

Investor Report 2022

Green financing

HUMLEGÅRDEN

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Investor Report

Our long-term goal is to be climate neutral by 2045 and our climate goals have been validated by the Science Based Targets initiative. In 2022, Humlegården's first sustainability-related loan commitment was signed, which provides us with better financing terms if we achieve our climate and energy efficiency targets.

In June 2017, Humlegården's first green bond was issued and today all Humlegården's bonds are green. This type of financing must be allocated to projects and assets such as green and energy-efficient buildings, but also investments in energy efficiency measures and renewable energy. Responsible financing is in line with our sustainability strategy.

Certified properties and projects

The selection of which projects and properties are to be financed with green bonds is based on a framework that has been designed together with Handelsbanken and reviewed and clarified by the Norwegian climate research foundation CICERO (Centre for International Climate Research). Read more about Humlegården's work with green and sustainable financing and download the green framework:

<https://humlegarden.se/om-humlegarden-fastigheter/finansiell-information/finansiering/gron-finansiering/>

Green loans and emissions during 2022

During the first half of the year, green bonds of SEK 750 million with a 2-year term were issued along with a green bank loan with a long capital commitment of 10 years of SEK 730 million. During the second half of the year, a green bond of SEK 500 million was issued with a 5-year term. Humlegården's total green loan facility amounted to SEK 21,201 million at the end of the year and consisted of approved properties and projects. Outstanding green financing at the end of the year amounted to SEK 10,872 million, of which SEK 7,610 million

was green bonds, SEK 397 million green corporate certificates and SEK 2,865 million green bank loans. The bonds are listed on the Nasdaq Stockholm Sustainable Bonds List and the commercial paper at Nasdaq Stockholm Sustainable Commercial Paper, marketplaces for sustainable bonds and commercial paper respectively.

Climate targets validated by SBTi

Science Based Targets initiative (SBTi) allows companies to set science-based climate targets in line with the Paris Agreement's ambition to keep global warming under 1.5°C. In the autumn 2022, our climate target was validated by the SBTi. Our target is to halve our scope 1, scope 2 and scope 3 emissions by 2030, with 2019 as the base year. We chose to include scope 3 in our objective as scope 3 (indirect impact) contributes to the majority of our climate impact. We have calculated the rate at which greenhouse gas emissions need to decrease to be halved by 2030 and for us to achieve our long-term goal of being climate neutral by 2045.

Of our reported climate impact (including development projects) in 2022, greenhouse gas emissions decreased by 9 percent compared to the previous year and 23 percent since 2019, which was mainly due to a lower climate impact from materials and waste from local adaptations.

Reduced energy use

We have set an ambitious goal to reduce our energy use by 32 percent by the year 2030, compared to 2019. During the year, our work with the energy mapping of our properties continued, with the aim of identifying the most effective measures to reduce our energy use and contribute to our long-term energy goal. Our goal is to reduce heating per square meter by 2.5 percent per year, until 2030. The total reduction since 2019 amounted to 8 percent by the end of 2022, which is in line with our goal. This progress has mainly been achieved due to efficiency measures, such as more efficient lighting and ventilation.

To reduce the energy used for hot water, lower the environmental impact when purifying water and to decrease the costs of water use, we strive to reduce and monitor water

consumption per property. Our properties use only municipal water and are not located in water stressed areas. Discharged water is managed by municipal wastewater systems and are based on standard agreements with local water suppliers. To reduce water consumption, Humlegården works with sensors that identify unusual patterns that can be due to water leaks. In addition to this, we store small volumes of stormwater in retention systems and reservoirs.

Green certifications – an important property management tool

Our long-term ambition is to ensure that all our properties have green building certifications. This is to meet the demands and expectations of our customers and other stakeholders, reduce our environmental and climate impact, mitigate risk, increase value and create conditions for better loan terms. Certifications are a good tool for long-term property management and clear objectives. The properties in our management portfolio are certified according to the international standard BREEAM In Use, with the ambition to at least achieve the Very Good level within the management part of the certification. The certification affects both properties and customers as management is the starting point for the certification and various types of energy and environmental improvement measures carried out in the property. This can include the installation of motion-controlled lighting systems, the establishment of green spaces, the development of recycling facilities, bicycle parking and stormwater management. During 2022, four properties were certified. At the end of the year, the proportion of our properties that were certified amounted to 97 percent of our Gross Leasable Area (GLA) and 89 percent of the total market value. We classify the properties when the projects are completed.

Circularity

Our climate roadmap is based on three elements: science-based targets, sustainability program for our development projects and the implementation of circular principles in redevelopment and new build projects. The construction and real estate industry faces major challenges in reducing its greenhouse gases emissions, resource management and

waste. To solve today's challenges, the industry needs to think more long-term. Circularity is a prerequisite for long-term profitability and for achieving climate targets. Our long-term goal is for all redevelopment and new build projects are to be carried out in accordance with circularity principles in 2030. In 2022, we defined the milestones that will get us there. We have also had a focus on developing processes and the methodology for circular construction and reuse – as a basic prerequisite for being able to build and renovate in a more circular manner. We have developed several KPIs that measure our progress on our goals, both regarding their implementation and impact.

First sustainability loan

In December 2022, Humlegården's first sustainability-related loan commitment was signed, which ensures we have access to better financing terms if we meet our climate and energy efficiency targets. The loan commitment was increased by SEK 500 million to a total of SEK 1 billion and extended to a new 3-year term. Sustainability-related loans are an important step in sustainability work. By connecting our objectives to the conditions for financing, additional incentives are created to deliver on our ambitious goals. In early 2023, another sustainability-related loan was agreed when a bank loan of SEK 1.8 billion was extended to a new 5-year term. In addition, climate and energy efficiency, targets for circularity are also included. Our goal is for all tenant improvements and all new build projects are to be carried out according to circularity principles by 2030.



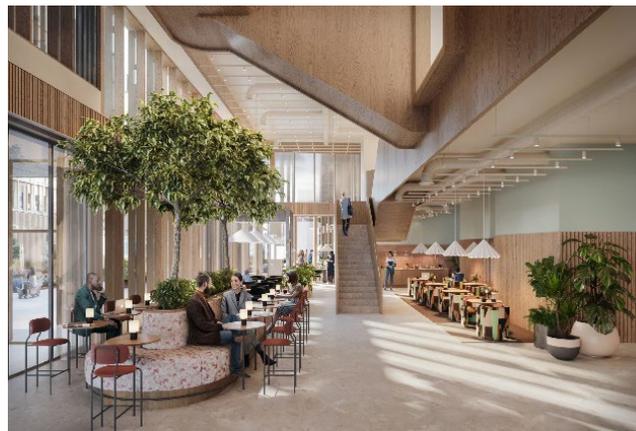
T-House at Engelbrektsplan 1 in Stockholm.

Projects fulfilling our green requirements

Päronet 8, Greenhouse, Solna strand

In one of Solna Strand's most popular locations, right next to the subway station, is the property Päronet 8. Here, an extensive redevelopment of the building is underway where Humlegården wants to create an inviting property that is adapted to modern working methods and an active lifestyle. With a strong focus on people, sustainability and recycling, new flexible environments are being developed. Customisable traditional offices are combined with common meeting and workspaces as well as move-in ready offices. In addition to this, amenities such as a gym and yoga room, café, bicycle parking room, changing room and parcel lockers will be available.

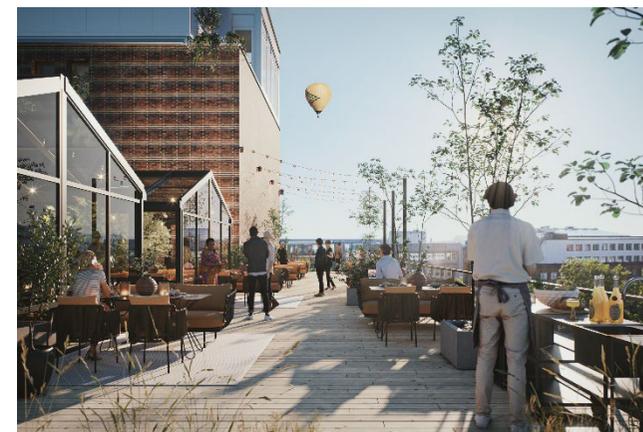
- Total rentable space: Approx. 20,000 m²
- Available: From the fourth quarter 2023
- Green certification: BREEAM In-Use, level Very Good¹⁾
- Architect: Strategisk Arkitektur



Stenhöga 5, Origo etapp 1, Solna strand

Origo is Humlegården's latest step in the development of the Stenhöga quarter, a place that in recent years has received several exciting additions to the stretch from the Swedbank HQ (Cirkusängen 6) to the office building Grow (Stenhöga 4). Here, we want to create a modern urban feel with increased openness, new walkways and generous meeting places, where the new buildings link the area together. In the design of Origo, we have placed a particularly strong focus on the atmosphere as well as the service offering that Humlegården has developed together with Spik Studios, which created concepts such as Ellery Beach House and Steam Hotel. Origo consists of three buildings that are built in stages and partially replace the old industrial building Stora Blå. Work on the first stage of approximately 20,000 m² is ongoing.

- Total rentable space: Approx. 50,000 m²
- Available: From the fourth quarter 2023
- Green certification: Miljöbyggnad, level Guld¹⁾
- Architect: White Architects, Spik Studios



¹⁾ Certifications are preliminary as the projects are ongoing.

Approved properties and projects according to Humlegården's framework for green financing

As of 2022-12-31 Ongoing projects	Amount inc.		Energy use forecast per year	
	outgoing balance	Utilised financing	MWh	kWh/kvm
	SEK million	SEK million		
Origo (Stenhöga 5)	528	0	1,094	42
Greenhouse (Päronet 8)	83	0	1,715	73
Total completed and ongoing projects	611	0		

Existing properties / completed projects	Market value		Energy use 2022	
	SEK million	SEK million	MWh	kWh/kvm
Investment properties	20,591	10,872	22,361	78

Approved investment amount

2022-12-31, mkr	
Total financing headroom	21,202
<i>Minus existing debt</i>	
Green bank financing	2,865
Green bonds	7,610
Green commercial papers	397
Remaining green financing headroom	10,330

Humlegården's long-term sustainability goals



..... = Percentage reduction to achieve our goal — = Goal

Auditors report

Report on Factual Findings

To Humlegården Fastigheter AB, corporate ID: 556682-1202

Purpose

Our report is solely for the purpose of assisting Humlegården Fastigheter AB:s ("Humlegården") in presenting to investors that net proceeds from issued green borrowing as of 2022-12-31 has been used exclusively for projects/assets that follows the categories and criteria in Humlegården's Green Financing Framework and may not be suitable for another purpose.

Responsibilities of the Engaging Party

Humlegården (responsible party) has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

Humlegården (also responsible party) is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), Agreed-Upon Procedures Engagements. An agreed-upon procedures engagement involves performing the procedures that have been agreed with Humlegården, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements as stated in International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBAs Code of Ethics) and independence requirements in section 4A of IESBAs Code of Ethics.

Our firm applies ISQM 1 (International Standard on Quality Management), 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.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with Humlegården in the terms of engagement dated February 1st, 2023, regarding that net proceeds from issued green borrowing as of 2022-12-31 have been used exclusively for projects/assets which comply with the categories and criteria set out in Humlegården's Green Financing Framework. The procedures performed are summarized as follows:

1. We agreed that the sum corresponding to the net proceeds from issued green borrowing has been transferred to a special account ("Green Account") or otherwise tracked by Humlegården ("Green Portfolio") in accordance with Humlegården's Green Financing Framework.
2. We agreed that the sum corresponding to the net proceeds from green borrowing has been used exclusively for projects/assets that follow the categories and criteria in Humlegården's Green Financing Framework.

We have made the following findings:

- Relating to procedure 1) we found no deviations.
- Relating to procedure 2) we found no deviations.

Stockholm 29^h March 2023
KPMG

Fredrik Sjölander
Authorized Public Accountant

Torbjörn Westman
Head of KPMG Assurance Services

Appendices:

1. List of approved projects/assets according to Humlegården's Green Financing Framework as of KPMG:s review per December 31st 2022.

Appendix to the Auditors report

Appendix 1 Approved projects/assets according to Humlegården's Green Financing Framework as of 31 December 2022

Property	Category	Total approved amount (SEK million)		
Apelsinen 4	"Green buildings"	498		
Apelsinen 5	"Green buildings"	713		
Blasieholmen 55	"Green buildings"	1,400		
Bremen 2	"Green buildings"	2,830		
Bremen 4	"Green buildings"	1,530		
Cirkusängen 6	"Green buildings"	2,720		
Humlegården 60	"Green buildings"	1,330		
Kåkenhusen 25	"Green buildings"	1,640		
Käpplingeholmen 3	"Green buildings"	572		
Päronet 6	"Green buildings"	804		
Riddaren 18	"Green buildings"	1,310		
Skravelberget Större 20	"Green buildings"	1,350		
Smultronet 2	"Green buildings"	1,080		
Stenhöga 2	"Green buildings"	288		
Styrpinnen 19	"Green buildings"	1,180		
Österbotten 7	"Green buildings"	286		
Österbotten 8	"Green buildings"	1,060		
Project				
Origo (Stenhöga 5)		528		
Greenhouse (Päronet 8)		83		
Total approved amount	Bonds	Outstanding green bank loans	Commercial paper	Remaining financing headroom
21,202	7,610	2,865	397	10,330