



# Sustainable Bond Developments

ANNUAL REPORT 2022

SAMHÄLLSBYGGNADSBOLAGET I NORDEN AB ("SBB")

## 1. Summary of Sustainable Bond Developments

During 2021 SBB issued two new social bonds and one social hybrid bond in accordance with the social financing framework developed in 2020. The total amount of outstanding social bonds is SEK 23 200m and total outstanding amount of green bonds is SEK 2 606m, originating from bonds issued in 2019, 2020 and 2021, including bonds originally issued by Offentliga Hus and Hemfosa. The Green and Social Bonds have been used to finance social assets as described in the section "Impact Reporting".

## 2. Outstanding amount of issued Sustainable Bonds

Green Bonds	Outstanding amount	Issued
SE0012256741 SEK	187 500 000	2019-02-14
SE0013042611 SEK	321 250 000	2019-09-27
SE0014965919 SEK	327 500 000	2020-10-12
XS2021634675 SEK	450 000 000	2019-07-03
XS2050862262 SEK	720 000 000	2019-09-06
XS2111589219 SEK	600 000 000	2020-01-30
<b>Total SEK</b>	<b>2 606 250 000</b>	

<b>Social Bonds</b>	<b>Outstanding amount</b>	<b>Issued</b>
XS2275409824 SEK	200 000 000	2020-12-18
XS2271332285 EUR	700 000 000	2020-12-14
XS2290558282 SEK	980 000 000	2021-01-26
XS2346224806 EUR	950 000 000	2021-05-26
<b>Total SEK</b>	<b>1 180 000 000,00</b>	
<b>Total EUR</b>	<b>1 650 000 000,00</b>	

<b>Social Hybrid</b>	<b>Outstanding amount</b>	<b>Issued</b>
XS2010028186 EUR	500 000 000	2021-06-30
<b>Total EUR</b>	<b>500 000 000</b>	

### 3. Balance on the Separate Account

#### Green Bonds

There are currently no funds deposited in the separate account for the green bonds and there are no unallocated proceeds from the green bonds.

#### Social Bonds

There are currently no funds deposited in the separate account for the social bonds and there are no unallocated proceeds from the social bonds.

### 4. Impact Reporting

#### Green Eligible Assets

In 2020, SBB launched a long-term strategy and framework for creating environmental and social impact. This framework was updated in 2021 with increased ambitions in reducing climate impact as well as a target to be classified as a green stock on Nasdaq Stockholm. The vision is to keep creating social values and with a 100 percent carbon positive value chain and 100 percent renewable energy by 2030. This vision is accompanied by concrete targets such as reduction in energy use and carbon emissions by 5 percent per year, at least 50 percent of new production in wood and to develop properties close to community services and public transport. To realize these goals, SBB have kept initializing energy reduction projects and certification projects as well as taking initiatives to reduce supply chain emissions. In addition, SBB has created an action plan to certify 500 buildings according to Miljöbyggnad iDrift. This is Sweden's largest certification according to Miljöbyggnad iDrift. A total of 11.5 percent of SBB's total portfolio (measured as percentage of market value) is now eligible for green bonds. An additional 14.8 percent is in progress or part of the action plan to certify 500 buildings. A noteworthy example is SBB's hospital at Gardermoen in Norway, the first hospital in the world to achieve the environmental certification Breeam in Use – Outstanding.

The table below shows eligible assets in the category Green Buildings, Category II: Existing buildings certified as Green Building<sup>1</sup>, Miljöbyggnad<sup>2</sup> Silver, Breeam In-Use Very Good and Outstanding and Energy Class A. They amount to a total market value of SEK 3 788m which allocates the total sum of outstanding green bonds. The methodology for selection and calculation of impact data is described in the Annex.

Asset name	Area in sqm	Energy use	Unit	Certifying
Logfyrkanten 3	3 218	115	kWh/m2	Breeam In-Use Very Good
Gyllehemmet 2	9181	64	kWh/m2	Miljöbyggnad Silver
Ragnar Strøms Veg 10	28 464	152	kWh/m2	Breeam In-Use Outstanding / Energy class A
Marieberg 5	7 772	129	kWh/m2	Green building

### Social Eligible Assets

The proceeds from the Social bonds have been used to finance and refinance Community Service Properties that provide access to essential services and thereby provides distinct social benefits. The assets include hospitals, elderly care homes, primary schools, secondary schools and universities. The table below shows eligible assets in the category Access to Essential Services, Community Service Properties. This is SBB's core business that providing distinct social benefits to many people in the Nordics. A total of 99 percent of SBB's revenue stream originates from social infrastructure. A total of 4 568 000 square meters, or 84 percent, of which is eligible for social bonds.

The table below shows eligible assets in the categories Affordable Housing and Access to Essential Services: Community Service Properties. They amount to a total market value of SEK 23 426m which allocates the total sum of outstanding social bonds. The methodology for selection and calculation of impact data is described in the Annex. All the assets below comprise of existing buildings that will be refinanced unless stated otherwise.

Type of Asset	Asset Name	Area in sqm	Documented impact	Estimated impact*	Social impact unit
University	Stadion 2 Väpnaren 6, Stallnekten 1,	25 992	2700		Students per year
Affordable Housing	Härolden 1	27 681	370		Number of households
Elderly Care Homes	Backa 263:1	11 417	172		Apartments
Primary Schools and Secondary Schools	Söderbymalm 3:482 Ragnar Strøms Veg 4, 6, 8	13 422	700		Students per year
Hospital and Care Centers	Landsdomaren 7	8 762		600	Patients per day
University	Backen 8:1	19 855	1700		Students per year
Primary Schools and Secondary Schools	Guldheden 8:11	25 481		1400	Students per year
University	Kunnskapsveien 55	10 600	500		Students per year
University	Söderbymalm 3:481	27 135	3000		Students per year
Primary Schools and Secondary Schools	Kalsvik 11:1089	14 796	200		Students per year
Elderly Care Homes	Gränby 7:5	6 150	79		Apartments
Elderly Care Homes	Gamla Uppsala 94:6	5 600	75		Apartments
Elderly Care Homes	Visheten 1	5 677	80		Apartments
Affordable Housing		15 936	220		Number of households

<sup>1</sup> Green Building was initially an EU-initiative focusing on energy use, it is now governed by the Sweden Green Building Council. To be certified a building need to prove that the energy use is at least 25 percent less than the national requirements for new buildings. Detailed information on the certification can be accessed on Sweden Green Building Councils website.

<sup>2</sup> Miljöbyggnad is a certification system developed in Sweden and governed by the Sweden Green Building Council. It includes requirements in 16 different indicators including energy use, renewable energy, sound, ventilation, daylight, avoidance of environmentally hazardous materials and life cycle emissions. Detailed information on the certification can be accessed on Sweden Green Building Council's website.

Affordable Housing	Kloketen 1	14 540	186	Number of households
Primary Schools and Secondary Schools	Rosengården 3	4 746	520	Students per year
Primary Schools and Secondary Schools	Smedsbacken 35	5 060	330	Students per year
Primary Schools and Secondary Schools	Nordstaden 24:11	4 196	420	Students per year
Affordable housing	Önnered 45:17	8 689	214	Student apartments under construction
Primary Schools and Secondary Schools	Itätuulentie 1	7 102	2400	Students per year
Hospital and Care Centers	Solrosen 9	24 890		1800 Patients per day
University	Kalfarveien 82	21 125		1900 Students per year
University	Åkerlundinkatu 5	7 438	450	Students per year
University	Pajuniityntie 11	17 730	1100	Students per year
Elderly Care Homes	Guldhamstern 1	10 259	54	Apartments
Hospital and Care Centers	Skönvik 1:15, 1:17, 1:21, 1:6	19 174		1400 Patients per day
Elderly Care Homes	Kallhäll 1:34	4 000	54	Apartments
Elderly Care Homes	Vallgraven 2	7 970	62	Apartments
University	Kalfarveien 78	8 252	1290	Students per year
Elderly Care Homes	Vejby 266:1 (del av)	4 600	60	Apartments
Elderly Care Homes	Haken 20	4 388	54	Apartments
Primary Schools and Secondary Schools	Årnesvegen 23	15 000	144	Students per year
Elderly Care Homes	Af Klint 21	7 438		80 Apartments
Hospital and Care Centers	Saturnus 14	8 978		700 Patients per day
Elderly Care Homes	Konsumenten 2	4 160		50 Apartments
Primary Schools and Secondary Schools	Gunnebo 15	4 206		200 Students per year
Affordable Housing	Letten 2	7 394		100 Number of households
Primary Schools and Secondary Schools	Ädelstenen 6	25 430		1400 Students per year
Elderly Care Homes	Söder 1:19	6 133		70 Apartments
Affordable Housing	Olympia 14-15	9 211	122	Number of households
University	Jens Otto Krags Plads 3	7 937		700 Students per year
Primary Schools and Secondary Schools	Juringegården 2	3 913		200 Students per year
Affordable Housing	Troheten 3	9 539	121	Number of households
Affordable Housing	Holje 106:1	13 748	209	Number of households
Elderly Care Homes	Rymden 1	4 384		50 Apartments
Primary Schools and Secondary Schools	Löddeköpinge 23:26	3 000		200 Students per year
Elderly Care Homes	Mo 1:2, 1:35	6 080		70 Apartments
Elderly Care Homes	Älmsta 8:2	4 836		50 Apartments
Elderly Care Homes	Murteglet 1	3 900		40 Apartments
Elderly Care Homes	Ragnvalla Östra 2	4 500		50 Apartments
Elderly Care Homes	Björken 3	10 091		110 Apartments
Primary Schools and Secondary Schools	Kristianstad 4:7	14 348		800 Students per year
Elderly Care Homes	Ringstabekkveien 105	5 296		60 Apartments
Elderly Care Homes	Adjunkten 2	3 590		40 Apartments
Primary Schools and Secondary Schools	Grottan 7	7 816		400 Students per year
Elderly Care Homes	Skånsta 3:17	3 084		30 Apartments
Primary Schools and Secondary Schools	Bordet 1	4 512		200 Students per year
Primary Schools and Secondary Schools	Nasselträden 1	2 820		200 Students per year
Affordable Housing	Siskan 3, 4	8 827	110	Number of households
Primary Schools and Secondary Schools	Hundebakken 6	2 472		100 Students per year
Primary Schools and Secondary Schools	Tandkronan 5	2 915		200 Students per year
Primary Schools and Secondary Schools	Fågelvik 1:624 & 1:630	3 877		200 Students per year
University	Läkkisepänkuja 8	5 720		500 Students per year
Primary Schools and Secondary Schools	Vuoksenniskantie 96	3 600		200 Students per year
Elderly Care Homes	Backen 8:6	10 733		120 Apartments
Primary Schools and Secondary Schools	Frostfjärilen 47	2 272		100 Students per year
Hospital and Care Centers	Görvån 1	3 619		300 Patients per day
Primary Schools and Secondary Schools	Uranus 2	4 328		200 Students per year
Primary Schools and Secondary Schools	Barnfröken 1	4 399		200 Students per year
Primary Schools and Secondary Schools	Ankervegen 2	1 218		100 Students per year
Primary Schools and Secondary Schools	Bjørnenga 1	1 326		100 Students per year
Primary Schools and Secondary Schools	Tuneveien 63	1 497		100 Students per year
Elderly Care Homes	Eken 6	7 115		80 Apartments
Primary Schools and Secondary Schools	Ulefossvegen 71	204		10 Students per year
University	Kalfarveien 76	2 837		300 Students per year
Primary Schools and Secondary Schools	Missionen 2	2 861		200 Students per year
Elderly Care Homes	Nesalleen 69	2 459		30 Apartments
Affordable Housing	Ömheten 5	6 191	80	Number of households

Affordable Housing	Mörrum 84:2	8 947	127	Number of households
Elderly Care Homes	Sjukhemmet 1	8 739		100 Apartments
Primary Schools and Secondary Schools	Celsius 1	2 473		100 Students per year
Elderly Care Homes	Östermalm 1:12	8 510		100 Apartments
Primary Schools and Secondary Schools	Goto 26	1 778		100 Students per year
Elderly Care Homes	Kanervatie 5	2 646		30 Apartments
Primary Schools and Secondary Schools	Inom Vallgraven 64:31	1 669	250	100 Students per year
Primary Schools and Secondary Schools	Vestlivegen 40	1 322		100 Students per year
Hospital and Care Centers	Backen 8:4	3 818		300 Patients per day
Primary Schools and Secondary Schools	Kråkhult 1:61	5 926		300 Students per year
Primary Schools and Secondary Schools	Justnesskauen 41	2 069		100 Students per year
Primary Schools and Secondary Schools	Skeismyra 49	1 001		100 Students per year
Elderly Care Homes	Elisabetinkatu 3	2 960		30 Apartments
Affordable Housing	Kusken 1 & 2	6 981	102	Number of households
Hospital and Care Centers	Svalan 7	7 326		500 Patients per day
Primary Schools and Secondary Schools	Folkeparken 17	1 824		100 Students per year
Primary Schools and Secondary Schools	Holtbergvegen 7	1 546		100 Students per year
Elderly Care Homes	Steniuksenkatu 14	3 169		40 Apartments
Affordable Housing	Gullbernahult 31	4 160	49	Number of households
Primary Schools and Secondary Schools	Jernbanegata 19	1 005		100 Students per year
Primary Schools and Secondary Schools	Barkdalskolan 2	4 107		200 Students per year
Hospital and Care Centers	Resedan 9	2 699		200 Patients per day
Primary Schools and Secondary Schools	Boden 56:43	3 830		200 Students per year
Affordable Housing	Omsorgen 1	5 348	71	Number of households
Primary Schools and Secondary Schools	Kapellveien 2	1 108		100 Students per year
Elderly Care Homes	Gränby 7:8	1 942		20 Apartments
Elderly Care Homes	Sköle 1:17	6 006		70 Apartments
Primary Schools and Secondary Schools	Rosta Gård 2	4 907		300 Students per year
Primary Schools and Secondary Schools	Breimyrveien 100	2 310		100 Students per year
Primary Schools and Secondary Schools	Gamle Kongevei 3	580		30 Students per year
Affordable Housing	Godheten 7	4 253	51	Number of households
Affordable Housing	Brunnsbacken 1	6 125	69	Number of households
Affordable Housing	Jämtbo 23	6 062	101	Number of households

\* Estimated based on social impact for similar properties and property area.

## External Consultant Confirmation

An external review on this report is available online on SBB's website along with this report.

## **Annex: Methodology for impact reporting**

This report is developed in accordance with the Sustainable Financing Framework launched by SBB in November 2020. The framework describes: Use of Proceeds, Process for Evaluation and Selection, Management of Proceeds, Reporting and External review. This annex describes the process and methodology of impact reporting of the proceeds. The process described in the Sustainable Financing Framework was followed in the evaluation and selection of green and social eligible assets.

### Green Eligible Assets

In accordance with the Sustainable Financing Framework. SBB will report on refinancing of green buildings, category I & II: type of certification and degree of certification, energy performance per square meter and/or estimated annual greenhouse gas emissions reduced or avoided for buildings (tCO<sub>2</sub>e).

The indicators in this report are selected to be representative of the targets of the certification systems. In this case, energy use has been selected as the metric for impact reporting since both Green Building, Miljöbyggnad, Breeam In-Use and Energy Class A have requirements on the level of energy use. The energy use is tracked automatically in SBB's energy follow-up system. The energy follow-up system is the main source of data for SBB since it tracks both the actual energy use as well as energy use adjusted for temperatures that deviates from an average year. Complementary data from energy performance certificates or third-party energy-modelling are used in cases where the energy follow-up system does not have sufficient data. For instance, in newly built properties or properties where energy is not controlled by SBB, for instance in triple-net properties.

### Social Eligible Assets

In accordance with the Sustainable Financing Framework. SBB will report on refinancing of social assets in the categories:

- Healthcare properties: area in square meters and number of people benefitting from access to healthcare through these facilities.
- Elderly care homes: area in square meters and number of apartments open to access exclusively for elderly people.
- Preschools, Primary and Secondary schools: area in square meters and number of students benefitting from these.
- Higher education and universities buildings: area in square meters and number of students benefitting from these.
- Area in square meters and number of people/families housed in rent regulated apartments.

The properties have been selected from different regions and countries and social impact data have been collected by the property managers for each property with assistance from the tenant organisations. Some social impact data have been estimated based on social impact data from similar properties and property area. The target population for these assets is the general population, people with disabilities and dependent elderly people.