

Vasakronan

Impact Report Green financing

2022



Sweden's leading property company

Vasakronan's assignment is to generate a high, risk-weighted return for our owners the First, Second, Third and Fourth Swedish National Pension Funds. A return that will benefit Sweden's current and future pensioners, though never at the expense of the environment and people.

In addition to our assignment, Vasakronan's ambition is to be Sweden's leading property company.

We will achieve this by:

- Generating a high total yield that should also exceed that of the industry in general
- Being the preferred choice for tenants looking for office or retail premises.
- Being perceived as the most attractive employer in the industry.
- Running our operations sustainably, from economic, environmental and social perspectives.

With a vision of future-proof cities for everyone, where people and companies thrive.

Gothenburg

Malmö

Uppsala
Stockholm

Vasakronan in figures

Property value
SEK billion

188

Green financing
percentage

82

Properties
number

166

Lettable area
sq. m., million

2.4

Environmental certification of investment portfolio
share of market value, per cent

93

Energy intensity/Primary energy figure
kWh/sq. m.

75/82

Our green history:

- Vasakronan issued the world's first green corporate bond in November 2013, and remains the largest issuer of green corporate bonds in Sweden
- Since 2018, Vasakronan's framework has included all debt instruments, rather than just bonds, where funds raised are earmarked for green investments.
- In 2018, Vasakronan issued the world's first green commercial paper.
- The framework follows the Green Bond Principles and has been evaluated by the Center for International Climate Research (CICERO) with the highest rating, "Dark Green"

Impact Report – Green financing

The following report encompasses the volume of liabilities outstanding as well as the investments made within Vasakronan's Green Finance Framework. The report has been reviewed by EY.

Vasakronan has been environmentally certified according to ISO 14001 for more than 15 years. A periodically reviewed fundamental analysis of the company's significant environmental aspects has been carried out in relation to these efforts. The analysis consistently establishes that Vasakronan primarily impacts the environment and the climate through energy consumption, use of materials, the waste created by operations and customers, and through various forms of transportation.

In 2021, the European Commission launched a taxonomy to identify environmentally sustainable investments. The Taxonomy comprises six environmental objectives that Vasakronan has already been working with for many years thanks to systemic environmental work.

In many cases, Vasakronan has the opportunity to reduce

energy and material use, waste generation and transportation needs on its own, but further progress requires close collaboration with the tenants. Vasakronan was an early adopter of green leases, with the first one signed back in 2010. After a number of years, the company came to the insight that offering a non-green option in parallel with the green lease was strange and therefore chose to include the green lease clauses in standard lease agreements. Accordingly, all leases signed since 2017 are green. Examples of set requirements include: sorting all waste at source, sharing energy data and purchasing renewable energy.

Energy

Various types of energy investments in the properties combined with close collaboration with tenants means that energy consumption in the property portfolio has been

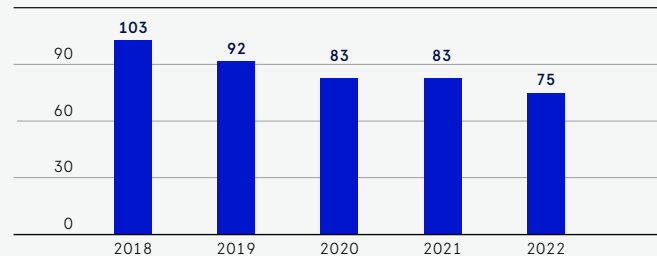
According to the National Board of Housing, Building and Planning, the construction and property sector accounts for 21% of all greenhouse gas emissions in Sweden, 34% of energy consumption and 40% of waste generation in Sweden.

In addition, the sector contributes to emissions in other countries due to imports of construction products. Source National Board of Housing, Building and Planning. (Environmental indicator – current status – National Board of Housing, Building and Planning)

reduced 65% since 2009. At year end, the annualised energy intensity was 75 kWh per square metre. Converted to primary energy demand, this corresponds to 82.4 kWh per square metre per year. Vasakronan also produces its own energy and at the end of the year had 86 solar photovoltaic systems on roofs and facades as well as one solar park in operation. Together, all installations contribute a total of 9,000 MWh, which corresponds to 12% of property electricity.

Energy intensity

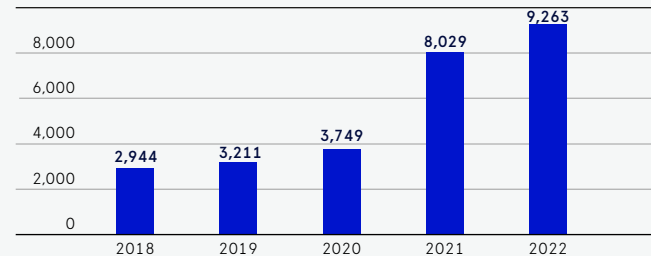
kWh/sq. m., 12 months



In 2022, energy intensity averaged 75 kWh/sq. m.

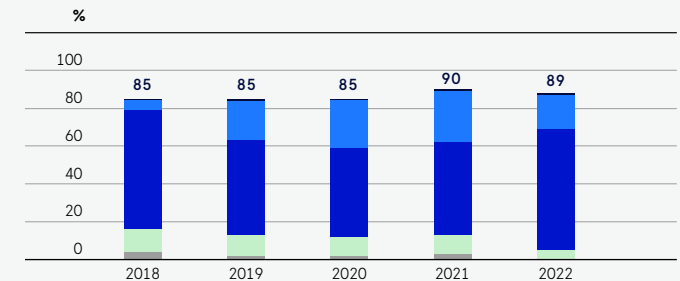
On-site produced electricity

MWh



A total of 9,263 MWh of electricity was produced from solar photovoltaic systems during the year.

Environmental certifications



At the end of the year, 89% of the entire property portfolio was environmentally certified.

LEED Certified LEED Silver LEED Gold LEED Platinum
BREAM excellent



“Issuing green bonds has raised the focus on sustainability throughout the company.”

Thomas Nystedt,
Group Treasurer

How have green bonds helped Vasakronan’s work with sustainability?

“Now we have a tool for communicating our sustainability efforts both internally and externally as well as a policy instrument. Sustainability issues are now being driven from two directions, by both the finance and the sustainability departments.

Before issuing our first green bond in 2013, the sustainability and finance departments had little contact with each other. Now, we work closely both on financing and on sustainability issues. Actions in our operations directly impact how we finance the company. Issuing green bonds has raised the focus on sustainability throughout the company.

The green bonds also increase opportunities to showcase all the good things our colleagues are doing in sustainability. Promising investors that we will achieve specific criteria means we have to be even more focused and structured when planning our projects, but also with regard to how we work with our existing properties.

Green bonds are also an effective communication tool with our investors. They enable us to have a dialogue about the links between risks and sustainability, particularly in the property sector. As an issuer, I feel that, through all these dialogues, we have taught our investors much about sustainability.”

Ten years will have soon passed since you issued the world’s first green corporate bond.

What is the next step for your green financing?

“The next step will be aligning the framework with the EU Taxonomy and including social aspects. Corruption in the Swedish property and construction industries is regarded as being widespread and extensive. Therefore, we must have a process that eliminates the risk both of corruption and of other improprieties in all situations. This pertains firstly to the prevention of all forms of corruption within the company, but we also need to set more stringent requirements on our suppliers to ensure they have a systematic process to counteract corruption in their operations.

There is also a risk of accidents at our construction sites and of people being exploited. The objective is to ensure lawful terms and conditions of employment for everyone who works for us and that they are not at risk of being killed or injured. Therefore, we set stringent requirements for contractors regarding terms and conditions of employment and construction site safety.

Last but not least, we must collaborate with municipalities and other companies in the sector to create pleasant and safe street environments around our buildings, which benefits everyone, not just ourselves or our tenants, but everyone who spends time on our streets.”

Materials

New construction, redevelopment and leasehold improvements of properties require large amounts of construction materials. The extraction, production and transport of these materials to construction sites causes substantial impact on the environment and climate. Therefore, it is essential to reduce the amount of materials and to opt for reused materials or materials produced from renewable or recycled products to a larger extent. Moreover, the materials must be checked to ensure they do not contain hazardous substances that are spread into indoor environments or into the environment outside the buildings. That is why all the material used in construction is always evaluated and documented. Vasakronan uses the Byggarubedömningen system in this work.

Waste

New construction and redevelopment projects lead to considerable construction and demolition waste. A great deal of the waste is not recycled but goes straight to incineration or landfill. Vasakronan also take care of substantial quantities of waste from tenants’ operations. Even if the company has little influence on the type and amount of waste that arises at tenants, the level of sorting can be influenced since the property owner is often responsible for the waste recycling facilities at the property. The EU’s waste hierarchy guides efforts to reduce environmental impact both from construction waste and from tenants’ waste. The goal is to minimise the amount of waste sent to landfill and incineration and to increase the proportion that is recycled or reused.

Water consumption

Reducing water consumption is an important issue from a global and a local perspective. Vasakronan uses municipal water in all four cities where the company operates. In Uppsala, the municipality has indicated that there is a water shortage. That is why the company is working continuously, in Uppsala as well as in other cities, with monitoring and implementing cost-effective measures to reduce water consumption. Low water consumption is also a prerequisite for environmentally certifying buildings with high ratings.

Climate impact

Since 2006, Vasakronan has reduced its scope 1 and 2 emissions by almost 90%. This has been achieved through reduced energy consumption and phasing out fossil fuel from the energy supply to properties and vehicles. For several years there has also been a long-term and systematic effort to reduce scope 3 emissions, primarily in construction and how tenants use premises. In addition to focusing on how Vasakronan's operations affect the climate, the company also needs to focus on how a changing climate affects the company. For this reason, climate risk analysis was started as far back as 2012, and which has since been followed up to take into account the latest climate data. Climate risk analyses need to be summarised property by property in conjunction with Taxonomy reporting. This work began in 2022 and has an estimated completion date in 2023.

A full account of the company's emissions and how the company is affected by increases in global emissions is available on pages 161–166 of the Annual Report 2022.

Long-term goals

In 2019 the company refined its climate goals, deciding to become climate-neutral by 2030. Vasakronan has developed a road map which describes ways to reach this target and how any remaining emissions will be compensated to achieve neutrality. The targets were evaluated by the Science Based Targets initiative in 2022 and were assessed as being in line with the 1.5°C target.

However, the climate target is not the only long-term environmental target for Vasakronan. The company also has targets for further reductions in energy consumption, circular construction and zero waste generation. Each year, a company-wide business plan is prepared, with annual financial, environmental and social targets. For more information about the company's environmental targets and target fulfilment, see pages 65–68 in the 2022 Annual Report.

Global leading agenda

In 2022, Vasakronan was ranked top in the Global Real Estate Sustainability Benchmark (GRESB), and became the best company in the world in the categories of existing buildings: office/retail and project development: offices.

Taxonomy reporting

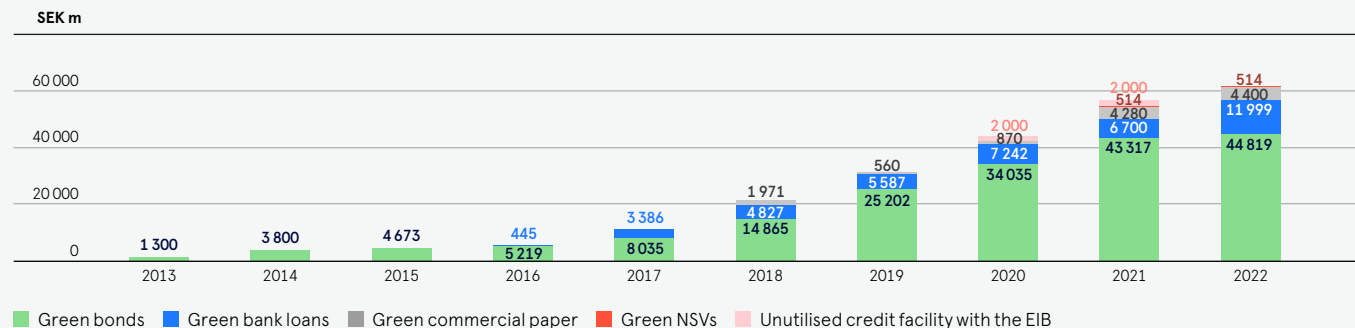
Work is ongoing with compiling the scope of Taxonomy-aligned economic activities. However, given the uncertainty about how the Taxonomy is to be interpreted and reported, and given that the company is not yet subject to the reporting requirement, Vasakronan has decided to hold off on detailed reporting on the proportion of the company's assets that are aligned with

the Taxonomy, as well as the buildings' turnover, operating expenses and investments. Based on the buildings' primary energy demand, which Vasakronan has calculated according to the method for energy declarations, and based on their measured energy intensity on 31 December 2022, 38% of the market value of the investment properties and 43% of the lettable area meet the criteria for activity 7.7. Read more on pages 56–57 in the 2022 Annual Report.

Social responsibility

A property company's operations affect not only the environment, but many people as well. At Vasakronan, these people comprise employees, employees of the company's suppliers and the people who move in and around Vasakronan's properties. Conducting operations responsibly in terms of these people entails ensuring that the company does not breach any human rights, that everyone who works for Vasakronan has a safe and secure working environment and that all properties are safe, secure and promote health. Moreover, the company also has systems in place to manage taxes correctly, combat corruption and promote free competition.

Green financing growth



Green financing

In 2022 all bonds issued were green. Green bonds totalling SEK 7.8 billion (11.9) were issued, making Vasakronan Sweden's largest issuer of green corporate bonds. During the year, the first bond issue denominated in Swiss Francs was completed and green bonds have now been issued in eight different currencies. The volume outstanding of green commercial paper amounted to SEK 4.4 billion (4.8) at the end of the period. The total volume outstanding of green financing consisting of green bonds, green commercial paper and green NSVs amounted to SEK 49.7 billion (48.1). At year end, green assets totalled SEK 61.2 billion (53.4), providing SEK 11.5 billion (5.3) in remaining green borrowing capacity. In addition to financing under the framework, Vasakronan had green unsecured loans outstanding with the Nordic Investment Bank and the European Investment Bank that totalled SEK 6.4 billion (4.9). At the end of the year, the green secured bank loans outstanding increased to a total of SEK 5.6 billion (1.8). Green financing,

including green bank loans that are financed outside the framework, increased during the year to 82% (74) of Vasakronan's total borrowings.

Criteria under the framework

What Vasakronan can finance with the proceeds from Green Finance Instruments is described in a framework prepared according to ICMA Green Bond Principles and that has been evaluated by the Center for International Climate Research (CICERO), a Norwegian climate research institute.

Since 2017, Vasakronan's framework allows for investments in new construction and redevelopment projects, existing properties and investments in solar energy projects. The financing of new construction and redevelopment projects requires that they be certified according to LEED for new construction or redevelopment at Platinum level, or BREE-AM-SE at Outstanding level, and have an energy intensity 25% below the National Board of Housing, Building and Planning's

Approved investment amount, 31 Dec 2022

	SEK m
Eligible investments in ongoing projects	1,300
Existing properties	59,913
– of which previously new construction and redevelopment projects	8,902
Solar parks	28
Total approved investment amount	61,241
Volume outstanding, green bonds	44,819
Volume outstanding, green commercial paper	4,400
Volume outstanding, green NSVs	514
Total volume outstanding	49,733
Remaining approved investment amounts	11,508

requirements (BBR requirements). The criteria to be met for financing an existing property is that the building must be certified according to LEED on a Gold level or higher and have an energy intensity below 100 kWh/sq. m. per year. The framework and CICERO's second opinion can be found at www.vasakronan.se.

Vasakronan has a special account for transactions attributable to the issue of green debt instruments. If the approved investment amount is less than the volume of green debt instruments outstanding, Vasakronan has undertaken to place a corresponding amount in this special account. At year end, the approved investment amount exceeded the volume of green debt instruments outstanding, and the account balance was therefore zero.

Examples of assets in the green pool



EXISTING PROPERTY

Arkaden

Galleria Arkaden (Inom Vallgraven 11:6) is located in central Gothenburg and was reopened in 2002 following a complete renovation. The 21,000 square metre property contains offices, stores, cafés and restaurants. The property is located beside Brunnsparken and neighbours Sweden's second largest commuter hub, Gothenburg Central Station. Several energy and environmental initiatives have been implemented in recent years. Thanks to these investments and systematic energy savings efforts, together with tenants we have reduced energy consumption 34% since 2009.

- Environmental certification LEED, Gold
- Annual energy intensity 75 kWh/sq. m.
- Primary energy demand 71 kWh/sq. m. per year
- Solar photovoltaics on the roof
- Close to public transportation



REDEVELOPMENT PROJECTS

Lumi

Lumi (Kungsängen 16:6) is located in central Uppsala, with immediate proximity both to Uppsala Travel Center and to the new Uppsala Central Station. The building's concrete frame is being retained in its entirety and brick walls in the basement are being preserved where possible. Bricks from walls that need to be dismantled are being used to build new walls. Concrete from the demolition and concrete slabs from the roof terrace are being used for new outdoor facades and paving, and concrete floors are being polished to comprise attractive concrete flooring in e.g. the atrium and lavatories. The property comprises about 15,000 square metres and is expected to be ready for occupancy in 2024.

- Environmentally certified in accordance with LEED with the aim of achieving the highest level – Platinum.
- Energy intensity, primary energy demand 48 kWh/sq. m. per year
- Modern technology collects rainwater to use for flushing toilets
- Integrated solar photovoltaic façades
- Installation products, such as ventilation devices, plumbing products and sanitary ware are recycled



The roof terrace on Sergelhusen in Stockholm is well planned and offers ecosystem services as well as comfort.

Vasakronan's effect on the UN Sustainable Development Goals

In 2015, the UN's member states committed to the 17 SDGs, which are to be achieved by 2030. The business world plays a key role in this and many companies are working to reach the goals, but there is also a risk that companies conduct operations that actively counteract the goals.

Vasakronan's operations contribute to several of the Sustainable Development Goals. The company has also analysed whether there is any risk that operations would interfere with achieving the goals. Operations have the largest positive impact on Goal 7 "Affordable and clean energy," Goal 9 "Industry, innovation and infrastructure," Goal 11 "Sustainable cities and communities" and Goal 12 "Responsible consumption and production." Through our positive impact on these goals, our operations also contribute to Goal 13, "Climate Action." The challenges in operations connected to the SDGs include Goal 8 "Decent work and economic growth," primarily related to work environment accidents and hazardous working conditions at the company's construction sites. For more information about how Vasakronan works with the Sustainable Development Goals, see pages 152–178 in the 2022 Annual Report.

Other information

The environmental data in this report was produced in accordance with the same principles and methods as our Sustainability Report and is shown on page 138 in the 2022 Annual Report. Investments in new construction and redevelopment projects corresponded to the amount that as of the balance-sheet date had been invested in the actual property. Existing properties are recognised at market value. The market value is updated mid-year and at the end of the year in connection with external evaluations being performed.

Reporting of market value and amounts invested follows the accounting policies indicated on pages 114–115 in the 2022 Annual Report. The Existing properties category also includes properties that previously underwent new construction or renovation, and were financed over the course of the project in accordance with the criteria for new construction and redevelopment projects. In connection with the completion of new construction or redevelopment, an evaluation was conducted against the criteria set for investments in existing properties. Reclassifying a property from new construction and redevelopment projects to the category for existing properties requires that the new build or redevelopment is reported to the Board of Directors. It also requires the property to have a final certification and a verified energy intensity for at least 12 months.

Calculation approach

The climate impact reduction reported on page 11 for the existing properties pertains to the difference between the annual energy-related emissions that the property would have had without improvement to the energy intensity from 2009 until 2022 and without contracts for renewable energy. Any climate compensation made by energy suppliers has not been included in the calculations. The reduced energy consumption from 2009 to 2022 pertains to actual consumption, unadjusted for a normal year. For properties acquired or built after 31 December 2009, the registered energy consumption at the end of the first year after the property was occupied/put into use was used as a comparison figure. When calculating the estimated emissions avoided in ongoing new construction and redevelopment projects, the forecast primary energy demand is compared with the highest permitted primary energy demand under the requirements set by Boverket's Building Regulations (BBR requirements). The assessed emissions avoided from new construction and redevelopment projects pertain to the difference between the annual GHG emissions that the property would have had if it had been built in accordance with the BBR requirements and without renewable energy contracts, and emissions from the property's forecast energy intensity and taking into account Vasakronan's energy contracts. Some of the new construction and redevelopment projects and existing properties that are financed under the framework are also financed with bank loans. To ensure that the calculated avoided emissions and reduction in climate impact will only have an effect on green financing under Vasakronan's framework, the portion pertaining to bank loans has been deducted. To determine the size of that portion, the

Ongoing new construction and redevelopment projects forming basis for investment, with an eligible investment of SEK 1,300 million

Property	City	LEED Certification	Energy intensity primary energy demand (F), kWh/sq. m.	Energy intensity primary energy demand BBR kWh/sq. m. ²	Estimated reduction in energy consumption, %	Estimated emissions avoided (annual), due to energy consumption in building, tons	Waste, demolition/ construction, kg/sq. m.	Materials, kg/sq. m.
Kungsängen 14:5 (Magasin X) ¹	Uppsala	LEED Platinum (F)	27	80	66	137	0/30	844
Nattugglan 14 ¹	Stockholm	LEED Platinum (F)	45	80	44	122	401/25	810
Sperlingens Backe 47	Stockholm	LEED Platinum (F)	51	70	27	112		
Kungsängen 16:6 (Lumi)	Uppsala	LEED Platinum (F)	48	71	32	334		
Hästskon 9 (Hästskoplatset)	Stockholm	LEED Platinum (F)	47	70	33	137		
Beridarebanan 4 (Hötorgshus 2) ³	Stockholm	LEED Platinum (F)	51	70	27	94		
Total			–	–	–	935	–	–

1) The project is financed in part by green bank loans with the EIB.

2) Maximum permitted energy intensity under National Board of Housing, Building and Planning guidelines.

3) The property is financed in part by a secured bank loan outside the framework. For further information, see "Other information" and "Calculation approach."

(F) = Forecast

Waste and materials are not reported for the Sperlings Backe 47, Kungsängen 16:6, Hästskon 9 and Beridarebanan 4 projects, as these were not complete as of 31 December 2022.

Solar park, eligible investment of SEK 28 million

Property	City	Energy produced during the current year, MWh	Estimated emissions avoided, tons
Fyrislund solar park	Uppsala	4,600	1,711
Total		4,600	1,711

proportion of the loan in relation to the forecast investment and the property's market value was used. For more information about which properties and which new construction and redevelopment projects are partially financed through green bank loans or other loans, see the tables on pages 186 and 187.

Existing properties forming basis for investment, with an approved investment amount of SEK 59,913 million

Property	City	LEED certification	Energy intensity, kWh/sq. m. 31 Dec 2009	Energy intensity, kWh/sq. m. 31 Dec 2022	Reduction in energy consumption 2009–2022, %	Reduction of climate impact (annual), tons	Water intensity, m ³ /sq. m., 31 Dec 2022
Lorensberg 45:16	Gothenburg	Gold	126	76	40	91	0.29
Gullbergsvass 1:16 ²	Gothenburg	Platinum	81	45	44	355	0.27
Nordstaden 8:27	Gothenburg	Gold	156	79	49	965	0.47
Heden 42:4	Gothenburg	Gold	125	81	35	159	0.68
Heden 46:1	Gothenburg	Gold	100	82	18	122	0.14
Inom Vallgraven 20:14	Gothenburg	Gold	135	70	48	127	0.29
Heden 22:19	Gothenburg	Platinum	102	45	56	554	0.26
Inom Vallgraven 11:6	Gothenburg	Gold	114	75	34	349	0.07
Inom Vallgraven 33:10 ²	Gothenburg	Gold	102	66	35	51	0.42
Inom Vallgraven 59:14	Gothenburg	Gold	104	75	28	144	0.43
Inom Vallgraven 61:11	Gothenburg	Gold	108	74	32	143	0.42
Nordstaden 10:23 ²	Gothenburg	Gold	174	73	58	457	0.43
Gasklockan 3 ²	Malmö	Gold	98	76	23	478	0.54
Kaninen 32	Malmö	Gold	124	33	73	71	0.28
Magnus Stenbock 2 ²	Malmö	Gold	159	76	52	184	0.28
Magnus Stenbock 4	Malmö	Gold	119	62	48	231	0.25
Björnen 1 ²	Malmö	Gold	122	82	33	90	0.19
Bylgia 1	Malmö	Gold	125	60	52	228	0.11
Sankt Jörgen 7	Malmö	Gold	77	43	44	98	0.09
Relingen 1	Malmö	Gold	224	73	67	276	0.18
Abbedissan 1 (previously Priorn 2) ²	Malmö	Gold	124	60	51	81	0.59
Jungmannen 1	Malmö	Platinum	133	51	62	86	0.05
Nereus 1	Malmö	Gold	124	57	54	243	0.14
Abbedissan 2 (previously Priorn 5) ¹	Malmö	Platinum	25	18	28	197	0.28
Sejen 3 ⁴	Malmö	Platinum	83	73	12	117	0.46
Uggleborg 12 ^{1, 2}	Stockholm	Platinum	127	47	63	590	0.36

Property	City	LEED certification	Energy intensity, kWh/sq. m. 31 Dec 2009	Energy intensity, kWh/sq. m. 31 Dec 2022	Reduction in energy consumption 2009–2022, %	Reduction of climate impact (annual), tons	Water intensity, m ³ /sq. m., 31 Dec 2022
Tre Vapen 2 ²	Stockholm	Gold	115	76	34	342	0.18
Rosteriet 6 & 8	Stockholm	Gold	224	76	66	1,253	0.18
Uppfinnaren 2	Stockholm	Platinum	95	55	42	272	0.21
Rosenborg 1	Stockholm	Platinum	179	90	50	176	0.19
Rosenborg 2 ⁴⁾	Stockholm	Platinum	136	82	39	126	0.28
Rosenborg 3, Bldg. 3 ¹	Stockholm	Platinum	105	29	72	188	0.19
Rosenborg 3, Bldg. 4 ¹	Stockholm	Platinum	105	45	57	60	0.10
Hilton 7 ^{1, 3}	Stockholm	Platinum	60	65	-9	90	0.22
Hekla 1	Stockholm	Gold	62	26	58	272	0.13
Riga 2	Stockholm	Gold	104	34	68	583	0.15
Modemet 1, Bldg. 8 ¹	Stockholm	Platinum	105	25	76	197	0.24
Blåmannen 20 ²	Stockholm	Gold	286	81	72	2,815	0.44
Hammarby Gård 12 ⁴	Stockholm	Platinum	72	57	21	67	0.22
Albydal 3	Stockholm	Gold	89	72	19	157	0.13
Skjutsgröden 8	Stockholm	Gold	111	69	38	137	0.38
Spektern 13 ²	Stockholm	Gold	168	72	57	1,109	0.41
Getingen 11	Stockholm	Gold	168	78	53	906	0.31
Kvarngärdet 1:19	Uppsala	Platinum	189	64	66	287	0.19
Dragarbrunn 28:5	Uppsala	Gold	80	53	34	467	0.66
Dragarbrunn 31:1 ²⁾	Uppsala	Gold	125	80	36	550	0.97
Dragarbrunn 18:9	Uppsala	Gold	168	68	59	313	0.34
Fålhagen 1:39 ⁴	Uppsala	Platinum	61	43	30	128	0.24
Kungsängen 4:4	Uppsala	Platinum	154	67	57	315	0.39
Kronåsen 1:1 Celsius ^{1, 3}	Uppsala	Platinum	80	80	-	215	0.40
Kronåsen 1:1 Hubben ^{1, 3}	Uppsala	Platinum	57	50	12	208	0.34
Dragarbrunn 24:5	Uppsala	Gold	145	72	50	591	0.45
Total			-	-	-	18,311	-

1) Properties that underwent new construction or renovation, and were financed over the course of the project in accordance with the criteria for new construction and redevelopment projects. After the project was completed, the property was reclassified to the existing properties category. As of 31 December 2022, these properties comprised SEK 8.9 billion. For further information, see "Other information and methods."

2) The property is financed in part by a secured bank loan outside the framework. For further information, see "Other information" and "Calculation approach."

3) The property is financed in part by a green bank loan with the NIB and EIB. For further information, see "Other information and methods."

4) The property was acquired or built after 31 Dec 2009. In these cases, the registered energy value at the end of the first of December after the property was occupied/put into use was used as a comparison figure.

Auditor's Limited Assurance Report on Vasakronan AB's Impact Report – Green financing

This is the translation of the auditor's report in Swedish. To the Board of Directors of Vasakronan AB, corporate identity number: 556061-4603

Introduction

We have been engaged by the Board of Directors of Vasakronan AB (publ) to undertake a limited assurance engagement of the information in the Company's "Impact Report – green financing" (the Impact Report), for the year 2022. The Impact Report consists of the pages 180–187 in the Annual Report.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Impact Report in accordance with the applicable criteria, as explained on page 183 of the Annual Report and consists of the parts of the Vasakronan AB (publ)'s Green Finance Framework which are applicable for the Impact Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of an Impact Report that is free from material misstatements, whether due to fraud or error.

The Board of Directors and the CEO are responsible for the preparation and presentation of the Impact Report.

Responsibilities of the Auditor

Our responsibility is to express a conclusion on the stated reported information in the Board of Director's and the Managing Director's Impact Report and the use of the issued amount according to the framework's categories, based on the limited assurance procedures we have performed Our

engagement is limited to the information in this document and the historical information reported and thus does not include future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Impact Report, and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in scope than for, a reasonable assurance engagement conducted in accordance with the IAASB's Standards on Auditing and other generally accepted auditing standards.

The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Vasakronan AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

Consequently, the procedures performed do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by the Board of Directors and Executive Management as described above. We consider these criteria suitable for the preparation of the Impact Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Impact Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and the Executive Management.

Stockholm, 24 March 2023

Ernst & Young AB

Katrine Söderberg
Authorised Public Accountant

Marianne Förander
Expert member of FAR

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