



CA FASTIGHETER AB (publ)

Green Bond

Investor report 2022

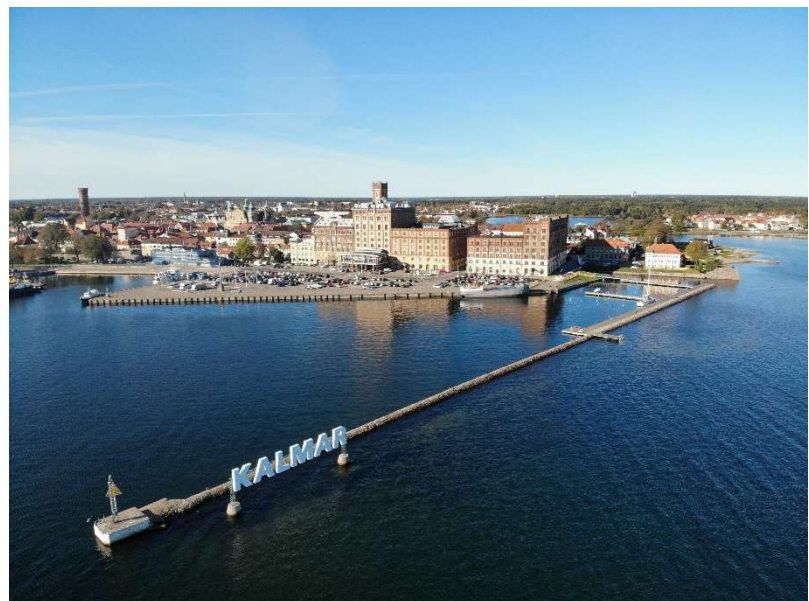
INVESTOR REPORT

In June 2021, CA Fastigheter AB (publ)(CA) emitted 500 Msek in green bonds according to CA's green bond framework. Proceeds from the issuance have been used in accordance with CA's Green Bond Framework and the bonds are listed on Nasdaq Stockholm's Sustainable Bond list. CA has issued 500 Msek of green bonds under the framework. The report period is 1 July 2021- 30 June 2022.

INTRODUCTION

CA Fastigheter AB (CA) is a Swedish real estate company which is part of the Claesson & Anderzén AB group. CA owns, manages and develops residential and commercial properties both inside and outside Sweden.

The company has about 90 employees and has offices in six locations in Sweden, Malmö, Växjö, Borås, Jönköping, Stockholm and Kalmar. The head office's location is in Kalmar. CA is a long-term real estate owner, it ensures the sustainability of what we do and the sustainability work is found throughout the organization. The responsibility is clearly distributed by external laws and other regulations but also by internal policies and control documents.



CA works in a long-termed perspective with environment and sustainability and our environmental performance will continuously be improved and contribute to a more sustainable society. CA's sustainability work is integrated into our business strategy, in day-to-day operations and in the decisions we make.

At the end of 2021, CA owned a property portfolio (Sweden and Germany) of 644 587 sq. meters. 47 % of these holdings consist of residential units, with the remaining area devoted to commercial space, consisting of warehouse, community service, stores and offices. The value of the property portfolio was at the end of the year (2021-12-31) 14 460 MSEK.

SUSTAINABILITY AT CA

During 2021 CA's sustainability work has taken important steps. The sustainability strategy supports and encourages by the board and by the management group and that gives the best conditions to the sustainability work. During 2021/2022 the environmental certify, ISO 14001 and the emitting of the green bond have developed the sustainability work in the company and given a more concrete way of working in each part of the organization. CA's sustainability work is prioritized in all the activities we do, which the relevant stakeholders are and where our actions give best effect. We have identified three focus areas, employees, real estate and long-term value development. In each area there are goals that are followed up and evaluated.

For CA, as a long-term real estate owner and an urban developer, it is important to contribute to a sustainable and environmentally sound development of the communities wherein CA operates. CA has a long history of sustainability work which will be continuously evaluated with the intention of constantly becoming better.

The sustainability strategy contains ambitious sustainability goals with focus on sustainable growth including a safe and sound environment for everyone, reduce climate impact and profitable growth. CA’s long- term and overall goals support the UN’s global sustainability goals, Agenda 2030, and our sustainability work is integrating into all decision- making processes. The goals are followed up and evaluated and actions will be placed in an action plan.

SUSTAINABILITY GOALS

<i>Description</i>	<i>Goal</i>
<p>Energy consumption is an environmental impact, by following the consumption in our properties and install new technology, we can reduce the consumption and the CO2-e emissions.</p> <p>Reducing water consumption.</p> <p>Use renewable energy in all properties.</p>	<p>Totally 15 % energy savings per sqm by 2026 compared to the 2020 level. For any year of the period, at least 1,5 % yearly savings (like-to- like portfolio)</p> <p>75 % renewable energy in all buildings and 100 % renewable energy in Sweden by 2025</p> <p>1 % per year reduced water consumption (like-to-like portfolio)</p>
<p>All new buildings will meet the requirements that are needed for Miljöbyggnad Silver and focus on sustainability in renovations project.</p>	<p>Environmental certifications in all new building projects.</p> <p>Work and evaluation on environmental certifications in existing buildings.</p>
<p>Measure CO2-e emissions in scope 1-3.</p>	<p>In 2021, CA will measure total CO-2e emissions focusing on scope 1 and scope 2 in 2022-23.</p>
<p>A screening of the environmental risk of CA’s Swedish portfolio.</p>	<p>At the present CA follows BBR- and other legal requirements in every new project with respect to climate risks. A screening aligned with the guidelines from TCFD will be done.</p>
<p>Control of the supplier’s chain. Important that contractors and subcontractors follow CA’s values.</p>	<p>The Code of Conduct for contractors will be handed over to ten of the most important partners under 2022.</p>

Properties’ energy consumption is one of CA’s biggest environmental impact and trying to find improvements is always on the agenda. To constantly work with energy efficiency and operational optimizations in the properties reduce the energy consumptions significantly. Evaluation and selection of energy sources is always done in the projects.

A new way of working with sustainability is to certify the buildings from an environmental perspective. Environmental certifications make the properties more sustainable with long time value development and include new production and existing properties. Reduce energy consumption, select right materials and work for a sustainable management of existing buildings are example of what a certification work can do.

2021 was the first year CA reported green gas emissions (CO₂-e) according to GHG- protocol. It is a long- term goal that the company should have as little climate impact as possible and to measure CO₂-e is one part of it. CA's largest climate impacts are energy consumption from owned properties and from cars CA owns or leases. CA reports CO₂-e in scope 1 and 2 with the ambitions to also report in scope 3.

CA AND FN GLOBAL COMPACT

Global Compact's ten principles about human rights, working rights, environment and anticorruption are the ground for CA's Code of Conduct for employees. The Code of Conduct clarify CA's values and work as a guide for what is appropriate in the daily business. All employees must follow and act according to the Code of Conduct and will continuously be educated. Since a few years back an external whistleblowing function can be used on the website for both external and internal users. CA's has no tolerance with corruption or bribes and it stands clearly in the Anticorruption policy. Under 2021 no cases of corruption have been reported.

SUPPLY CHAIN

CA's ambitions is always to have good relationship with partners, suppliers and construction companies. Regardless of size of partners CA expect that the partners share the same values as CA and imposes corresponding requirements on its subcontractors. To clarify the values a Code of Conduct for partners has been written under the year. The Code of Conduct is about ethics in business, working environment and security, working conditions, human rights and environment. CA will according to the Code of Conduct have higher demands and by follow ups ensure that it has been followed.

For more information about CA's sustainability work see 2021's Sustainability report on the website.

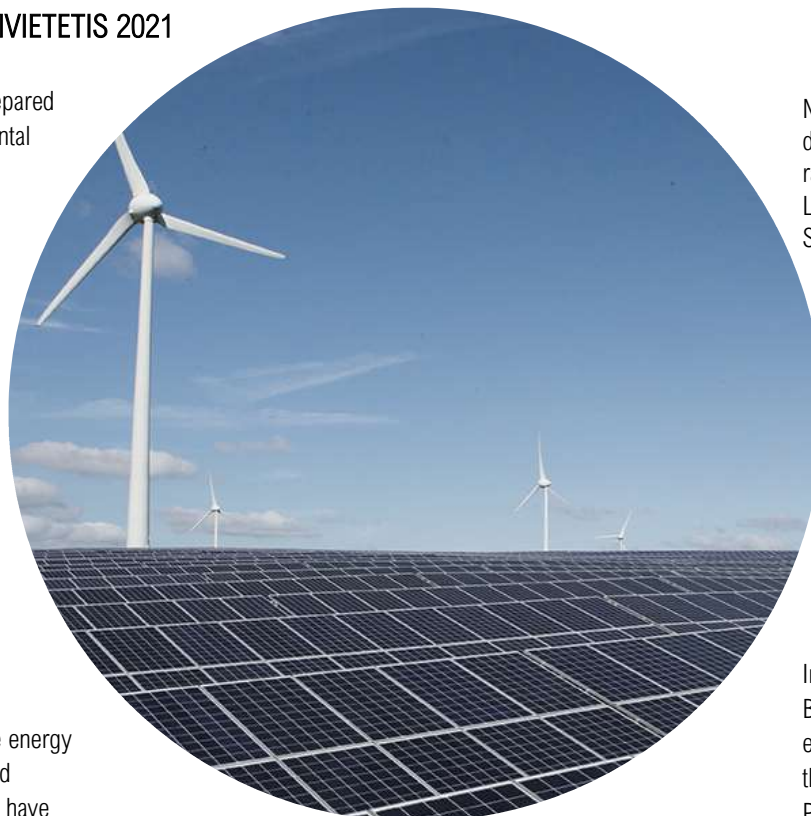
SUSTAINABLE ACTIVITETIS 2021

During 2021, we worked and prepared CA Fastigheter for an environmental certification according to ISO14001:2015. In January 2022 CA received the certificate.

Hus 8 Gasverket, won the prestigious award as the ROT-building of the year.

Environmental certification according to Miljöbyggnad IDrift started in many projects.

Installation of fossil free energy such as solar panels and geothermal heating that have significantly reduced the energy consumption and reduced the climate impact.



Extension renovations in Araby in Växjö. CA owns and manages 721 apartments. For example, has the renovations reduced the energy consumption with over 40 %. The renovations have also contributed to social sustainability development of the area.

Nordic Credit Rating (NCR) has done an analyze and determined a rating for CA Fastigheter- Long-Term Rating BBB- with a Short-Term Rating N-1.

Almost entire vehicle fleet changed to electric cars and new demands for company cars were defined.

In June 2021, CA's Green Bond Framework has been established in compliance with the ICMA's Green Bond Principles.

GREEN BOND FRAMEWORK

During spring 2021 CA completed the Green Bond Framework. The Green Bond framework is structured around the 2018 ICMA Green Bond Principles (GBP) and hence consists of the four core components as well as the recommended external review component.

SHADES OF GREEN

Based on our review, we rate CA's green bond framework **CICERO Light Green**.

Included in the overall shading is an assessment of the governance structure of the green bond framework. CICERO Shades of Green finds the governance procedures in CA's framework to be **Good**.



GREEN BOND PRINCIPLES

Based on this review, this Framework is found in alignment with the principles.

1. *Use of proceeds*
2. *Process for project evaluation and selection*
3. *Management of proceeds*
4. *Reporting*
5. *External Review*

CA's Green Bond Framework has been reviewed by Cicero (Center for International Climate Research), an independent climate and environmental research institute. Cicero rated the green bond framework "Light Green" with "Good governance procedures".

GREEN BOND COMMITTEE

CA's has established a Green Bond Committee (GBC) to oversee the selection of Eligible Green Assets. The members of the GBC are CEO, CFO and sustainability manager. The GBC is responsible for maintaining and updating the portfolio of Eligible Green Assets and ensuring that the assets within the portfolio adhere to the criteria in the framework. CA has established a separate Green Bond register, whereby the net proceeds of any Green Bond issuance will be credited towards.

The Green Bonds register ensures strong monitoring and tracking of the Use of Proceeds and a payment or transfer from the register is only allowed to finance Eligible Green Assets.

For more information about CA's Green Bond Framework and Cicero's second option report, please see: www.cafastigheters.se

ALLOCATION

Proceeds raised from CA's Green Bond will be allocated exclusively to "eligible green assets", defined by CA as assets that promote climate resilient growth and the transition to a low-carbon society. It is CA's intention to follow the best practices, in relation to Green Bond as the market standards develops. Therefore, the framework may be amended and/or updated to reflect the changes in market practices. This investor report is based on valuation of the company's properties as they were reported in 2020-12-31* and loans as they were reported in 2021-09-30. The purpose of the report is to show how allocation have been done under the year (July 2021-June 2022) within the criteria of the Green Bond Framework. The investments that have been made promote the environment and follow the guidelines in CA's sustainability strategy. As expected, the allocation has been made in existing buildings and within the category of green buildings. CA reports in Swedish crowns (SEK) and the reporting period ended on June 30, 2022. The proceeds from the bonds have all been used to re-finance investments that are in alignment with the CA Green Bond Framework.



*valuation of Professor 8 and Araby stage 1 2021-12-31

GREEN BUILDINGS

The allocation has been made in existing buildings and within the category of green buildings and from market values per 2020-12-31 and loans per 2021-09-30.

Existing buildings	Property-category	Region	Criteria according to the Green Bond Framework	Market value (MSEK)	Allocation of Green Bond (MSEK)
Taxeringsintendenten	Residential	Malmö	A 30 % increase in energy efficiency	148	73,2
Ättlingen 2	Local	Jönköping	Energy use per square meter A- temp	46,6	27,1
Hus 20, Maskinhuset	Local	Stockholm	Energy use per square meter A- temp	118	48,1
Araby, stage 1 <i>(valuation from 2021)</i>	Residential	Växjö	A 30 % increase in energy efficiency	93,6	46,3
Veddesta 2:18	Local	Stockholm	A 30 % increase in energy efficiency	319	161,7
Professorn 8 <i>(valuation from 2021)</i>	Residential	Malmö	A 30 % increase in energy efficiency	114	51
Björnen 10	Residential	Växjö	Energy use per square meter A- temp	175	72,8
Stadsträdgården 5	Residential	Kalmar	A 30 % increase in energy efficiency	68,3	39
Subtotal, allocated					519,2

SELECTED PROJECTS

TAXERINGSINDENDENTEN 1, MALMÖ

CA Fastigheter acquired the property in 2014. Taxeringsindendenten 1, was built in 1969 and is four buildings with total 150 apartments and a local area that is a kindergarten. The property's location is in Kryddgården, Malmö.

The project includes changing of heat source, from district heating to geothermal heating. A project, that is good for the climate and a sustainable investment. Except the installation of geothermal heating, the project includes new culverts between the buildings for heat and cold- and hot water. Together have the actions reduced the energy consumption with 72 % and reduced the CO₂-e emission with 97%.



HUS 20- MASKINHUSET, GASVERKET STOCKHOLM

Norra Djurgårdsstaden, is a sustainability -profiled area in Stockholm. The area is in attractive location just ten minutes away from the central Stockholm. There are several challenges to address related to transformation of a closed industrial area to an open city. In 2011, the Gasverket area closed down after 120 years of producing and delivering gas to the Stockholm region. The old brick buildings in Gasverket were draw by Ferdinand Boberg in late 1800 century and the ambition are to the take the old brick architecture and combinate with striking modern design. House 20 is an old machine house that was a part of the old buildings in Gasverket. Renovation of the building, one of the focuses was to protect the building's original architecture and it's industrial history and at the same time follow Stockholm's sustainable urban development programme.

The sustainable urban development programme contains goals in terms of sustainable urban development. Each goal



is directly and indirectly related to the UN Agenda 2030 and the City of Stockholm's overall planning.

House 20 has therefore been renovated based on these goals. The indoor environment meets the requirements in Miljöbyggnad Gold and has a low climate compact. Other sustainability compacts are requirement on effective energy consumption and sustainable building materials. The building has a specific energy consumption on 76 kWh/ m². It should be compared to the original transfer of energy performance per square meter as before the measure were taken to 207 kWh/m². The ambition is to certify the building according to Miljöbyggnad under 2022.

Today, the tenants Systembolaget and Society of Lifestyle are in the building since 2019.

House 20 was nominated to "Stockholm's building of the year" 2022.



STADSTRÄDGÅRDEN 5, KALMAR

Stadsträdgården 5 is property in Kalmar and includes three houses. The buildings were built in the mid-1960s by CA and have been managed ever since.

In autumn 2021, the district heating changed to geothermal heating and heat pumps. FTX- ventilation was installed and water saving actions were done. Since the installation of geothermal heating, the energy consumption has reduced with over 60 % under the period compared to the same period last year. The low energy usage expects to continue.



ARABY 6:69, stage 1

CA owns and manages 721 apartments in which approx. 613 are currently undergoing an extensive renovation.

Araby is an area of the central Växjö and a part of the so called "miljonprogrammet". The area describes as a socially vulnerable area. CA works in different ways to reach the goal from Växjö, that the area should be social sustainable. For example, different types of housing and attractive outdoor environments for the tenants. Segregation can, for example, be reduced by promoting participation. There are natural meeting points in the official environments and with lights it will also become a secure place.



The renovation will happen in many steps (allocation refers to stage 1). To reduce the energy consumption CA has installed hybrid heat. The installation has reduced the energy use with more than 40 % per month.

Except the installation of hybrid heat, other actions have been done to reduce the energy usage. For example, windows, entry- and balcony doors have been changed and a new access control system is installed. All outdoor lighting is now with led- technics, it is energy efficiency as well as a security measure.



Auditor's Limited Assurance Report

To CA Fastigheter AB (publ), corporate identity number: 556227-5700

Introduction

We have been engaged by CA Fastigheter AB (publ) to undertake a limited assurance engagement of selected information in CA Fastigheter AB's Green Finance Investor Report as of June 2022 ("the Reporting"), to corroborate that the proceeds from the issue of green bonds of SEK 500 million have been used in accordance with CA Fastigheter AB's Green Finance Framework.

The reporting criteria against which this information was assessed, are the relevant parts of the CA Fastigheter AB's Green Finance Framework available on CA Fastigheter AB's website. The set criteria in the framework are to finance projects in new and existing green buildings, energy efficiency, renewable energy and investments that prevent and reduce pollution.

Our assurance does not extend to any other information in the Reporting. We have not reviewed and do not provide any assurance over any individual project information reported, including where applicable estimates of impact.

Responsibilities of the Executive Management for the Reporting

The Executive Management are responsible for use and management of proceeds, the preparation of the Green Finance Investor Report in accordance with the applicable criteria as well as evaluating and selecting eligible assets. This responsibility also includes the internal control relevant to the preparation of a Green Finance Investor Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to express a conclusion on the Reporting based on the limited assurance procedures we have performed. Thus, our responsibility is to comment on the information stated in the Board of Directors' and CEO's statement in the investors report and the use of the issued amount according to the categories of the framework based on our limited review.

We conducted our limited assurance engagement in accordance with ISAE 3000 Assurance *engagements other than audits or reviews of historical financial information*. A limited assurance engagement consists of making inquiries, primarily to persons responsible for the preparation of the Report, applying analytical review procedures and other limited assurance procedures. The nature of the procedures performed in a limited assurance engagement vary and are less in scope than for a reasonable assurance engagement conducted in accordance with IAASB's Standards on Auditing and other generally accepted auditing standards.

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



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

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

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

Conclusion

Based on the limited assurance procedures we have performed on the information stated in the Reporting (CA Fastigheter AB (publ)'s Green Bond Investor Report 2022), nothing has come to our attention that causes us to believe that CA Fastigheter AB (publ) has not, in all material respects, used the issued amount of SEK 500 million to categories other than those specified by the framework.

Kalmar, 1 July 2022

Ernst & Young AB

Franz Lindström

Authorized Public Accountant