

HANSA  
KORTTELI



# Sustainability Report 2022



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For Hansakortteli, sustainability means well-being and safety. It is also about turning plans into daily actions that build a better future for the citizens and the entrepreneurs and partners of Hansa - all of us.

This is the sustainability report of Hansakortteli (Hansa Block) for the year 2022. The report reviews the sustainability themes and goals of the updated sustainability program, that help us to develop our operations even more sustainable. We have identified the focus areas for our sustainability work through the effects of our operations, the megatrends impacting our operations and the expectations of our stakeholders.

Our sustainability themes are a pleasant and safe shopping center, a positive environmental footprint and profitable added value to the society. We have defined goals for each theme, and we will monitor their realization annually. All these themes are also strongly linked to the UN's Sustainable Development Goals, which we will promote with our work.

This report has been executed by EcoReal Oy in cooperation with Hansakortteli For more information about the sustainability of Hansakortteli, Timo Palviainen, Director of Shopping Centre, [timo.palviainen@hansakortteli.fi](mailto:timo.palviainen@hansakortteli.fi)



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## SUSTAINABILITY KEY PERFORMANCE INDICATORS

PLEASANT AND SAFE  
SHOPPING CENTRE

**50 h / person**

training hours of staff

**10 million**

visitors

**47 NPS index**

(recommendation willingness  
of the tenants)

POSITIVE ENVIRONMENTAL  
HANDPRINT

**Carbon neutral shopping centre**

concerning energy use (scope 1-2)

**61 %**

recycling rate

**1 872 tCO<sub>2</sub>**

carbon footprint (scope 3)

PROFITABLE ADDED  
VALUE TO THE SOCIETY

**14 M€**

revenue

**6,3 %**

financial vacancy rate

**Procurement politics**

steers sustainability of procurements

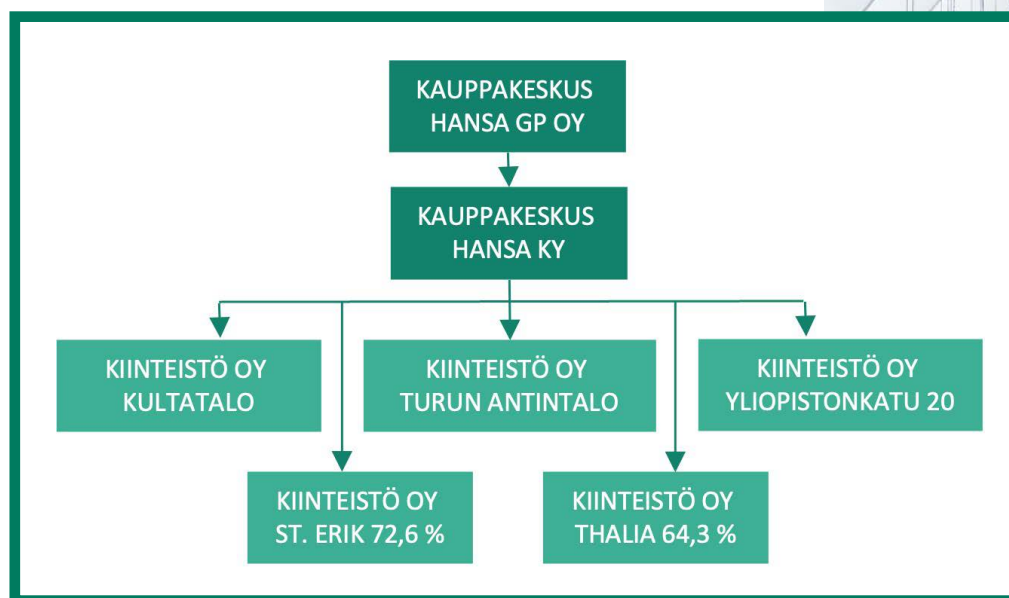
## BASIC INFORMATION

Hansakortteli is the largest shopping centre in Turku and the 8th largest in Finland in terms of number of visitors and the 9th largest in terms of sales.

Hansakortteli is located right in the centre of Turku, on the edge of the market square. Shopping centre Hansa Ky has a lease contract with approximately 130 companies, and it owns five properties in Hansakortteli. Within the shopping centre one can find fashion, electronics and interior design stores, a pharmacy, health services and numerous restaurants and cafés. The leasable area is approximately 39 000 m<sup>2</sup>. In 2022 the number of visitors was 10 million and sales were about 223.4 million €.

The shopping centre consists of five properties, which are mainly owned by Kauppakeskus Hansa Ky. Ky's partners are Veritas Pension Insurance Company, Åbo Akademi University Foundation and Elo Mutual Pension Insurance Company. The fair value of the properties is approximately 180 million €. The Hansa Ky shopping centre is managed by Exilion Management Oy.

The information given in this report applies to Kauppakeskus Hansa Ky. Co-owned properties are reported in the parts managed by the group. Two properties included to Hansakortteli are owned by other companies and those assets are not included to this report. The shopping centre Hansa Ky is described below.



# A REVIEW OF 2022

In 2022, we were able to return to more ordinary everyday life as the coronavirus pandemic eased. However, Russia's war of aggression against Ukraine and the strong increase in electricity prices and interest rates had their affect to our operations. Despite all, we were able to increase the number of visitors and sales volume and advance several of our sustainability goals last year.

## **Responsibility is at the core of our business**

In the past year, we updated the orientation plan for new operators by adding our sustainability program and report to the agenda. This will clarify our sustainability goals to the operators at the very beginning of cooperation.

In addition to orientations, we have held regular information events for our operators. These are low-threshold events for the operators to hear about the status of the shopping centre and its upcoming events. Operators can also exchange information with each other and network. In each information event, we also cover something sustainability related, such as the progress concerning our waste recycling goal.

We also held a Safety Training Day for our operators and staff. During the day, participants toured different safety-related control points, which dealt with various aspects of firefighting, emergency first

aid and threatening situations. Each control point contained a theory part, after which the participants were able to try out in practice what they had learned.

As usual, we also organized charity collections last year. Such as already a traditional school backpack collection with the charity organization HOPE Ry. Charity collections are a tangible and visible thing at Hansa, which also highlights the responsibility and community spirit of our tenants.

## **Cooperation with young people**

The exceptional years are also perceivable in the youth, and various types of malaise appear more and more among them. To respond to this situation better, we networked with various actors and authorities.

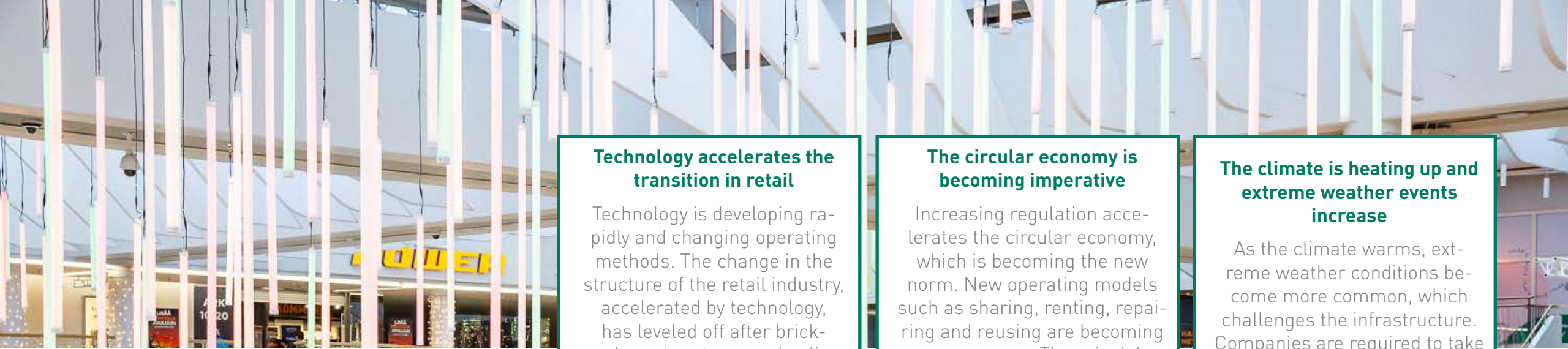
Youth centre Nuki moved to new premises, where young people can spend time and talk with adult youth counselors. The premises have for example a game console and a pool table. We also considered youth's wish for the opportunity to cook, so there is a kitchen in the premises. During the year, we also made a new territorial conquest by creating a TikTok channel for Hansakortteli. The channel is visited by our Hansamummo and the local operators. We aim to reach our young customers this way.

## **A look for forward**

We are a carbon neutral operator concerning all activities within our own influence. We have been using renewable electricity since 2019 and renewable heat since 2021. During the coming year, our goal is to research the possibility for our own energy production as well as to invest in increasing the recycling rate even more. We will also be demanding more sustainability actions from our partners. For this purpose, we have drawn up an instruction manual for sustainable procurement at the group level. In addition, we will discuss this with our partners.

In the coming year, we are expecting an increase in the number of visitors and many great moments together with our operators and customers. With the help of our new goals and action plan, we can take our sustainability work even further and one step ahead of others. Welcome to the carbon neutral shopping centre!





## GLOBAL MEGATRENDS

Sustainability is more than the laws and regulations require. It is anticipating the global megatrends, responding to the expectations of stakeholders, and thereby creating new operation methods. The purpose is to identify the effects of operations on people, society and the environment throughout the company's value chain.

Among global megatrends impacting the society, we have identified those that particularly effect the operations of Hansakortteli. As a part of our sustainability work, we have evaluated the effects from two different perspectives; how do we prevent the challenges they bring and utilize the opportunities.

### Technology accelerates the transition in retail

Technology is developing rapidly and changing operating methods. The change in the structure of the retail industry, accelerated by technology, has leveled off after brick-and-mortar stores and online stores have found a suitable cooperation. As technology develops, needs for work and skills also change.

### The circular economy is becoming imperative

Increasing regulation accelerates the circular economy, which is becoming the new norm. New operating models such as sharing, renting, repairing and reusing are becoming more common. The principles of the circular economy are also emphasized when business premises are renovated and new premises built.

### The climate is heating up and extreme weather events increase

As the climate warms, extreme weather conditions become more common, which challenges the infrastructure. Companies are required to take determined actions to reduce emissions. In this energy efficiency and renewable energy play a key role.

### Population is concentrated in cities

As the population is concentrated in cities, operators such as shopping centres have the opportunity and obligation to promote community spirit. With urbanization, sustainable solutions of individual actors are emphasized as part of sustainable urban planning.

### Social problems are increasing

Various crises, information flood of and the complexity of life increase social problems, especially among young people. Sufficient resources and multidisciplinary cooperation are needed to solve the problems. A proactive approach helps to ensure safety in shopping centres.

### Rapid and direct civic engagement escalates the debate

More and more people take part to societal influencing directly in social media. Direct civic engagement escalates the debate, increases false information and causes confusion. The importance of proactive response and responsible communication is increasing.

# UN'S SUSTAINABLE DEVELOPMENT GOALS



The United Nations' Sustainable Development Goals (SDG) are a global action program whose aim is to eliminate poverty, repulse inequality and prevent climate change. We are committed to support all 17 goals in our sustainability work and have identified five most essential in terms of the effects of our operations.

## Goal 3: Health and well-being

We promote well-being by ensuring the safety of properties, customers and personnel in the shopping centre. We assure the well-being and comfort of the personnel.

## Goal 8: Decent work and economic growth

We promote sustainable economic growth for everyone, full and productive employment and decent jobs by profitably investing the income from business in pension funds and by creating jobs through our tenants and partners.

## Goal 11: Sustainable cities and communities

We guarantee safe and sustainable cities and residential communities by supporting local community spirit and by delivering innovative and adaptable spaces. In addition, we take care of protected buildings and ensure sustainability of construction.

## Goal 12: Responsible consumption and production

We ensure sustainable consumption and production methods by giving tenants a possibility to operate sustainably in their premises and by increasing the awareness of circular economy. We reduce the climate emissions of transportation with good accessibility.

## Goal 13: Climate action

We act urgently to diminish climate change and its effects by ensuring the energy efficiency of our properties and by using renewable energy.

# EXPECTATIONS OF STAKEHOLDER

One of the basic pillars of sustainability work is to identify the expectations of the important stakeholders and respond to them. We have identified our six most important stakeholders, with whom we are in regular contact. Open dialogue with them is very important to us.

In the fall, we carried out our first stakeholder survey related to our sustainability work. The survey was sent to our most important stakeholders, excluding consumers, and a total of 41 people responded. We received excellent feedback on our sustainability work. Among the respondents the average impression about the sustainability work of Hansakortteli was 85 on a scale of 1-100. This page reviews the most important expectations of our stakeholders. The results have been used in the formulation of our sustainability program.



## Customers

The shopping centre is visited daily by customers expecting easy accessibility, clean premises, pleasantness and safety. Customers appreciate appropriate and up-to-date services, clear communication and events increasing community spirit. Through Hansa Council, also customers get to influence the development of Hansakortteli's operations.

## Owners

Hansakortteli's owners are Veritas Pension Insurance Company, Åbo Akademi University Foundation and Elo Mutual Pension Insurance Company. We offer a stable and productive investment. Owners expect us to be proactive in risk management in addition to overall responsibility. Contact with the owners takes place through board meetings.

## Tenants

Our tenants represent several different industries, from traditional shops to various services and restaurants. We provide suitable and supportive, pleasant and safe facilities for our tenants' activities. In addition, tenants expect us to hear and understand their needs. We have active cooperation with Hansan Yrittäjät Ry, which represents the tenants.

## The City

We increase the attractiveness of the city of Turku from the tourism and business point of view, by offering a versatile shopping place for visitors. We actively co-operate as a cultural partner of the city of Turku and with local tourism and marketing associations. Safety and coziness as well as open and ethical business throughout the value chain are the most important expectations of the municipality and authorities.

## Personnel

Our personnel consists of five employees who expect a comfortable and safe work environment, fair treatment and continuous support for the development of their expertise. Our personnel is constantly working to meet the expectations of other stakeholders.

## Partners

We cooperate with numerous partners in practical everyday arrangements. Our partners expect us to have clear operating procedures and agreements, that consider the sustainability of the entire value chain and prevents the grey economy. Our aim is in uniformed contractual partnerships.

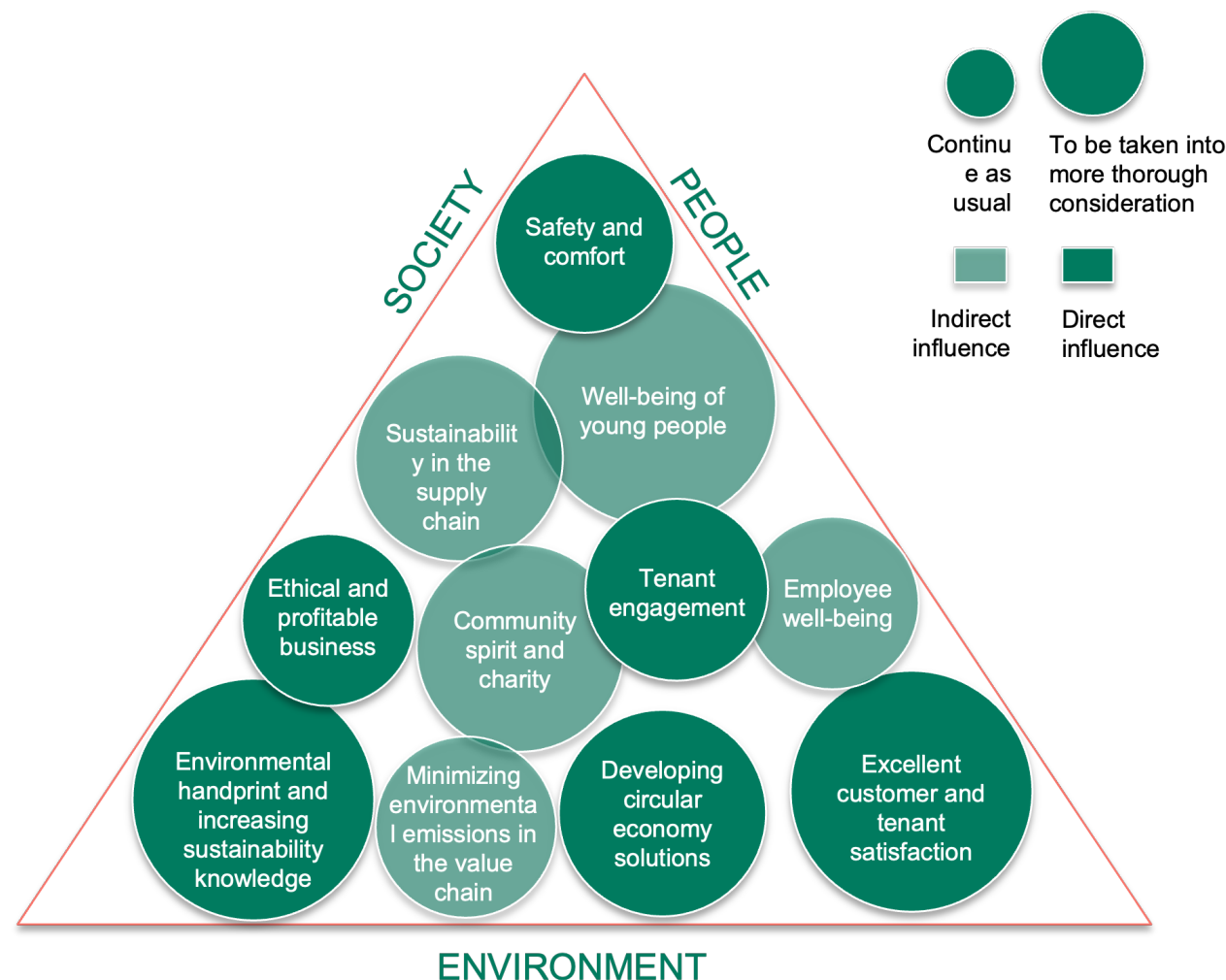


# ESSENTIAL SUSTAINABILITY PERSPECTIVES

As a part of the sustainability program update, we have identified our most significant sustainability aspects in the future. These perspectives are defined through the global megatrends and expectations of stakeholders currently on the surface.

We have identified altogether 10 essential perspectives that are the foundation of our sustainability work. These perspectives have been defined throughout our value chain in compliance with the duty of care. In the future, our aim is to identify our impact according to the principle of double materiality: Our handprint, i.e. a positive impact on people, the environment and society in addition to our negative footprint.

All identified perspectives are important to us, and their continuous development is at the core of our sustainability work. However, in order to promote sustainability work, we have identified the areas of specific attention in the coming years. This was done through the expectations of our stakeholders. In addition, we have evaluated in which perspectives we have a direct and indirect influence. This is illustrated in the figure on the right hand side.



# SUSTAINABILITY THEMES OF HANSAKORTTELI

## Pleasant and safe shopping centre



## Positive environmental handprint



## Profitable added value to the society



We want to create a pleasant shopping centre with safe visits. We ensure this by creating **safe and pleasant properties**. We **cooperate comprehensively with young people to ensure safety**. Excellent **tenant and customer satisfaction** is important to us. In addition, we want to **increase community spirit** by organizing customer and consumer events as well as charity campaigns.

For a long time, we have worked to minimize our environmental footprint. We are a carbon neutral shopping centre (scope 1-2), but we are constantly working to **reduce other indirect emissions of the shopping centre**. We want to increase our stakeholders' **knowledge about sustainability** and **develop circular economy through various solutions**. Our goal in the future is to **measure and increase our environmental handprint**.

Our goal is a **profitable business**, where the yield benefits the society through Finnish pension funds. A **well-being personnel** ensures a functioning shopping centre. Through tenants and partners, **we employ a large number of people locally** in Turku. **Ethical and open business** is one of our core values. In the future, we invest on ensuring **the sustainability of our value chain**.

# SUSTAINABILITY GOALS

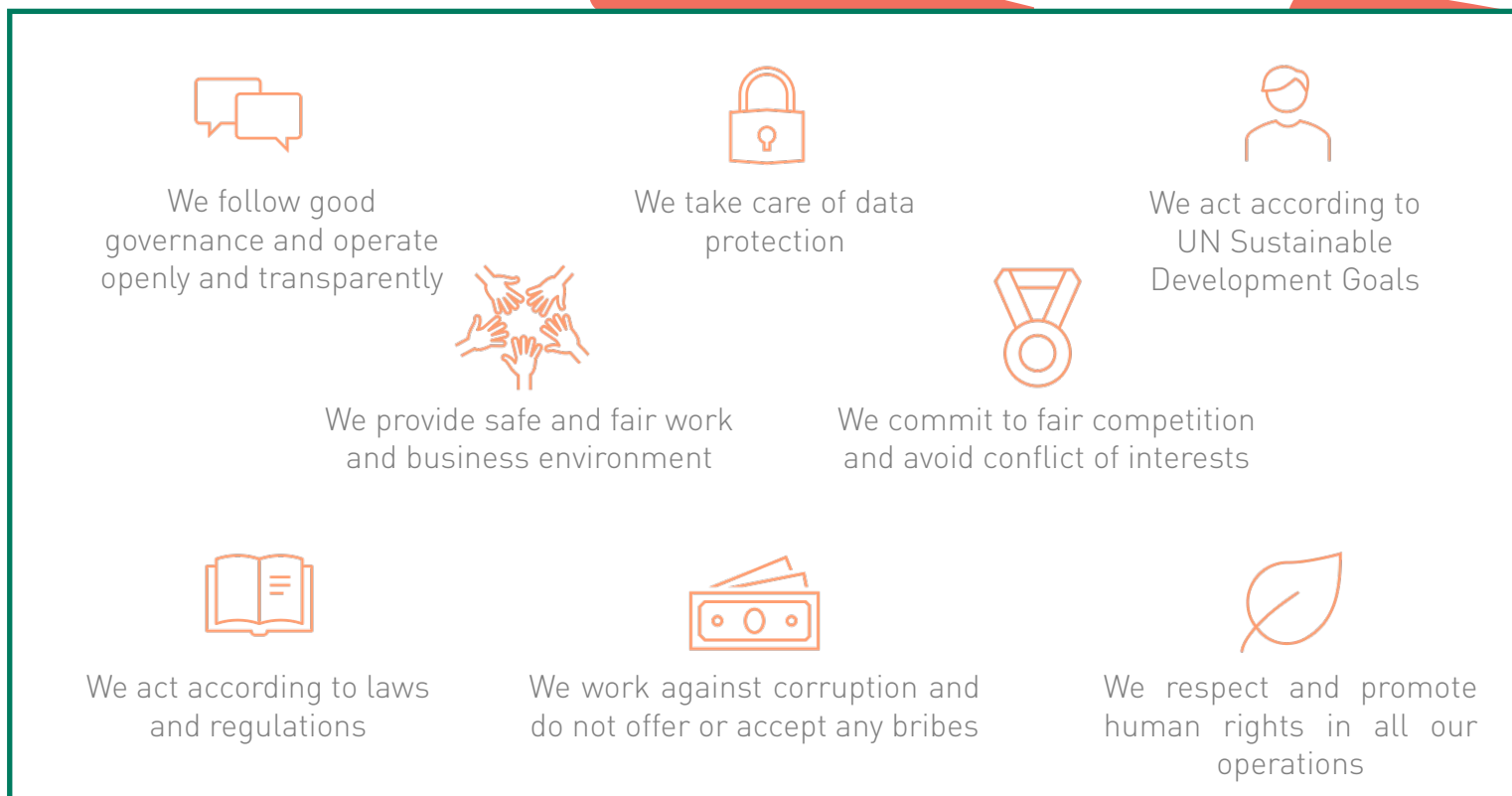
Pleasant and safe shopping centre	Positive environmental handprint	Profitable added value to the society
<b>Safety and comfort</b> <ul style="list-style-type: none"> <li>We take care of the upkeep and supervision of our equipment, facilities and areas</li> <li>We arrange trainings and practical exercises annually for our employees related to operation security</li> <li>We will take crisis communication system into use</li> </ul>	<b>Developing circular economy solutions</b> <ul style="list-style-type: none"> <li>We will increase circular economy knowledge of our customers</li> <li>We will increase the recycling rate of the shopping center to 70% by 2025</li> </ul>	<b>Employee well-being</b> <ul style="list-style-type: none"> <li>We will create a well-being and training plan for our employees</li> <li>We will follow up the training hours of our employees annually</li> </ul>
<b>Well-being of young people</b> <ul style="list-style-type: none"> <li>We maintain Hansa Model and multidisciplinary cooperation with authorities and local operators</li> <li>We listen and follow up on the well being of young people and make sure we have early intervention model in place</li> <li>We organize twice a month a follow up meeting with the youth facility operator of the city</li> </ul>	<b>Minimizing environmental emissions in value chain</b> <ul style="list-style-type: none"> <li>We will commission thorough clarification of the possibilities to increase renewable energy sources at Hansakortteli</li> <li>We will report our procurements and their emissions (scope 3) on a more detailed level</li> <li>We follow the energy consumption of our tenants annually</li> </ul>	<b>Ethical and profitable business</b> <ul style="list-style-type: none"> <li>We will follow up the profitability of our operations annually through turnover and vacancy rate</li> <li>We will create a risk management policy</li> </ul>
<b>Excellent customer and tenant satisfaction</b> <ul style="list-style-type: none"> <li>In the tenant satisfaction survey we will achieve NPS score of 50 in 2023 and 55 in 2024</li> <li>Accessibility, communication and listening to tenants will be valued high in the survey</li> <li>We will organize orientation training to all new tenants</li> </ul>	<b>Environmental handprint and increasing sustainability knowledge</b> <ul style="list-style-type: none"> <li>We will commission a clarification in order to measure our environmental handprint and during 2023 we will set a goal concerning our impact work</li> <li>We will organize sustainability related orientation trainings to our tenants</li> <li>We will create sustainability principles for our rental operations during 2023 and we will require sustainability clarifications from our tenants by 2025</li> </ul>	<b>Sustainability in supply chain</b> <ul style="list-style-type: none"> <li>We will follow up the sustainability of our supply chain and we will make sure that 100% of our procurement contracts comply with the procurement policy by the end of 2023</li> <li>We will require sustainability reporting and emission calculations from all of our largest cooperation partners by the end of 2025</li> </ul>
<b>Community and tenant engagement</b> <ul style="list-style-type: none"> <li>We will organize activities and events for tenants</li> <li>We will organize orientations to all new tenants as well as infos monthly</li> <li>We organize customer and consumer events annually</li> </ul>		



# SUSTAINABILITY MANAGEMENT

The sustainability work of Hansakortteli is steered by the sustainability policy of the management company, Exilion Management Oy. This policy outlines eight different principles that steers all activities, from partnership agreements to fair treatment of personnel. The sustainability principles follow the principles of the UN's Global Compact and meet the owners' expectations of sustainable investment activities.

The management of the shopping centre is responsible for the sustainability implementation in practice, indirectly together with tenants and other partners. Outsourced sustainability expert is also available through the management company, who together with the personnel helps with the development, implementation and integration of the work into practice.





Pleasant and Safe Shopping Centre



# SAFETY AND COMFORT

## Number of visitors and the length of visit

The satisfaction of consumers and visitors visiting the shopping centre is measured by the number of visitors and the length of their visit. There has been a decrease in the number of visitors in previous years, due to the renovation works in Hansakortteli and the centre of Turku, the temporary arrangements of public transport and the corona pandemic. **In 2022, the number of visitors was 10 million.** At the end of 2022, Föli busses returned to the market square, making it easier and smoother for customers to transport.

Increasing the length of visit is a general trend in the field. In Hansakortteli, efforts have been made to this by adding more than commercial services, such as art exhibitions and various events open to everyone, as well as by developing amenity areas. The total length of visit is the same as last year.

Direct customer feedback is received through the info point and website, on social media and by e-mail. Feedback is regularly received several times a week.



## Safe and pleasant premises

We have always, and especially in recent years, invested heavily in security. We have modern camera surveillance and a security control room. Thanks to our surveillance work, the police has access to recordings made by our surveillance cameras. We cooperate closely with the authorities to ensure safe and comfortable facilities for our customers. In addition, we regularly review the security situation and deal with anomalies promptly.

## Safety day for employees

During 2022 we organized a safety day for the employees of the shops in Hansakortteli. During the day the participants went through different checkpoints that had tasks related to various aspects of firesafety, emergency first aid and threatening situations. Each checkpoint included a theory part after which the participants had the chance to apply their knowledge in practice. The checkpoints included for example hands on training how to use a defibrillator and how to extinguish small fires. In addition to this, the general safety practices of the shopping center were gone through with the participants. The safety day got excellent feedback and the participants were especially appreciative of the professionalism and supportive attitude of the checkpoint organizers.



## WELL-BEING OF YOUNG PEOPLE

Hansakortteli has a long history of supporting youth activities. The urban dictionary knows the term 'Hansa Child' from 2008, which is defined as a young person who spends lots of time in Hansakortteli. A youth center was opened in Hansakortteli for the first time in the summer of 2014.

### Hansamalli - a safer space for everyone by cooperation, openness and listening

At the end of 2021, an exceptional number of disturbances was observed in the very centre of Turku, where young people were harassed and robbed by other young people. Similar behavior was widely observed in other localities, and in the beginning of 2022 the problems of young people came more broadly open in various media and in the general discussion.

As we were faced with various challenges, we decided to choose a preventive perspective, openness and multi-professional cooperation. Our strategic choice was that we don't want to expel or judge young people, but highlight Hansakortteli as a place where there is room for everyone. The youth behaving disruptively need support. Simultaneously, we wanted to highlight a phenomenon that can be seen as malaise among young people. This concerns everyone in our society, not just Hansakortteli or the very centre of Turku.

### The model has gained significant visibility

Our line of action was named as Hansamalli, with main purpose of early intervention and prevention. The collaboration between Hansakortteli and various actors to improve safety and the well-being of young people has gained significant visibility in the media. The work done also arouses interest in other Finnish cities. Hansamalli has already been presented for example at seminars organized by the Finnish Trade Union and the Ministry of the Interior.

According to our research, the sense of security of consumers and staff of Hansakortteli has been preserved despite the phenomena caused by youth malaise and the news concerning it.

*"It is so important, that there is this place in Hansa and that there are supportive adults. It is important that there is a place for the youth that is just specially for them, a place where they are welcomed with a smile and where they are accepted."*

- Deputy Mayor of Turku, Elina Rantanen

### HANSAMODEL AND CASES RELATED TO OPERATIONS



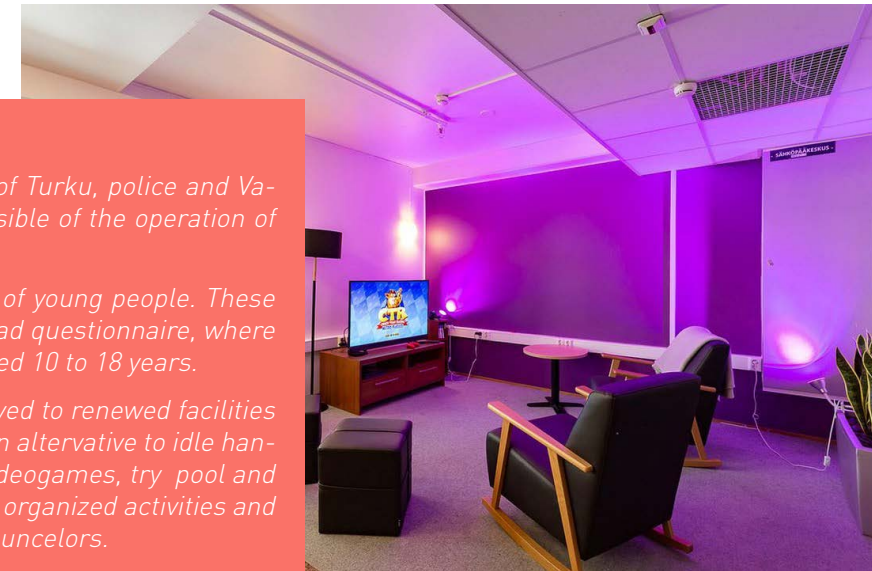
**Multidisciplinary cooperation** with Hansakortteli, city of Turku, police and Valo-Valmennusyhdistys, which is the organization responsible of the operation of the youth facility.



**We listen and follow up** on the thoughts and opinions of young people. These were gathered together with city of Turku in a widespread questionnaire, where over 1000 answers were received from young people aged 10 to 18 years.



The space dedicated for youth is called Nuki, and it moved to renewed facilities and to a more accessible location. The space provides an alternative to idle hanging around at the shopping center, and you can play videogames, try pool and ping pong or cook while watching a movie. There is also organized activities and opportunity to talk to adults who work there as youth counselors.



## EXCELLENT CUSTOMER AND TENANT SATISFACTION

Tenant satisfaction is monitored annually with a tenant survey. The online survey measures tenants' opinions regarding the shopping centre's management, marketing and communication, services and their own premises. The survey also has a section concerning sustainability.

### Satisfied tenants

The overall satisfaction of tenants in 2022 was at the average level of KTI's business premises. **Overall satisfaction has clearly increased and when compared to the previous year, there has been a positive improvement in all areas.** The most development over the past year has taken place in marketing and communication, the grade being above the average for KTI's business premises. A significant positive change has also taken place in the management of the shopping centre and in the cleaning and maintenance of the outdoor areas. Looking at the overall satisfaction of the tenants by sub-area, most development is needed in tenants' own premises and their conditions. The grade, however, is only slightly below the average.

### An excellent rating for the sustainability activities in Hansakortteli

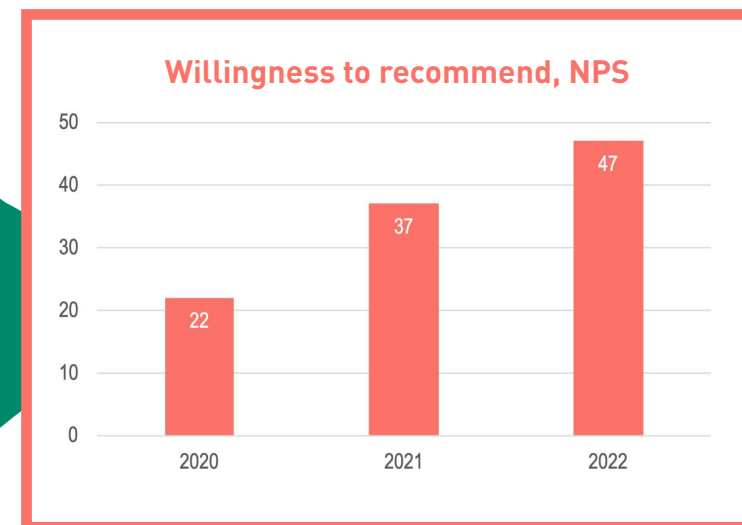
Based on survey's sustainability section, the respondents' view of the sustainability of Hansakortteli improved from the previous year, being at a very

good level (rating 4.2/5). The view on the sustainability of Hansa's operations has improved since the last survey. Up to 90% of the respondents rate Hansa's sustainability activities as excellent or good. Tenants therefore consider these aspects important.

### Willingness to recommend increased

The tenant survey also asked about willingness to recommend, which is measured by the NPS recommendation index. The NPS index tells how likely Hansakortteli would be recommended as a partner or landlord. In the 2022 survey, the recommendation index was 47, while in the previous years it was 37 and 22. The NPS figure has therefore risen considerably compared to previous years. The average NPS calculated by KTI for business premises is 41. Also, the number of active recommenders (57%) was slightly higher than in the reference material (54%).

**GRADE FOR  
SUSTAINABILITY  
4,2/5**



## EXCELLENT CUSTOMER AND TENANT SATISFACTION

Procedures have been developed together with the security manager of the shopping centre for advising and familiarizing tenants. An orientation and household income discussion will be organized with each new operator, where safety, routing, recycling and other instructions will be reviewed. During 2022, the orientation has also started to go through the sustainability program and report. By doing this, we want to clarify our sustainability goals to our tenants at the very beginning of our cooperation. The shopping centre's marketing and communication channels, as well as other possible influence channels and necessary sources of information, will also be presented and familiarized to the tenants in connection with new openings.

### Training webinar for waste management

In April 2022, a training webinar for waste management was organized for all stores in Hansakortteli. The purpose of the training was to update property users' knowledge about waste management practices and sorting instructions, so that the generated waste can be utilized in the best possible way.

In addition, the webinar reviewed the revised waste legislation and the new obligations to come, as well as Hansa's goals in the field of the circular economy. We have also updated our recycling instructions to reflect the new waste legislation.

### Case: Orientations, XS-Lelut

We want that the operators in Hansakortteli feel welcome and are satisfied tenants. We invest in the orientation training session for new operators, where we review our guidebook and sustainability themes and goals. In the orientation, we go through the shopping center's operating procedures, for example regarding recycling. The orientation materials can also be found in shopping centre's intranet, which means that operators can return to the material later.

According to Natalia Lehtinen from XS-toys, the orientation was a nice and comprehensive package. In the orientation, things were expressed in an understandable way and afterwards it was clear how things should be handled. In addition, Natalia feels that Hansakortteli keeps operators well informed for example about future events.

The orientation gave a good and comprehensive understanding of sustainability matters in Hansakortteli. Natalia also praised the operation in Hansakortteli and says that Hansakortteli also responds well to the tenants' needs: "We needed a sorting facility for a new type of waste, and Hansakortteli organized it."

*"The recycling possibilities in Hansakortteli have been wonderfully thought out and the different types of waste are divided clearly."*

*- Natalia Lehtinen, XS-Lelut*





## EXCELLENT CUSTOMER AND TENANT SATISFACTION

### Regular information events for tenants

Security days and information events are organized regularly for the operators of the shopping centre. In addition, the most important instructions are compiled in the Shopping Centre Operator's guide-book, where one can check the instructions.

During 2022, we organized ten info events for our tenants, each of them concerning also sustainability. The purpose of the information events is to keep the tenants up to date about future events and campaigns in Hansakortteli, marketing opportunities, advertising results and other significant events in the urban environment. In addition, the events aim to lower the communication barrier between the tenants. Tenants also have access to an intra called Pelsu, where they can find instructions related to safety and recycling, information related to marketing, important forms and other matters related to the properties.

In addition to information events, up to 43 briefings and meetings related to waste management have been held for tenants during the year. The goal of the waste management plan is to increase recycling rate, promote circular economy and improve awareness. For this reason, we inform our tenants monthly.

### Case: Infos, YA-Apteekki

We regularly organize information events for the operators of the shopping centre. In the events, we go through current issues and future happenings. According to Heidi Korin, one of the operators in Hansakortteli, YA pharmacy, the events have been really useful and informative. By participating in them, it has been possible to keep up with the events in Hansakortteli as well as events in the centre of Turku. For example, during the renovation of Hansakortteli and Kauppatori, according to Heidi it infos provided up-to-date information on where the renovation is going and what will happen next. In the events operators have received ideas on how their own business can participate in the events and campaigns of Hansakortteli, as well as in other shopping centre development projects. In addition, the events have provided important information about sales and visitor numbers, as well as matters related to safety and marketing.

According to Heidi, the flow of information in Hansakortteli is at a commendable level: "I really hope that Hansainfo practices will be continued. It's nice that, if necessary, you can participate in

the information via Teams, although I encourage everyone to participate the actual events, because you get a lot more out of it.

During the events, I have been able to get to know the shopping center team of Hansakortteli and network with other operators in the shopping center. This has been especially rewarding and today I am part of the board of directors in Hansan Yrittäjät."



*"The best thing about the infos is that they are filled with the positive spirit of Hansakortteli."*

*- Heidi Korin, YA-Apteekki*

## COMMUNITY SPIRIT AND CHARITY WORK

The goal of Hansakortteli is to be a shared space for the citizens. We welcome various events and non-commercial actors to enliven the premises and bring versatile activities to the downtown area.



### A year of events

During 2022, numerous different events and campaigns were organized in Hansakortteli. The shopping centre's biggest campaign, Hansa phenomenon (Hansailmiö), was organized twice during the year - in spring and autumn. Hansa phenomenon weeks included live music, tasty food and drinks, children's programs, fashion and various encounters.

One of the biggest phenomena of Hansa phenomenon was the celebration of 'Turkiness', when all people who moved to Turku in the last year were invited to pick up a gift bag, donated by Hansakortteli, the city of Turku and other operators in the region. During the campaign, customers also got to learn about the history of Hansakortteli area through history tours.

In the fall of 2022, the opening of Turku's renewed market square, the Night of the Arts and the Christmas opening were also celebrated. Live music, by e.g. Turku Philharmonic Orchestra, was also heard in Hansakortteli regularly during the year.

### Hansa council

Hansa council, made up of customers, has already been operating in Hansakortteli for five years. New members were applied during 2022 and we received a large number of applications. Today, Hansa

council consists of 35 council members who participate in the development of the shopping centre and innovate topics related to improving the vitality of the entire city centre. One concrete example of Hansa council's activities is their participation in the ideation of the family room Little Hansa.

### Family room Little Hansa

In the fall, a family room was built in Hansakortteli, with its own concept called Little Hansa and its own residents named Haha and Koko. Pikku Hansa is a unique space in the centre of Turku, where families with children can spend time, play, eat, take treatment procedures and relax. The space has been designed with our smallest guests and their parents in mind. It is safe to play and romp in the space, as the door is locked and access is monitored. The space considers acoustics, small services such as a coffee machine and a changing mat. The space has become popular among families in Turku and it has received good feedback.

### Charity plays an important role

During 2022, we continued our charity work as in previous years. Together with the charity HOPE Ry, we organized popular school backpack and Christmas gift collections, and in addition we supported Ukraine through Hansan Yrittäjät ry with a total of 2000 euros.





**Positive Environmental Handprint**



## DEVELOPING CIRCULAR ECONOMY SOLUTIONS

Circular economy is becoming the new norm. It is more than just sorting waste. It is new operating models such as sharing, renting, repairing and re-using. The principles of the circular economy are also emphasized in business facility changes and in the construction of new facilities. For example, we have tested the reuse of building materials in connection with tenant facility changes. During one facility modification we were for example able to reuse the insulation wool.

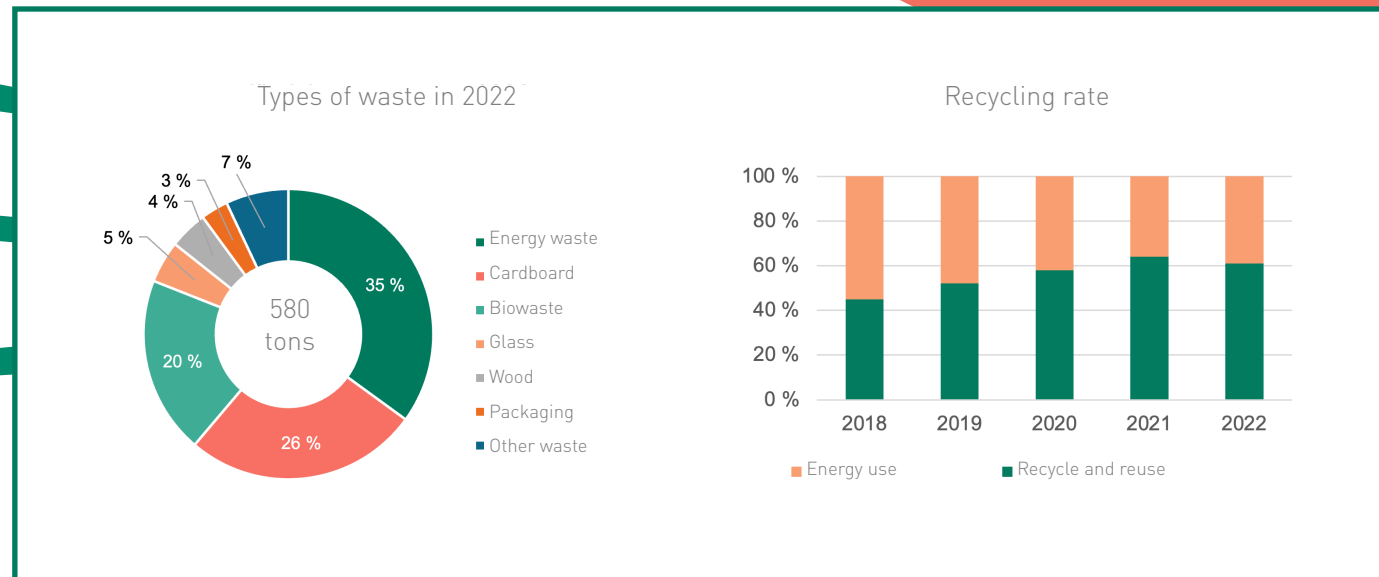
### The utilization rate of waste has improved

Our main goal is to reduce the amount of mixed waste and to increase the reuse of materials, i.e. the recycling rate. In 2022, 14 different waste streams were collected, of which cardboard was collected the most and biowaste the second most. Biowaste also includes food waste from restaurants and kitchens that is collected and utilized as a by-product, the share of which has increased from the previous year. **The waste recycling rate in 2022 was 61%.** The recycling rate is greatly influenced by the correct sorting of the different types of waste and a lot of effort has been put into educating and guiding tenants. Instructing customers on proper waste sorting has also been improved. During 2022, we started, among other things, bio-waste collection on the customer side of fast food restaurants as part of development activities.

### Carbon neutral waste management

The carbon neutral waste management service has been in use in Hansakortteli since 2020. Lassila & Tikanoja, who is responsible for the waste management, calculates the greenhouse emissions caused by the transportation and handling of waste in the entire Hansakortteli, and the emissions are compensated with the help of Gold Standard certified afforestation projects. During the year, we made a significant investment of around 100,000 euros in new waste compactors.

*"We will develop and clarify how we can better take circular economy thinking into account in our entire operation through various circular economy solutions."*



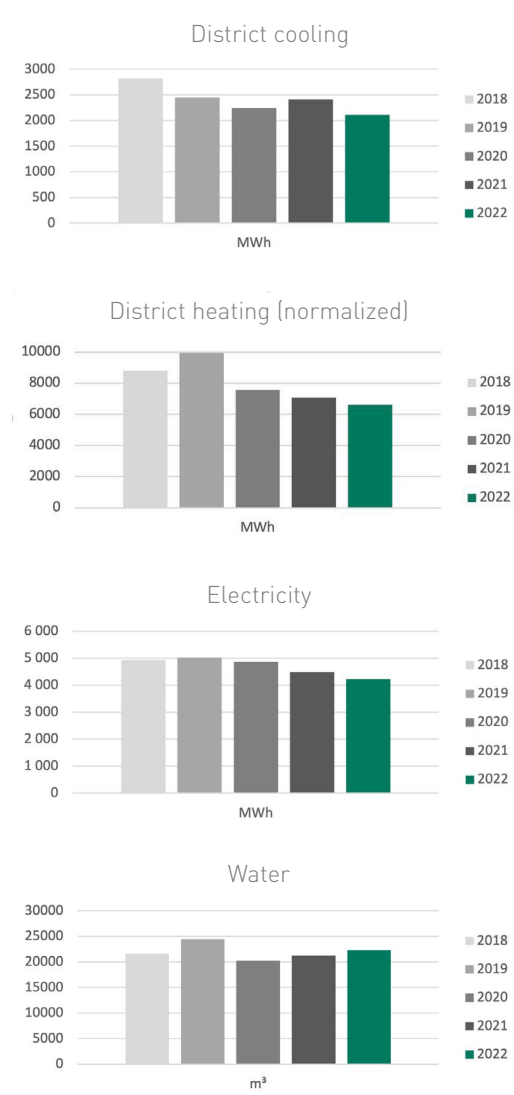
# MINIMIZING ENVIRONMENTAL EMISSIONS IN VALUE CHAIN

Water, district heating and district cooling are ordered by Hansakortteli for the entire shopping centre and invoiced from the tenants. Specific consumption has been calculated for a gross area of 40,334 m<sup>2</sup>.

A total of 4,080 MWh of real estate electricity was consumed in 2022, which makes the specific consumption 101 kWh/m<sup>2</sup>. Tenants' electricity consumption was a total of about 5450 MWh. The normalized district heat consumption was 6,607 MWh, converted to specific consumption 164 kWh/m<sup>2</sup>. District cooling took 2,112 MWh, with a specific consumption of 52 kWh/m<sup>2</sup>.

Hansakortteli joined the energy efficiency agreement already in 2016. Within the agreement we are committed to reduce our energy consumption by 10.5% by 2025, using the 2014 consumption as a reference level. During the last years' renovation, energy efficiency improvements have been made by modernizing the automation, ventilation and cooling systems.

Water consumption is measured at restaurants and other large consumers per premises and the actual consumption is billed. The water consumption of other tenants is estimated. The specific water consumption in 2022 was 552 l/m<sup>2</sup>. Water consumption is significantly affected by the number of visitors in the shopping centre.



# MINIMIZING ENVIRONMENTAL EMISSIONS IN VALUE CHAIN

In terms of energy use, Hansakortteli has been a carbon neutral shopping center (scope 1-2) since 2021. Carbon neutrality means that the operation does not produce greenhouse gas emissions into the atmosphere. The shopping centre has no direct emissions (scope 1) and the electricity, district heating and cooling (scope 2) purchased for the property are emission-free. District heating and cooling are purchased from Turku Energy. Electricity for the property is purchased as emission-free wind electricity from our subsidiary company Exilion Tuuli. In 2022, electricity was produced in the wind farms in Peitto located in Pori and Varevaara in Tervola.

## Energy efficiency first

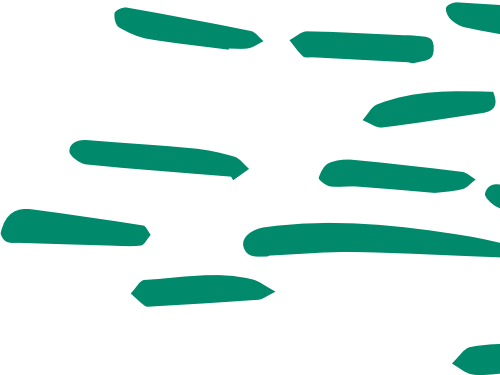
In achieving the goal of carbon neutrality, we follow good practices and basic principles, where the first step is to improve the energy efficiency of buildings. To support this, we have joined Rakli's energy efficiency agreement, of which goal is to improve the energy efficiency of properties by at least 7.5% by 2025 using the consumption of 2014 as a reference level. The goal has already been achieved. The total energy consumption has dropped by more than 20% since 2018. The goal is to continue the energy efficiency measures in the properties to the extent that their implementation makes sense.

In addition, the goal is to prepare a report on the potential climate benefits of the real estate, i.e. the production of own renewable energy during the year 2023.

## Supply chain emissions

Hansakortteli's emissions consist of other indirect emissions (scope 3), i.e. emissions from the supply chain. About 58% of the calculated emissions come from repairs and installations. Waste emissions were zero, as we have been using carbon neutral waste management since 2021.

*"Our other indirect emissions have been calculated based on euros. Our goal is to have more specific information from our supply chain so that we can calculate our operations more detailed in the future."*



Emissions, tCO <sub>2</sub> e	2022	2021	2020
Scope 1	0	0	0
Scope 2	0	0	0
Electricity	0	0	0
Market-based	0	0	0
Location-based	525	577	625
District heating	0	0	984
Market-based	0	0	984
Location-based	1173	1095	961
District cooling	0	0	0
Scope 3	1872	1627	1611
Waste management	0	0	0
Water and waste water	10	10	9
Electricity bought by tenants	700	664	847
Repairs and installations	1081	862	665
Maintenance	81	91	90



## INCREASING SUSTAINABILITY KNOWLEDGE

Sustainability today emphasizes not only minimizing one's own negative effects, but also maximizing the positive effects. Therefore, we have made environmental handprint reporting one of the goals of our sustainability work. A handprint consists of all the positive influence that we can create with our own actions.

### Active communication about sustainability

We have been actively communicating to our stakeholders and customers through various channels for a long time. During 2022, we published a total of **23 sustainability related publications on social media channels**. These posts reached a total of 77,000 accounts and 3,400 accounts engaged with the posts. The topics of the publications were, among others, the BREEAM certificate, green terrace and urban farming experiment, Finland's Nature Day and increasing the efficiency of recycling. In addition, **sustainability was featured in a total of six bulletins**, when bulletins were published over a total of 15 during the year. These measures generated a total of 26 articles in the local media, which **reached an estimated 2.6 million people**. Our goal is to publish at least one sustainability related publication every month during 2023.



We reached total of  
**2,6 million people**  
with our sustainability  
communication in 2022

*"Our goal is to commission a clarification concerning the measurement of our environmental handprint and impact work during 2023."*

### Case: Rooftop cultivation and green terrace

In the summer of 2022, we tried urban farming for the first time on a roof of Hansakortteli. During the summer, potatoes, onions, salads and various herbs were grown on the roof for the shopping centre's use. Several summer workers from Hansakortteli also took part in the construction and maintenance of the roof garden. In addition, there is a all-year green terrace on the roof platform of Antintalo in Hansakortteli, which purpose is to increase shopping center's biodiversity and comfort. On the terrace you can find plants according to different season and birdhouses, which can be used to improve the nesting opportunities of bird species even in the urban environment. You can peek onto the terrace from the windows of the lobby on the third floor of Antintalo.

Both the rooftop cultivation experiment and the green terrace are examples of Hansakortteli's actions to promote the diversity of nature.





Profitable Added Value for the Society



## EMPLOYEE WELL-BEING

In 2022, five employees worked full-time at Hansakortteli – a shopping centre manager and assistant, a property manager, a marketing manager, and a safety and quality manager. The staff consisted of two women and three men.

### Joint activities of the employees

During 2022, we organized three recreational events for our personnel. One of the events took place in August at the Kankaisten Golf practice field under the guidance of an instructor, after which the afternoon was continued with a dinner cruise. Christmas parties were celebrated in November, where the team took part in an urban orientation event and food preparation at the Helsinki Culinary Institute. In October, all Hansa's staff had a joint Christmas party together. On the same day, the new office premises were also celebrated.

### Study trip to Stockholm

We want to offer the best service to our tenants and customers and be up to date on how things are taken care of in other shopping centers. In 2022, we made a study trip to Stockholm together with the board of Hansan Yrittäjät. The purpose of the trip was to get to know local shopping centres and get ideas for our operation. The trip was rewarding and we got a lot of new ideas for developing our operations.

### Case: Employee training

We want to offer our personnel the opportunity to educate themselves alongside their work. In 2022, 275 hours of training hours were accumulated, which is about 55 hours per employee. The trainings included a variety of classes that support the skills of our employees, such as English language training, emergency first aid training and real estate manager training.

During the year, our shopping centre assistant Sari Mäntysalo completed Kiinko's real estate and office assistant training. The training included a total of eight days of in-person training, which included, among other things, self-management, responsibility in the real estate and construction sector, financial indicators and service design. The study group was small, which enabled a close-knit and a safe environment for asking questions. The lecturers of the training were professional and inspiring, and the topics chosen were suitable and related to the training. The training also included a development project related to the developing one's own work. Sari's development project was related to the development of the shopping centre's internal communication.

*"My employer enabled my participation to the real estate and office assistant training during working hours. The training gave a good network of people around Finland who work in the same field as I."*

*- Sari Mäntysalo,  
shopping centre assistant*





## ETHICAL AND PROFITABLE BUSINESS

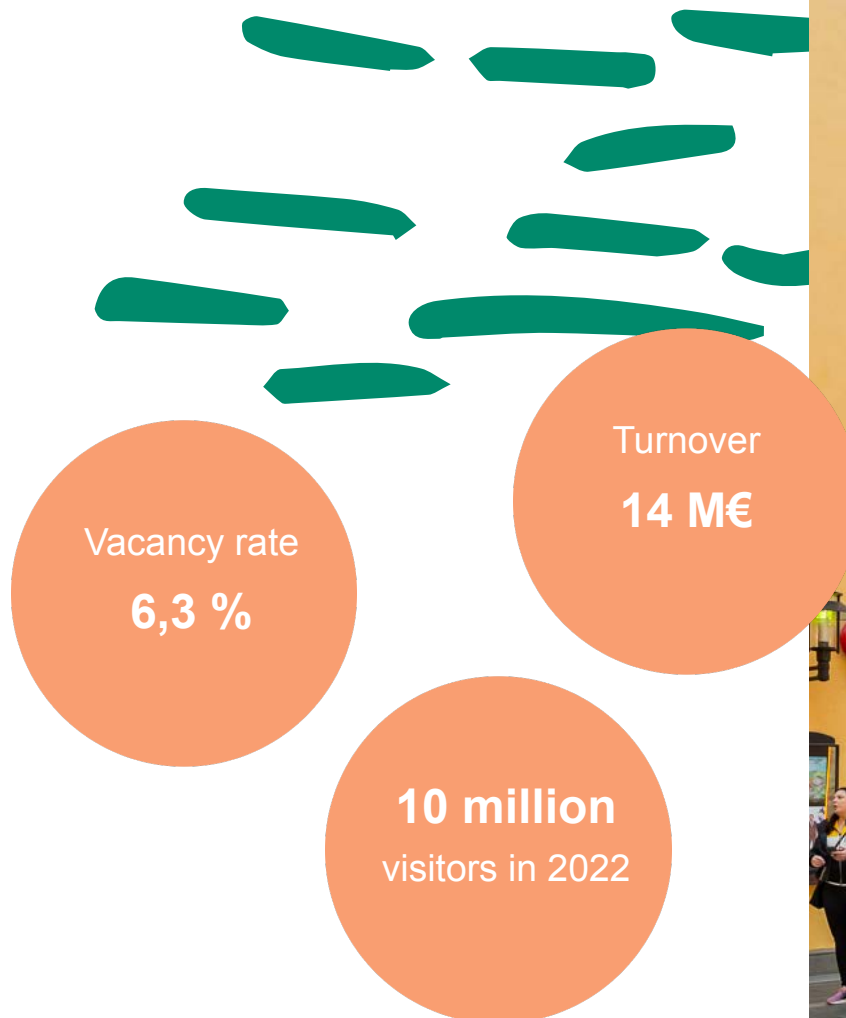
Hansakortteli takes care of the sustainability of the business operation in the long term. As a responsible, well-managed and profitable company, we operate sustainably and transparently.

We provide our owners a **profitable investment that produces e.g. a stable return for the pension funds of Finnish citizen**. We also generate financial benefits for our other stakeholders, such as personnel, service providers and the state, and we enable profitable operations for our tenants.

### **Profitable business**

Our turnover (€14.0 M) mainly consists of rental income. Other relevant incoming cash flows are Hansan Yrittäjät Ry's membership fee invoicing and Turku Hansakortteli Oy's rent compensation invoicing.

The vacancy rate of the shopping centre decreased to 6.3% (7.7%) in 2022. According to KTI Kiinteistö-tieto Oy's statistics, the average occupancy rate of shopping centres in Finland is over 93%, which is also Hansa's constant goal.



# ETHICAL AND PROFITABLE BUSINESS

## Systematic risk management

An important part of responsible and profitable business is systematic risk management, the purpose of which is to ensure the continuity of operations, to produce information to support decision-making and to increase awareness of opportunities and threats.

During the beginning of 2023, we mapped out the risks and opportunities of climate change that significantly affect our operations in accordance with the principles of the TCFD. The risks can be divided into physical risks and transitional risks. Transitional risks are formed, for example, when the market or the political atmosphere changes, when society tries to respond to climate change. Physical risks, on the other hand, are physical manifestations of climate change, such as various phenomena related to temperature rise.

### PHYSICAL RISKS



Extreme weather phenomena such as heavy rains and storms challenge the property's infrastructure in the short and long term.



The rise in temperature challenges cooling equipment and increases various types of equipment damage. Temperature fluctuations that are more frequent than before also affect the seasonal energy demand in the medium term.



The risk of flooding increases in the coastal area of Turku due to the rising water level and more frequent storms. The need for stormwater management and delay will become even more prominent in the long term.

### TRANSITIONAL RISKS



Changes in legislation and strictening requirements force us to work more harder for climate change and sustainability. These bring growing investment needs, for example in terms of construction and repair.



Reputational risk can arise if new requirements or the growing expectations of stakeholders are not met quickly and efficiently enough.

## SUSTAINABILITY IN SUPPLY CHAIN

As a part of sustainable operations, we consider the sustainability of purchases. Our procurements are guided by Exilion's corporate responsibility principles and the procurement guidelines drawn up during 2022. With the help of the guidelines, we ensure responsible operations throughout the supply chain, as we expect all our partners to commit to the principles of the guideline.

Our goal is to add the procurement policy principles to all contracts by the end of 2023. The principles are automatically attached to all new contracts. Our policy requires our cooperation partners to comply with the Customer Liability Act and to be a 'Reliable Partner' member. In this way, we promote equal competition and compliance with working conditions and the fight against the grey economy. In addition, it outlines the requirements for the partners to take environmental impact into account.

"Our goal in the coming years is to require responsibility reporting and carbon footprint calculation from our partners, so that we can refine our own reporting."

### Case: Sustainable partner, RTK-Palvelu

Many of our partners have been working for sustainability for a long time. For our long-term partner, RTK-Palvelu Oy, responsibility is a way of doing things. RTK-Palvelu takes into account the environment, people and financial profitability in its operations. The company has calculated its carbon footprint, which will be used as a basis for environmental goals in the future. The progress of the set responsibility goals is actively monitored. The use of environmentally friendly products and modes of transportations with less burden on the environment is constantly increasing.

From its subcontractors, RTK-Palvelu requires Vastuu Group's 'Reliable partner' report. An important part of sustainability is personnel, who are actively trained. The company supports employment opportunities for people of different ages and backgrounds. RTK-Palvelu is an ISO9001, ISO14001, ISO45001 and ETJ+ certified company.







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