ESG report 2025

Urban areas that improve quality of life

ALFA
DEVELOPMENT

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Foreword

Ethical business conduct, good conditions for our employees, a focus on local environments, and how we address climate and environmental impacts have always been importantpriorities for our company.

In previous years, we have reported on these topics as part of our annual reporting. However, this year we have chosen to prepare a dedicated ESG report based on EU's voluntary standard for small and medium-sized companies. We are doing this to create greater transparency in our own business operations and to support a more standardised sharing of ESG information at company and project level. The 2025 report marks our first ESG report, and we will build on this foundation by continuing to set ambitions and strengthen our data and insights in the years ahead.

Pioneering quality of life

There is no doubt that we - as project developers - can make the biggest difference by focusing on the social dimension, creating quality of life for our residents in the homes and the neighbourhoods we develop. Therefore, this has top priority in our business. In the social section of this report, we present initiatives and results, including a few cases documenting our approach and ambitions.

Mitigating climate impact

As a participant in the construction industry, we also bear a significant responsibility to minimize the climate impact and resource consumption associated with our activities. This awareness has guided extensive reflection and constructive dialogue throughout 2025, culminating in clearly defined ambitions that will guide our work in the years ahead.

Our Living By ALFA buildings are intended to serve as a reference point for integrating ESG considerations into projects with the ambition to meet DGNB Gold certification criteria and to align with relevant EU Taxonomy requirements. First up is our next Living By ALFA project, Søborg Skovby in Gladsaxe, a residential development project with 250 homes. We see this project as an important learning process through which we can build further experience, exploring materials and methods that have less climate and environmental impact throughout the building's lifecycle.

Ensuring ethical business conduct

In 2025, we invested in formalising our policies for ethical and responsible business conduct. Not that this area is new to us, but now, our rules of engagement are clearly documented and implemented in both our own organisation and in the value chain. With these first steps, we look forward to continuing our ESG work in the coming years in close collaboration with our partners.

Andreea Kaiser
CEO & Co-Founder

General Information

About ALFA Development
ALFA Development is a family-owned company. Our core business is urban and residential development combined with development and management of a portfolio of investment properties.

The Company was established in 2006 and has since then developed modern urban and residential areas with both owner-occupied, tenant-occupied and public housing in metropolitan Copenhagen and Southern Sweden.

The company's portfolio of investment properties comprises a mix of residential and commercial properties, including Living By ALFA, our serviced rental housing concept, and ALFA Work, a modern shared office spaces.

The company is headquartered in Søborg just north of Copenhagen and employs around 40 employees.

Basis for preparation

At ALFA Development, we have chosen to prepare our ESG report based on the EU's voluntary standard, the VSME (Voluntary Sustainability Reporting Standard for SMEs). The report has been prepared in accordance with the basic and comprehensive modules of the standard, providing customers, partners, investors, and other stakeholders with insight into our goals, initiatives, and results in the areas of environmental, social, and governance matters.

The reporting follows the financial year January 1 to December 31, 2025.

LEGAL FORM OF THE COMPANY

ALFA Development A/S

NACE SECTOR CODE(S)

68.12.00

ADDRESSES OF SIGNIFICANT ASSETS AND FACILITIES THAT THE COMPANY OWNS, LEASES, OR CONTROLS

Bækhusvej 2, 8200 Aarhus N
Bækhusvej 2b, 8200 Aarhus N
Frederiksberggade 12, Copenhagen K
Kaffevej 1, 2610 Rødovre
Knud Højgaards Vej 2, 2860 Søborg
Korsdalsvej 103, 2610 Rødovre
Korsdalsvej 111, 2610 Rødovre
Marielundvej 37A, 2730 Herlev
Mileparken 28, 2730 Herlev
Mørkhøj Bygade 19, 2860 Søborg
Nymarksvej 105, 8340 Malling
Nørrebrogade 120, 2200 Copenhagen N
Rovsingsgade 78, 2200 Copenhagen N
Rovsingsgade 80, 2200 Copenhagen N
Rovsingsgade 82, 2200 Copenhagen N
Rovsingsgade 84, 2200 Copenhagen N
Rovsingsgade 88, 2200 Copenhagen N
Smedeland 6, 2600 Glostrup
Sundholmvej 57, 2300 Copenhagen S
Sydhavnsgade 16, 2450 Copenhagen SV
Vingelodden 5, 2200 Copenhagen N

DKKm
1,949
Balance sheet total

DKKm
85
Revenue

39
Number of employees

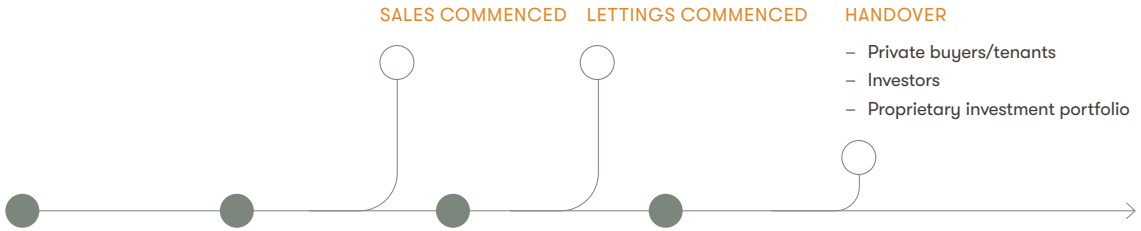
2025: integration of ESG into the business model and reporting

We have made good progress in integrating ESG considerations into our business operations and management model, and for 2025 we publish our first comprehensive ESG report. The year was marked by some uncertainty around EU requirements and standards for ESG reporting, but despite the adoption of the Omnibus package in December 2025, we have chosen to continue reporting, albeit according to the voluntary VSME standard, to create transparency and support a more standardised sharing of ESG information.

Our approach to ESG is holistic, balancing environmental, social, and economic considerations. ESG helps support collaboration across the organisation and with consultants and contractors, while providing a basis for discussing and clarifying priorities related to future project development. This has been particularly relevant in a year of preparations for several new projects expected to begin construction in 2026.

Business model

Development portfolio



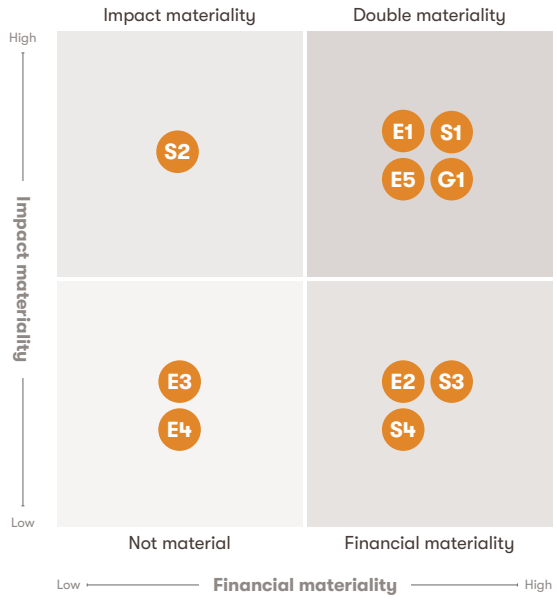
In the local planning phase, ALFA Development works closely with municipalities and relevant stakeholders to develop residential projects and urban environments that support quality of life for end users and the surrounding community. During the design and planning stages, ESG considerations are integrated at an early stage through structured approaches to climate-related design and material selection, supporting lower CO_2 impacts. Throughout demolition and construction, ESG integration focuses on implementation through close dialogue with contractors, addressing climate requirements, circular construction principles and working conditions on construction sites as key project risks. As part of the aftermarket and follow-up phase, tenant satisfaction survey are used to assess project performance in practice and to inform continuous improvement across environmental and social dimensions.

Investment portfolio

ESG is progressively being integrated into ALFA Development’s investment portfolio. We are tracking energy and water consumption and we are currently implementing processes to assess and prioritise energy optimisation measures in connection with renovation projects and to evaluate the portfolio’s exposure to climate related risks. Tenants are central to our investment business model, which places increasing focus on the selection and management of partners responsible for property operations, as they represent the primary interface with tenants.

Double Materiality assessment

In 2025, we conducted a double materiality assessment to identify the areas where we have the most impact on environmental, social, and governance issues. This assessment has formed the basis for prioritising our ESG work and reporting.



E Environmental standards

- E1 Climate Change
- E2 Pollution
- E3 Water and Marine Resources
- E4 Biodiversity and Ecosystems
- E5 Resource Use and Circular Economy

S Social standards

- S1 Own Workforce
- S2 Workers in the Value Chain
- S3 Affected Communities
- S4 Consumers and End-Users

G Governance standards

- G1 Business Conduct

In light of the double materiality assessment, 2025 saw investments in establishing a robust governance structure for our ESG efforts and the Company's operations. We have developed and implemented a number of policies supporting our approach to business conduct. These policies are intended to promote consistency across the Company and in our value chain. You can get a comprehensive overview of our policies in the Governance section of this report. The full text of all policies is available at WWW.ALFADEV.DK

Another focus area in 2025 was assessment of the climate impact of our real estate portfolio as well as the climate and environmental impact of our current development projects, covering the entire life cycle from demolition to construction and subsequent operation.

In the social area, we continued to focus on fostering a healthy and safe workplace where employees can thrive, develop their talent and contribute fully to the Company's success. In parallel, we prioritized responsible working conditions throughout the value chain and maintained close engagement with end customers and users.

ESG strategy

ESG vision:

To contribute positively to people, communities and the environment by raising the standards of our industry

ALFA Development operates in an industry that directly affects people's lives, safety, and health. At the same time, our core activities have a significant impact on climate and natural resources. This responsibility requires us to establish clear objectives and robust processes that enable us to deliver urban and residential development projects that create maximum value for residents and society, while minimising impacts on nature, resources, and climate.

Our ESG strategy is based on our business model, focusing primarily on our development projects, where we have the greatest impact. Since every project is different, we do not have a standard model for project development; instead, we adapt our strategy to local conditions on a project-by-project basis within an overarching framework of general ESG principles.

E

Environment

- Minimise the climate footprint of development projects.
- New projects are designed and planned in accordance with the LCA limit values set out in the nest buildings regulations.
- Prioritise materials with a low carbon footprint and preferably with Environmental Product Declarations (EPDs).
- Incorporate circular design strategies that support the reuse and recycling of materials.

S

Social

- Develop buildings that support communities, quality of life and security for residents.
- Use materials that contribute to a healthy indoor environment.
- Develop projects that respect the area's history and cultural heritage.
- Prioritise health and safety, especially in connection with construction activities.
- Demand proper working conditions at construction sites.

G

Governance

- Requirements and guidelines for business partners and suppliers that must be followed.
- Forming strategic partnerships based on shared values.
- Internal and external risk management, including due diligence.
- Transparency in reporting and documentation.

Living By ALFA

Living By ALFA is our vision for an innovative housing concept that offers concrete solutions to a range of contemporary trends, such as downsizing, the sharing economy, new family structures, rising loneliness, and new working arrangements. Living By ALFA is founded on the belief that quality housing and well-functioning urban environments contribute to a high quality of everyday life through architecture, shared facilities, and community. The core of Living By ALFA is a range of amenities that foster interaction among residents and contribute to strong neighbourhoods.

We have developed the Living By ALFA concept thorough research, customer and expert focus groups and international inspiration, and the concept now forms the basis for putting our ESG strategy into practice. Living By ALFA will serve as best practice, ensuring that ESG principles are considered in all phases of the development work.

Our next Living By ALFA project is Søborg Skovby in Gladsaxe, an ambitious residential development with more than 250 homes. The project is designed with the ambition to meet DGNB Gold certification criteria (2023) and EU-Taxonomy alignment. The project serves as a concrete example of how ESG is integrated into our projects — from early strategic decisions to specific solutions implemented during construction and into the use phase.

The listed old manor house Mørkhøjgaard will be preserved, and the adjacent barn will be transformed into a Clubhouse as the main social hub of the neighbourhood comprising among others lounge area, gym, workspaces, and dining area.

Much of the concrete from the demolished buildings at Søborg Skovby is reused on site for road construction, while other demolition materials are recycled through external recycling channels where possible. The demolition of the remaining 1960s buildings is an important step in preparing the site for future development.

READ MORE HERE →

EU Taxonomy

DGNB

Environment and climate

The construction industry is a major contributor to greenhouse gas emissions and the use of raw materials and natural resources. ALFA Development is working to reduce emissions throughout the entire construction lifecycle. Recognising that the industry has a significant climate footprint and that we as developers can make a difference through clear requirements and goals.

Living By ALFA leads the way

In 2025, we decided to focus our climate efforts primarily on Living By ALFA projects, which are designed with the ambition to meet DGNB Gold certification criteria. Our first Living By ALFA project in IrmaByen, Rødovre, achieved DGNB Gold certification in 2024. For our DGNB and EU Taxonomy work, we use FRAME as a digital management platform, supporting project design, monitoring, and documentation in line with relevant standards and classification principles. We are defining, prioritising, monitoring, and documenting key parameters. Through Living By ALFA, we are learning more about requirements, methods, and materials that we can apply on other projects in the future.

General Targets

In 2025, we set a new target for our future development projects: they must always be one step ahead of the current Danish Building Regulations in terms of carbon footprint and life cycle assessment (LCA).

This means that projects initiated in 2026 are designed in accordance with the LCA limit value requirements set out in BR27, projects initiated in 2027 will follow BR29 and so forth. Projects initiated prior to 2026 are designed in accordance with the applicable building regulations at the time of approval.

Through this approach, we aim to help shape industry practices and demonstrate how specific requirements and standards can be integrated early in the project development process. In doing so, we seek to create long-term value both in our own projects and in our interactions with the world around us.

Initial climate calculations

ALFA Development has carried out preliminary LCA calculations for selected development projects, which have been used as a basis for setting forward-looking design targets and benchmarking against the expected BR27 limit values. The projects presented below were initiated prior to 2026 and have therefore not been designed in accordance with BR27, but are benchmarked against the expected BR27 limit values.

For Egehaven, preliminary calculations indicate CO_2 emissions of 6.6 kg CO_2e/m^2/year for apartment buildings, compared to the BR27 benchmark value of 6.8 kg CO_2e/m^2/year. Terraced houses developed within the project show emissions of 6.3 and 6.6 kg CO_2e/m^2/year. While this exceeds the BR27 benchmark value of 6.0 kg CO_2e/m^2/year, the buildings comply with the applicable BR25 limit value of 6.7 kg CO_2e/m^2/year.

For Living By ALFA Søborg Skovby, preliminary calculations indicate CO_2 emissions of 6.2 kg CO_2e/m^2/year on an area-weighted basis, which is below the BR27 benchmark value of 6.8 kg CO_2e/m^2/year for apartment buildings.

The project Astas Have, currently under construction, was developed in 2018 and is therefore not covered by the current LCA requirements.

Targets

Limit value BR27
Apartments buildings

6.8
Kg CO_2e/m^2/year

Limit value BR27
Terraced houses

6.0
Kg CO_2e/m^2/year

Energy consumption

Energy intensity (portfolio)

kWh/m2	2025	2024
	114.4	123.6

Key metric

MWh	2025	2024
Electricity		
Renewable	2,368	2,484
Non-renewable	527	553
Overall result	2,895	3,037
Fuels		
Renewable	0	0
Non-renewable	168	133
Overall result	168	133
Heating		
Renewable	3,640	3,973
Non-renewable	1,117	1,220
Overall result	4,757	5,193

ALFA Development owns and operates 21 properties, including both residential and commercial buildings. As part of our commitment to reducing our environmental impact, we have initiated systematic collection of energy consumption data across our property portfolio.

For 2025, we are reporting our total energy consumption. This includes our entire property portfolio as well as fuel used in our company vehicles. Total energy consumption in 2025 is generally lower than in the previous year due to a general reduction in our property portfolio .

The improved data collection and understanding of energy consumption across our property portfolio provides us with a better foundation for analyzing our consumption and identifying areas where improvements can be made. This makes it easier to prioritise and implement specific energy ooptimisation measures, which will be a key priority in 2026.

Energy intensity (portfolio)

To enable a meaningful comparison of energy performance across our rental portfolio and own headquarters, energy consumption is presented as energy intensity (kWh/m²).

Properties that were vacant during the reporting period have been excluded from this calculation, despite having a baseline level of energy consumption, as their inclusion would distort the energy intensity metric and not provide a representative view of operational energy performance.

The comparison is therefore based on a like-for-like portfolio comprising assets that were in operation in both 2024 and 2025. The total comparable floor area amounts to 66,594 m² in both years.
Energy intensity decreased from 123.6 kWh/m² in 2024 to 114.4 kWh/m² in 2025, reflecting on a general reuction of the operational portfolio.

Climate risk

ALFA Development is exposed to both physical climate risks and climate-related transition risks. Physical risks may include increased precipitation, flooding, cloudbursts and rising groundwater levels, which could affect the operation, maintenance costs and long-term value of properties. Transition risks may arise from evolving regulatory requirements and changing expectations from investors, tenants and financial institutions.

For new development projects, climate-related considerations are integrated into the planning and development process. This includes assessments of local climate conditions and risks, such as stormwater management and flood exposure, with the aim of enhancing the long-term resilience of the projects.

A comprehensive climate risk assessment has not yet been conducted for the existing property portfolio. In 2026, ALFA Development plans to initiate a more structured assessment of the portfolio's exposure and vulnerability to climate-related risks. The assessment will support future adaptation efforts and provide a better understanding of the potential impacts of climate change on the Company's operations and financial performance.

Scope 1

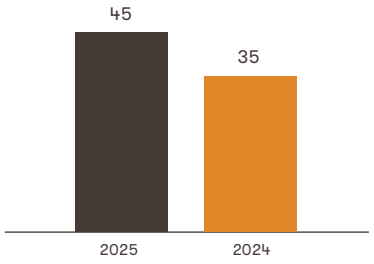
Direct emissions

CO_2e emissions from sources owned or controlled by the Company, such as fuel use in vehicles and equipment.

ALFA Development's Scope 1 emissions in 2025 primarily originates from the heating of an underground parking garage. The original contractor for the project went bankrupt in May 2022, which resulted in a temporary construction halt. In order to maintain the structural integrity of the underground garage during this period, it was necessary to heat the facility. Consequently, a temporary oil fired boiler was used during the winter of 2024–25. The project was resumed towards the end of 2025, which is expected to result in a 70% reduction in Scope 1 emissions in 2026.

A minor part of Scope 1 emissions comes from the Company's three diesel-powered company cars that accounted for 7 tons of CO_2e in 2025. We plan to replace our diesel-powered cars with electric vehicles in the future. However, investment in electric vans will depend on their proven ability to meet operational requirements in practice.

Scope 1 emissions Ton CO_2e



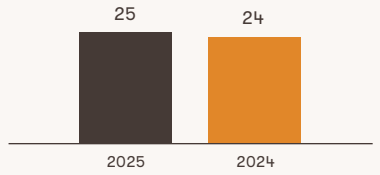
Scope 2

Indirect energy emissions

CO_2e emissions from purchased electricity and heating.

Our Scope 2 emissions consist of emissions from our headquarters, ALFA Work in Søborg, and from Søborg Skovby. Compared to the previous year, Scope 2 emissions have increased slightly. This minor increase is primarily due to the acquisition of a single property that has been kept vacant while awaiting demolition at Søborg Skovby. Despite the absence of active use, the property has contributed a limited level of baseline energy consumption. Overall, Scope 2 emissions remain largely stable.

Scope 2 emissions Ton CO_2e



Scope 3

Other indirect emissions

CO_2e from the value chain, including, transport, business travel, waste and building use.

Scope 3 emissions

Ton	2025	2024
Category 3 Fuel and energy-related activities	16	14
Category 4 Transport	30	-
Category 5 Waste		
- Demolition waste	605	0
- Operational waste	15	16
Category 6 Business travel	247	74
Category 7 Employee commuting	23	-
Category 13 Downstream leased assets		
- Electricity	134	140
- Heating	278	303
- Water consumption	33	33
- Sewage	128	128
Total	**1,509**	**708**

- Missing data * Not calculated N/A not relevant

As a developer, most of our greenhouse gas emissions fall under Scope 3 in the upstream and downstream parts of our value chain. Against this backdrop, we have chosen this year to focus our reporting on the Scope 3 categories where valid data is currently available and where we assess that we have the most impact.

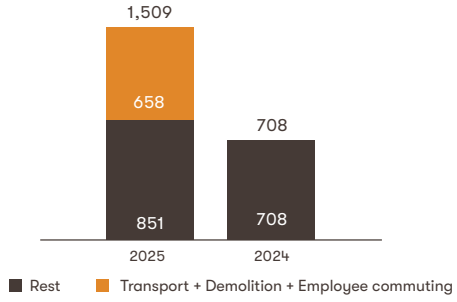
In 2025, Scope 3, Category 13 (Downstream leased assets) accounts for one of the largest shares of our total emissions. This category relates to energy consumption in our properties. The emissions are slightly reduced in 2025 compared to 2024. In 2024, the portfolio emissions amounted to 9.1 kg CO_2e per m^2, while in 2025 this was reduced to 8.6 kg CO_2e per m^2. With this improved access to energy data across the portfolio, we are now going forward to be able to work more systematically with data-driven insights. This enables benchmarking of energy consumption across properties and strengthens the foundation for identifying and implementing targeted energy optimisation measures.

In scope 3, category 6 (business travel), here emissions increased from 74 tonnes in 2024 to 247 tonnes in 2025. The increase is primarily driven by higher travel activity during 2025, including a company-wide study trip to Finland. Based on this data, we will assess where activities within business travel can be adjusted, covering air travel, accommodation, taxi, ferry and train transport.

Emissions related to waste include the treatment and disposal of materials from demolition and dismantling activities associated with our development projects (Scope 3, Category 5: Waste generated in operations). For this category, we assess that there is no fair basis for comparison across years, as demolition activities occur irregularly and the volume and composition of waste can vary significantly between projects. The same applies to transport-related emissions associated with the handling of demolition waste, where both distances and treatment options depend on waste fractions and available receiving facilities. We strive to minimize transport distances as much as possible by using locally available treatment facilities, where this is compatible with waste management and recycling requirements.

Going forward, we will gradually expand our mapping and reporting of Scope 3 emissions in order to gain a more complete picture of our overall climate footprint. This work will be based on an ongoing assessment of materiality and data quality so that we prioritise the categories where our impact and potential for action are most material.

Scope 3 emissions Ton CO_2e



Circular economy

The construction industry is resource-intensive and places pressure on the Earth's limited raw materials. As a developer, we seek to address this by integrating circular principles into our projects to the greatest extent possible. The goal is to optimise material use, ensure the longevity of our buildings, and explore opportunities to use materials with recycled content or ensure the reuse of as many materials as possible during demolition. Since the number of projects and project sizes vary from year to year, both the volume of waste and the composition of the waste will likewise vary.

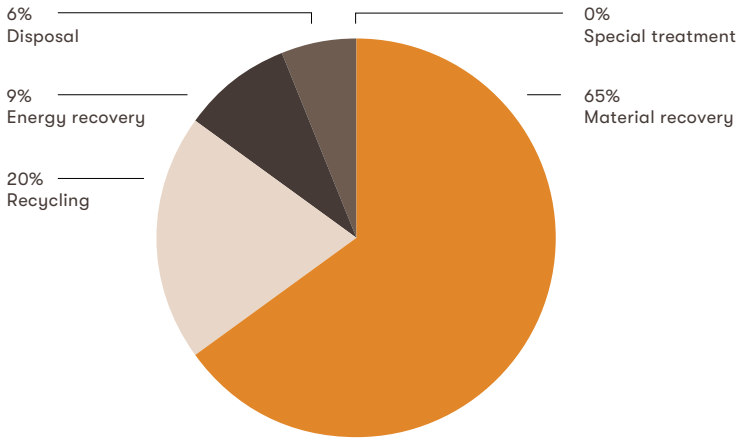
In 2025, we started demolition at two sites in the Copenhagen region. The waste reports from these projects are based on weighbridge slips that include only materials removed from the sites. In addition, approximately 4,800 tons of concrete have been reused directly on the construction site at Søborg Skovby for road construction, reducing the need for new raw materials and transportation and contributing to the project's circular resource utilization.

The demolition at Søborg Skovby is still ongoing in 2026. Therefore, the figures presented in the 2025 ESG report represent a snapshot of the distribution of waste generated by the demolition activities in 2025.

In 2026, we are taking a step towards more circular construction practices by reusing 5,300 m^3 excess soil from our Egehaven project at Søborg Skovby. By relocating soil between our own developments, we reduce waste, limit the need for new resources, and minimise transport-related emissions. This approach supports a more circular use of resources across our project portfolio.

Breakdown of waste treatment

The figure shows the breakdown of different disposal methods for the demolition work carried out in 2025.



Type of waste

Gypsum	Iron	Stone	Glass fibre insulation	Asbest
PCB	Metal	PVC	Concrete	
Glass	Masonry	Timber	Bricks	

Key figures

Tons
6,164
waste

15%
disposal

85%
reused and recycled

Tons
4,800
concrete recycled on site

Social

ALFA Development's social reporting covers both our own employees and the residents and tenants of the housing units and neighbourhoods we develop.

Own workforce

Our employees are the heart of ALFA Development. Our success depends on our skilled, competent, and motivated employees. We offer our employees flexible working arrangements, including the option of part-time work, working from home, and flexible working hours.

To measure employee satisfaction, we conducted a combined employee satisfaction survey and Workplace Assessment (APV) in 2025. The survey confirmed that ALFA Development is generally on par with the industry benchmark, although satisfaction levels showed a slight decline in some areas. The overall satisfaction score was 79 out of 100, compared to 83 in 2024.

Two areas receive high ratings, namely influence (80/100) and continuous focus on improvement (81/100). Employees' perception of their influence on their own job and company development is key to our culture, fostering engagement and a sense of ownership for tasks. We view the high score as a sign that we are succeeding in creating a culture where dialogue, openness, and employee-driven initiatives are highly valued. The high score on continuous improvement sends an important signal that we are continuously and actively working to develop and improve processes, collaboration, and workflows, which are crucial for both well-being and efficiency within the organisation.

Throughout 2026, we will conduct workshops with our employees to identify key areas for improvement so that we can build on what works and specifically address areas where employee satisfaction is declining.

Workplace Assessment (APV)
The 2025 APV showed a stable and generally well-functioning working environment. There are no critical conditions in the psychological working environment, and overall well-being is assessed as good. In the physical work environment, a few comments have been received, particularly regarding noise in the open-plan office, indoor climate and lighting.

Conditions such as noice, indoor climate and lightning are assessed as relevant development points. Our Work Environment Group will follow up on the feedback and implement ongoing improvements to ensure that working conditions continue to promote well-being and efficiency.

In 2025, no workplace accidents or other incidents of a more serious nature have been reported.

The value of a diverse organisation
At ALFA Development, we are committed to an open and inclusive organisational culture that values individuals regardless of background, gender or beliefs. We believe that diversity is a key driver of innovation and success. As we develop urban and residential environments for a broad and diverse population, it is essential that our organisation reflects this diversity, enabling us to incorporate a wide range of perspectives into our work.

The employee composition spans multiple age groups, and the Company actively engages student assistants as part of the development of future talent. In addition, English is used as the corporate language in relevant parts of the organisation to support an inclusive workplace that accommodates employees from diverse national backgrounds.

39
Permanent employees
(2024: 35

25/14
Male/Female distribution
(2024: 24/11)

3/1
Gender distribution in management
(2024: 3/0)

4/1
Gender distribution on the Board of Directors
(2024: 4/1)

14%
Employee turnover rate
(2024: 32 %)

Local communities and end users

As urban area and residential developers, we recognise our responsibility to create well-functioning, safe and healthy environments for people to live in. We know that homes and local communities shape people's lives. Our ambition is therefore to ensure a high quality of life for our customers and to raise the standard of the built environment.

We have no standard solutions, for no two areas are the same, no two people are the same, no two ecosystems are the same. We strive to understand our customers' different life stages and build homes and neighbourhoods that meet their dreams and needs and make their lives easier.

In-house property management
In 2025, we decided to bring property management in-house after it had been handled by an external partner for several years. The decision took effect on January 1, 2026. In-house management of our properties is a key element of our strategy to foster a closer and more value-creating dialogue with tenants and improve the quality of operations.

Annual tenant satisfaction surveys
At ALFA Development, we take a long-term approach to ownership, seeking to move beyond the traditional "buy, build, sell" philosophy. Once a project is completed and residents have moved in, we aim to remain an active and engaged owner, working alongside tenants to develop the residential environment and gain insights that can be applied to future projects.

We have this opportunity especially in our Living By ALFA buildings, where we act as an active landlord and are in close contact with the tenants. We conduct annual tenant satisfaction surveys to stay up to date with the tenants' needs and wishes and perform continuous improvements.

The surveys are conducted in collaboration with the Prognosis Center.

In 2025, we carried out a survey among tenants of Living By ALFA in IrmaByen. The response rate rose from 47% in 2024 to 55% in 2025. The overall satisfaction score fell from 71 in 2024 to 68 in 2025, mainly due to the Net Promoter Score, which indicates whether tenants would recommend Living By ALFA to others, rose from 7 in 2024 to 9 in 2025.

The resident survey is a key management tool in our efforts to improve our properties and enhance tenants satisfaction. Based on the survey, specific initiatives will be launched. As a result of the 2025 survey, monthly communal dinners have been introduced, and a package locker has been installed for easy package collection. These initiatives are intended to contribute to a well-functioning daily life and to strengthen the community spirit.

Egehaven

A new residential neighbourhood in Rødovre

In 2025, the Municipality of Rødovre approved the local plan for the transformation of the former Valhøj business district into a new, green residential area named, Egehaven. Here, we are creating a diverse residential neighbourhood characterised by quality, functionality, and architecture, with a focus on people's quality of life. The area will be car-free, and with an extensive network of paths and open spaces, there will be room for life between the houses and green areas where nature thrives. The area provides a safe and convenient setting for families with children, singles, and seniors who want easy access to city life, everyday amenities, and green surroundings. The homes are expected to be completed in 2027.

Egehaven is designed to support everyday well-being by creating safe, accessible, and inclusive surroundings for residents. The car-free layout reduces traffic and noise and improves safety, particularly for children and older residents. Shared paths and green open spaces encourage outdoor activity and informal encounters, supporting daily social interaction and a sense of belonging.

The development offers a mix of housing types suited to different life stages, including families, singles, and seniors. This diversity is intended to promote a balanced neighbourhood where residents with different needs and routines can live side by side. Shared outdoor areas and common facilities function as natural meeting points that support community life and neighbourly interaction. Access to green surroundings and nearby amenities contributes to quality of life for both residents and the surrounding local area.

READ MORE HERE →

LOCATION	MUNICIPALITY OF RØDOVRE
EXPECTED CONSTRUCTION START	2026
LAND AREA	21,198 m²
UNITS	149 APARTMENTS AND TERRACED HOUSES

Governance

At ALFA Development, we want to act responsibly in all respects, both in our daily operations and in our development projects. Therefore, we recognise international principles and guidelines for responsible corporate behaviour within social and governance matters. Our policies and processes are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guidelines on Human Rights and Business (UNGP), ensuring a framework for implementing and managing responsible corporate behaviour in both our own organisation and in the value chain.

In 2025, we developed and implemented a number of policies supporting our approach to business conduct and governance. These policies are intended to promote consistency between the development of high-quality buildings and the way we manage our business operations.

The policies are reviewed and updated at least once a year to ensure that they are in accordance with applicable legislation, international guidelines and our values.

The full text of all policies is available at WWW.ALFADEV.DK

Policies and initiatives

Responsibility obligation
By the end of 2025, we have committed to adhering to international guidelines for responsible business conduct, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Conventions. These guidelines form the basis for our work to identify, prevent, and address actual and potential negative impacts in our own operations and throughout the value chain.

Code of Conduct
In 2025, we developed a Code of Conduct (CoC) based on ALFA Development's core values and principles related to business conduct, ethics, and integrity, as defined in our internal policies and international guideline. The CoC applies to all employees and sets out expectations for conduct both internally and externally.

Supplier Code of Conduct
In 2025, we also developed a Supplier Code of Conduct, which sets out our expectations for business partners and suppliers regarding human rights, labour rights, the environment, and business ethics. The Supplier CoC is based on international guidelines and is founded on dialogue and cooperation.

Policies on taxation, fair competition, anti-corruption, and bribery
We have established policies for responsible tax behaviour, fair competition, and anti-corruption and bribery. The policies support lawful and ethical business behaviour, including paying taxes in accordance with applicable laws, complying with competition laws, and zero tolerance for corruption and bribery.

Grievance mechanism
We established a grievance mechanism which allows employees, business partners and other external stakeholders to report matters that may give rise to concern or that are not in accordance with our policies. All inquiries are treated confidentially, and anonymous reporting is possible. All complaints are handled in accordance with applicable data protection regulations. Complaints are handled by the Group Legal Council, which aims to handle and resolve cases as quickly as possible, considering the complexity of the case.
The grievance mechanism was implemented late 2025 and so far no complaints have been received.

All policies are approved by the management team and are reviewed on an annual basis. With regard to our ESG targets, the management team, in collaboration with the ESG responsible, is likewise responsible for their implementation.

PRF
Since 2022, ALFA Development has made donations to the Planetary Responsibility Foundation (PRF), a foundation established by ALFA Development's owners. The purpose of PRF is to protect and preserve our planet's nature and biodiversity and to promote sustainable development. The foundation invests internationally in nature restoration and biodiversity projects, as well as in knowledge-sharing regarding sustainability in general. In 2025, ALFA Development donated DKK 4 million.

Accounting policies and limitations

Our ESG report reflects the reporting requirements and calculation methods set forth in the VSME Basic Module and Comprehensive Module.

Accounting period
The accounting period covers the fiscal year from January 1, 2025, to December 31, 2025.

Data Quality
Emissions from Scope 1 and Scope 2, as well as Scope 3 categories 3 and 13, are calculated using an activity-based method.

Electricity consumption data are sourced from OIS (the Danish public utility data hub) and provided by our data partner, North ESG. Heating consumption for the property portfolio is calculated based on annual utility invoices.

When calculating Scope 3, category 5 waste, we use supplier-specific data regarding waste generated at our headquarters on Knud Højaards Vej. Due to CO_2 emissions form our demolition it is calculated using the activity-based method.

Waste transport is calculated based on weighbridge slips. Transport-related CO_2 emissions are calculated as ton-kilometers based on recorded waste volumes and transport distances and converted to CO_2e using standard emission factors from Klimakompasset.

For the other Scope 3 categories, a spend-based method is used.

Limitations in reporting
OIS data are used to calculate district heating consumption for the Rovsingsgade area. As consumption data for the fourth quarter of 2025 were unavailable, this period has been estimated based on historical consumption.

For some individual properties, annual heat consumption statements are offset and extend into the first quarter of the following year. In these cases, we have chosen to report the energy consumption covering the full 12-month period as presented in the annual statement.

For a small part of our portfolio, November 2025 electricity data was not available and was therefore estimated based on the annual average.

Comparability
We have selected 2024 as our base year. This means that 2024 emission factors are applied to both 2024 and 2025 data, ensuring the highest possible level of comparability. We strive to ensure data comparability as effectively as possible. Therefore, we follow the GHG Protocol, and if methodological changes occur in the coming years regarding how we calculate our CO_2 emissions, these will be reflected in the most recent version of our ESG report.

Energy and scope 1, 2 & 3

Energy

Description	Unit	2025	2024
Energy consumption			
- Electricity	MWh	2,895	3,037
- Renewable energy	MWh	2,368	2,484
- Non-renewable energy	MWh	527	553
- Fuel	MWh	168	133
Heat	MWh	4,757	5,193
Renewable	MWh	3,640	3,973
non-renewwable	MWh	1,117	1,220
Total energy consumption	MWh	**7,820**	**8,363**

Greenhouse Gas Emissions scope 1, 2 & 3

- Missing data * Not calculated N/A not relevant

Description	Unit	2025	2024
Scope 1	Tonnes CO_2e	**45**	**35**
Scope 2 (location-based)	Tonnes CO_2e	**25**	**24**
Scope 3 total	Tonnes CO_2e	**1,509**	**708**
- Category 1 - Purchased goods and services	Tonnes CO_2e	*	-
- Category 2 - Capital goods	Tonnes CO_2e	*	*
- Category 3 - Fuel and energy related activities	Tonnes CO_2e	16	14
- Category 4 - Upstream transportation and distribution	Tonnes CO_2e	30	-
- Category 5 - Waste	Tonnes CO_2e		
Waste own operation	Tonnes CO_2e	15	16
Demolition	Tonnes CO_2e	605	0
- Category 6 - Business travel	Tonnes CO_2e	247	74
- Category 7 - Employee commuting	Tonnes CO_2e	23	-
- Category 8 - Upstream leased assets	Tonnes CO_2e	N/A	N/A
- Category 9 - Downstream transportation and distribution	Tonnes CO_2e	0	0
- Category 10 - Processing of sold products	Tonnes CO_2e	0	0
- Category 11 - Use of sold products	Tonnes CO_2e	0	0
- Category 12 - End-of-life treatment of sold products	Tonnes CO_2e	0	0
- Category 13 - Downstream leased assets	Tonnes CO_2e		
Electricity	Tonnes CO_2e	134	140
Heating	Tonnes CO_2e	278	303
- Water consumption	Tonnes CO_2e	33	33
- Sewage	Tonnes CO_2e	128	128
- Category 14 - Franchising	Tonnes CO_2e	0	0
- Category 15 - Investments	Tonnes CO_2e	N/A	N/A
Total scope emissions	Tonnes CO_2e	**1,579**	**767**
CO_2e intensity	tCO_2e /DKKm	**18,6**	**6,5**

Environmental data

Biodiversity

Description	Unit	2025	2024
Total land use	m^2	250,000	198,000
- Paved area	m^2	98,000	77,000
- Nature-oriented on site	m^2	56,000	47,000

Water

Description	Unit	2025	2024
Total water withdrawal	m^3	14,048	14,044

Circular economy

Description	Unit	2025	2024
- Hazardous waste	Ton	123	N/A
- Reuse/recycling	Ton	5,235	N/A
- Disposal	Ton	924	N/A

- Missing data * Not calculated N/A not relevant

Social Responsibility Data

General Characteristics

Description	Unit	2025	2024
Total number of employees	Numbers	39	35
- Full-time employees (FTE)	Numbers	33	30
- Temporary employees	Numbers	6	5

Gender Distribution

Description	Unit	2025	2024
- Male	Numbers	25	24
- Female	Numbers	14	11
- Other	Numbers	0	0
Men/woman in management	Numbers	3 men/ 1 Woman	3 men/ 0 woman

Geographic distribution

Description	Unit	2025	2024
- Employees in Denmark	Numbers	37	33

- Missing data * Not calculated N/A not relevant

Social Responsibility Data

Employee turnover

Description	Unit	2025	2024
Employee turnover (%)	%	14	32
Left the company	Count	5	11
Employees at period start	Count	35	33
Employees at period end	Count	39	35

Occupational Health & Safety

Description	Unit	2025	2024
Work injuries	Count	0	1
Avg. working hours/employee	Hours	1,620	1,620
Work injuries rate	Rate	0	4
Fatalities	Count	0	0

- Missing data * Not calculated N/A not relevant

Salary, collective agreements and training

Description	Unit	2025	2024
Minimum wage agreement	Yes/No	Yes	Yes
Pay gap	%	N/A	N/A
Employees on collective agreement	Count	0	0
Collective agreement share	%	0	0

Training hours

Description	Unit	2025	2024
Male	Average hours	23	-
Female	Average hours	14	-
Total training hours	Average hours	**18.5**	-

Human right policies and processes

Description	Unit	2025	2024
Code of Conduct	Yes/No	Yes	No
Grievance mechanism	Yes/No	Yes	No

- Missing data * Not calculated N/A not relevant

Governance Data

Corruption and bribery

Description	Unit	2025	2024
Number of corruption cases	Count	0	0
Total fine amount	DKK	0	0

Diversity

Description	Unit	2025	2024
Gender distribution on the Board of Directors	Male/Female	4/1	4/1

- Missing data * Not calculated N/A not relevant

ALFA DEVELOPMENT

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Design and production: Noted