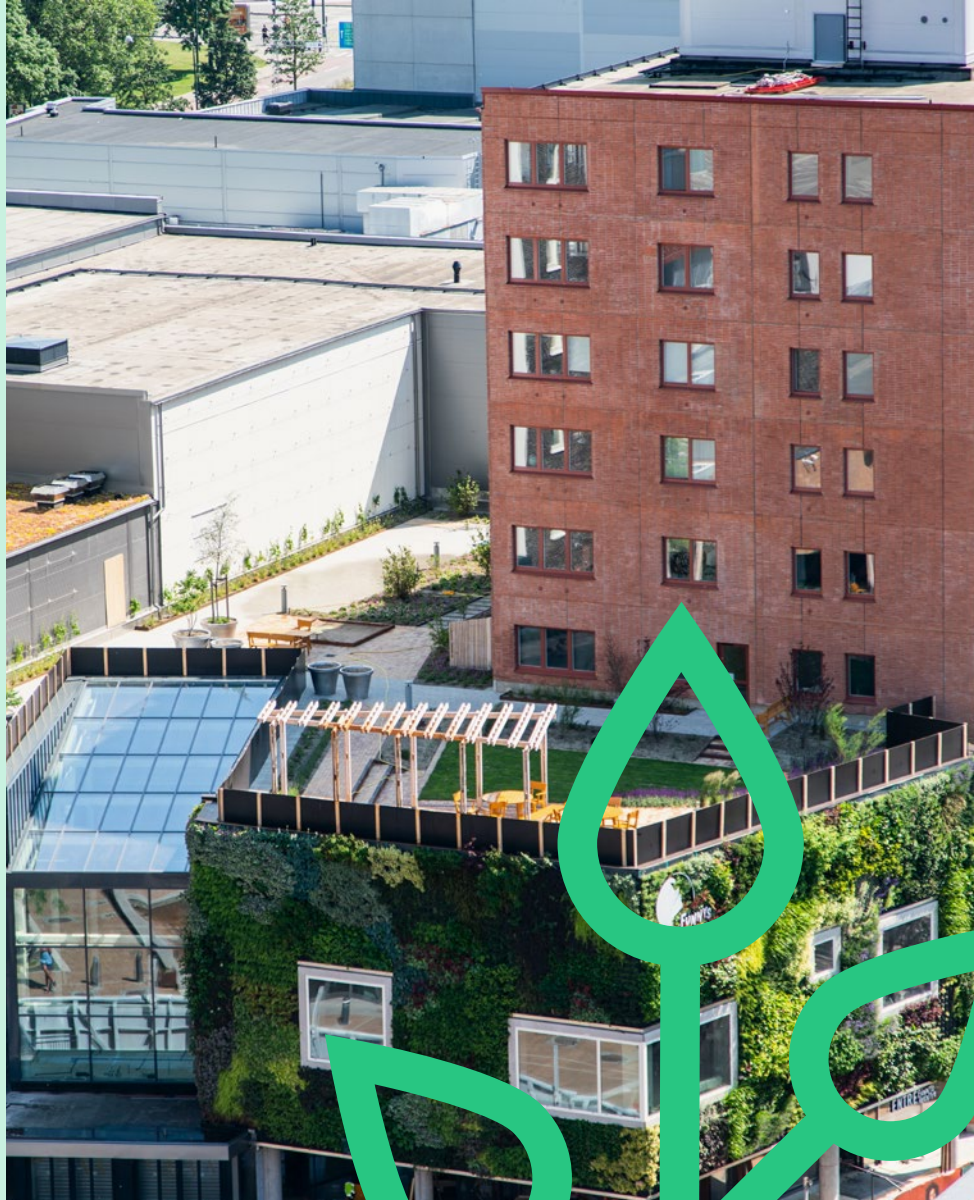


February
2022



Green Bond Framework.

Important Notice.

THIS DOCUMENT (the *Green Bond Framework* or *Framework*) contains information on Atrium Ljungberg's (*Atrium Ljungberg*) and its potential use of bond financing with added environmental criteria (the *Green Terms*).

Any such bond financing by Atrium Ljungberg that includes the Green Terms in its associated financing documentation, by reference or inclusion, as detailed in this document or in future versions of this document, will be designated as a Green Bond (*Green Bond*).

Depending on the language of the bond documentation the Green Terms in this Framework may be translated into other languages, as required or preferred in the local jurisdiction.

Furthermore, all parties are advised to review the risk factors in the relevant bond documentation. Any issuance of notes will be subject to the version of the Green Terms in the associated bond documentation.

Any new issuance of Green Bonds will include a reference to, or inclusion of, the most recently published Green Terms, which shall be publicly available in the Framework on Atrium Ljungberg's website.

Investors and third parties are advised to conduct an independent evaluation of the relevance and adequacy of the information in this Framework and for making such other investigations considered necessary prior to entering into any of the types of transactions or arrangements where the Green Terms would be applicable, for instance regarding the adherence to current and future regulation, standards or market practices such as the Green Bond Principles, the forthcoming EU Green Bond Standard or The EU Taxonomy.

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1. Background.

Introduction.



WE STRONGLY BELIEVE in innovation and the development of attractive locations for the future. Attractive city districts are not only about buildings; what happens inside and between the buildings is just as important. The key ingredients comprise a perfect mix of residential, workplaces, services, culture and retail. We believe that it is important to use the heart and soul of a location to enhance the experience. This creates *Our city – where everyone thrives*.

Climate change is doubtlessly one of the greatest challenges of our time. Properties have a significant environmental impact throughout their entire lifecycle and the construction and property industry accounts for a significant proportion of Sweden's total emissions. As one of Sweden's biggest property companies, it is important for us to reduce both our own and our tenants' environmental impact.

Atrium Ljungberg has been working actively with sustainability for several years and for us it is an important and integral part of our company's day-to-day activities. We develop sustainable cities and properties where people want to live and work for many years to come. Cities that are capable of handling urbanisation, climate change and social transformation. We take long-term responsibility when we build, develop, and manage.

About Atrium Ljungberg.



ATRIUM LJUNGBERG OWNS, develops and manages properties totalling 1,052,000 m2 letting area with a property value of SEK 49 billion. We want to be a leading developer of attractive, sustainable city districts and properties in Stockholm, Gothenburg, Malmö and Uppsala. Working with the municipalities, our customers and the people living in the cities, we build vibrant urban environments where offices, residential and retail mix with culture, services, healthcare, and education. An urban environment where people want to live, work and spend time – now and in the future. Our vision is *Our city – where everyone thrives* which enables us to create value for the company, for our shareholders, and society at large.

We remain active throughout the entire lifecycle of a building, as the developer of the property, as a contractor and as a property manager. We own large areas, so we can maintain a general strategy for a city district that really helps to enhance sustainability. We place demands on our suppliers and work with our tenants to achieve more than we could individually. By doing this we are trying to guide the entire value chain in a sustainable direction.

Our existing project portfolio will enable us to invest the equivalent of approximately SEK 37 billion in the future. 90% of these investment volumes are

for areas where we already have many properties, with the majority at existing or future underground stations in Stockholm.

Our long-term approach to ownership, development and management enables us to offer our customers attractive urban environments for offices, retail and residential units in strong subsidiary markets. Our in-house expertise and holistic perspective enable us to generate added value for customers and partners and to create value growth within the company.

Our values.

Our values form an integral part of everything we do and guide us in how we deal with our customers and other stakeholders. Caring for people and the environment is a key part of our business activities and is reflected in our values, processes, action plans and daily routines.

COLLABORATION

Collaborating across boundaries allows us to create entirely new opportunities – both for ourselves and for our customers.

LONG-TERMISM

The future permeates everything we do – from our ownership and sustainable solutions to how we work within the company and in relation to our customers and partners.

RELIABILITY

We keep our promises. The motto of ‘a handshake is enough’ is every bit as relevant today as it always has been.

INNOVATIVE THINKING

We recognise opportunities and always find the best solutions in our own way. We want to learn, try out new ideas and find new ways of collaborating.

Atrium Ljungberg's sustainability strategy.



ATRIUM LJUNGBERG DEVELOPS sustainable city districts and properties to create value for tenants, municipalities, others who use our locations and us as a company. The properties must be designed with care for people and the environment. They must be resource-efficient and make it easier for people to lead a sustainable lifestyle.

Atrium Ljungberg has been working actively with sustainability for several years and for us it is an important and integral part of our company's day-to-day activities. The sustainability goals up to 2021 focused on environmental certification, sustainable staff and a reduction in energy consumption. Although we have succeeded in reaching most of these sustainability goals, our greatest achievement has been making these issues a natural part of our work and our processes. This provides us with a stable and secure foundation, allowing us to take the next step in our sustainability work.

The aim of Atrium Ljungberg's new sustainability goals are to guide the company in a sustainable direction and help us achieve the company's vision: 'Our city – where everyone thrives'. The company's goals have been created following dialogue with the stakeholders and a materiality analysis and they will take us up to 2030. The global Sustainable Development Goals were launched in 2015 and one of the reasons why the next strategy period for Atrium Ljungberg's sustainability goals ends in 2030 is to provide a clear indication of how we are performing in relation to these Sustainable Development Goals.

Goals 2022 – 2030.

Here are the most important areas for Atrium Ljungberg in our sustainability work:

CLIMATE

Atrium Ljungberg will be climate-neutral by 2030, with emissions halving by 2025 for our projects. (key figures are measured in kgCO₂e/GFA and kgCO₂e/m²).

SOCIALLY SUSTAINABLE LOCATIONS

Atrium Ljungberg's locations will have reached 90 % in "Our City - Index for Socially Sustainability" by 2030.

BUSINESS ETHICS

100% of purchase volumes from significant suppliers will be evaluated 2025, using Atrium Ljungberg's Supplier Policy. Atrium Ljungberg will organise at least two development programmes for our suppliers every year.

SUSTAINABLE EMPLOYEES

Sweden's best employer, 85 % in the Great Place to Work survey on Sweden's best workplaces.

Goals 2022–2030



CLIMATE

The threat to our climate has become even more serious, with many companies needing to show the transition they are making to achieve the Paris Agreement's target of limiting warming to 1.5 degrees. We have now reached the point where companies are expected to manage their key sustainability factors and they will be judged based on their success. This work is closely linked to the value of a company. If Atrium Ljungberg is to continue to work towards its vision, it is important for the company's goals to reflect the sustainability challenges in our cities and communities.

Atrium Ljungberg will be climate-neutral by 2030. This goal will primarily be achieved by reducing energy consumption, choosing materials with a lower climate impact, and making efficient use of resources in order to prevent waste, increase sorted materials, promote circular solutions and streamline transport. These are the areas where Atrium Ljungberg currently

accounts its highest levels of emissions and where we can have an impact and make a change. This work is an integral part of the company's operations. It is monitored regularly and will be evaluated in a Climate Report every year. This climate goal is strongly linked to new laws and rules that move our industry forward, including climate declarations and the EU Taxonomy.

We certify our commercial new buildings mainly in accordance with BREEAM, existing buildings in accordance with BREEAM In-Use and newly built residential buildings in accordance with Miljöbyggnad. These certifications help make our buildings more sustainable, while it is easier to compare buildings to one another and to communicate with tenants. When we certify our new buildings in accordance with BREEAM, our goal is to achieve a minimum rating of *Excellent*. When we certify buildings in accordance with Miljöbyggnad, our goal is to achieve at least a *Silver* rating.

Goals 2022–2030



SOCIAL SUSTAINABLE LOCATIONS

Atrium Ljungberg believes in locations where many people can enjoy themselves and want to spend time, as this results in everyone taking better care of the location and each other. This helps us achieve our vision: 'Our city – where everyone thrives'. We have been working with social sustainability for many years and we are also developing a way of measuring our results to make this work more methodical.

Social sustainability has many different dimensions, which is why this goal is based on an index that includes five different areas. Each area is given a score, with all of the scores added up to give a total value.

- Security, well-being and accessibility
- Closeness, togetherness and flexibility
- Ecosystems and adaptation to climate change
- Identity, history and diversity
- Dialogue and participation

BUSINESS ETHICS

Business ethics remain an important part of Atrium Ljungberg's sustainability work. Our suppliers are seen as an extension of our own operations. The requirement for every supplier (purchases over 100000 SEK) to sign our Supplier Policy will remain in place and we will intensify our monitoring work to ensure that they keep to their commitments. Our Supplier Policy is based on the Swedish Property Federation's Supplier Code of Conduct. It covers issues surrounding business ethics, the environment, work environment, working conditions and human rights.

Atrium Ljungberg will organize at least two development programmes for our suppliers every year so that we can work with our suppliers to develop our sustainability work and find new solutions, both for us and the industry.

SUSTAINABLE EMPLOYEES

Sustainable employees are an important internal sustainability goal for the company and its stakeholders. The overall goal remains a GPTW level of 85% and to be Sweden's best employer. We have achieved this every year since we started these measurements in 2011.

GOVERNANCE

Atrium Ljungberg's Board of Directors establishes the overall sustainability policy for the company. The policy emphasises the fact that the goals need to be measurable and are monitored every quarter or annually, while the company's strategy and goals are evaluated and updated every two years.

Sustainable Finance.



Since we launched our inaugural Green Bond Framework in February 2017 the market of green financing has developed a lot. At the time of publishing this Framework the Climate Delegated Act, covering the first two environmental objectives of the EU Taxonomy, had been adopted and scheduled to enter into force by the first of January 2022. In line with the Taxonomy Regulation companies will start to report on Taxonomy Alignment. At Atrium Ljungberg we are examining how we best can use the EU Taxonomy in our reporting. In addition, the new proposed market standard for green bonds, the European Green Bond Standard, is under development by the European Commission and is expected to be adopted during 2022. We will continue to monitor the development of the Green Bond market and the regulatory landscape with an ambition to continually advance the Framework and the Green Terms to reflect current market best practices. In establishing the terms in this Framework Atrium

Ljungberg has sought to comply with the Green Bond Principles (June 2021) and current market best practice as well as considered the requirements of the proposed European Green Bond Standard and the EU Taxonomy and how these can be used as a guiding tool for criteria's and overall Framework structure.

We have worked with Handelsbanken to develop this Green Bond Framework. Cicero has provided a second opinion on the Green Terms, which is publicly available on our website.

More information about our work with sustainability is available on our website www.al.se/en.

Nacka, February 2022

Annica Ânäs
CEO Atrium Ljungberg

Ulrika Danielsson
CFO Atrium Ljungberg

Saga Jernberg
Head of Sustainability
Atrium Ljungberg

Example projects:



KATARINAHUSET, TRANBODARNA 11 RECONSTRUCTION PROJECT

The reconstruction of this office building measuring 25,100 m² started in the summer of 2020 in Slussen in the centre of Stockholm. This property will be completed in 2023 and certified in accordance with BREEAM-in-Use with a rating of Very Good.

The facades and large parts of the frame are being preserved, with most of the demolition material firstly being reused where possible, or otherwise recycled. We choose new construction materials with sustainability in mind and work to ensure the best possible energy efficiency in our heating, cooling and ventilation solutions. We recommend new tenants to select ready-made interior concepts to ensure the greatest amount of flexibility when making future adaptations to premises.

District heating and cooling are going to be used, with a predicted energy performance of 92 kWh/m², which is approximately 12% better than the Swedish building regulations.



TAPETFABRIKEN SICKLAÖN 83:22 NEW BUILD PROJECT

Tapetfabriken is a hotel with 240 rooms on the site of a former wallpaper factory at Marcusplatsen, a green square in Sickla. We have reused the original brickwork from 1906 in this new building, not only to recycle the materials, but also to tell the stories of the area, its activities and the people who lived and worked there. The hotel encourages more people to come to Sickla in the evenings, making it a safer and more attractive location. The hotel opened in June 2021 with an area of 15,100 m² and has been certified Excellent in accordance with BREEAM.

District heating and cooling are going to be used, with a predicted energy performance of 55 kWh/m², which is approximately 48% better than the Swedish building regulations.

2. Methodology.

ENVIRONMENTAL OBJECTIVES (GBP)

The Green Bond Principles contains a set of high-level Environmental Objectives (*Environmental Objectives*), which outline the main environmental benefits of the anticipated use of proceeds.

1. CLIMATE CHANGE MITIGATION:

Activities that contribute to the stabilization of greenhouse gas concentrations in the atmosphere at a level which prevents dangerous anthropogenic interference with the climate system by avoiding or reducing greenhouse gas emissions or by greenhouse gas removals.

2. CLIMATE CHANGE ADAPTATION: Activities that contribute to reducing or preventing the negative effects of the current and expected future climate on the location and context specific economic activities or natural and built environments.

3. NATURAL RESOURCE CONSERVATION:

Activities that contribute to the sustainable utilization of natural resources, for instance soils, waters and plants, or the preservation of forests and watershed areas, to ensure that renewable resources are not used up faster than they are replaced, while lessening the dependence and ensuring the sustainable use of non-renewable resources.

4. BIODIVERSITY CONSERVATION: Activities that contribute to the preservation and regeneration of genetic, species and ecosystem diversity in the terrestrial, marine and aquatic environment.

5. POLLUTION PREVENTION AND CONTROL:

Activities that contribute to a high level of environmental protection from pollutants other than greenhouse gases affecting air, water or soil whilst minimizing negative impact on human health and the environment.

Not more than 15% of net proceeds will be allocated to Eligible Green Assets with a primary alignment towards environmental objective 3–5.

EXCLUSIONS

The net proceeds will not be allocated or linked to fossil based energy generation, nuclear energy generation, research and/or development within weapons and defence, potentially environmentally negative resource extraction (such as rare-earth elements or fossil fuels), gambling or tobacco.

ALLOCATION OF NET PROCEEDS

An amount equal to the net proceeds will be used to finance Green Assets in accordance with the Green Bond Framework. The majority of the net proceeds are expected to be allocated to new projects and assets (defined as projects and assets financed within 12 months from completion). The proportion of net proceeds allocated to new projects and assets will be disclosed in the annual reporting.

Alignment with the UN Sustainable Development Goals.



Agenda 2030 and the Sustainable Development Goals (SDG) were adopted by the United Nations General Assembly on 25 September 2015. There are 17 global goals with 169 defined underlying targets, aimed at achieving long-term sustainable economic, social and environmental development in order to eradicate extreme poverty, to reduce inequality and injustice in the world, and to fight climate change. In order for the goals in agenda 2030 to become a reality, all parts of society need to contribute, Atrium Ljungberg has the possibility to conduct business in ways that support the global goals.

Atrium Ljungberg prioritize the goals where we see that we have the best conditions to make a difference for people and planet. For further information about how Atrium Ljungberg works with the SDG's please visit our website. Atrium Ljungberg has identified the following goals as being the most important and where Atrium Ljungberg can contribute the most:

The Sustainable Development Goals.



Ensure healthy lives and promote well-being for all at all ages.

TARGET: 3.9

Our properties are to be designed for people who spend time there. By using the Swedish Building Materials Assessment and obtaining environmental certifications for our properties, we help reduce hazardous chemicals and construction materials, and avoid polluting the air, water and ground. A good indoor climate in the properties is very important for health and means we thereby help reduce the amount of illness in society.



Achieve gender equality and empower all women and girls.

TARGET: 5.1

We constantly work to increase gender equality and eliminate discrimination at the workplace. We have an equal gender distribution in our company management team and in staff functions. This work continues, focusing primarily on the occupational groups within construction and property management.



Ensure availability and sustainable management of water and sanitation for all.

TARGET: 6.3, 6.4

The properties are to be resource-efficient and facilitate a sustainable lifestyle. Therefore, we certify our buildings with the environmental certifications BREEAM, BREEAM In-Use and Miljöbyggnad. We can contribute to efficient water consumption and ensure sustainable abstraction of freshwater to combat water shortages, particularly when developing city districts and buildings. We help improve water quality by minimizing emissions and pollutants in the water and through smart surface water management.



Ensure access to affordable, reliable, sustainable, and modern energy for all.

TARGET: 7.2, 7.3

By only using purchased electricity from hydropower and installing our own solar cells on the properties, we contribute to increasing the share of renewable energy in the global energy mix. With various measures, we reduce energy use in our buildings and thus contribute to increasing the global rate of improvement in terms of energy efficiency.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Target: 8.8

We actively work to promote a safe and secure work environment and good working conditions for our own employees and our sub-contractors. Combating human rights violations is an important part of our work and the demands we place on our suppliers.



Make cities and human settlements inclusive, safe, resilient and sustainable.

Target: 11.3, 11.6, 11.7

We play an active role in the urbanization of cities through the work that we do. Our business is based on sustainable, innovative urban development. We work with customers, suppliers and municipalities in the planning, construction, and management of the properties, and together we create sustainable cities and societies. By ensuring that we have a good mix of content in the buildings and by designing public spaces and green areas, we create inclusive urban life, green oases, security, and well-being. We also work to reduce the cities' negative environmental impact per person.



Ensure sustainable consumption and production patterns.

Target: 12.2, 12.4, 12.5

Our ambition is to contribute to more sustainable consumption and production by working with our own resource efficiency, as well as the resource efficiency of our suppliers and customers. We aim to reduce energy consumption, handle chemicals and waste in an eco-friendly way and reduce emissions by obtaining environmental certifications for our buildings, sorting waste at source at our construction sites and placing demands on our suppliers. We promote increased recycling and reuse among our tenants and visitors by providing recycling solutions at all properties, running recycling campaigns and ensuring that there are second-hand shops at our retail hubs.



Take urgent action to combat climate change and its impact.

TARGET 13.1

We are working to reduce carbon dioxide emissions and therefore combat climate changes, for example by reducing energy use, more efficient use of material, fossil free transports etc. We also want to give the cities and the properties greater resistance and a better ability to adapt to climate-related dangers and natural catastrophes. Trees, green roofs, and smart surface water management help us adapt our properties to climate change.



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

TARGET 15.5

It is important to help reduce the destruction of natural habitats, halt biodiversity loss and protect and prevent the extinction of threatened species. We can do this by creating green spaces that promote species diversity, working on ecosystem services and using trees, land, walls and roofs in a sustainable way in our urban environments.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels.

TARGET: 16.5

We work proactively to minimize all forms of corruption and bribes, both among our employees and among suppliers and customers. This is our way of contributing to a peaceful and inclusive society.

3. Green Terms.



1. USE OF PROCEEDS

An amount equivalent to the net proceeds from Green Bonds will exclusively be used by Atrium Ljungberg to fully or partly finance or refinance investments and expenditures that promote the transition to low-carbon, climate resilient and sustainable economies. Such assets (**Eligible Green Assets** or **Green Assets** or **Green Projects**) must comply with the categories and criteria's below as well as the Exclusion criteria, Allocation criteria and Environmental Objectives described in the Methodology section.

Both financing and refinancing of tangible assets (without age restriction) and operational expenditure (up to 3 years backward looking before the starting year of any newly issued Green Bond) such as maintenance costs related to green assets that either increase the expected lifetime or the energy efficiency can qualify. The combined allocated amount to a specific Green Asset, by one or several sources of financing with specified use of proceeds, may not exceed its value. Atrium Ljungberg only operates in the Swedish market and the net proceeds will therefore be used exclusively to finance or refinance investments and expenditure in Sweden.

GREEN BUILDINGS

Main Environmental Objective (GBP):
Climate Change Mitigation

Secondary Environmental Objective (GBP):
Climate Change Adaptation



NEW BUILDINGS

Development, acquisition, add-on construction on existing buildings or otherwise recently completed buildings that have, or will, receive (i) a design stage certification or (ii) a post-construction certification in any of the following building certification schemes at the defined threshold or better: BREEAM *Excellent*, Miljöbyggnad *Silver*, LEED *Gold* or Svanen as well as at least 20% lower energy use than required by the applicable national building code (BBR/NZEB).

Notice regarding energy target in new properties: We always strive to achieve at least 25% lower energy use than required by the applicable national building code (BBR) in new properties and add-on construction, but due to our properties' high cultural values (several are historic listed buildings) the scope of activities that can be undertaken to limit energy use is often restricted. Therefore a lower criteria threshold (20%) has been used, although the ambition for us will be to reach at least 25%.

EXISTING BUILDINGS

Existing buildings or major renovations that have, or will receive, (i) a design stage certification, (ii) a post construction certification or (iii) an in-use certification in any of the following building certification schemes at the defined threshold or better: BREEAM *Very Good*, BREEAM In-Use *Very Good*, Miljöbyggnad *Silver*, Miljöbyggnad iDrift *Silver*, LEED *Gold*, LEED EBOM *Gold* or Svanen, as well as achieve an energy target, as specified below:

- Buildings that are at least 10 years old and have recently completed or are currently undergoing major renovation require a 30% reduction in overall energy use or achieve an energy use 5% below the applicable national building code (BBR) for newly build properties.
- Existing buildings must achieve an energy use per square meter not exceeding the targets set out below and for own development of buildings constructed before 2021 at least 15% lower than the national building code (BBR) applicable for the specific building (when available).

BUILDING CATEGORY	CONSTRUCTION YEAR	ENERGY USE PER SQUARE METER
Residential buildings	After 2017	65 kWh/m ²
	2011-2017	80 kWh/m ²
	1991-2010	90 kWh/m ²
	1970-1990	100 kWh/m ²
	Before 1970	110 kWh/m ²
Office buildings	After 2014	>15% lower than BBR
	2011-2014	80 kWh/m ²
	1991-2010	90 kWh/m ²
	1970-1990	100 kWh/m ²
	Before 1970	115 kWh/m ²
Other buildings	After 2014	>15% lower than BBR
	2011-2014	85 kWh/m ²
	1991-2010	100 kWh/m ²
	1960-1990	115 kWh/m ²
	Before 1960	120 kWh/m ²

RENEWABLE ENERGY

Main Environmental Objective (GBP):
Climate Change Mitigation



Renewable energy production, such as wind power, on-site solar power installations and on-site geo-energy installations (ground and surface systems), as well as related infrastructure investments for example grid connections, electric substations or networks.

CLEAN TRANSPORTATION

Main Environmental Objective (GBP):
Climate Change Mitigation



Supportive infrastructure such as charging stations for electric vehicles, bicycle garages, pedestrian walkways, bicycle lanes or other investments that support and emphasize the use of clean transportation solutions.

ENERGY EFFICIENCY

Main Environmental Objective (GBP):
Climate Change Mitigation



Upgrades to the existing portfolio of buildings that target a lower overall energy use and an improved environmental footprint. This could include, for instance, the installation of geothermal heating/cooling, energy-efficient lighting, IT-technology (monitoring, efficiency management and remote operation), energy efficient windows or an upgraded ventilation system. Only directly associated expenditure (e.g. material, installation and labour) is eligible for financing.

Atrium Ljungberg will ascertain the following:

- a. High estimated energy savings in the targeted area (minimum 20%).
- b. Minimize long term negative climate impact and potential rebound effects.
- c. Minimal negative climate impact from the technology used.

ENVIRONMENTALLY SUSTAINABLE MANAGEMENT OF LIVING RESOURCES AND LAND USE

Main Environmental Objective (GBP):
Climate Change Mitigation

Secondary Environmental Objective (GBP):
Climate Change Adaptation
Biodiversity Conservation
Pollution prevention and control



Investments in solutions for green urban environments that promote, restore and preserve biological diversity. These include, e.g. green roofs, green walls, urban biotopes, flowerbeds and trees, which all have various positive effect on e.g. strengthening ecological values, reducing noise levels, mitigating physical climate risks or binding air-borne particles.

Investments in soil remediation, meaning the removal of harmful substances in the soil. Such investments require that a soil survey has been carried out and an emphasis is placed on the reuse of the material (with destruction or deposit as a last option).

Investments in waste management, such as collection, prevention, reduction or recycling of waste.

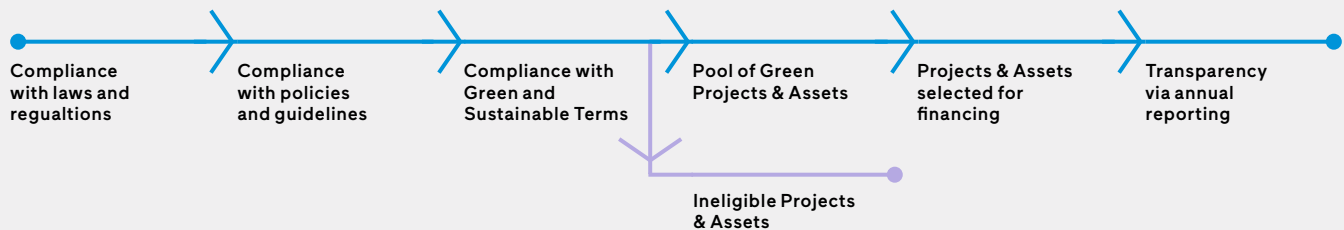
CLIMATE CHANGE ADAPTATION

Main Environmental Objective (GBP):
Climate Change Mitigation



Investments undertaken to mitigate the negative consequences brought on by climate change and their impact on properties, including adaptation of buildings, infrastructure, parks and green areas to build resilience against expected risks such as increased rainfalls, flooding or sea level rise.

The Selection Process of Eligible Green Assets at Atrium Ljungberg



2. PROCESS FOR PROJECT EVALUATION AND SELECTION.

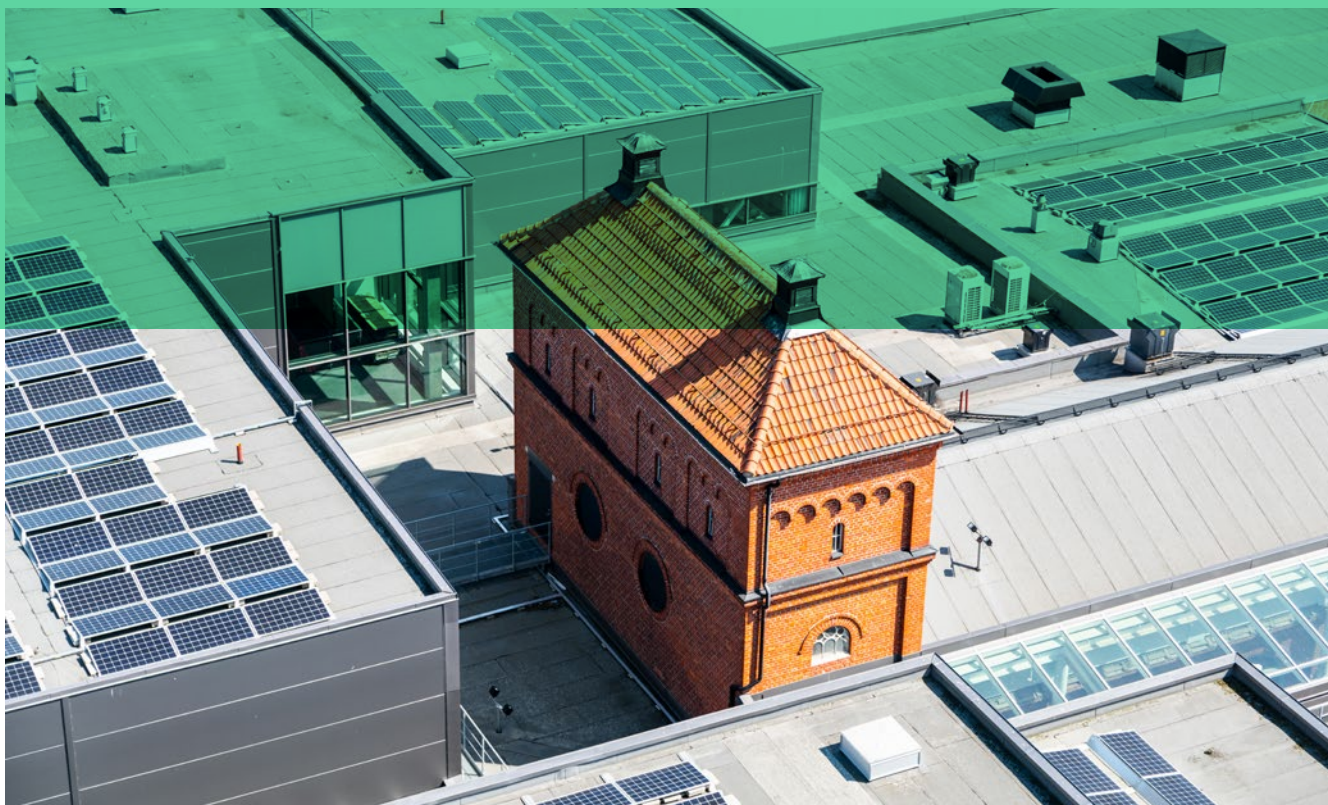
Projects and assets potentially eligible for Green Financing will be identified as part of the ongoing operations. Identified projects and assets will be evaluated by the Green Bond Committee (**GBC**) which is a group consisting of representatives from the Treasury and the Sustainability departments. The GBC was established in 2017 in connection with Atrium Ljungberg's first Green Bond Framework.

The GBC will review information about the assets and evaluate the overall environmental impact, which includes life cycle considerations, potential rebound effects, resilience considerations and adherence to at least one of the Environmental Objectives. The projects and assets must also be compliant with applicable national laws and regulations, as well as policies and guidelines at Atrium Ljungberg. The Atrium Ljungberg Green Bond Committee can request additional information and consult with internal parties, but the mandate to make decisions is held by the group. A decision to allocate net proceeds will require a consensus decision by the GBC. Decisions made by the GBC will be documented. Furthermore, the GBC is also responsible for signing off on the forthcoming reporting under the framework as outlined under the section Reporting and Transparency.

An updated list of all Green Assets will be kept by Atrium Ljungberg's sustainability department. If a project or asset ceases to meet the Green Terms, it will be removed from the list (and the funds will be recycled). The list will also be used as a tool to determine if there is a current or expected capacity for additional Green Bonds.

EXTERNAL REVIEW

Atrium Ljungberg acknowledges the recommendation in the Green Bond Principles regarding transparency and verification of net proceeds allocation. For further information, see the "Annual Review" section under Reporting and Transparency.



3. MANAGEMENT OF PROCEEDS.

An amount equal to the net proceeds of any Green Bonds will be credited to a dedicated account (**the Green Account**) or otherwise tracked by Atrium Ljungberg (**the Green Portfolio**). Deductions will be made from the Green Portfolio by an equivalent amount corresponding to the financing, refinancing, investment or expenditure of Eligible Green Assets or at repayment of any Green Bonds.

If an Eligible Green Asset no longer qualifies or if the underlying project or asset is divested or lost, an amount equal to the funds allocated towards it will be re-credited to the Green Portfolio. Funds may also be reallocated to other Green Assets during the term of any Green Bond, unless otherwise agreed in the loan documentation.

The treasury department will keep a record of the purpose of any change in the Green Portfolio and ensure that the combined funds directed towards a specific Green Asset, by one or several sources of green financing (such as Green Bonds and Green Loans) or other financing with specific use of proceeds, does not exceed its value.

While the Green Portfolio has a positive balance, the net proceeds may be invested or utilised by the treasury in accordance with Atrium Ljungberg's sustainability policy and investment criteria. Such unallocated funds may for instance be invested in short-term interest-bearing securities, such as Swedish treasury bills (and related entities) or Swedish municipal notes (including related entities).

EX-POST VERIFICATION OF FUNDS

Atrium Ljungberg acknowledges the recommendation in the Green Bond Principles regarding transparency and verification of funds, hence verification will be sought from Atrium Ljungberg's external auditor. Further information can be found in the Annual Review section under Reporting and Transparency.



4. REPORTING AND TRANSPARENCY

To be fully transparent towards the Green Bond investors and other market stakeholders, Atrium Ljungberg will publish an annual report on its website (www.al.se/en) (that will detail the allocation of net proceeds and adherence to the Green Terms (the *Reporting*). The first such Reporting under this Framework is expected to take place in March, in proximity to the release of the company's Annual Report, and will be available in Swedish and in English. Atrium Ljungberg will yearly publish the allocation and impact reporting until such time that no Green Bonds are outstanding.

The Reporting will be prepared by the treasury and sustainability department. It will contain information on the Green Assets that have been financed with Green Bonds, a summary of Atrium Ljungberg's activities in the past year as pertains to Green Bonds as well as information, including examples, of the financed Green Asset's adherence to the relevant criteria.

ALLOCATION DISCLOSURE

Allocation of proceeds from Green Bonds will be provided at project level, unless confidentiality agreements, competitive considerations, or a large number of underlying qualifying projects limit the amount of detail that can be made available, in which case the information will be provided at an aggregated level, with an explanation of why project-level information is not given.

- For Green Buildings that have met the relevant Green Terms and to which net proceeds have been allocated the Reporting will disclose the aggregate market value (or investment cost, as applicable).
- For the categories Energy Efficiency investments, Renewable Energy investments, Environmentally Sustainable Management of Living Natural Resources investments, Clean Transportation investments and Climate Change Adaptation investments the total allocation of green net proceeds to each category will be disclosed.
- The sum of outstanding Green Bonds and the sum of the Green Portfolio balance, including any short term investments or net proceeds managed within the liquidity portfolio.
- The data shall be from the last of December in the previous year.

Impact metrics for green buildings.

IMPACT REPORTING & METRICS

The Reporting will contain a disclosure of asset level performance indicators. The Reporting will strive to disclose the impact based on the Green Financings share of the total investment. For financed Green Assets that are not yet operational, Atrium Ljungberg will strive to provide estimates of future performance levels. Atrium Ljungberg will emphasise energy savings and greenhouse gas reductions as the most relevant performance metrics for most projects. The metrics below are examples of indicators that are likely to be used by Atrium Ljungberg in the forthcoming Reporting.

Impact metrics for green buildings

- i. Energy performance/use.
 - a. For all buildings: the annual energy use per square meter Atemp (kWh/m²/year)
 - b. For all buildings: the annual energy savings (MWh per year).
 - c. For all new buildings: the relative energy performance (%-improvement) compared with applicable national building code.
 - d. For major renovations: the percentage reduction of energy use.
- ii. Building certification
 - a. Type of certification.
 - b. Achieved level of certification.
- iii. Carbon emission savings/reductions.
 - a. Carbon intensity: grams per square meter Atemp (CO₂e).
 - b. Carbon savings: annual carbon emission reductions/savings (CO₂e tones).
- iv. Green leases.
 - a. Share of green leases per annual contract rent.

Impact metrics for renewable energy

- i. For an installation of renewable energy in a real estate asset the percent of the assets total energy use supplied by the installation, the kWh/year and the estimated annual energy CO₂e savings
- ii. For an investment in a stand-alone renewable energy project the kWh/year and the estimated yearly CO₂e savings.

Impact metrics for clean transportation

- i. The number of charging stations for electric vehicles installed.
- ii. The proportion of parking spaces that has access to charging stations.
- iii. The number of bicycles that a bicycle garage can accommodate.

Impact metrics for energy efficiency

- i. Each yearly report will include an example of an energy efficiency investment that have been financed with green net proceeds. Given the number of project types that qualify under the category the KPI's will not be disclosed beforehand in the framework. Atrium Ljungberg will emphasize energy and carbon savings, where applicable, as relevant performance metrics.

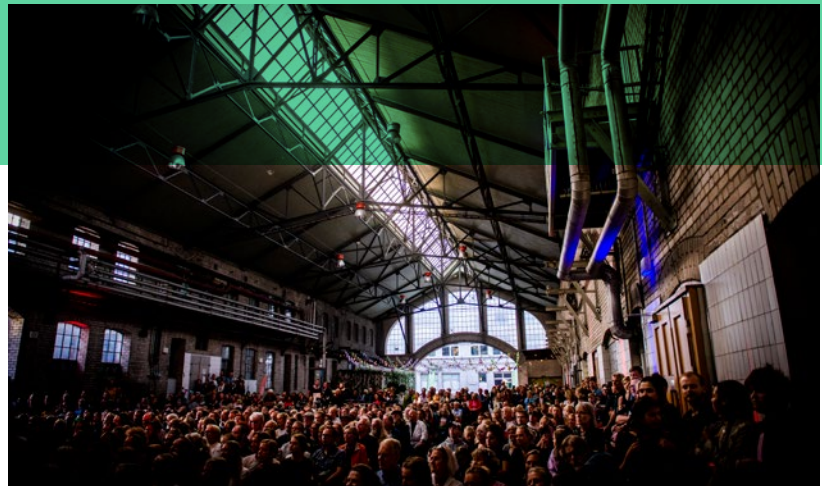
Impact metrics for environmentally sustainable management of living natural resources and land use

- i. Each yearly report will include an example of an investment that has been financed with green net proceeds (if such a project has been financed). Atrium Ljungberg will describe the investment and the area of the installation (if applicable), as relevant information metrics.

Impact metrics for climate change adaptation

Each yearly report may include an example of an investment that has been financed with green net proceeds (if such a project has been completed). Given the number of project types that qualify under the category the KPI's will not be disclosed beforehand in the Framework. Atrium Ljungberg will, where applicable, emphasise a description of the need for the investment, and if possible, what resilience the investment creates.

Carbon Footprint Calculation. Methodology.



TO CALCULATE GHG emission reductions, Atrium Ljungberg uses the Green House Gas Protocol and reports on Scope 1 and Scope 2 emissions. For 2020 the numbers were 104 grams CO₂e per kWh for electricity, 85 grams CO₂e per kWh for heat and 0 grams per kWh for cooling, with a combined CO₂e for delivered energy of 98 grams CO₂e per kWh. All values are location-based emissions equivalents and includes Scope 2 emissions per energy source, according to the recommendations of EPRA and the GRI Standards. This is the same methodology used in the company's sustainability reporting. It should be noted that this grid emission factors Atrium Ljungberg uses is considerably lower than what has been outlined in the *Nordic Public Sector Issuers: Position Paper on Green Bonds Impact Reporting (2020)*, which currently states 319 grams CO₂e per kWh.

ANNUAL REVIEW

The external auditor of Atrium Ljungberg, or a similar party appointed by Atrium Ljungberg with the relevant expertise and experience, will investigate and report whether an amount equal to the net proceeds have been allocated to the Eligible Green Assets that Atrium Ljungberg has communicated in the Reporting. Their conclusions will be provided in a signed statement, which will be published on Atrium Ljungberg's website (www.al.se/en).

DEDICATED WEBSITE

Atrium Ljungberg has a dedicated webpage for green financing (such as Green Bonds) at its website (www.al.se/en) where investors can find information regarding Atrium Ljungberg's Green Financing, including:

- [The Green Bond Framework](#)
- [The Second Opinion](#)
- [The Reporting](#)
- [The Annual Review](#)
- [Investor Presentations](#)

4. Definitions.



BREEAM VERY GOOD, EXCELLENT AND OUTSTANDING means the rating Very Good, Excellent and Outstanding within BREEAM, a grading scheme for the real estate sector developed by BRE Global, as well as local adaptations such as BREEAM-SE developed by the SGBC (Swedish Green Building Council) respectively, pursuant to their definition at the time of receipt of the relevant certification.

BREEAM IN-USE VERY GOOD, EXCELLENT AND OUTSTANDING means the rating Very Good, Excellent or Outstanding within BREEAM, a grading scheme for the real estate sector developed by BRE Global, pursuant to their definition at the time of receipt of the relevant certification.

BBR means the Swedish national building regulation set up by the National Board of Housing, Building and Planning, determining the regulatory requirements and offering general advice regarding all stages of planning, construction and operations of real estate assets.

MILJÖBYGGNAD SILVER means the rating Silver within the Miljöbyggnad building certification scheme administered by the Sweden Green Building Council (SGBC), pursuant to its definition at the time of receipt of the relevant certification.

MILJÖBYGGNAD IDRIFT SILVER means the rating Silver within the Miljöbyggnad building certification scheme administered by the Sweden Green Building Council (SGBC), pursuant to its definition at the time of receipt of the relevant certification.

NZEB means the EU Nearly Zero Energy Buildings requirement, to be implemented in Sweden in the coming years.

5. Policy documents.

Public Policies and Guidelines that govern Atrium Ljungberg's Environmental and Sustainability work are available at www.al.se/en

#	NAME	PUBLICLY AVAILABLE
1	Annual report 2020	Swedish, English
2	Sustainability Policy	Swedish, English
3	Business Ethic Policy/Code of Conduct	Swedish, English
4	Supplier Code of Conduct	Swedish, English
5	Equal Opportunities and Discrimination Policy	Swedish, English
6	Whistleblowing Policy	Swedish, English
7	Tax Policy	Swedish, English
8	Personal Data Policy	Swedish, English
9	Index for Social Sustainability	Swedish, English translation will be available later in spring 2022.

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