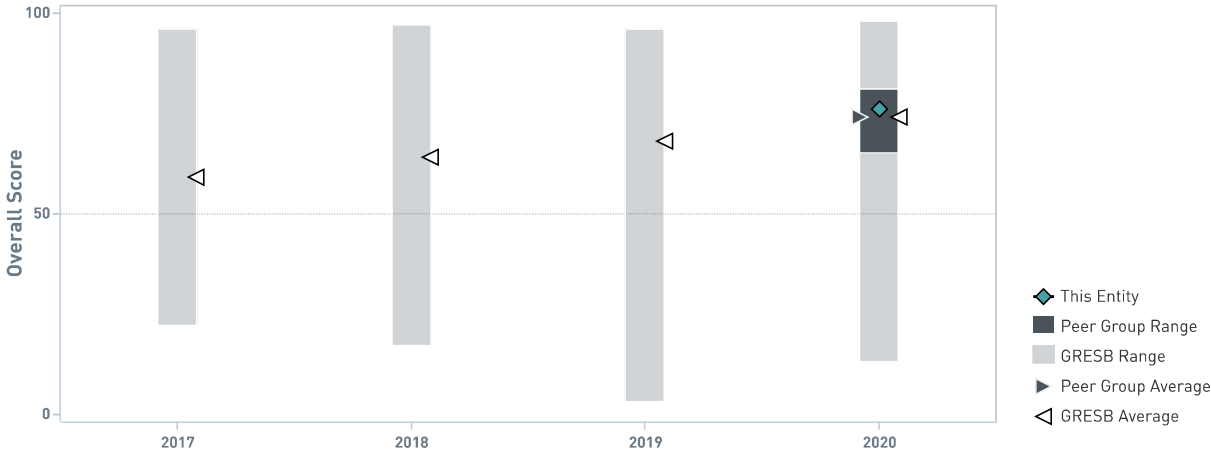
- This Entity (Green circle)
- Peer Group Avg. (Black diamond)
- Peer Group (Black circle)
- GRESB Average (Grey square)
- GRESB Universe (Grey circle)
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Scorecard Summary:

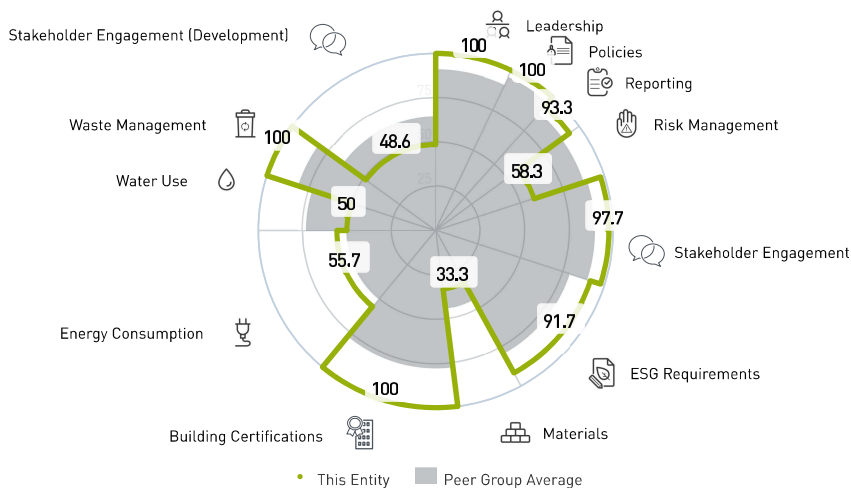
- GRESB Score:** 76 / 100 (Green Star). GRESB Average 74, Peer Average 74.
- Development Score:** 49 / 70. GRESB Average 49, Benchmark Average 47.
- Management Score:** 27 / 30. GRESB Average 26, Benchmark Average 27.

ESG Breakdown

Trend




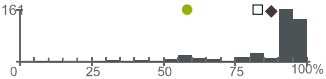

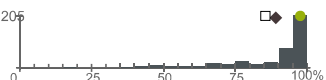
Aspects, Strengths & Opportunities



MANAGEMENT COMPONENT


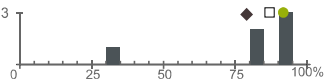

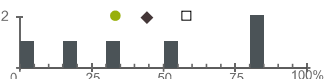

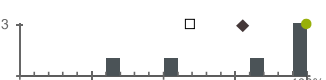





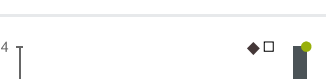


Benchmark group: Europe | Core (400 entities)

Aspect	Number of points	Weight in Component	Weight in GRESB Score	Points Obtained	Benchmark Average	Benchmark Distribution
Leadership	7 points	23.33%	7%	7	6.34	
Policies	4.5 points	15%	4.5%	4.5	4.3	
Reporting	3.5 points	11.67%	3.5%	3.27	3.09	

Aspect Number of points	Weight in Component	Weight in GRESB Score	Points Obtained	Benchmark Average	Benchmark Distribution
 Risk Management 5 points	16.67%	5%	2.92	4.38	
 Stakeholder Engagement 10 points	33.33%	10%	9.77	8.93	

DEVELOPMENT COMPONENT

Benchmark group: Northern Europe | Diversified | Core (6 entities)

Aspect Number of points	Weight in Component	Weight in GRESB Score	Points Obtained	Benchmark Average	Benchmark Distribution
 ESG Requirements 12 points	17.14%	12%	11	9	
 Materials 6 points	8.57%	6%	2	2	
 Building Certifications 13 points	18.57%	13%	13	10.09	
 Energy Consumption 14 points	20%	14%	7.8	6.97	
 Water Use 5 points	7.14%	5%	2.5	3.65	
 Waste Management 5 points	7.14%	5%	5	4.06	
 Stakeholder Engagement 15 points	21.43%	15%	7.29	9.65	

Entity & Peer Group Characteristics

This Entity

Geography:	Sweden
Sector:	Diversified
Legal Status:	Non-listed
Total GAV:	\$4.29 Billion
Reporting Period:	Calendar Year
Peer Group (6 entities)	

Peer Group Geography:	Northern Europe
Peer Group Sector:	Diversified
Legal Status:	Non-listed
Average GAV:	\$3.34 Billion

Regional allocation of assets	100% Sweden	33% United Kingdom 33% Sweden
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Sector allocation of assets	66% Mixed use: Other 34% Residential: Multi-Family	17% Denmark 10% Ireland 3% Portugal 2% Netherlands 1% France
		23% Hotel 20% Residential: Multi-Family 20% Retail: Retail Centers 14% Industrial: Distribution Warehouse 11% Mixed use: Other 8% Office: Corporate 4% Retail: High Street 1% Other: Parking (Indoors) < 1% Residential: Other < 1% Other

Peer Group Constituents

ATP Ejendomme A/S	AXA Investment Management	Aberdeen Standard Investments (2)
Skandia Fastigheter AB	Willhem	

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Evidence Manual Validation						
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SE5	DRE1	DMA1	DEN1	DWT1	DSE5.2	

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Manual Validation Decisions - Excluding Accepted Answers		
Evidence		
Indicator	Decision	Reason(s):
RP1 - Other Disclosure	Partially accepted	Only contains actions and/or performance from one element of E, S, or G
DMA1	Partially accepted	Does not support most of the selected issues
Other Answers		
Indicator	Decision	Other answer provided:

Management

Management