

# Second-Party Opinion

## Rikshem Green Bond Framework



### Evaluation Summary

Sustainalytics is of the opinion that the Rikshem Green Bond Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2021. This assessment is based on the following:



**USE OF PROCEEDS** The eligible categories for the use of proceeds – Green Buildings, Clean Transportation, Energy Efficiency, Renewable Energy – are aligned with those recognized by the Green Bond Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 7, 9 and 11.



**PROJECT EVALUATION AND SELECTION** Rikshem’s Green Business Council will evaluate and approve projects in line with the eligibility criteria in the Framework. The Green Business Council is also responsible for the identification and management of environmental and social risks associated with the eligible projects. Sustainalytics considers the project evaluation and selection process to be in line with market practice.



**MANAGEMENT OF PROCEEDS** Rikshem’s Treasury department will be responsible for the management of net proceeds and will track their allocation using a green register through a portfolio approach. Rikshem intends to allocate proceeds within 24 months of issuance. Pending full allocation, unallocated proceeds will be invested temporarily in liquid instruments, such as short-term interest-bearing securities, in accordance with Rikshem’s sustainability policy, investment criteria and the exclusionary criteria of the Framework. This is in line with market practice.



**REPORTING** Rikshem will report on the allocation of proceeds and corresponding impact in an annual report, which will be published on its website as long as there are bonds outstanding. Allocation reporting will include the nominal amount of outstanding bonds, a list and a brief description of the financed projects, the share of financing versus refinancing, the balance of unallocated proceeds, if any, and information on the share of financing by category, including the geographical distribution of projects. Sustainalytics views Rikshem’s allocation and impact reporting as aligned with market practice.

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## Introduction

Rikshem AB ("Rikshem" or the "Company") is a Swedish real estate company owned by the Fourth Swedish National Pension Fund and AMF Tjänstepension AB. Rikshem owns, develops and manages residential properties, such as student apartments, rental apartments, senior accommodation and care homes, as well as nursing homes and schools. Established in 2010, the Company's portfolio consisted of 489 properties valued at approximately SEK 58.8 billion (EUR 5.1 billion) as of December 2024, with residential properties accounting for 71% of the total value.

Rikshem has developed the Rikshem Green Bond Framework dated April 2025 (the "Framework") under which it intends to issue green bonds and use the proceeds to finance and refinance, in whole or in part, projects intended to contribute to the decarbonization of the Company's business operations and more generally, of the building stock in Sweden. The Framework defines eligibility criteria in the following areas:

1. Green Buildings
2. Clean Transportation
3. Energy Efficiency
4. Renewable Energy

Rikshem engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework's environmental credentials and its alignment with the Green Bond Principles 2021 (GBP).<sup>1</sup> The Framework has been published in a separate document.<sup>2</sup>

### Scope of work and limitations of Sustainalytics' Second-Party Opinion

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent<sup>3</sup> opinion on alignment of the Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework's alignment with the Green Bond Principles 2021, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer's sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.18, which is informed by market practice and Sustainalytics' expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with representatives of Rikshem to understand the sustainability impact of its business processes and planned use of proceeds, as well as the management of proceeds and reporting aspects of the Framework. Rikshem representatives have confirmed that: (1) they understand it is the sole responsibility of Rikshem to ensure that the information provided is complete, accurate and up to date; (2) they have provided Sustainalytics with all relevant information; and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with it.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Rikshem.

Sustainalytics' Second-Party Opinion assesses alignment of the Framework with market standards but provides no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the issuer.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee their realized allocation towards eligible activities.

<sup>1</sup> The Green Bond Principles are administered by the International Capital Market Association and are available at:

<https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

<sup>2</sup> The Rikshem Green Bond Framework is available on Rikshem's website at:

<https://www.rikshem.se/company-facts-in-english/financial-information/green-and-sustainable-financing/>

<sup>3</sup> When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument in favour or against the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Rikshem has made available to Sustainalytics for the purpose of this Second-Party Opinion.

## Sustainalytics' Opinion

### Section 1: Sustainalytics' Opinion on the Rikshem Green Bond Framework

Sustainalytics is of the opinion that the Rikshem Green Bond Framework is credible and impactful, and aligns with the four core components of the GBP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
  - The eligible categories – Green Buildings, Clean Transportation, Energy Efficiency and Renewable Energy – are aligned with those recognized by the GBP. Projects financed under the Framework will be located in Sweden, Denmark, Finland, Iceland and Norway.
  - The Framework has defined a look-back period of three years for the refinancing of operating expenditures while assets and capital expenditures will be refinanced without a look-back period, which Sustainalytics considers to be in line with market practice.
  - Under the Green Buildings category, Rikshem may finance or refinance new and existing residential and public buildings according to the following criteria:
    - Buildings built after 31 December 2020 that have primary energy demand (PED) at least 15% lower than the threshold set for the applicable nearly zero-energy buildings (NZEB) and certified or expected to be certified to the following minimum certification levels: i) BREEAM Very Good;<sup>4</sup> ii) Miljöbyggnad Silver;<sup>5</sup> or iii) Nordic Swan Ecolabel.<sup>6</sup> In addition, buildings will have undergone or will undergo a screening of material physical climate risks in accordance with the EU Taxonomy requirements.
    - Buildings built before 31 December 2020 with an energy performance certificate (EPC) A or those in the top 15% of the national or regional building stock based on PED. In addition, all buildings will have undergone a screening of material physical climate risks in accordance with the EU Taxonomy requirements.
    - Building renovations that lead to a reduction of at least 30% in PED over the pre-renovation level; or meet the requirements for major renovations in accordance with Directive 2010/31/EU (EPBD).<sup>7</sup>
      - Sustainalytics notes that the EU Taxonomy<sup>8</sup> requires renovations to comply with the requirements for “major renovations” set in the applicable national and regional building regulations implementing the EPBD, so that the energy performance of the building or renovated part meets the cost-optimal minimum energy requirements of the EPBD. Sustainalytics therefore encourages Rikshem to report on the actual improvement in primary energy demand performance or the energy savings achieved in comparison with the existing building stock in the area or region.
      - Sustainalytics notes that the asset value of buildings will be financed or refinanced only if the renovation results in meeting the criteria for existing buildings in the Framework within three years of completion of the renovation. Alternatively, financing will be limited to the cost of renovations.
    - Sustainalytics considers financing under this category to be in line with market practice.
  - Under the Clean Transportation category, Rikshem may finance or refinance charging stations for electric vehicles.

<sup>4</sup> BREEAM: <https://breeam.com/standards/new-construction>

<sup>5</sup> Miljöbyggnad: <https://www.sgbc.se/certifiering/miljobyggnad/>

<sup>6</sup> Nordic Swan Ecolabel: <https://www.nordic-swan-ecolabel.org/official-nordic-ecolabel/>

<sup>7</sup> European Parliament, “Directive 2010/31/EU”, at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02010L0031-20210101>

<sup>8</sup> European Commission, “Commission Delegated Regulation (EU) 2021/2139”, at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02021R2139-20240101>

- Rikshem has confirmed to Sustainalytics that standalone parking facilities are excluded.
  - Sustainalytics considers financing under this category to be in line with market practice.
- Under the Energy Efficiency category, Rikshem may finance or refinance projects to improve the energy efficiency of buildings, including: i) electric heat pumps; ii) energy-efficient lighting; iii) IT technology for monitoring, efficiency management and remote operation; iv) energy efficient windows; and v) upgraded ventilation systems.
  - The technologies and equipment financed under this category will result in a minimum of 20% energy savings. Sustainalytics views positively the inclusion of a defined energy efficiency threshold for the installation of energy-efficient systems, equipment and technologies.
  - Sustainalytics notes that Rikshem finances expenditures that are directly associated with the projects, such as material, installation and labour.
  - Rikshem has confirmed that the heat pumps financed under the Framework: i) do not use refrigerants with high global warming potential (GWP); and ii) will have a refrigerants management plan in place with measures to monitor and minimize leakages.
  - Rikshem has also confirmed to Sustainalytics that investments under this category exclude technologies, products and systems that are primarily powered by fossil fuels.
  - Sustainalytics considers financing under this category to be in line with market practice.
- Under the Renewable Energy category, Rikshem may finance or refinance projects according to the following criteria:
  - Electric heat pumps.
  - Solar power generation through on-site photovoltaic (PV) systems and independent solar farms.
  - Supporting infrastructure investments, such as grid connections, electric substations and networks. Rikshem has confirmed to Sustainalytics that the distribution assets and grid connections will only be connected to renewable energy sources.
  - Rikshem has confirmed that the electric heat pumps financed under the category: i) will meet the criteria of the Energy Efficiency category; and ii) there will be no double counting of eligible projects under this category with those financed under the Energy Efficiency category.
  - Sustainalytics considers financing under this category to be in line with market practice.
- Project Evaluation and Selection:
  - Rikshem has established a two-step process for project evaluation and selection. Relevant personnel within the Company will identify potential projects as part of the day-to-day business operations.
  - Rikshem's Green Business Council will then evaluate the nominated projects in line with the eligibility criteria in the Framework and is responsible for providing the final approval. The council comprises the Head of Sustainability, Group Treasurer, Head of Energy, Head of Projects and Head of Transactions. The Company's Treasury department will maintain an updated list of projects financed.
  - The Green Business Council is also responsible for the identification and management of environmental and social risks associated with eligible projects, in compliance with Rikshem's internal policies and applicable laws and regulation. Sustainalytics considers these environmental and social risk management systems to be adequate and aligned with the requirements of GBP. For additional detail, see Section 2.
  - Based on the established process for project evaluation and selection, and the presence of a risk management system, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
  - Rikshem's Treasury department will be responsible for the management of net proceeds and will track their allocation using a green register through a portfolio approach.
  - Rikshem intends to allocate proceeds within 24 months of each issuance. Pending full allocation, unallocated proceeds will be invested temporarily in accordance with the Company's sustainability policy, investment criteria and the exclusionary criteria for

- temporary investments of the Framework.<sup>9</sup> Temporary investments may include short-term securities, such as Swedish treasury bills and municipal notes, including related entities.
- Based on the use of an internal tracking system and the disclosure of the temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
  - Reporting:
    - Rikshem will report on the allocation of proceeds and corresponding impact in an annual report, which will be published on its website for as long as the bonds remain outstanding.
    - Allocation reporting will include the nominal amount of outstanding bonds, a list and a brief description of the financed projects, the share of financing versus refinancing, the balance of unallocated proceeds, if any, and information on the share of financing by category, including the geographical distribution of projects.
    - The allocation of proceeds will be reviewed by an external auditor or an independent third party annually.
    - Impact reporting will include relevant environmental impact metrics, where available, such as the environmental certification level and grade, annual energy use per square metre, annual absolute gross GHG emissions (in tCO<sub>2</sub>e), examples of energy efficiency projects financed with an emphasis on energy and carbon savings, where applicable, and yearly production of renewable energy (in GWh). Rikshem will follow ICMA's Harmonized Framework for Impact Reporting,<sup>10</sup> on a best-effort basis.
    - Based on the commitment to allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

### Alignment with Green Bond Principles 2021

Sustainalytics has determined that the Rikshem Green Bond Framework aligns with the four core components of the GBP.

## Section 2: Sustainability Strategy of Rikshem

### Contribution to Rikshem's sustainability strategy

Rikshem's sustainability strategy focuses on three focus areas: i) enhancing customer satisfaction; ii) achieving climate-neutral operations; and iii) improving safety performance. Within these focus areas, the Company has established specific environmental targets, including reducing climate emissions in line with the industry's road map, national climate targets, as well as the Paris Agreement's goal of limiting global warming to 1.5°C.<sup>11</sup>

Rikshem has established a roadmap to achieve climate-neutral operations by 2045. To achieve this goal, the Company has set interim targets to reduce scope 1 and scope 2 GHG emissions by 42% by 2030 from a 2020 base year and to reduce GHG emissions across its value chain by 50% during the same period.<sup>12</sup> The Company seeks to review its scope 1 and 2 science-based targets by the beginning of 2027, along with setting science-based targets for scope 3 emissions.<sup>13</sup>

The Company has implemented a range of measures to achieve these climate targets. To reduce scope 1 emissions, Rikshem is converting oil heating systems in its existing buildings to lower-emission alternatives, such as district heating or heat pumps, which led to a 84.1% reduction in scope 1 emissions as of 2024 compared to a 2020 baseline. To address scope 2 emissions, Rikshem is focused on enhancing the energy efficiency of its building portfolio by installing equipment such as heat pumps, LED lighting and solar PV panels.<sup>14</sup> In addition, the Company collaborates with district heating companies to reduce energy consumption during power peaks.<sup>15</sup> As a result, Rikshem had reduced its scope 2 emissions (location-based) by 9.1% in 2024 from 2020 levels.<sup>16</sup> Rikshem's scope 3 emissions (location-based), comprising approximately 71% of its total carbon footprint, arise primarily from new building construction, renovations and tenant energy consumption. As of 2024, Rikshem had reduced its scope 3

<sup>9</sup> The Framework excludes temporary investments in fossil-based energy generation, nuclear energy generation, research and development in weapons and defence, potentially environmentally negative resource extraction (such as rare-earth elements or fossil fuels), gambling and tobacco.

<sup>10</sup> ICMA, "Handbook - Harmonised Framework for Impact Reporting", (2024), at: <https://www.icmagroup.org/assets/documents/Sustainable-finance/2024-updates/Handbook-Harmonised-Framework-for-Impact-Reporting-June-2024.pdf>

<sup>11</sup> Rikshem, "Annual and Sustainability Report 2024", (2024), at: <https://www.rikshem.se/media/as4dpwec/rikshem-ab-publ-annual-and-sustainability-report-2024.pdf>

<sup>12</sup> Ibid.

<sup>13</sup> Rikshem shared this information with Sustainalytics confidentially.

<sup>14</sup> Rikshem, "Annual and Sustainability Report 2024", (2024), at: <https://www.rikshem.se/media/as4dpwec/rikshem-ab-publ-annual-and-sustainability-report-2024.pdf>

<sup>15</sup> Rikshem shared this information with Sustainalytics confidentially.

<sup>16</sup> Rikshem, "Annual and Sustainability Report 2024", (2024), at: <https://www.rikshem.se/media/as4dpwec/rikshem-ab-publ-annual-and-sustainability-report-2024.pdf>



emissions by 19.4% compared to the 2020 baseline.<sup>17</sup> To further reduce these emissions, Rikshem is implementing various initiatives, including: i) certifying new buildings to the Miljöbyggnad Silver standard; ii) expanding infrastructure for electric car charging and encouraging car and bicycle pooling; and iii) improving plastic recycling by aligning with Sweden's on-site packaging collection regulations to simplify plastic packaging recycling for its tenants.<sup>18</sup>

Sustainalytics is of the opinion that Rikshem's Green Finance Framework is aligned with the Company's overall sustainability strategy and initiatives and will further the Company's action on its key environmental priorities.

#### Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the proceeds from the instruments issued under the Framework will be directed towards eligible projects that are expected to have positive environmental impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects may include issues involving: i) land use and biodiversity loss; ii) emissions, effluents and waste generated in construction; iii) occupational health and safety (OHS); iv) community relations; and v) business ethics.

Sustainalytics is of the opinion that Rikshem is able to manage or mitigate potential risks through implementation of the following:

- To mitigate risks associated with land use and biodiversity loss, Directive 2014/52/EU<sup>19</sup> requires that projects financed within the EU, which are anticipated to have significant environmental impacts, undergo evaluation of their potential direct and indirect environmental impacts prior to approval. The directive also requires such projects to have appropriate measures to avoid, prevent, reduce and, where feasible, offset significant adverse effects on the environment, with the focus on species and habitats. For land intensive projects, the directive requires projects to obtain an environmental impact assessment. In addition, large-scale projects must limit their effects on land and soil, including organic matter, erosion, compaction, and sealing.<sup>20</sup> Furthermore, the EU Habitats Directive and Birds Directive, which are part of the EU Biodiversity Strategy for 2030, require projects in the EU to support the conservation of biodiversity, particularly threatened and endemic species.<sup>21,22</sup> Similarly, Norway's Nature Diversity Act requires companies to obtain a municipal permit for projects and affected areas of selected habitats,<sup>23</sup> in addition to obtaining regular building permits.
- Regarding emissions, effluents and waste generated in construction, Directive 2008/98/EC<sup>24</sup> requires companies in the EU to manage their construction and demolition waste without causing harm to human health or the environment. In addition, the Norwegian Pollution Control Act establishes guidelines to minimize and prevent pollution, as well as mechanisms to manage waste and effluents generation. The act also prescribes pollution mitigation and management strategies for buildings and construction.<sup>25</sup> Additionally, Rikshem uses *Byggvarubedömningen*, a construction product assessment tool to avoid the use of hazardous materials in buildings,<sup>26</sup> which evaluates construction products based on criteria such as chemical content and environmental impact over the product's entire life cycle.
- To address occupational health and safety risks, Rikshem's work-environment committee follows the Company's Sustainability Policy and Work Environment Policy.<sup>27</sup> Rikshem has established a systematic work environment procedure that includes annual health and safety interviews aimed at preventing injuries and ill-health.<sup>28</sup> Additionally, in compliance with EU Directive 89/391/EEC<sup>29</sup>, employers are required to implement necessary measures to prevent occupational risks, improve working conditions, provide adequate instructions

<sup>17</sup> Rikshem, "Rikshem Green Bond Framework", (2025), at: <https://www.rikshem.se/company-facts-in-english/financial-information/green-and-sustainable-financing/>

<sup>18</sup> Ibid.

<sup>19</sup> European Parliament, "Directive 2014/52/EU", at: <https://eur-lex.europa.eu/legalcontent/EN/TXT/?uri=celex%3A32014L0052>

<sup>20</sup> Ibid.

<sup>21</sup> European Parliament, "Directive 2009/147/EC", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32009L0147>

<sup>22</sup> European Commission, "Directive 2008/98/EC on waste", (2008), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32008L0098>

<sup>23</sup> Government of Norway, "Nature Diversity Act", (2009), at: <https://www.regjeringen.no/en/dokumenter/nature-diversity-act/id570549/>

<sup>24</sup> European Commission, "Directive 2008/98/EC on waste", (2008), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32008L0098>

<sup>25</sup> Government of Norway, "Pollution Control Act", (1981), at: <https://www.regjeringen.no/en/dokumenter/pollution-control-act/id171893/>

<sup>26</sup> Byggvarubedömningen, "Our assessments", at: <https://byggvarubedomningen.com/assessments/>

<sup>27</sup> Rikshem shared its Sustainability Policy and Work Environment Policy with Sustainalytics confidentially.

<sup>28</sup> Ibid.

<sup>29</sup> European Commission, "Directive 89/391/EEC", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:01989L0391-20081211&qid=1691606114488>

and training, along with other health and safety provisions.<sup>30</sup> Furthermore, the projects in Norway will follow the Norwegian Working Environment Act, which requires enterprises to have safety representatives to protect and preserve employees' health, the working environment and workers' safety.<sup>31</sup>

- With respect to community relations, Rikshem actively participates in the development of the communities in which it operates and engages in dialogue with its customers and with other local stakeholders, such as municipalities, police and other property owners.<sup>32</sup>
- Regarding business ethics, Rikshem's code of conduct provides guidance to employees on issues such as human rights, fair and safe working conditions and anti-corruption.<sup>33</sup> Employees can report breaches of the code of conduct anonymously via Rikshem's whistleblower function.<sup>34</sup> Rikshem requires its suppliers and business partners to comply with the UN Global Compact in the areas of human rights, labour law, the environment and anti-corruption.<sup>35</sup> To confirm compliance, Rikshem includes the code in the supplier agreement and conducts regular audits.<sup>36</sup> Furthermore, the Company has established a policy for counteracting conflicts of interest and a rental policy that governs its rental activities.<sup>37</sup>
- Sustainalytics notes that the eligible projects will be located in Sweden, Denmark, Finland, Iceland and Norway, which are recognized as Designated Countries under the Equator Principles,<sup>38</sup> indicating the presence of robust environmental and social governance systems, legislation, and institutional capacity to protect the environment and communities, including stakeholder engagement. indicating the presence of robust environmental and social governance systems, legislation, and institutional capacity to protect the environment and communities, including stakeholder engagement.

Based on these policies, standards, and assessments, Sustainalytics is of the opinion that Rikshem has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

### Section 3: Impact of Use of Proceeds

All use of proceeds categories are aligned with those recognized by the GBP. Sustainalytics has focused below on where the impact is specifically relevant in the local context.

#### Importance of financing green buildings in Sweden

The buildings sector accounts for 22% of Sweden's total GHG emissions and 34% of the country's final energy consumption.<sup>39</sup> Sweden aims to reduce its total GHG emissions by 59% by 2030 compared with 2005 and to have a net zero carbon economy by 2045.<sup>40</sup>

As part of its decarbonization efforts in the buildings sector and in alignment with the requirements of the EPBD, the Swedish National Board of Housing, Building and Planning (Boverket) has established primary energy consumption limits of 75 kWh/m<sup>2</sup> for apartment buildings and 70 kWh/m<sup>2</sup> for residential buildings.<sup>41</sup> In addition, Boverket has defined minimum energy performance standards that buildings must meet in 2030 and 2033 to continue in use.<sup>42</sup> Based on its analysis, Boverket estimates that approximately 37,000 commercial buildings that rely on electricity and fossil fuels for heating will need to be renovated by 2033.<sup>43</sup> As of 2022, Sweden's Act on Climate Declarations for New Buildings requires

<sup>31</sup> Norwegian Labour Inspection Authority, "Act relating to the working environment, working hours and employment protection, etc. (Working Environment Act)", at: <https://www.arbeidstilsynet.no/globalassets/regelverkspdf/working-environment-act>

<sup>32</sup> Ibid.

<sup>33</sup> Rikshem, "Uppförandekod", at: <https://www.rikshem.se/media/ykvkeq31/uppf%C3%B6randekod.pdf>

<sup>34</sup> Rikshem, "Affärsmässighet och hållbara affärer", at: <https://www.rikshem.se/om-oss/hallbarhet/affarsmassighet-och-hallbara-affarer/>

<sup>35</sup> Rikshem, "Leverantörsuppförandekod", at: <https://www.rikshem.se/media/4esf1xqn/leverant%C3%B6rsuppf%C3%B6randekod.pdf>

<sup>36</sup> Ibid.

<sup>37</sup> Rikshem, "Rental policy - Policy for rental of residential properties", (2024), at: <https://www.rikshem.se/media/3j0fngx3/rental-policy-2024.pdf>

<sup>38</sup> Equator Principles, "About the Equator Principles", at: <https://equator-principles.com/about-the-equator-principles/>

<sup>39</sup> Boverket, "Miljöindikatorer – aktuell status", (2024), at: <https://www.boverket.se/sv/byggande/hallbart-byggande-ochforvaltning/miljoindikatorer-aktuell-status/>

<sup>40</sup> International Energy Agency, "Sweden", at: <https://www.iea.org/countries/sweden>

<sup>41</sup> Government Offices of Sweden, "Sweden's updated National Energy and Climate Plan 2021-2030", at: [https://commission.europa.eu/document/download/26d2c93e-641d-489f-a160-a7052fde58bb\\_en?filename=SE\\_FINAL%20UPDATED%20NECP%202021-2030%20%28English%29.pdf](https://commission.europa.eu/document/download/26d2c93e-641d-489f-a160-a7052fde58bb_en?filename=SE_FINAL%20UPDATED%20NECP%202021-2030%20%28English%29.pdf)

<sup>42</sup> Nordea, "Sweden unveils initial energy standards for commercial buildings", (2024), at: <https://www.nordea.com/en/news/sweden-unveils-initial-energy-standards-for-commercial-buildings#:~:text=Based%20on%20Boverket's%20analysis%2C%20around,23%2C000%20in%20total%20by%202033.>

<sup>43</sup> Ibid.

developers of new buildings to submit a climate declaration containing climate impact indicators during the construction phase, including GHG emissions per gross floor area, operational energy use and waste disposal.<sup>44</sup> Boverket also plans to expand the scope of the climate declaration to cover the full life cycle of buildings starting in January 2027.<sup>45</sup>

Based on the above, Sustainalytics is of the opinion that Rikshem's financing of green buildings is expected to contribute to the decarbonization of the building stock in Sweden and support the country's climate goals.

#### Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the Rikshem Green Bond Framework are expected to advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Clean Transportation	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible, and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
Energy Efficiency	7. Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency
	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

<sup>44</sup> Boverket, "Climate declaration for new buildings", (2023), at: <https://www.boverket.se/en/start/building-in-sweden/developer/rfq-documentation/climate-declaration/>

<sup>45</sup> Boverket, "Climate declaration for new buildings", (2023), at: <https://www.boverket.se/en/start/building-in-sweden/developer/rfq-documentation/climate-declaration/>



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## **Conclusion**

Rikshem has developed the Rikshem Green Bond Framework, under which it may issue green bonds and use the proceeds to finance projects and assets in the following categories: Green Buildings, Clean Transportation, Energy Efficiency and Renewable Energy. Sustainalytics considers that the eligible projects are expected to provide positive environmental impacts.

The Framework outlines a process for tracking, allocation and management of proceeds, and makes commitments for reporting on allocation and impact. Sustainalytics considers that the Rikshem's Green Bond Framework is aligned with the Company's sustainability strategy and that the use of proceeds categories will contribute to the advancement of UN Sustainable Development Goals 7, 9 and 11. Additionally, Sustainalytics is of the opinion that Rikshem has adequate measures in place to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that Rikshem is well positioned to issue green bonds, and that the Rikshem Green Bond Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021.

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