



Annual Report and Sustainability Report **2022**



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Cover photo: Niten 1, Norrköping

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The statutory Annual Report comprises the Directors' Report and all sections of the Financial Statements, which are marked with*. The Sustainability Report in accordance with the Swedish Annual Accounts Act can be found on page 118.

One of Sweden's largest private property companies

Rikshem owns, develops and manages residential properties and properties for public use – sustainably and for the long term. The properties are located in selected growth areas across Sweden. Rikshem's vision is to make a difference in developing the good community.

Our properties for public use and residential properties can be found from Malmö in the south to Luleå in the north. **Read more on page 29.**

Our mission

We develop safe and sustainable living environments for those who live and work in our neighborhoods. We do this by combining professionalism with community engagement.

Our vision

We make a difference in developing the good community.

Our business concept

We shall own, develop and manage our residential properties and properties for public use, sustainably and for the long term.

Committed, Present and Responsible

Rikshem's three core values provide the foundation for our work.



Long-term ownership

Rikshem AB (publ) is owned by AMF Tjänstepension AB and the Fourth Swedish National Pension Fund (AP4), each with a 50 percent stake.

By extension, this means that good returns for Rikshem benefit Sweden's pensioners.



Fair value

SEK 63 billion

The properties have a combined fair value of SEK 62,532 billion, including joint ventures, and SEK 59,423 billion excluding joint ventures.



Sustainable operations

Rikshem's long-term target is to be climate-neutral by 2045.

We have set an interim target of making our property management climate-neutral by 2030.



Homes for all life stages

70%

Approximately 70 percent of the portfolio is residential properties: student accommodation, youth apartments, rental apartments and senior accommodation.

Portfolio of approx. **29,000** residential properties



Professional community engagement

By combining professionalism with community engagement, Rikshem will contribute to community development that is sustainable in the long term.



Properties for public use based on need

30%

Approximately 30 percent of Rikshem's portfolio comprises properties for public use: nursing homes, care facilities, preschools and schools.

The year in brief



More satisfied customers!

+2

CSI for
properties for public use
in 2022: 57/100 (2021: 55/100)



Rikshem sells its head office

Rikshem signed an agreement to sell its former head office building on Vasagatan in central Stockholm. Rikshem has owned the property since 2010 and vacated it in fall 2022. The sale is a natural consequence of the company's investment strategy, refining the property portfolio to include residential properties and properties for public use.



New site in Lund

Rikshem has become established at another location in Skåne. Through its partnership with project development company Huseriet, Rikshem will be building a first phase of around 210 apartments in the Västerbro district of Lund. Its establishment in the expanding city of Lund will be a natural way of allowing the property portfolio to grow.

A3 credit rating

In its annual credit rating process, the Moody's Investors Service credit rating agency confirmed Rikshem's long-term credit rating of A3 with stable outlook.

Focus on customers

During the year, Rikshem continued its efforts to increase customer focus. Part of this work is the new letting strategy, whereby tenants have the opportunity to arrange a face-to-face meeting with Rikshem's rental agents. A stronger customer relationship provides better conditions for renting out apartments and achieves more satisfied customers. Read more on page 41.



Successful neighborhood development in Gränby

Rikshem has begun a long-term project to create a safe and sustainable living environment in Gränby in Uppsala. This initiative will continue until 2035. Rikshem has a large portfolio in the neighborhood, which provides excellent opportunities to influence and improve community development at several levels.

JANUARY – MARCH

APRIL – JUNE



Rental income

Rental income increased to MSEK 3,169 during the year.



Total return

The total return for the year was -0.4 percent, including joint ventures, as defined by MSCI.

Financial key figures

	2022	2021	2020
Equity/assets ratio, %	45	46	41
Loan-to-value ratio, %	49	46	51
Interest-coverage ratio, multiple	3.5	3.6	3.7
Net debt/EBITDA, multiple	17.6	15.9	15.2
Loan-to-value ratio, secured loans, %	8	6	9

Breakdown of rental income



- Residential lease, 63%
- Public sector, 28%
- Private sector, 9%

Harplinge nursing home comes out top in international competition

In September, Rikshem's property for public use, the Harplinge nursing home in Halmstad, won the ELCA Trend Award. The award is given to a project that meets the highest professional standards in the landscape sector, on this occasion with the theme "Impact of green environment on people's health for well-being and learning". Read more on page 37.



Groundbreaking ceremony for Talliden senior center in Nacka

A groundbreaking ceremony was held for the development of the Talliden senior center in Nacka. Rikshem has drawn up a refurbishment proposal in consultation with the municipality. The property will be modernized, expanded and adapted to meet future requirements. Talliden is one of four nursing and residential care homes that Rikshem owns in Nacka.

Beautiful and safe outdoor environments

In 2021/2022, Rikshem was granted support from the Swedish National Board of Housing, Building and Planning for projects to develop green and safe communities. The projects must promote biodiversity and create well-being and a sense of safety. In a project in Östersund completed during the year, six outside areas were developed to include seating and berry bushes.



Public Housing Sweden

Rikshem became an associate member of Public Housing Sweden at the end of the year. Membership means that Rikshem has access to new networks in a number of different areas, such as environmental and redevelopment issues. Membership will also be significant in relation to annual rent negotiations. This membership will enable Rikshem to contribute even more to sustainable community development, greater collaboration and valuable knowledge sharing.



Fossil Free Sweden

At the end of 2022, Rikshem decided to endorse Fossil Free Sweden's energy efficiency strategy. This means that Rikshem supports the development of financial instruments for increased energy efficiency and flexibility. The strategy was submitted to the government at the beginning of 2023.



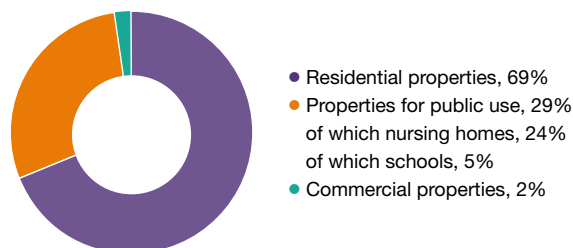
Miljöbyggnad Silver in Norrköping and Luleå

Rikshem's new construction projects Topasen in Norrköping and Kronan Östra in Luleå were awarded Miljöbyggnad Silver certification in 2022. This means that in addition to current legal requirements, the buildings also meet the certification's requirements for energy, indoor environment and materials.

JULY-SEPTEMBER

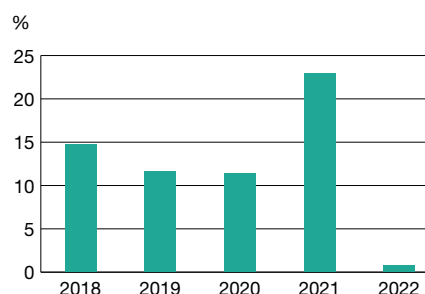
OCTOBER-DECEMBER

Breakdown of fair value of the properties

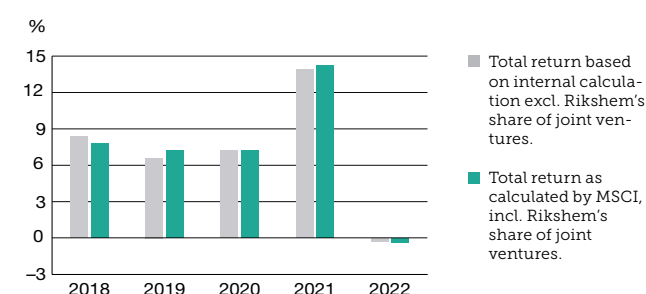


Return for the year

Return on equity



Total return



Big steps forward

After several years of the pandemic, we entered 2022 with hopes of brighter times. Instead, we faced a new security situation, soaring energy prices, continued supply chain problems, inflation at levels not seen since the 1990s and rapidly rising interest rates. Making predictions is difficult, especially about the future. Many companies and private individuals experienced this during a year in which they had to adapt to a new reality. Everything now indicates that we are entering a recession, which will make new demands of the real estate industry, which has operated in a positive climate for a sustained period. Despite the challenging conditions that affected us, Rikshem made great strides during the year in the areas we set out to achieve.

Stable net operating income

Despite high electricity and energy prices, we generated a stable net operating surplus of MSEK 1,760 (1,768). Profit after tax of MSEK 228 (5,931) was weighed down by adverse value adjustment linked to higher yield requirements, especially on the residential side. The real estate industry has seen some good years, but now needs to adapt to new conditions involving higher interest rates and higher energy prices. Revenue increased during the year to MSEK 3,169 (3,062), but the high level of costs in society means that revenue is not increasing at the same rate as costs, despite priorities and improvements in energy efficiency. Rent increases have been low for a long time, and it is important that rents are now raised significantly more than in recent years. In order to safeguard the role of rental apartments in the market, property companies' cost increases need to be covered. Financial markets were volatile during the year. Rikshem has, and has had, good access to financing via both the capital market and bank loans during the year. We are standing firm, but we will be prioritizing our investments more strictly in the future.

Nominated for customer prize

We have stepped up our customer efforts in recent years. To be able to follow up more quickly on how we deliver, we

began conducting monthly rather than annual customer surveys in spring 2022. This has made us better equipped to follow up on our customer work, and enables us to take action quickly if there is anything that is not working. It also gives us better opportunities to spread positive examples

“The new organization has delivered from day one, and in a short time we have become an even better owner, real estate manager and developer of properties for public use..

throughout the organization, when we can show that our customer initiatives are having a positive effect. The fact that we are on the right track was confirmed at the beginning of 2023 when we were nominated for the AktivBo Customer Crystal for “the largest increase in service index” among the major property companies. This is a good indicator of all the day-to-day efforts that are made, both great and small, as clear evidence that our efforts are producing results and are appreciated by our customers. An important part of customer work, and especially important in a market

that becomes more challenging when the rate of new construction is high, is a good letting strategy. We have been working for a long time to take the next step in how we rent out our apartments. The new letting strategy has now started to settle down and increased marketing of vacant apartments, together with personal tours, has resulted in fewer vacancies in 2022 and also customers who have been more satisfied with their moving-in process.

Properties for public use deliver

We see great potential in our properties for public use. At the beginning of the year, we therefore successfully split the management organization into two business areas – residential properties and properties for public use. The new organization has delivered from day one, and within a short time we have become an even better owner, real estate manager and developer of properties for public use, and we can see that customer satisfaction is also increasing in this segment. For properties for public use, the vast majority of rental contracts are index-linked to KPIs, which provides protection against increasing costs.

Increased focus on renovations

All companies depend on having known conditions for their activities. For the property sector, with its long-term

planning horizons for new construction projects, it is particularly important to have long-term game rules. The economic situation we are now entering means that most companies, including us, are now slowing down new construction projects for residential properties. The fact that investment support ceased at short notice has not made the situation any better. The new construction projects that are now under way were adopted under different conditions, and new residential properties will continue to appear during the 2023-2025 period, as those under construction are completed. With 1,600 apartments under construction, we will primarily invest in renovations and energy projects in the future. At the same time, costs have also increased here, making it more difficult to recoup projects. In Eriksberg in Uppsala, we have completed the first project using our new renovation model. The model means that tenants remain in place during the renovation, which mainly includes plumbing and bathrooms. By renovating in this way, we can speed up the rate of renovation of the portfolio.

High energy efficiency

Rikshem has adopted a climate roadmap that shows the way towards conducting climate-neutral operations by 2045. Compared with 2020, climate emissions must be halved by 2030. One step along the way is that 2022 was our second best year in terms of energy efficiency. By the end of the year, we had more than 20,000 sensors to transmit data on humidity and temperature installed in our apartments, which is advantageous for both ourselves and our customers. The data that the sensors provide gives us far better opportunities to adjust heating, and in the properties where we have come a long way in our work, we see savings of up to 20 percent. With the help of our lighting concept, we have reduced the need for electricity for lighting by 60-70 percent and we have now switched to new light fittings in around half of the portfolio. Projects to install photovoltaic systems and charging infrastructure are other examples of how we are working towards a more sustainable Rikshem.



Neighborhood development for greater attractiveness

Having a sense of security about where you live is important to everyone. Unfortunately, it isn't like that everywhere in Sweden today. At Rikshem, we work on neighborhood development to contribute what we can to make neighborhoods safer. During the year, we put a lot of effort into Gränby in Uppsala, where we have around 1,500 apartments. We combined initiatives that can be carried out here and now, such as security patrols and subletting checks,

” Increased stability is on the wish list for the rest of 2023, both in terms of security policy and by inflation stabilizing and subsiding.

with more long-term initiatives. New locking systems, improved outdoor lighting and popular new Christmas lights have been combined with cooperation on a talent academy to help the long-term unemployed, and a neighborhood day that was attended by almost 1,000 people. One afternoon, I also had the opportunity to take part in our new venture in Gränby, GUPP, which we started up together with UP-

Uppsala. GUPP is a new meeting place for children and young people in the area. Several afternoons a week, you can try out different sports free of charge with trained instructors. After six months, it is clear that GUPP is needed and it is already more popular than we could have imagined. In the long term, this initiative, together with everything else we do in Gränby, will create a more attractive neighborhood.

Attractive employer

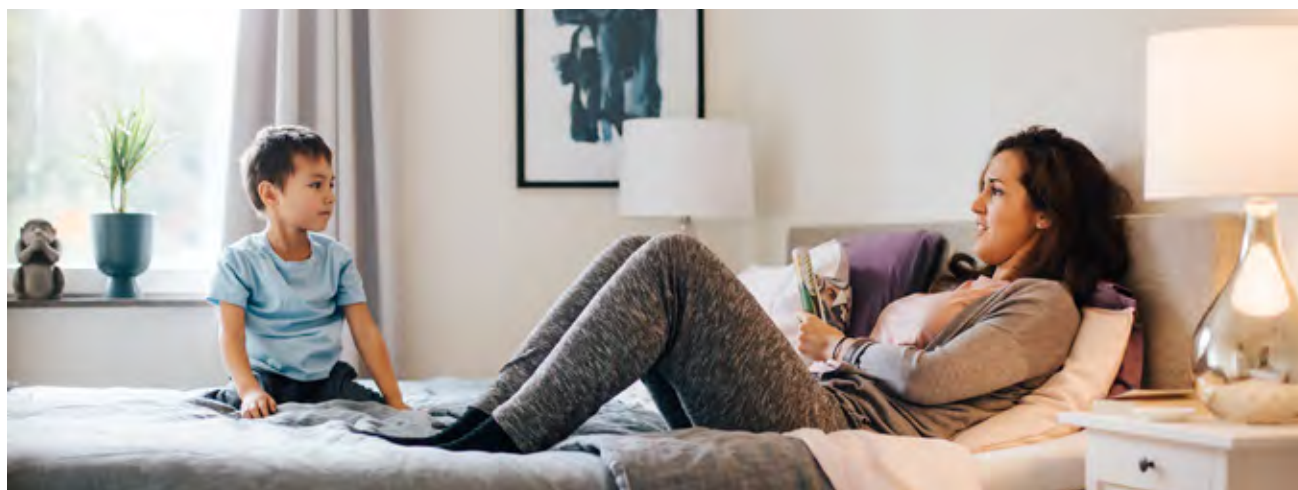
Just over 300 competent and committed employees work at Rikshem. This summer we had an additional 140 people when our summer workers were on site. According to a study by the Swedish Property Industry's Training Board, around 5,000 property managers, landlords and property technicians will be employed in the sector by 2026. One way of entering the sector can be through summer jobs and there is a great deal of interest, as we had more than 2,000 applicants for our summer jobs. In order to develop our employees, we run our own internal training program; we held close to 40 courses during the year.

New plans for 2023

The future belongs to those who prepare for it today. For Rikshem itself, this means that during the year we devel-

oped a new business plan for 2023-2025. We intend to spotlight our positions within customer work, develop and invest in our properties and focus further on our business acumen. To achieve this, we will work a lot with digitalization, being an attractive employer and towards climate-neutral operations. Increased stability is on the wish list for the rest of 2023, both in terms of security policy and by inflation stabilizing and subsiding. It is possible to stay optimistic, and Rikshem is used to adapting to changes in the world around us. Our long-term perspective keeps us stable, even in tougher times, although we are not unaffected by the current economic situation. Over time, we will provide good returns for Sweden's pensioners, which we work towards every day as we manage and develop our properties and take the best possible care of our tenants and neighborhoods. Thank you to our employees, tenants, business partners and others who contribute to making it fun and stimulating to be CEO of Rikshem.

Anette Frumerie, CEO, Rikshem
Stockholm, February 2023



Targets that show the way

During the 2017-2022 period, Rikshem steered its operations based on five long-term goals. The final outcome is shown below. As from 2023, Rikshem is working according to a new business plan.

Target area	Good total return	Customer satisfaction	Employee satisfaction	Climate-neutral operations	Safe and attractive neighborhoods
2022 targets	Total return of minimum 5% in real terms on the property assets.*	Service index for residential properties: 71.9 (index 100). **	Employee Satisfaction Index: 82 (index 100).	Reduced energy consumption: -2.5% per year ; Reduced climate emissions: -2.0 kg/sqm per year.	Perceived safety among tenants: 70.8 (index 100). **
Strategies	Dedicated property management organization • Diverse offer of housing and properties for public use for all life stages • Active portfolio development • Professionalism and community engagement in combination • Long-term neighborhood development • Energy optimization and efficiency measures • Inclusive and positive employeeship				
Result	2022 -12.8% 2021 10.3% 2020 6.7%	2022 71.4 2021 69.9 2020 58.7	2022 68 2021 68 2020 71	2022 -7.3% -0.1 kg/sqm per year 2021 -0.3% -0.1 kg/m2 per year 2020 -8.0% -0.7 kg/m2 per year	2022 71.4 2021 69.8 2020 76.8

*Total return in real terms is calculated based on figures from MSCI. **The service index and safety index are measured in a new way as from 2021, hence the big difference in outcome from 2020.

Financial key figures

Equity/assets ratio

The equity/assets ratio may not fall below 35 percent.

%	2022	2021	2020
Equity/assets ratio	45	46	41
Minimum level according to policy	35	35	35

Loan-to-value ratio

The total loan-to-value ratio may not exceed 58 percent of the fair value of the properties.

%	2022	2021	2020
Loan-to-value ratio	49	46	51
Maximum level according to policy	58	58	58

Net debt/EBITDA

Net debt/EBITDA may not exceed 16.0x in the long term.

multiple	2022	2021	2020
Net debt/EBITDA	17.6	15.9	15.2
Maximum level according to policy	16.0	16.0	16.0

Interest-coverage ratio

The interest-coverage ratio shall be at least 2.2x.

multiple	2022	2021	2020
Interest-coverage ratio	3.5	3.6	3.7
Minimum level according to policy	2.2	2.2	2.2

New business plan 2023-2025

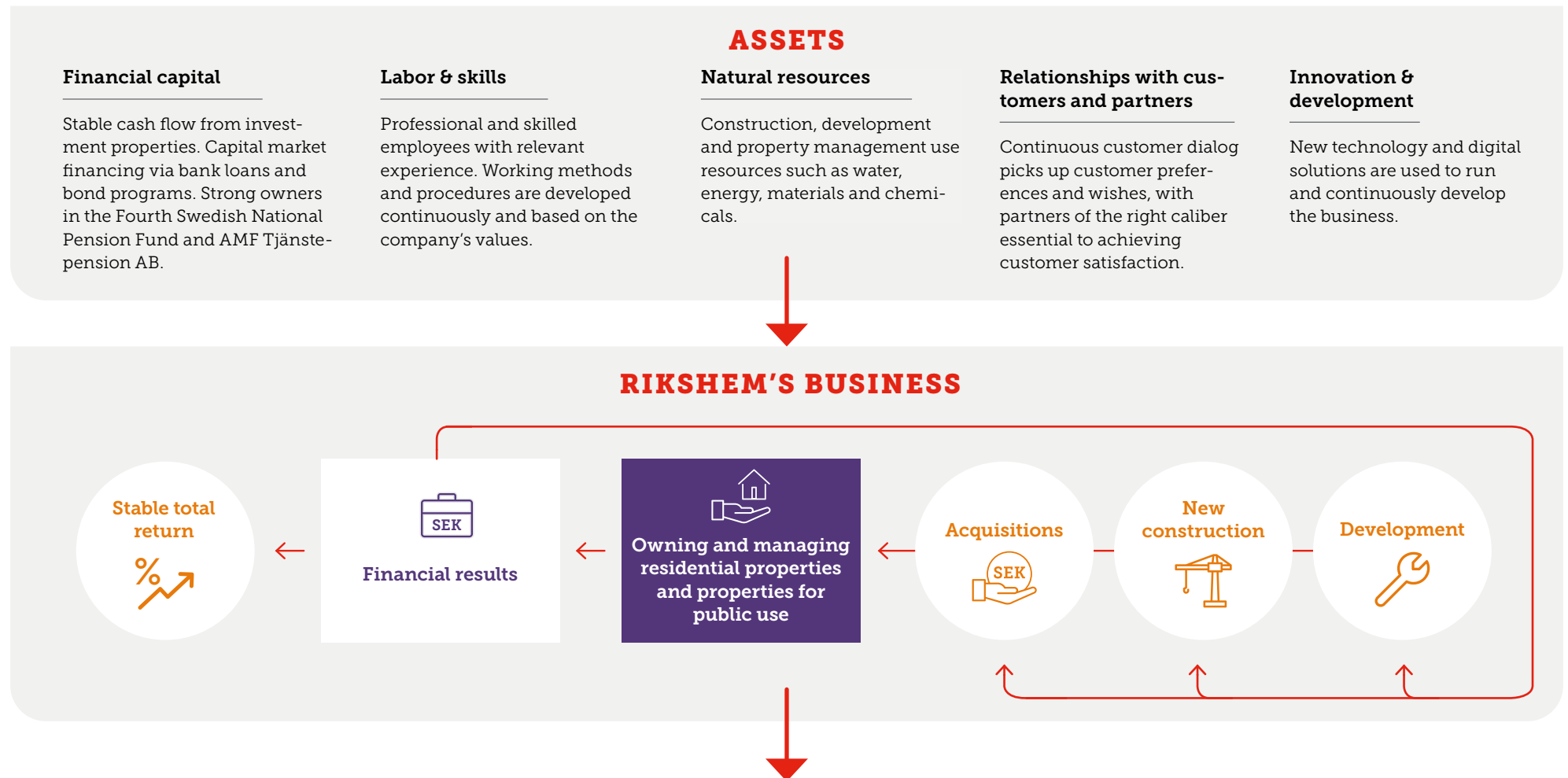
During the year, Rikshem adopted a new three-year business plan with a long-term outlook for 2030.

The focus for the next few years will be on developing and investing in our properties and neighborhoods, business acumen and greater customer satisfaction. To achieve our

goals in these areas, our digital development, work on climate-neutral operations and being an attractive employer are important enablers.

How we create value

Rikshem utilizes its assets in a sustainable manner to generate good, long-term results for its stakeholders. Our operations impact our surroundings, both in terms of the production process and property management. By reducing our negative impact and increasing our positive contribution throughout the value chain, we create good opportunities for socially and environmentally sustainable towns and communities.





VALUE FOR OUR STAKEHOLDERS

Owners

Good, long-term total return.

Customers

Diverse offer of housing and fit-for-purpose premises. Attractive living environments and space for all life stages.

Employees

Secure, stimulating and gender-equal employment in a positive working environment.

Partners

Business and development opportunities.



IMPACT ON SOCIETY

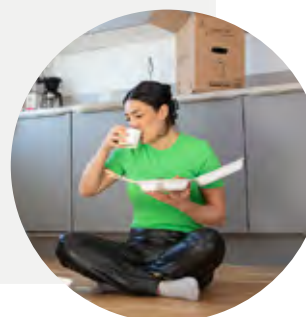
Positive

- Increased access to a diverse offering of residential and public services premises.
- Homes for households in different economic and social circumstances.
- Development of socially beneficial infrastructure and local areas.
- Job creation and increased economic growth.
- Returns for Sweden's pension system.

Negative

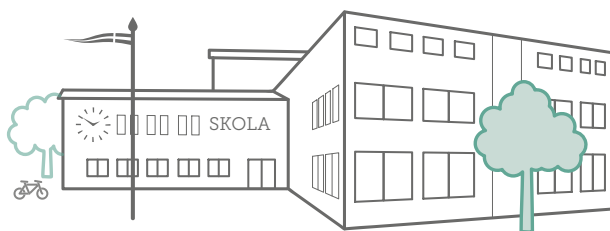
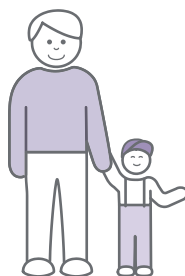
- Generation of waste: construction waste and residential waste.
- Greenhouse gas emissions and climate impact from the entire value chain.
- Impact on ecosystem and biodiversity, including from the development of new land.

The good community



Toward the good community

With its apartments, preschools, schools, various types of nursing homes and social meeting places, Rikshem provides **space for all life stages**. Rikshem wants to make a difference in developing the good community by **creating attractive and sustainable living environments**. This is why the company strives to develop and manage safe and attractive neighborhoods where people want to both live and work.

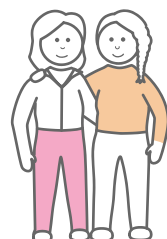


Measures to create safe neighborhoods and attractive residential areas include an active approach to **safety analyses, dealing with illegal subletting, and developing residential environments**.

PRESCHOOLS AND SCHOOLS

Good preschools and schools encourage residents to stay in a neighborhood. Developing school environments gives more students the chance to succeed at school. Through the **Läxhjälp foundation**, Rikshem supports students who need extra help with homework.

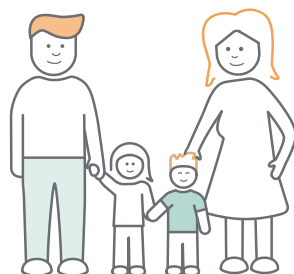
Variation and breadth in the offer are important. Different types of housing and different sizes of apartments are needed within the same neighborhood, to enable people to move within their local area as their circumstances change. Rikshem manages and looks after both buildings and people.



With approximately **29,000 residential properties**, Rikshem plays an important role in counteracting the housing shortage by contributing to the long-term supply of homes in Sweden.

RENTAL APARTMENTS

A rental apartment can be the start of an individual's housing journey – the first 'place of your own'. **Rental apartments are also an important form of housing for those moving to a new town to work or study.** Many people choose to live in rental apartments for a large part of their life, as evidenced by the long time people stay in the same home.



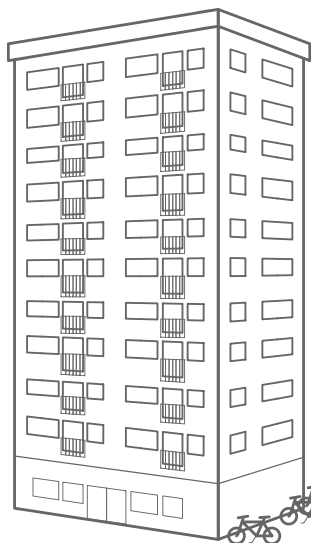
Through social-housing contracts with the municipalities, **Rikshem helps to give people who have difficulty accessing the housing market** the chance to have their own home.



By offering **apartments and living environments on a long-term basis** for households in **different economic and social circumstances**, Rikshem contributes to positive community development.



The portfolio's combination of residential properties and properties for public use provides **long-term economic stability for Rikshem.**



STUDENT ACCOMMODATION

Student apartments are many young people's **first contact with a landlord**. Rikshem's portfolio also includes youth apartments.



RETIREMENT HOMES AND SHELTERED ACCOMMODATION

In several places, Rikshem has residential properties specifically for tenants aged 55+ or 70+. This is for those who want to live in ordinary rental accommodation but with neighbors of a certain age profile.

NURSING HOMES

An **aging population** means a growing need for care facilities and nursing homes. **Rikshem manages and develops properties for public use**, such as nursing homes and care facilities, tailored to the community's needs. These facilities create local jobs.



SPECIAL NEEDS ACCOMMODATION

Rikshem meets the housing requirements **of those who need special support** by providing homes for people with disabilities and respite accommodation.



Rikshem's properties for public use are strategically important because they **provide both services and jobs** in the neighborhoods.



OUTDOOR ENVIRONMENT & SOCIAL MEETING PLACES

Sports halls, outdoor gyms and other social meeting places **boost well-being, employment and meaningful interaction**. Neighborhood development is a way of providing amenities that are lacking.

The outdoor environments are an important element of well-being in residential areas. **Each summer, young people work in Rikshem's neighborhoods to spruce up the outdoor environments – for many, this is their first summer job.**



A stable company in uncertain times

Russia's invasion of Ukraine, record-high inflation, rising interest rates and soaring energy prices. The year was characterized by crises and factors giving rise to concern that made the market situation unusually difficult to assess. The property sector in 2022 can be summarized in one word – uncertainty.

2022 was a year when conditions changed for many sectors. In the property market, which for many years was described as stable and as a safe investment alternative, there was a considerable slowdown in investments, and the number of new construction projects started to decline. Transaction volume held ground at the beginning of the year before slowing down significantly in the spring. The total transaction volume for 2022 in respect of direct property transactions was SEK 204.5 billion, significantly lower than in the record year of 2021 when the figure was SEK 350 billion.

According to MSCI, the total return for the Swedish Property Index was 2.57 percent. The average value adjustment was -0.80 percent and the direct yield was 3.40 percent. However, years of stability in the property sector mean that many companies have a stable cash flow and are therefore well-equipped to negotiate financially challenging times. The segment investors choose to invest in is also important. Properties for public use, for example, are viewed as a more secure asset class than commercial properties that are more cyclical. The fact that there is a high level of borrowing in the property sector also means that the interest-rate situation has a major impact.

Continuing housing shortage

The Swedish National Board of Housing, Building and Planning estimates that just over 60,000 new homes are needed per year until 2030. Other experts believe the general housing shortage may be over within a few years. The need for residential properties is unevenly distributed across Sweden. Almost three-quarters of the building requirement is in the three metropolitan areas, while the requirement at

certain other locations is expected to fall as a result of a decrease in population. Even if the need for apartments declines at these locations, there may be a need for other types of housing, for example nursing homes.

The number of residential properties completed in 2022 was approximately 64,000, including a net increase. The number of completed rental apartments in apartment buildings was just over 30,000 and thus accounts for almost half of new construction projects, according to the Swedish National Board of Housing, Building and Planning. The Board's forecast for 2023 shows that there may be an abrupt slowdown in new construction as a consequence of the market situation and reduced demand for condominiums and small houses.

Still a need for rental apartments

The market conditions for rental housing in growth areas are still generally considered to be favorable. One factor in the strong development for rental apartments is that many apartments were awarded investment support at the end of 2019/start of 2020. Investment support was discontinued completely in 2022, which led to a reduction in the construction of new rental apartments. Rents for homes in Sweden are regulated and determined on the basis of the utility value system, after negotiation with the Swedish Union of Tenants. The average change in rent for homes in 2022 was an increase of 1.7 percent, which was 0.3 percentage points higher than in 2021 (1.4 percent).

Rikshem on the property market

Rikshem stands on firm ground, backed by strong owners. This has always been an advantage, but even more so during the turbulent year of 2022. Thanks to the company's long-term actions, we were able to continue in line with our strategy during the year, namely to develop existing portfolios and selectively acquire and dispose of properties in order to increase the efficiency of our portfolio. Our focus on rental apartments and fit-for-purpose properties for public use makes us well equipped to deal with an uncertain world around us.

The strategy is also in line with current and future needs for nursing homes, care facilities, preschools and schools. Residential properties and properties for public use have long been two stable segments for investors, and remain so, even though the market's willingness to invest decreased, especially in the second half of the year, due to the prevailing global situation. Obviously, uncertain times also affect us, and we handle this by, among other things, making more careful choices and priorities when optimizing the portfolio.

Continuing interest in properties for public use

Demand for properties for public use remains high, as does the need for investments in nursing homes, care facilities and other properties used for public services. Public resources are limited, opening up even more opportunities for private-sector operators. Demand continues to rise, linked to an aging population. The overall rental market for properties for public use is stable, with no significant upturns or downturns in rent levels or vacancies. Rents vary widely, largely depending on the age of the properties, investments made and tenant modifications.



Three questions to Amanda Welander, Capital Markets Director at CBRE

2022 was a special year for most sectors; what was particular to the property sector?

"Yes, it was a special year from several perspectives. In 2021, the industry had the highest ever transaction volume. There were several record-breaking transactions and a record number of acquisitions. 2022 saw a rotation from growth to a focus on cash flows as a price was put on capital, which is a healthy response. As the property sector has a high debt duration, the higher policy rate had the greatest impact on the sector, although high inflation also played a role. Not many people in my sector were working during the economic crisis at the beginning of the 1990s and remember the economic situation at that time, with rising inflation and interest rates. In 2022, inflation rose to the same level as then, at just over 10 percent, the highest level in 30 years."

How has the property sector coped with higher interest rates and higher inflation compared to other related sectors?

"Most sectors are suffering and are keen for interest rates and high inflation to come down. I would say that the only exceptions benefiting from the interest rate situation are the insurance and banking sectors, which can benefit from high interest rates. I think that the property sector has coped well with the situation. Transaction volume has decreased, but other ways of securing cash flow have been found, for example through new issues and negotiating with your bank. Most companies have dealt with the situation and ensured that they have financing options. In addition, many property companies should also have good reserves after ten years of low interest rates."

How do you see the future of the sector?

"I am optimistic. I think the first half of 2023 will be sluggish, but then investment will pick up again. As inflation seems to have peaked, interest rates will not rise any further either, but they will probably not fall. Increased visibility of interest rates and inflation will make it easier to price and value business and reduce uncertainty for investors. Willingness to invest will therefore increase, but the economy will deteriorate in real terms as it catches up with reality. The situation will therefore probably be the opposite in 2023 compared with 2022, with increased willingness to invest, but a poorer economy in real terms. A recession in Sweden is on its way, but I think the property sector is well equipped to deal with this."



Global megatrends

CLIMATE CHANGE

In its sixth report, the UN's Intergovernmental Panel on Climate Change (IPCC) notes that global warming is now at 1.1 degrees and that it may increase to 1.5 degrees as early as the 2030s, which would further increase the risks to ecosystems and people. Emissions of greenhouse gasses need to be drastically reduced in order to achieve the climate goals under the Paris Agreement. Both European and national regulations are making ever-increasing demands in order to be able to handle the transition. With financial instruments such as the taxonomy, the financial sector is expected to achieve the goals of the Paris Agreement and Agenda 2030 by switching to sustainable financing.

Rikshem has joined several important climate initiatives, including Fossil Free Sweden, Science Based Targets Initiative and Lokal Färdplan Malmö. Rikshem has also drawn up a plan for climate neutrality by 2045 and started to prepare the business for the coming taxonomy reporting requirements. This includes the impact of climate change on our operations and any adjustments in light of climate change. Energy-efficiency projects and new construction projects with a low climate impact will be linked together by issuing green bonds, which give investors an opportunity to contribute to sustainable development. In total, Rikshem has outstanding green bonds worth SEK 7.9 billion, SEK 4.0 billion of which were issued during 2022.



URBANIZATION

Sweden is one of the world's most urbanized countries. Rural population growth has remained largely unchanged in recent years. At the same time, more and more people are choosing to move to cities. Around 78 percent of the population live in metropolitan municipalities or in dense mixed municipalities. This trend may have been interrupted in part as a result of the coronavirus pandemic. In recent years, there has been net migration from certain metropolitan municipalities, as many people have worked from home and have not had the same need to commute to work in the city.

As Rikshem's properties are in selected growth municipalities, the demand for apartments and properties for public use in residential areas close to towns is secure over time. Rikshem assesses the likelihood of a decline in the rental market to be generally low. Rikshem's new construction projects primarily involve densifying existing neighborhoods on developed land, which helps to increase the attractiveness of the neighborhood.



DEMOGRAPHIC CHANGES

The average life expectancy among Sweden's population has increased significantly in recent decades. The working-age percentage is falling, while the total population is growing and aging. The number of 80-year-olds is forecast to increase by 50 percent in less than ten years. This equates to an increase of more than 270,000 people, of whom 130,000 will be over 85 years old. The demographic development is increasing the need for both new forms of housing and infrastructure solutions, and for new-build properties for public use.

An aging population, combined with an increased proportion of children of both preschool and school age, means that Rikshem considers the market for properties for public use, such as pre-schools, schools and nursing homes to be heading upwards. By getting to know our customers' operations and understanding the users of our properties, Rikshem can meet their needs and increase the range of fit-for-purpose properties for public use, as well as rental apartments.



DIGITALIZATION

Sweden is one of the world's most digitalized countries. We are used to a high degree of digital presence and service in all kinds of companies, both through our workplaces and in our private lives. The choice of a particular product or service can often be influenced by the digital experience. We see that technologies such as artificial intelligence can both streamline internal processes and revolutionize customer utility. Digitalization is therefore becoming an increasingly important competition factor and an enabler to make things easy for customers.

Rikshem is able to streamline its operations by ensuring long-term, sustainable digitalization, with support and functions that make life easier for employees and customers. Rikshem focused heavily on digitalization in 2022. A case management system has been introduced to increase the level of service for customer cases. The My Pages customer channel, which will contribute to simpler self-service, has also been developed. Work on connecting Rikshem's properties was completed during the year. With a fully connected property portfolio, we can automate, streamline and standardize the operation and control of our properties. Sensors in all residential properties and selected premises have allowed us to gain efficient access to valuable information to control our energy systems. Development over the next few years will focus on connecting all property-related technology. Systematic work on IT security is ongoing and tailored to the digital requirements and developments we implement.

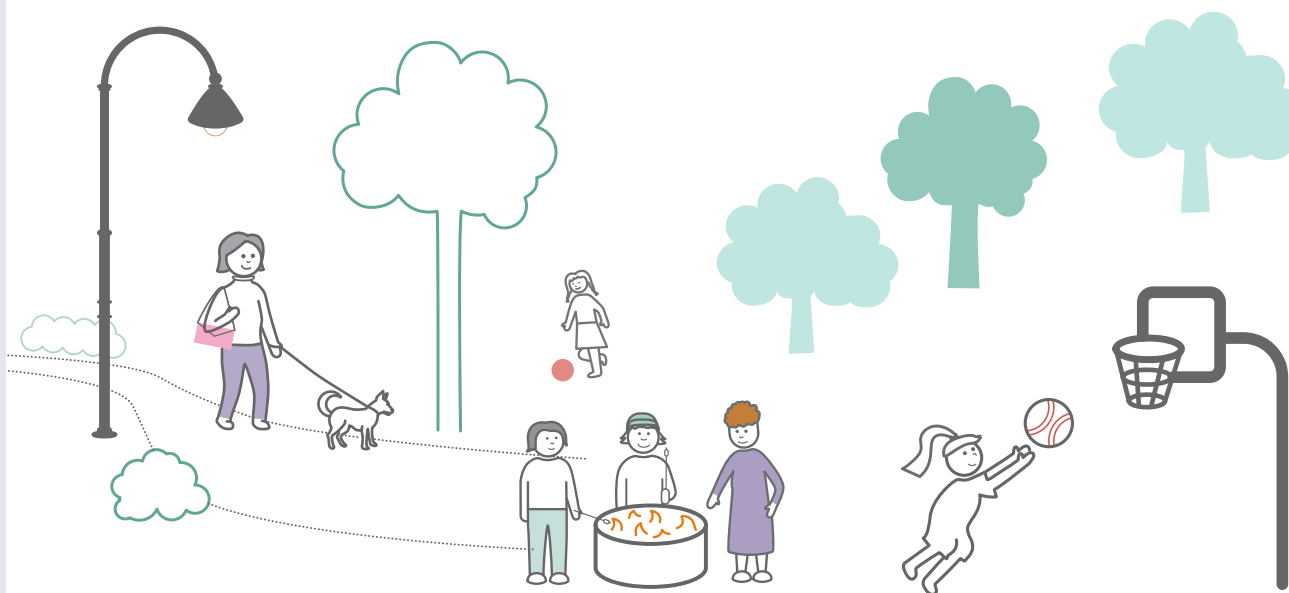


National challenges: segregation and feeling less safe

In addition to the global megatrends, Rikshem's operations are also affected by challenges and currents in Swedish local communities. In recent decades, socioeconomic housing segregation in Sweden has increased, which has led to people feeling less safe.

To promote positive community development, with equal conditions for growth and living, general measures are needed for society as a whole, in order to enhance a sense of inclusion and involvement, and a feeling of safety and trust. The increase in gang crime and shootings in recent years can, for example, be seen as a serious

consequence of overly homogeneous neighborhoods. This is where Rikshem, and the rest of the property sector, has an important role to play in bucking the negative trend. Rikshem develops sustainable living environments through conscious choices designed to create a feeling of safety and well-being in its property development and projects. For example, we aim to complement and enhance the existing stock when densifying our neighborhoods. In the case of renovations, we have the opportunity to influence the breadth of the range by creating variation in the standard and rental levels of the apartments in our neighborhoods.



Sustainability

As property owners and real estate managers across the whole of Sweden, our sustainability efforts enable us to make a positive impact, both reducing our climate footprint and enhancing the feeling of safety in our neighborhoods.

Number of
social housing contracts

361

in 2022

Long-term goal

2045

a climate-neutral
Rikshem

Rikshem provided

152

summer jobs
in 2022

Long-term, sustainable development

Rikshem's sustainability efforts involve major community engagement. We are convinced that Rikshem can make good contributions to society and at the same time conduct good business. In order to navigate our sustainability work correctly, we work on the basis of our strategic sustainability compass.

All of Rikshem's investments and decisions must include a sustainability perspective and the long-term values we create are refined in our day-to-day operations. Sustainability work contributes to committed employees, better property management, more satisfied customers and improved profitability.

Sustainability compass

In order to achieve our goals, sustainability work is integrated across our business operations. Rikshem navigates its sustainability work with the help of the sustainability compass. The model serves as a framework and clarifies the links between Rikshem's goals, material issues and the UN's Sustainable Development Goals. The compass aims to support employees in integrating sustainability issues in their work in a concrete way. Sustainability is taken into account in decision-making processes for development projects and in investment decisions.

Materiality areas

Through a materiality analysis, Rikshem has identified ten materiality areas, which are regularly followed up. The materiality analysis is based on continuous business intelligence, in-depth stakeholder dialogs and analysis of our business' sustainability impact. Prioritization of the materiality issues is based on where Rikshem's operations have the greatest positive or negative impact on the environment and society. In this Annual and Sustainability Report, we describe our performance and how we work with the different areas in practice.

Read more about the materiality analysis and stakeholder dialogs, and read our sustainability KPIs in the Sustainability governance section on page 110.



UN Goals

- 1 No poverty
- 2 Zero hunger
- 3 Good health and well-being
- 4 Quality education
- 5 Gender equality
- 6 Clean water and sanitation
- 7 Affordable and clean energy
- 8 Decent work and economic growth
- 9 Industry, innovation and infrastructure
- 10 Reduced inequalities
- 11 Sustainable cities and communities
- 12 Responsible consumption and production
- 13 Climate action
- 14 Life below water
- 15 Life on land
- 16 Peace, justice and strong institutions
- 17 Partnerships for the goals

Neighborhood development

Sweden faces challenges with increased insecurity and segregation. At Rikshem, we want to create good living environments that provide residents in our neighborhoods with good living conditions. Neighborhood development is an important part of Rikshem's work on social sustainability.

Neighborhood development is Rikshem's working method for increased safety and attractiveness in neighborhoods where we have a larger property portfolio overall. We base our work on the needs of the location and draw up a neighborhood plan with long-term goals for each area. Annual activity plans are drawn up on the basis of the neighborhood plan.

Neighborhood development is based on a three-pronged approach

1. Relationship management

Our property management is based on local needs. We work in a relationship-building manner and have an active customer dialog aimed at increasing inclusion and participation. For example, we develop our outdoor environments to encourage people to spend time there, move around and socialize. It must be apparent that someone cares about and takes care of the neighborhood.

2. Property development

Our property development operations enhance and supplement the existing portfolio in the neighborhood. We want to be able to offer forms of housing that suit all stages of life and broaden the target group. We provide properties for public use that provide both services and workplaces for our residential areas.

3. Collaboration

We believe in building and strengthening local relationships in the neighborhood. The fact that we have local offices at the locations where we operate reinforces our presence and enables us to actively collaborate with local operators such as municipalities, police and other property owners. We also initiate social initiatives with nonprofit organizations and clubs that contribute to increased social sustainability.

Investment in Gränby

In the Gränby district of Uppsala, Rikshem has initiated comprehensive, long-term work to create a safe and sustainable living environment. This is a long-term initiative with goals extending until 2035. Rikshem has a large portfolio in the neighborhood, which has given us excellent opportunities to influence and improve community development. In 2022, a partnership was entered into with the Uppsala Development and Performance Center, GUPP. This is a project where children and young people in the area will be inspired and motivated to practice different forms of physical activity and try out different sports.

Social initiatives

In socially vulnerable areas, we take action by offering homework assistance and summer jobs to young people. This is partly to create meaningful leisure time for young people, and partly to broaden their networks and increase integration. In 2022, 103 pupils were offered homework assistance at schools in Rikshem's neighborhoods. We provided 152 summer jobs during the year, with the aim of 70 percent of the young people coming from our neighborhoods. We also initiate and take part in other initiatives to get more people in our neighborhoods into work.

Another partnership was entered into with Helsingborg Municipality, where Rikshem was involved in Helsingborg Art Street. The event was held in the Fredriksdal neighborhood in 2022, where art was created on our buildings.

Abuse of tenancy rights such as unauthorized subletting can lead to greater insecurity and less tenant engagement. To counter illegal subletting, we conduct systematic contract checks. In 2022, a comprehensive contract check was made on a total of 17,065 apartments in Rikshem's portfolio. The result of this was more positive than expected, as only

617 (3.6 percent) of the contracts checked deviated from the agreed terms.

In order to help people who find it difficult to get a home on their own, we offer social housing contracts through agreements with the municipalities. In 2022, 361 people had a home through a social housing contract.



Art Street 2022. Batteriet 3, Helsingborg.

To increase the sense of safety and security in our neighborhoods, we conduct safety surveys. Read more on page 40.

Sustainable supply chain

Rikshem is a major purchaser of goods and services. Our work with suppliers is defined by responsibility, respect and sound ethics. Suppliers are audited and evaluated on an ongoing basis. In recent years, we have implemented a digital approach to contract management.

As the custodian of pension funds, it is essential that Rikshem ensures sustainability at every stage. Our Supplier Code of Conduct is one way of minimizing the risk of negative impacts on people and the environment throughout the value chain. Every supplier must approve this when signing a contract with Rikshem. The goal is for all the suppliers in Rikshem's contract database to have approved the Code.*

The database currently includes 699 suppliers, 571 of which have accepted the Supplier Code of Conduct. This is equivalent to 82 percent of Rikshem's suppliers in the database, which is an improvement on previous years. Many of those who have not approved the Code have contracts expiring shortly. All the suppliers added to the database in 2022 have approved the Code of Conduct. We have strengthened our contract process, among other things by introducing digital signatures, to make our contract work even more systematic.

Supplier follow-up

By approving the Supplier Code of Conduct, the supplier also accepts that Rikshem may request documentation or conduct audits to ensure that everything is happening as it should, in accordance with the requirements and principles set. The Supplier Code of Conduct is only one element of Rikshem's more comprehensive engagement with suppliers. The contract conditions as a whole regulate follow-up, contraventions of requirements and associated penalties. Should any questions arise relating to compliance with the Code, these are addressed directly to the counterparty for investigation and remedial action.

As part of the supplier follow-up, we carried out unannounced construction site inspections during the year of

two of our projects, a new construction project and an RM&U project. The audits are carried out by an external security company and are one of the activities within the sustainable supply chain that will continue in 2023.

Supplier analysis

We continuously review new suppliers with which Rikshem enters into agreements and we mainly review financial aspects and compliance with industry standards. During the year, we hired more procurement officers and appointed a sustainability coordinator for sustainable supply chains. We also audited our procedures for systematic follow-up of contractors. The revisions include requirements for the contractor to use digital QEHS systems** for effective and uniform follow-up and reporting during the contract period.

* The Supplier Code of Conduct requires suppliers to comply with economic, social and environmental sustainability requirements, based on the ten principles of the UN Global Compact within human rights, labor rights, environment and anti-corruption. The contractual requirements are adapted to the individual procurement procedure, based on the aspects that are most relevant. The supplier is also responsible for ensuring that any subcontractors they engage also comply with the requirements we set.

**Quality, Environment, Health & Safety.

82%

of Rikshem+s suppliers have approved the Supplier Code of Conduct.



Climate action

The construction and property sector plays a key role in the transformation to a sustainable society. Rikshem has therefore clarified a number of its climate-related targets and ambitions. Three important milestones were producing a climate roadmap, joining the Science Based Targets Initiative and signing up to LFM30 (Lokal Färdplan Malmö), a local initiative in Malmö. Now that we have determined where we are going, our climate work can begin in earnest.

Climate-neutral operations by 2045

Rikshem has set a long-term target to be climate-neutral by 2045. To show how we plan to achieve our goals, we have drawn up a climate roadmap. The climate roadmap is based on climate mapping of the entire business value chain.

Climate roadmap

The climate roadmap presents a picture of the rapid need for development we are facing and what we will be working on. The roadmap shows at what pace we need to reduce our climate emissions, setting out our goals and targets and where in our value chain emissions occur.

The emissions are divided into three scopes* in accordance with the GHG Protocol and include both our direct and indirect climate impact. Our previously adopted climate goal for climate-neutral property management by 2030 remains in place. We have also added goals for climate emissions both upstream and downstream in our value chain, for example emissions from construction and renovation work, as well as our tenants' climate impact.

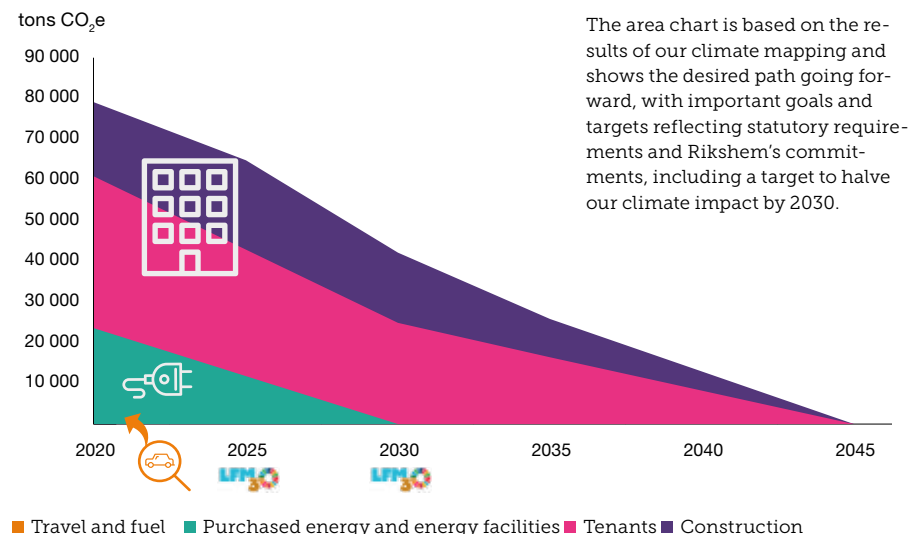
Based on a developed scenario, IVL Swedish Environmental Research Institute has helped us calculate our need for reduced climate emissions, which also includes reduced emissions from other operators, society and the sector in areas such as heating, electricity, construction and mobility.

Climate mapping of the value chain

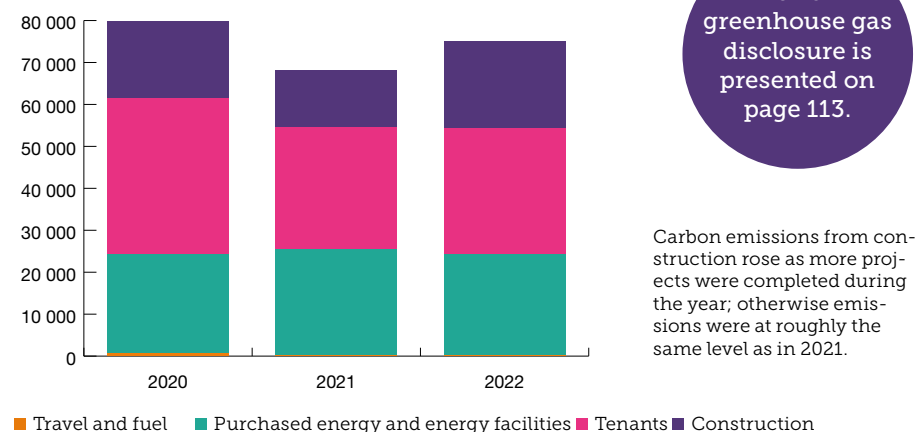
Rikshem's climate roadmap is based on a climate mapping of its operations. This was developed into a complete climate report during the year, in accordance with the GHG Protocol and the new Scope 3 guidance for housing companies that was issued in 2022. Rikshem's climate mapping shows the distribution of our climate emissions throughout our value chain for all three scopes (1, 2 and 3) and is based on data from 2020 as the baseline year, and the 2021 and 2022 financial years. The figures refer to Rikshem's total portfolio. A clear overview of the climate impact from different parts of the value chain provides a good basis for working systematically on halving the climate impact by 2030 and achieving climate-neutral operations by 2045.

* Scope 1: Direct impact from own operations, fuel and travel Scope 2: Indirect impact from energy purchased for own operations Scope 3: Indirect impact that arises before and after our operations

Rikshem's climate roadmap



Rikshem's climate impact (tons CO₂e)

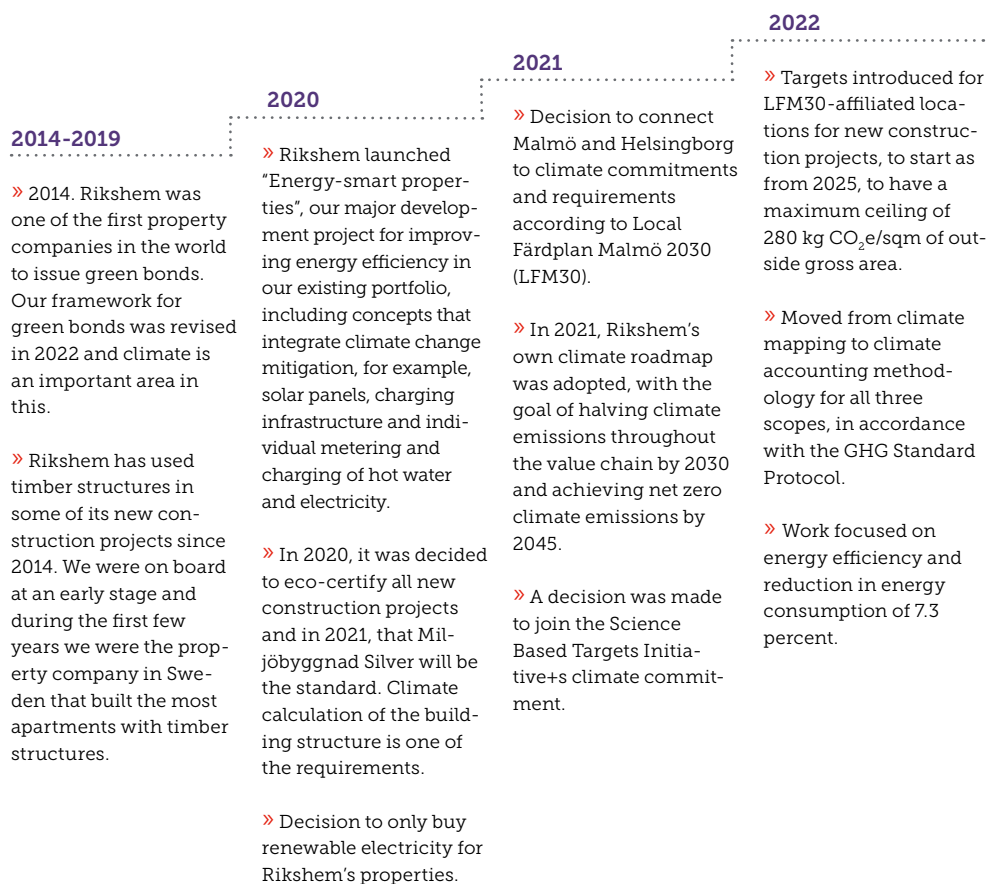


Rikshem's climate journey

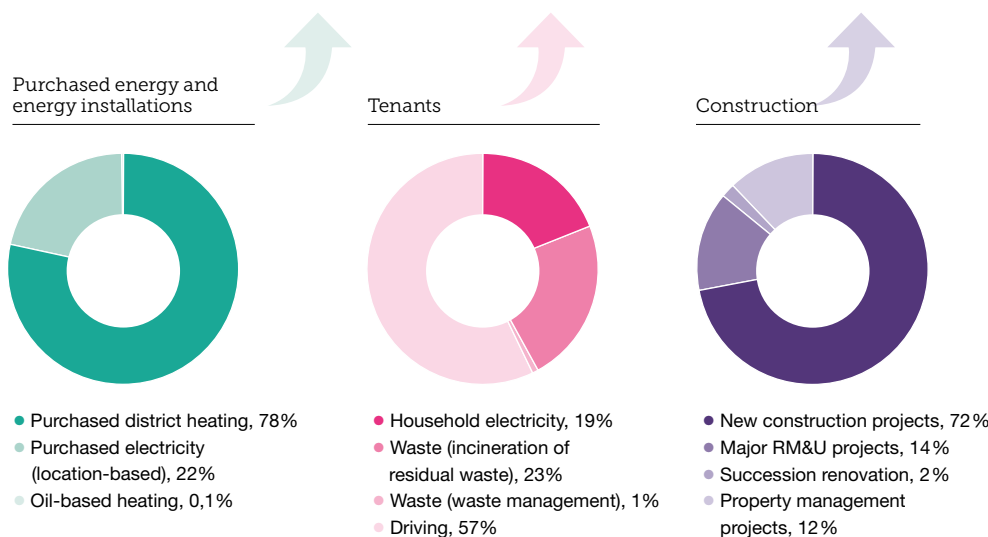
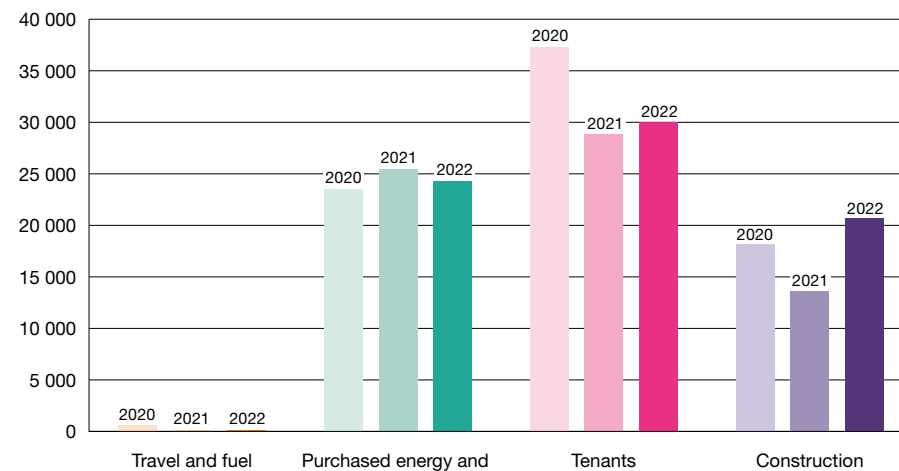
In recent years, Rikshem has made a climate journey in which important decisions have been made along the way. One step in 2022 was to go from calculating the climate impact of the building phase to also setting targets for the maximum impact from construction.

What has happened in recent years is a shift in perception of the extent of climate impact, from working with the emissions

that are closest to our operations from transport and energy, to also covering climate emissions that take place further away in our value chain, both downstream and upstream of our core business. This means that we will focus far more on reducing climate emissions from the building materials we purchase and our tenants' emissions, for example.



Rikshem's climate impact 2020-2022 (tons CO₂e/year) (location-based method)



Employees are the key to our success

Rikshem's objective is to have proud employees who want to develop with the company. The path to this includes investing in skills development, Rikshem days and organizational changes that clarify roles, responsibilities and processes.

Rikshem continues its ambition to be a reliable employer with a strong focus on employees growing in their knowledge and roles. The 2022 employee survey showed that this is exactly where development is heading. Both job satisfaction and loyalty to us as an employer have improved and we can also see a positive trend in the number of employees who would recommend Rikshem as an employer. In these areas, the scores are slightly higher than for other companies of the same size.

Skills development is key to retaining and advancing our employees. Rikshem Academy, the company's own skills development program that was launched in 2020, is successful and new training initiatives are organized on an ongoing basis. Basic training courses were held digitally during the year and four induction days were also organized for new employees. It has finally been possible to hold these as in-person events again after the pandemic – which has been highly appreciated.

Rikshem's new letting strategy has meant that the company's rental agents have undergone skills development in inspections, viewings and how they can improve the dialog with potential customers, a task that will continue going forward. Training courses have also been organized in our new renovation model for responsible target groups, with a focus on division of responsibilities, processes and customer work.

In order to develop Rikshem's senior employees, as well as those in roles with project or supervisory responsibility, the company has introduced the "Lead without being a manager" training program in the context of the Rikshem Academy. Program attendees are trained in self-leadership

and how to lead others and are given the opportunity to grow in their roles.

"Leadership booster courses" were introduced in 2022, which are short workshops in current employee events. The training sessions focused on how Rikshem's managers should further improve their expertise in relation to such areas as pulse surveys, salary reviews and performance appraisals.

Need for clarity in roles and processes

One potential for development identified during the past year is the employees' need for clearer processes and tools to perform their work effectively. Rikshem has therefore worked to clarify various business areas in renovation, new construction projects, project development and property management, where there has been a clearer division between properties for public use and residential properties. As a result, the roles and responsibilities of employees have also become clearer. Employees who have worked in a broad area such as property management have now had to become more niche-oriented and focus solely on properties for public use or residential properties. While this has entailed some changes for employees, there is no doubt that these changes are appreciated.

An equal workplace

The employee survey shows that 82 out of 100 people experience equal treatment at Rikshem and that there are both female and male role models, and that the company works actively on gender equality issues. Rikshem has zero tolerance for discrimination in the workplace and diversity and

gender equality work is an integral part of its operations. Rikshem must be an equal workplace with scope for differences and diversity. Training for managers and other employees in forums, as well as with case studies and dilemma exercises, are important elements of the work to discuss and raise the issue of gender equality.



Louise Öhman

Three different roles at Rikshem within four years. Louise Öhman has been on an exciting journey at the company. Today she is a property manager at the Luleå office.

LOUISE ÖHMAN ON...

her journey at Rikshem:

"I started as a property technician in 2018 and quickly became involved in more administrative tasks. It was therefore a natural step to start working partly as an administration assistant in 2020. After a while, I felt that I wanted to work even more broadly with investments, projects and property management. I discussed it at my annual appraisal in-

terview, which led to me getting the opportunity to take on the role of property manager. It's an exciting role that can be described as a big puzzle, which I really like!"

The best thing about working at Rikshem:

"Definitely my colleagues who brighten up each day. We often collaborate across roles and this collaboration always works incredibly well. There are just under 20 people in the Luleå office, which makes for an intimate and cozy atmosphere. I'm also a person who likes to be busy, and here you're never idle."

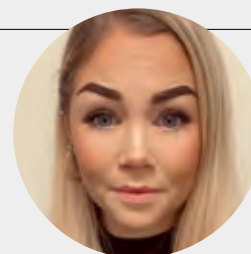
What a normal working day looks like:

"The days are often very different. We have regular meetings each week, but often it's

about what customers need at the moment; they always come first. Lighting and snow are two major issues up here in Luleå during the winter months and we need to find solutions that work all year round. This is part of our overall focus on safety at Rikshem."



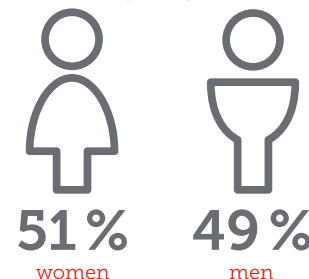
It's all about meeting the customer's needs.



Total number of employees*

2022 2021
316 286

of which



*Number of employees as of December 31. Rikshem only has employees in Sweden.

Fredrik Tryggmo

The spider in the web for development of the existing stock is how Fredrik Tryggmo is best described. He is a project developer located in Helsingborg and is pleased with the good level of cooperation at Rikshem.

FREDRIK TRYGGMO ON...

his role within the company:

"I started at Rikshem two years ago and I focus entirely on RM&U projects. You could say that I work on analyzing and safeguarding the conditions for implementation. It's a role that suits me perfectly. I like to work broadly based on current needs and on strategic issues."



I feel that my work is meaningful.

How to create good collaborations:

"It's important to have a common vision. As long as you raise problems and communicate about them well, you can come a long way. It's also important that everyone involved is committed, which I feel we as Rikshem employees are. We also have many



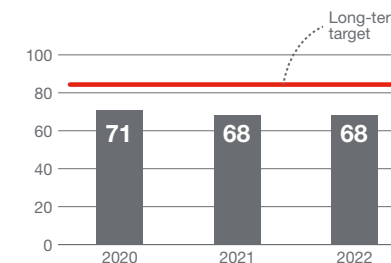
different types of skills and personalities that work together in harmony."

The best thing about working at Rikshem:

"I like changes and build-up phases, and being part of creating something from the beginning. Processes and routines have emerged in many areas where I have been involved in several ways. I get to be involved in influencing at a local level, but also at company level, and have a great deal of freedom. In Helsingborg, we are the largest private landlord for residential properties, so I feel that what I work with makes a difference in my hometown."

Rikshem's Employee Satisfaction Index 2022

Rikshem's annual employee survey identifies areas for improvement, and action plans are drawn up to create the best conditions at the workplace.



Sustainable working life

Systematic work grounded in a number of policies and steering documents, as well as regular follow-up of several functions within the company, ensure a good working environment.

A safe workplace

To ensure a good working environment, Rikshem works in accordance with a working environment policy and procedures. There are systems in place to avoid employees being exposed to dangers and risks, but also for compliance with laws and regulations concerning the working environment, for example the Swedish Working Environment Act and internal guidelines.

The commonest form of near-accident within the business is threatening behavior, for example in connection with inspections or contract contraventions. Slipping and crushing injuries are the most frequent occupational injuries. In 2022, 12 occupational injuries were reported (see table). There is no occupational injury data for people who carry out work for us, but are not directly employed by Rikshem. The ambition is to develop a process to allow a clearer oversight.

Our working-environment documentation contains procedures for safety at work and for establishing working methods that minimize accident risks, as well as proce-

dures for dealing with threatening situations. Both employees and consultants are included.

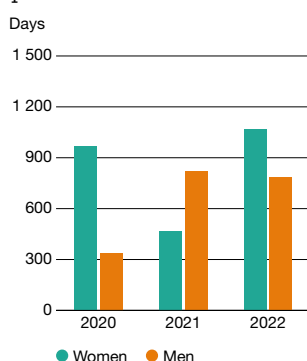
Working-environment inspections and evacuation drills are carried out once a year. To ensure the safety of customers and contractors, regular inspections are made of Rikshem's properties with a view to both working-environment and property-owner responsibilities. Employees within the property management organization who are on the receiving end of feedback from tenants receive internal support on how to deal with any complaints. Portable personal alarms linked to a security company are also available for employees who find themselves in situations they perceive as threatening.

Working-environment efforts

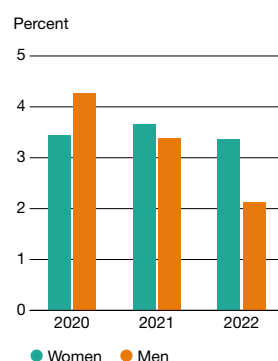
Rikshem's objective is to ensure a healthy workplace in the long term. Support measures are put in place as required, for example counseling to deal with stress and mental health issues, and ergonomic support for the physical working environment.

In its working-environment efforts, Rikshem works with occupational health services and other working-environment experts. Working-environment issues are included in annual performance reviews and are a recurring theme at departmental meetings and individual meetings between employees and managers.

Number of days' extra parental leave ¹



Sickness absence of total time worked



1) Rikshem tops up the parental allowance for salaried employees to 180 days/child, to be taken before the child's second birthday. Persons employed under a collective agreement have the same entitlement, but payment is made via AFA.

Gender distribution, %

Percentage	2022		2021		2020	
	F	M	F	M	F	M
All employees	51	49	49	51	46	54
Management	64	36	56	44	43	57
Board of Directors	38	62	33	67	43	57
Managers	55	45	47	53	51	49

Age distribution ¹, number

	2022			2021		
	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years
All employees	36	203	77	37	176	73
Management	0	6	5	0	5	4
Board of Directors	0	2	6	0	3	3

1) Relates to permanent employees as at December 31, 2022. Refers to actual number of persons.

Over the last two years, Rikshem's working-environment committee has made great strides in its work on the working environment and now comprises representatives from various strategic and operational functions across the company. The working-environment committee shares responsibility for quarterly surveys and follow-up together with Rikshem's various management groups. Focus on Rikshem's working-environment efforts has increased over the last couple of years in light of the coronavirus pandemic.

Rikshem strives to offer employees a healthy work-life balance. To promote a healthy lifestyle, employees are offered wellness grants, regular health checks, counseling and reimbursement of healthcare costs.

An inclusive workplace

All Rikshem's employees must have the same rights, obligations and opportunities in all aspects relating to the workplace irrespective of gender, transgender identity or expression, ethnic background, religion, disability, age or sexual orientation. For Rikshem, this means taking care of one another, and standing up for and underlining that there is zero tolerance of offensive behavior and harassment.

There is also a whistleblower function that enables employees to report irregularities or unsatisfactory conditions at the workplace anonymously. Notifications are handled quickly, discreetly and in confidence.

The parameters governing the work on equality are set out in Rikshem's Equality and diversity policy and the Equality plan. These efforts must lead to all employees having the chance to develop, thrive and have a working environment where everyone respects and is inspired by each other's differences.

Health and safety, number

	2022	2021	2020
Reported occupational injuries ¹	12	14	6
Reported near-accidents	25	19	18
Cases of perceived harassment or discrimination ²	12	6	10

1) In 2022, 4 reported occupational injuries resulted in sickness absence > 1 day, which is equivalent to an occupational injury frequency of 1.3 (number of occupational injuries with sickness absence > 1 day per 200,000 hours worked). In 2022, the total number of hours worked was 610,085. The occupational injury frequency in 2021 was 0.

2) These cases came to light via the employee survey.

Property portfolio

With properties across the country, Rikshem is one of Sweden's largest private property companies. Our portfolio includes apartments, preschools, schools and nursing homes – homes for all life stages.

Economic
occupancy rate

96.9%

of total portfolio

Rental
incomes totaled

3,169

MSEK

Fair value of
the properties totaled

MSEK

59,423

(excl. joint ventures)

Rikshem's locations

Rikshem has properties across Sweden – from Malmö in the south to Luleå in the north. More than half of the portfolio is to be found in our three largest locations: Uppsala, Greater Stockholm and Helsingborg. The breakdown by location is based on fair value of the properties.



UPPSALA

Number of apartments: 6,843

Share of properties for public use: 35%

Total area: 443,592 sqm

Uppsala* accounts for the lion's share of the portfolio with a mixture of older properties and new builds. Most of the residential properties are centrally located, while many of the properties for public use are in suburban areas. Redevelopment of 231 student apartments began in the campus area during the year, as well as renovation of senior accommodation for 55+ year-olds. Rikshem's portfolio in Uppsala also includes the Nordic region's largest nursing home. More than 1,500 of Rikshem's apartments are in the Gränby neighborhood, an area that Rikshem is working hard to develop.

* Incl. Knivsta.



GREATER STOCKHOLM

Number of apartments: 4,381

Share of properties for public use: 49%

Total area: 450,388 sqm

Rikshem's portfolio is scattered across the entire Stockholm area*, from Södertälje to Sigtuna. Almost half of the portfolio here comprises properties for public use, mostly in the southern districts and in Nacka. The residential properties offer a large number of apartments, but we are endeavoring to build more in the Stockholm area. Around 200 new apartments are being built in Södertälje, including in Hagalund and Upplands Väsby, with work to renovate and uprate older properties under way or at the planning stage in several places.

*Huddinge, Nacka, Norrtälje, Sigtuna, Solna, Södertälje, Upplands Bro and Upplands Väsby.



HELINGSBORG

Number of apartments: 3,544

Share of properties for public use: 1%

Total area: 254,145 sqm

Rikshem has mostly residential properties in Helsingborg and is the city's largest private property owner in the segment. Most of the properties are in the Elineberg and Fredriksdal districts, where Rikshem has around 1,500 apartments. Rikshem is working on property development in several areas of the city, either in the form of RM&U projects or local-planning work involving densification and new builds, both in existing neighborhoods and in new areas of the city.



10%

NORRKÖPING

Number of apartments: 3,497

Share of properties for public use: 6%

Total area: 240,193 sqm

Rikshem+s properties in Norrköping* are mostly residential properties, but there are also properties for public use. The properties are located both centrally and in the suburbs. Rikshem has built extensively in recent years and in 2022 densification began in Vilbergen, as well as the renovation of older properties in the center.

* Incl. Jönköping, Linköping and Nyköping.



6%

VÄSTERÅS

Number of apartments: 1,807

Share of properties for public use: 35%

Total area: 132,171 sqm

Rikshem is one of the largest property owners in Västerås, with a portfolio of both old and new properties. There is a great need for more apartments in Västerås. Rikshem is building 252 apartments in the expanding Eriksborg district that will be ready for tenants to move into in 2023.



5%

KALMAR

Number of apartments: 1,683

Share of properties for public use: 44%

Total area: 153,702 sqm

Rikshem has both residential properties and properties for public use in Kalmar. Kalmar is growing and residential construction has been high in recent years. Rikshem has built almost 500 new residential properties over the last six years, both in existing and new neighborhoods, often close to nature areas.



5%

HALMSTAD

Number of apartments: 1,203

Share of properties for public use: 83%

Total area: 96,217 sqm

Rikshem has a high share of properties for public use in Halmstad* and there is a need for additional nursing homes. There is also a significant need for more residential properties. Rikshem completed a new construction project in central Halmstad in 2022.

* Incl. Ale.



5%

LULEÅ

Number of apartments: 1,908

Share of properties for public use: 15%

Total area: 157,024 sqm

Rikshem has a mixture of rental housing, properties for public use and commercial properties in Luleå. Rikshem both modernizes existing properties and builds new ones. 300 new apartments are planned in Kronan.



5%

UMEÅ

Number of apartments: 1,764

Share of properties for public use: 6%

Total area: 119,844 sqm

Rikshem has had a presence in Umeå since 2016, and the portfolio has a mixture of everything from older properties to new construction projects. Given the increased need for apartments, we are focusing on modernizing and developing existing properties.



4%

ÖSTERSUND

Number of apartments: 1,885

Share of properties for public use: 0%

Total area: 136,686 sqm

In Östersund, Rikshem has rental apartments both in the city and in the suburbs. Östersund is growing and Rikshem is planning new construction in both existing and new neighborhoods.



4%

MALMÖ

Number of apartments: 715

Share of properties for public use: 16%

Total area: 56,265 sqm

In expanding Malmö*, Rikshem has rental apartments, youth apartments and student accommodation. Rikshem's first new construction project in Malmö is being built in the central district of Sorgenfri that will be ready for tenants to move into in 2024.

* Including Lund.

The portfolio in figures

At the end of 2022, Rikshem's total fair value (fair value of properties) was MSEK 62,532, including joint ventures, and MSEK 59,423 excluding joint ventures. Figures reported below are for the portfolio excl. joint ventures. The fair value of the property portfolio increased by SEK 643 million during the year. The portfolio comprises 519 properties with a total lettable area of approximately 2,240,000 sqm. During the year, Rikshem divested one property and acquired six.

Rikshem's property portfolio

	2022	2021
Fair value, MSEK	59,423	58,780
Number of properties	519	514
Number of apartments	29,230	28,514
Lettable area, 1,000 sqm	2,240	2,216
Rental income, MSEK	3,169	3,062
Property expenses, MSEK	-1,409	-1,294
Net operating income, MSEK	1,760	1,768
Property yield, %	3.0	3.2
Total return excl. JV, %	-0.3	13.9
Economic occupancy rate, %	96.9	95.8

Change in the property portfolio

MSEK	2022	2021
Fair value at January 1	58,780	51,750
Investments	2,460	1,851
Acquisitions	500	532
Divestments	-382	-862
Change in value	-1,935	5,509
Fair value at December 31	59,423	58,780

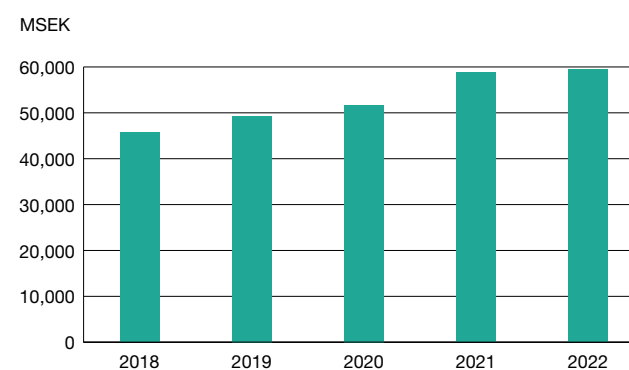
Acquisitions in 2022

Municipality	Property	sqm	Property type
Lund	Virket 1, 3 and 6	10,584	Development rights
Kalmar	Rapsen 12	4,874	Residential property
Sollentuna	Tidmätaren 1 and 2	5,638	Development rights

Disposals in 2022

Municipality	Property	sqm	Property type
Stockholm	Lager 6	2,861	Offices

Fair value of the properties



The 10 highest-value properties

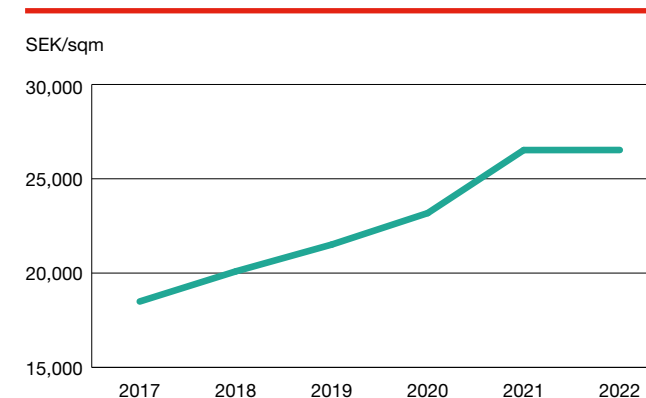
Property	Municipality	Type of property	Area, sqm
Kvarngärdet 4:3	Uppsala	Residential property	45,671
Spärren 2	Norrköping	Residential property	44,343
Kristallen 12	Luleå	Residential property	43,213
Huslyckan 6, Köpingelyckan 5, 6, Skepparlyckan 3, Herden 16	Helsingborg	Residential property	36,059
Porsön 1:240	Luleå	Residential property	33,310
Repet 4	Södertälje	Residential property	29,629
Valsta 3:38	Sigtuna	Residential property	25,309
Svartbäcken 36:45	Uppsala	Property for public use	24,759
Eriksberg 17:1	Uppsala	Residential property	6,845
Kvarngärdet 55:1	Uppsala	Residential property	2,479
Total			291,616

Segment reporting 2022

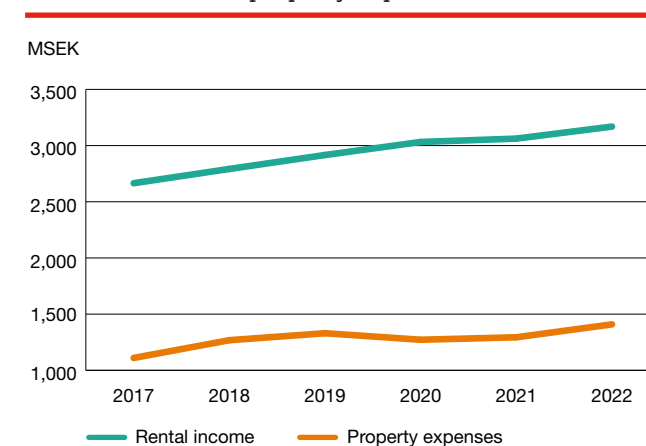
Amount (MSEK)	Residential properties		Properties for public use		Total	
	2022	2021	2022	2021	2022	2021
Rental income	2,210	2,148	959	914	3,169	3,062
Property expenses	-1,080	-982	-328	-311	-1,409	-1,294
Net operating income	1,130	1,166	631	602	1,760	1,768
Change in value of properties	-1,943	3,890	8	1,619	-1,935	5,509
Total return	-813	5,056	639	2,222	-175	7,278
Total return excl. JV, %	-1.9	13.7	3.7	14.3	-0.3	13.9
Fair value of properties	41,642	41,591	17,780	17,189	59,423	58,780
Percentage share	70	71	30	29	100	100
Area, 1,000 sqm	1,627	1,608	613	608	2,240	2,216
Fair value, SEK/sqm	25,597	25,863	28,986	28,265	26,525	26,522
Investments	2,257	1,661	203	190	2,460	1,851

The amounts are rounded to the nearest million Swedish kronor, which means that figures and tables do not always correspond to the total.

Fair value



Rental income and property expenses



Net operating income, MSEK

2022 **1,760** 2021 **1,768**



Fair value of properties

2022 **59,423** 2021 **58,780**



Rental income, MSEK

2022 **3,169** 2021 **3,062**

Rikshem's residential properties in figures

The residential segment makes up approximately 70 percent of Rikshem's property value. A diverse housing offer is a priority for Rikshem. The housing portfolio includes residential properties for all stages of life, such as rental apartments, student accommodation, youth apartments, senior accommodation and sheltered accommodation.

Residential properties by area

Municipality or location	Number of properties	Area, apartments, 1,000 sqm	Area, other, 1,000 sqm	Rental income, MSEK	Share of fair value, %
Uppsala/Knivsta	46	271	24	495	24
Greater Stockholm	34	232	17	335	15
Helsingborg	91	228	25	333	14
Norrköping, incl. Nyköping	39	207	20	299	12
Umeå	42	108	5	159	7
Västerås	12	73	3	119	6
Luleå	7	106	19	148	6
Malmö	15	28	21	65	5
Östersund	29	126	10	158	5
Kalmar	20	89	9	124	4
Halmstad/Ale	2	5	0	9	1
Total	337	1,474	153	2,245	100

Key figures by use of area

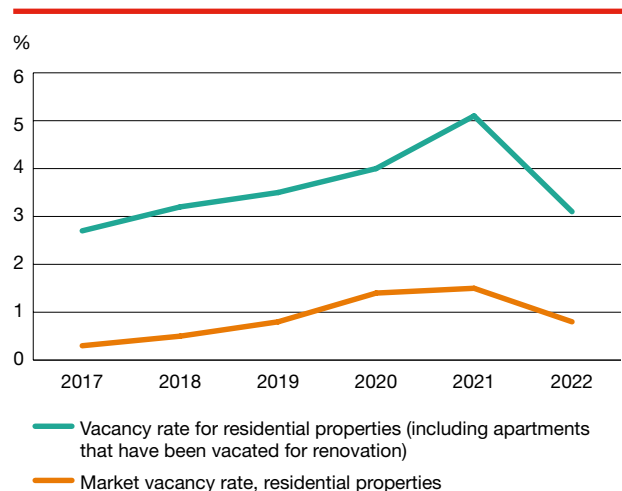
	Rental apartment	Student apartment	Commercial	Other	Total
Area, 1,000 sqm	1,530	61	36	0	1,627
Number	35,967	1,641	298	9	37,915
Rental value, MSEK	2,077	133	36	0	2,245

Portfolio of residential properties

	2022	2021
Rental income	2,210	2,148
Property expenses	-1,080	-982
Net operating income	1,130	1,166
Change in value of properties	-1,943	3,890
Total return	-813	5,056
Property yield, %	2.7	3.0
Total return excl. JV, %	-1.9	13.7
Fair value of properties	41,642	41,591
Number of properties	337	333
Number of apartments	23,802	23,711
Share, %	70	71
Area, 1,000 sqm	1,627	1,608
Fair value, SEK/sqm	25,597	25,863
Investments	2,257	1,661

The figures in the tables are rounded to the nearest whole number, which means that the figures and totals do not always correspond.

Vacancy rate (units)



Building in new district of Malmö

Rikshem is in full swing with its first new construction project in Malmö, where a unique district is emerging. Population growth means that many people are moving to the cities, which means that we achieve greater profitability in our projects there compared with smaller towns.



The Sorgenfri district in the southern inner city area of Malmö has an industrial heritage and is now being developed through several ongoing projects. Rikshem has an important role in one of Malmö's major ongoing urban development projects. Rikshem's first new construction project in Malmö is where Nobelvägen meets Industrigatan. There are 260 new apartments spread across two buildings that are between four and six stories high.

"The properties are located in a quiet area where there has been extensive construction recently. There will continue to be a large amount of investment in this area in the future," says Pär Hallgren, project developer at Rikshem and responsible for construction.

Strong focus on sustainability

The project consists of two buildings with a total area of 14,000 sqm, plus a basement car park. The facade is rendered and interspersed with brick. The apartments range from one to four rooms plus kitchen. The buildings will be fitted with solar panels on the roof and certified in accordance with Miljöbyggnad Silver.

"This environmental standard means that we need to follow various criteria according to a 15-point system. We will re-

ceive a preliminary certificate initially, but this will be followed up and renewed after two years, so we need to make sure that the energy calculations made at the planning stage are complied with going forward," says Pär.

In terms of energy consumption, the requirement set by the Swedish National Board of Housing, Building and Planning is that it must correspond to less than 75 kWh/sqm per year. Rikshem wants to be at the forefront here and has decided on a level that is lower than 42 kWh/sqm per year.

Accommodation with all the extras

For Rikshem, it is important to develop residential properties where residents can live and reside sustainably. Future tenants in Brönnestad 1 and 2, as the properties are called, will be offered both a car pool with electric cars and a bike pool with electric bikes. As part of a "mobility package", basement parking spaces are offered for 86 cars; and 40 spaces are equipped with charging stations for electric cars.

"There's also a basic bicycle workshop next to the parking area, and tenants will be offered annual service of their bikes. They will also be able to use 100 sqm of office space equipped with a kitchenette, desk and chairs," explains Pär.

The first tenants are expected to move in during 2024, and Rikshem will manage the residential properties itself.

”
The properties are located in a quiet area where there has been extensive construction recently.

260

new apartments

The buildings are built and certified in accordance with Miljöbyggnad Silver



86 parking spaces; of which 40 with charging stations

14,000

sqm + a basement car park

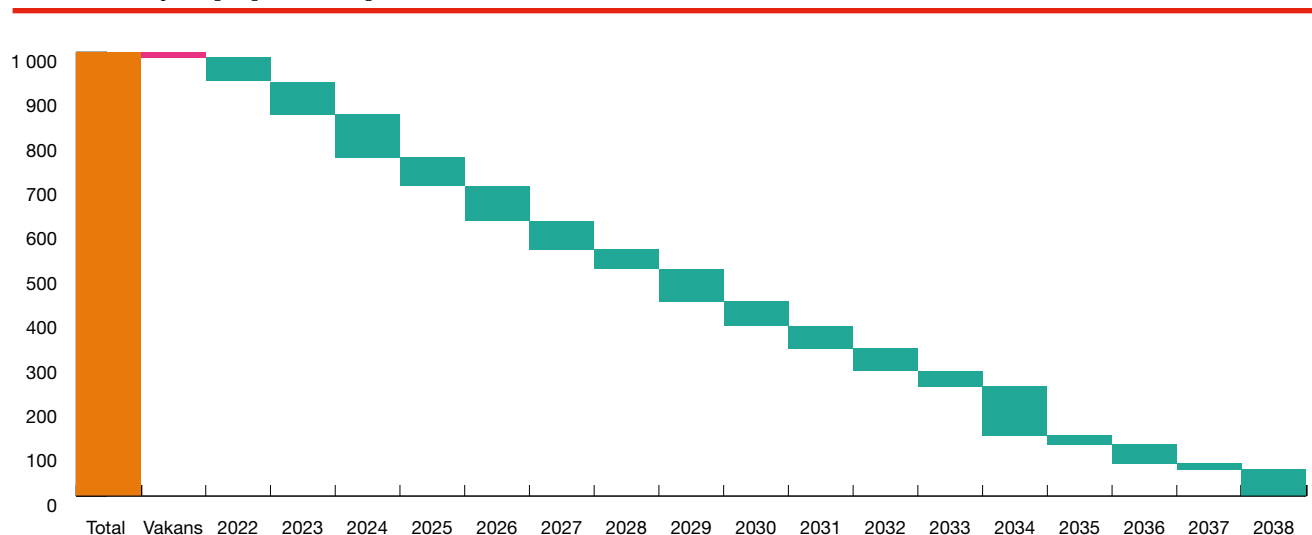
Rikshem's properties for public use in figures

Properties for public use make up approximately 30 percent of Rikshem's property value. These properties are used for facilities such as nursing homes, group living, and schools and preschools. Rikshem offers properties for public use for all life stages. Customers come from both the public and private sectors, with around 85 percent of the properties for public use being leased by the public sector.

Portfolio of properties for public use by area

Municipality or location	Number of properties	Area, nursing homes, approx. 1,000 sqm	Area, schools, approx. 1,000 sqm	Area, other, approx. 1,000 sqm	Rental value, MSEK	Share of fair value, %
Greater Stockholm	64	96	106		327	33
Uppsala/Knivsta	61	118		31	276	30
Halmstad/Ale	17	61		31	155	14
Kalmar	9	45	6	4	92	8
Västerås	13	25	4	26	87	7
Luleå	5	32			40	2
Norrköping, incl. Linköping and Jönköping	4	10		2	20	2
Malmö	6	7			17	2
Umeå	2	3	4		11	1
Helsingborg	1	1			2	0
Total	182	399	120	94	1,027	100

Lease maturity for properties for public use, annual rent (MSEK)



The figures in the tables are rounded to the nearest whole number, which means that the figures and totals do not always correspond.

Portfolio of properties for public use

	2022	2021
Rental income	959	914
Property expenses	-328	-311
Net operating income	631	602
Change in value of properties	8	1,619
Total return	639	2,222
Property yield, %	3.6	3.7
Total return excl. JV, %	3.7	14.3
Fair value of properties	17,780	17,189
Number of properties	182	181
Number of apartments	5,428	4,803
Share, %	30	29
Area, 1,000 sqm	613	608
Fair value, SEK/sqm	28,986	28,265
Investments	203	190
Average remaining lease period, years	7.6	8.3

10 largest tenants of properties for public use

Tenant	Type of tenant	Leased area, 1,000 sqm	Rental value, %
1 Uppsala municipality	Local authority	84	5
2 Nacka municipality	Local authority	72	4
3 Sigtuna municipality	Local authority	60	3
4 Kalmar municipality	Local authority	47	3
5 Halmstad municipality	Local authority	40	2
6 City of Västerås	Local authority	36	2
7 Telge Fastigheter	Municipally owned company	38	2
8 Luleå municipality	Local authority	29	2
9 Ale municipality	Municipally owned company	26	2
10 Attendo Sverige AB	Private sector	13	1
Total		445	25

Key figures by use of area

	Nursing homes	Schools	Other	Total
Area, 1,000 sqm	399	120	94	613
Rental value, MSEK	687	196	144	1,027

Harplinge nursing home given award

Harplinge nursing home in Halmstad won the international ELCA Trend Award 2022.

"It's a great feeling. There's great teamwork behind this win, and this shows how good it can be when we work together," says Håkan Carlsson, property manager at Rikshem.

The Harplinge retirement home consists of 60 apartments on the ground floor, each of which has its own terrace. Each section has its own green inner courtyard, and there are two large gardens adjacent to these.

"It's a very popular home, and lots of older people are coming here. The people who move in have often spent a lot of time gardening and appreciate being able to continue doing this," says Håkan Carlsson.

Every nursing home in Halmstad municipality has a theme and at Harplinge it's gardens and nature. Heidi Nilsson is responsible for the home's concept and

has been involved right from the start.

"I've seen apple trees, cultivation, boules pitches and planting take shape. It's a continuous process of activities, planting and excursions, which is great fun," she says.

The prize won by the nursing home was awarded by the European Landscape Contractors Association (ELCA) at the international garden show GaLaBau in Nuremberg, Germany. This year's theme was the "Impact of green environment on people's health for well-being and learning". Heidi Nilsson was there to receive the award.



"Obviously, it was great fun to win the award, but the best thing is to see that our elderly people are en-

joying this outdoor environment. And our staff think so too," she says.

Customer in focus

Rapid feedback, close dialog and a high level of service. These are the success factors behind Rikshem's good customer relationship with Nacka municipality.

Rikshem is a major property owner and real estate manager of properties for public use in Nacka outside Stockholm. The portfolio includes 21 preschools, ten schools and four nursing homes, which place high demands on property management and customer dialog.

"There are a number of reasons why the customer dialog works so well here. We are a close-knit team of five people, all of whom put the customer at the center," says Emma Helin, property

manager at Rikshem.

Tilda Widstrand has the role of management assistant. She is one of those responsible for ongoing customer dialog and deals with fault reports from Nacka municipality. Fault reports are administered via a digital tool that streamlines the work.

"Even if we can't rectify a fault straight away because we need to wait for an item that has been ordered, for example, I always get back to people quickly. Quick answers and close dialog mean that customers feel we care and they can be confident that the fault will be rectified. Everyone in the team here has the attitude that the customer is everything," says Tilda Wistrand.



60

apartments with
their own terrace.

"It's great to win an award, but the best thing is to see that our elderly people benefit from the outdoor environment."



The European Landscape Contractors Association presented the award.

Property management

With a strong focus on customers, both in residential properties and properties for public use, the property management year was characterized by greater customer dialog, with focus on face-to-face meetings.

2022
Service Index

71

for residential
tenants

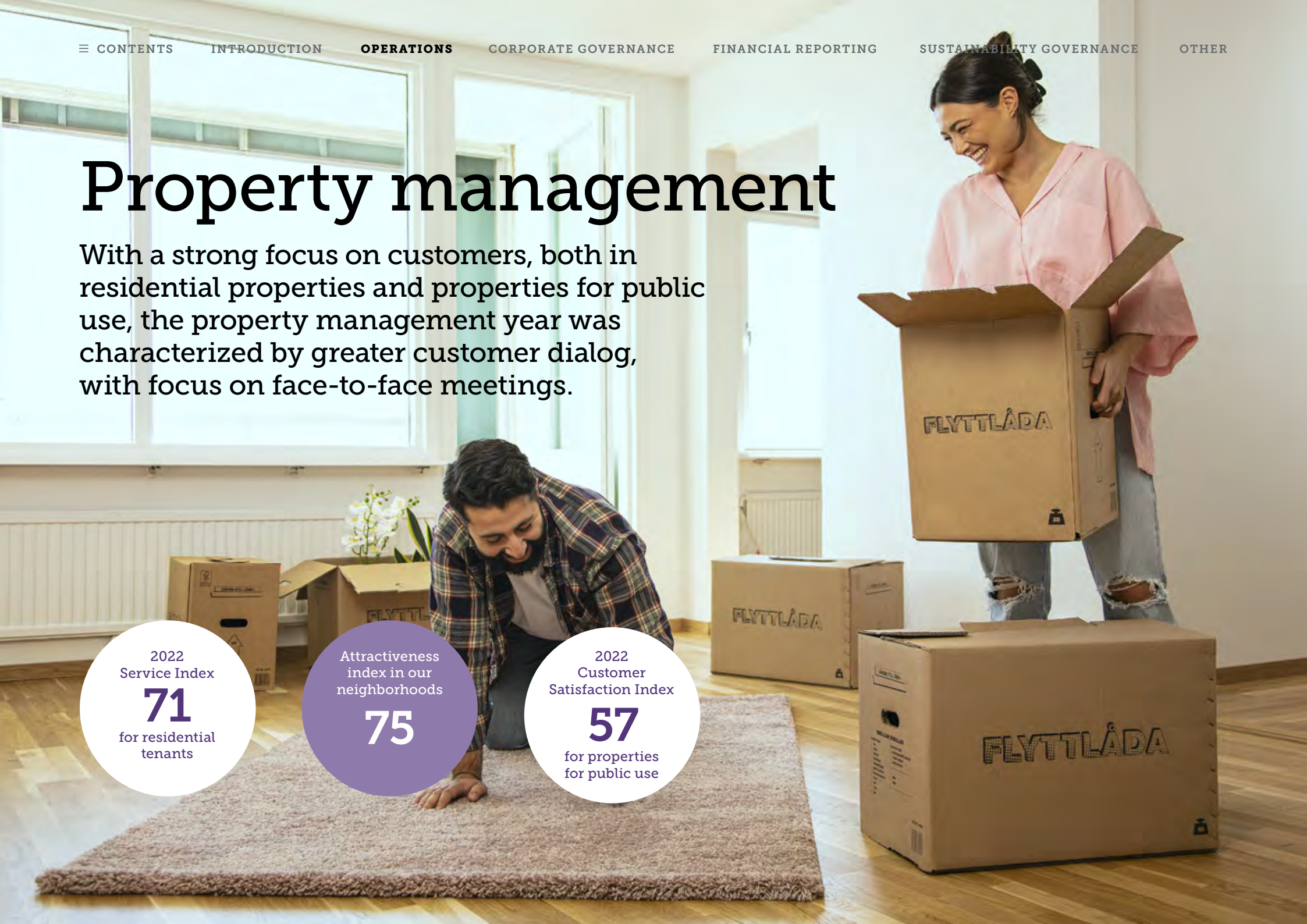
Attractiveness
index in our
neighborhoods

75

2022
Customer
Satisfaction Index

57

for properties
for public use



The customer leads the way

Rikshem wants to be a responsible real estate manager that makes a difference at the locations where we operate. This is why we prioritize creating varied offerings, with a mix of residential properties and properties for public use that create well-being in urban areas. Always looking at things through the customer+s lens was the basis for Rikshem's property management work in 2022.

Direct contact with the customer, i.e. the tenant, is important to Rikshem. A new letting strategy was introduced during the year in order to get the customer relationship off to a good start. In short, this means that vacant apartments are now advertised by Rikshem's managers instead of by the tenants who are moving out. Keys must always be handed over directly to the new tenant, who also receives a house-warming gift. An increased focus on marketing is also part of the letting strategy. A major effort has been made in terms of marketing vacant residential properties on rikshem.se, on external websites and through targeted marketing. This way of working has produced results and the overall vacancy rate is declining. There are some vacancies in Kalmar and Norrköping, but in Halmstad, for example, the latest new construction project of 92 rental apartments is fully rented out. Read more about the letting strategy on page 41.

More satisfied customers

Rikshem is also working to ensure that customers are involved in influencing their living environment. We therefore measure and follow up on our customers' opinions on an ongoing basis through monthly customer surveys. Based on the results, action plans are drawn up that enable us to develop our neighborhoods together with the residents. In addition to these customer surveys, we conduct surveys related to occupation and vacation, surveys for those who remain in buildings during refurbishment, and for those who move into newly built housing. Rikshem has had a positive customer journey in recent years, and customer satisfaction continued to increase in 2022.

More efficient renovation model

Rikshem has been applying a new renovation model for some time now. The model means that tenants can remain in their apartment during plumbing overhauls and bathroom renovations. Instead, apartments are fully renovated when one tenant moves out and before the next one moves in. This way of renovating means that residents do not need to vacate properties during the renovation work, nor are they affected by unwanted rent increases due to increased utility value after renovation to modern standards.

Effective customer dialog in Norrköping

Rikshem's properties on St. Persgatan in central Norrköping were renovated in 2022. Anette Hertz is one tenant whose apartment was renovated.

"It's turned out so well! I'm most pleased with the new bathroom, the extractor hood, my new draft-free windows and the new waste and recycling rooms with CCTV," says Anette.

The properties at St. Persgatan 125-131 are around 50 years old and were therefore in need of refurbishment, a plumbing overhaul and new ventilation. As a long-term property owner, Rikshem wants to continue providing functional, safe and pleasant homes, as well as prioritizing good customer contact.

"The communication I had with project manager Daniel and redevelopment coordinator Petra was really good. I even called Norrköpings Tidningar and made sure they were given a special mention!", she explains.

Anette Hertz has been living in her apartment since 2008.

"It's close to the center and there are a couple of green areas here too, which is perfect because I spend a lot of time outside. But it would be good to have better and more lighting in the neighborhood in the evenings," she says.



Kim Eriksson, Head of Property Services, Mälardalen.

"We see increased customer satisfaction now that our customers can track cases via My Pages. The fact that we are raising our sights, developing our internal cooperation and using new digital tools will make a big difference going forward. We have also made an active move and created better dialog with municipalities and their property managers, where communication is more hands-on".



Responsible property management

The rental market is changing and the customer's experience of Rikshem is becoming increasingly important. By continuously developing our neighborhoods, we make it possible for more people to live and work there at all stages of their lives. Our work to create safe and pleasant neighborhoods is a cornerstone of our core business.

Rikshem's properties and neighborhoods must be cared for and be well-kept, welcoming and pleasant. Our tenants must feel safe and feel good about being at home. Our local real estate managers ensure that the properties are managed and that the apartments meet the agreed standard. If any damage or fault occurs in an apartment, tenants can easily report the fault on "My Pages" or by contacting Rikshem by phone. Both help and feedback take place within set time frames.

Property management is managed by both Rikshem and external contractors. Our maintenance contractors are our extended arm and follow Rikshem's agreed maintenance requirements. In addition to day-to-day management of our properties, property management reviews neighborhoods to ensure that they are pleasant and safe.

Creating a sense of security is an important part of Rikshem's work to build attractive neighborhoods. Security work includes conducting safety surveys. In 2022, seven surveys were conducted in designated areas.

Safety survey in Upplands Väsby

Rikshem manages and owns around 400 residential properties in Carlsund in Upplands Väsby outside Stockholm. One Thursday morning in November, Carl Flying, management assistant, a rental agent and a representative from Rikshem's Sustainability Department, and Urban Development's two representatives, came together. Urban Development is Rikshem's partner in safety surveys and specializes in neighborhood development in areas with socioeconomic challenges.

"During the safety survey, we work together in the neighborhood to conduct a thorough inventory of the outdoor environment and communal indoor areas. We review lighting, parks, stairwells, storerooms, waste and recycling rooms, bicycle rooms, laundry rooms and garages. The



Safety survey in Upplands Väsby.

purpose of the survey is to identify measures that can reduce the risk of crime, and increase the sense of security, well-being and customer satisfaction," explains Anna Molin, consultant at Urban Development.

“The purpose of the survey is to identify measures that can reduce the risk of crime, and increase the sense of security, well-being and customer satisfaction.”

The method is adapted to Rikshem's needs. Carlsund is a relatively quiet area, but there are challenges such as the large number of short-term contracts. The survey includes spontaneous interviews with residents in the neighborhood, plus an outdoor review at night to capture

how the area is perceived when it is dark.

"I welcome an external party going through the neighborhood and coming up with valuable suggestions for improvement. We want Carlsund to be safe and pleasant for its residents. Since Carlsund will be renovated and the entire area will be developed, it's great that we're reviewing all the opportunities now," says Carl Flying.

A couple of weeks after the review, the feedback came from Urban Development.

"We received several suggestions for both short-term and long-term improvements. We have already implemented some of them, such as better lighting. Some of the feedback contained valuable information for the forthcoming renovation that we'll be taking forward into this work," Carl Flying explains.

Hand in hand with the customer – face-to-face meetings produce results

First impressions last and face-to-face meetings are important. Rikshem has a new letting strategy that enables customers and landlords to get to know each other at an early stage. The customer relationship starts at the very first viewing and continues throughout the entire term of the lease.

Tina Andersson and Andreas Sandahl are both rental agents at Rikshem in Västerås. They welcome the new letting strategy, which entails a greater focus on face-to-face meetings between the customer and landlord.

“We noticed that we lost some of the face-to-face meetings during the coronavirus pandemic, when contract signing was digitalized. We are now retaining the positive aspects of digitalization in the form of increased efficiency, but at the same time making sure that we don’t lose sight of face-to-face customer meetings. Customers

understand that we are there for them and we also get an early picture of the customer,” says Tina Andersson.

Moving in and follow-up calls

The first meeting between the rental agent and the customer involves the rental agent showing the customer round the apartment and the surrounding environment, such as parking spaces, storerooms, laundry rooms and waste and recycling rooms. The rental agent also carries out a pre-inspection of the apartment, which gives a

good picture of the condition of the apartment and which renovation measures may need to be carried out. The key is then handed over, which also includes the rental agent handing over a housewarming gift and an information sheet.

Looyaan Osman has just moved into one of Rikshem’s apartments in Västerås.

“Collecting the key to my new home was a big day for me. I was given a good reception and received answers to all my questions when the rental agents showed me around and explained how everything works. It’s a quiet area and I like my new apartment,” says Looyaan Osman.

Customers have seven days after moving in to point out any faults and deficiencies in their home. Ten days after moving in, there is a follow-up call, when customers can also report faults and ask questions about their new home.

“This conversation is important because we can then quickly identify if something is not working or if everything is satisfactory. It’s also a good opportunity to follow up on your rights and obligations as a customer of Rikshem,” says Andreas Sandahl.

The new letting strategy takes a little more of the rental agent’s time, but that time is regained quickly due to fewer complaints and fewer questions in the future. The letting strategy has also resulted in improved results in Rikshem’s customer survey.



Key handover in Västerås.



New letting strategy involving greater focus on face-to-face meetings between customer and landlord.



“Conversation is important”

10

days after moving in, customers receive a follow-up call.

Investment in properties for public use

Properties for public use as a business area have been given higher priority at Rikshem in recent years and are now a separate business area. Rikshem will continue to be locally represented with its own property management organization, from Luleå in the North to Malmö in the South. The objective of property management is to be able to work together with customers in the public sector to provide fit-for-purpose and innovative buildings for public service, where the customer's business is at the center.

The core of property management work in the case of properties for public use is to relate to customers with changing needs and challenges. Our property management work requires us to have knowledge of the tenant's business operations, so that we can provide efficient premises that are fit for purpose. Rikshem's closest partners are municipalities or private operators that provide public services on behalf of the public sector. In property management, we build up knowledge of the customer and the customer's business operations, in order to best meet their requirements. When we manage properties for public use, our primary focus is on the people who spend time on the premises.

Focus on customers

What our customers think about us is important. Rikshem therefore regularly measures customer satisfaction. This year's survey shows that we are continuing to increase customer satisfaction levels, but that there is room for development in how we manage rental agreements, for example. Some opinions are that it is important to provide quick feedback when something needs to be rectified in the property, that there is clear communication about how we plan and perform maintenance, and that the tenant can

search for information about their property themselves.

In order for customer satisfaction to continue moving in the right direction, we drew up a specific plan with measures during the year. Examples of the measures planned are a separate customer service for properties for public use and a new service whereby faults can be reported and where the customer can find information about their property. Overall, it is hoped that this will increase proximity to our customers and ultimately strengthen their confidence in Rikshem.

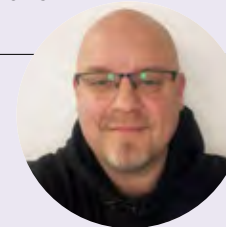
Changing needs

We need to understand and adapt to all the stakeholders associated with a property for public use, i.e. all operations managers, all staff, users of the Swedish personal assistance system and elderly care, children attending school or pre-school, and family members. Municipal real estate managers and politicians in charge are also stakeholders who affect property management. Listening to and understanding all the changing needs is therefore essential. Read more about how Rikshem has developed the customer dialog with Nacka municipality on page 37.

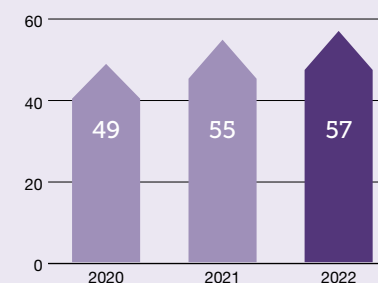


Kristian Jonasson Sand, property technician, southern Sweden.

"The most important thing for me is meeting tenants. Providing a good service and always listening to them. Our SCI surveys show that we are doing well in terms of customer satisfaction where I work, but I always strive to do better. Properties for public use are at a very positive stage of development now and we have high ambitions."



Customer Satisfaction Index – properties for public use



* Rikshem's annual customer survey for the properties for public use segment was sent to representatives of 255 premises, with 144 responses received.

Energy-smart properties

Energy use at the operational stage and in the manufacture of materials for new construction projects are the two main climate-impacting areas both for the sector and for Rikshem's own operations. During the year, several important steps were taken in the Energy-smart properties project, which aims to reduce the properties' energy use.

Buildings account for approximately 40 percent of Sweden's energy use and slightly over one-fifth of its greenhouse gas emissions in a life cycle perspective. Energy-efficiency measures in the properties Rikshem manages is an area where Rikshem has an opportunity to make a difference for the climate.

Energy use refers to the energy used in the properties in the form of heating and property electricity. Tenants' electricity consumption is not reported. Heating use represents the greatest share, at around 85 percent. The remaining amount is made up of renewable property electricity.

Successful new energy concepts

In recent years, Rikshem has expanded its organization for energy initiatives, strengthened its coordination functions internally and launched several new energy-saving projects, including for lighting, heating and ventilation systems. One element of the enhanced energy initiatives is the Energy-smart properties development project, which continued in 2022. In addition to the concepts developed for technical solutions, a platform has also been created with live documents and working methods, which enables

us to keep up with the rapid energy and climate development that is taking place in society.

Four concepts that are part of Energy-smart properties:

- Lighting concept, which aims both to improve energy efficiency and to remove lighting that is old and inefficient, or which contains mercury, and replace it with modern LED lighting. There is a plan for all lighting to be replaced over the next few years, and by the end of 2022, 57 percent of the lighting had been replaced.
- Solar panel concept for existing properties in Rikshem's portfolio and framework agreements with solar panel suppliers.
- Concept for the expansion of the charging infrastructure for electric cars.
- Concept for the introduction of IMC (individual metering and charging). This initiative is a response to new requirements that have entered into force. These types of solutions will be integrated in all new construction projects. Equivalent measures for the existing portfolio are still under development.



The ELENA project

The Energy-smart properties project is part-financed by the EU Horizon 2020 program via the ELENA initiative, under grant agreement ELENA-2017-119.

ELENA is an initiative from the European Investment Bank (EIB) that was started to provide grants for work ahead of the actual implementation of energy projects, such as proposal of concept and tools, and a strategy for energy projects.



Project and property development

Planning, development rights, new construction projects and renovation. Rikshem creates value by developing properties where sustainability aspects are incorporated into all phases.

1,534

renovated
apartments

406

new residential
properties

Development
rights portfolio of

759,264

sqm of
gross area

Strengthening the property portfolio

The pace of development continued to be high during the year. Rikshem has more projects in progress and apartments in production than ever before, both in terms of renovation and new construction projects. A distinctive feature of 2022 is that we have increased our focus on developing properties for public use, with a view to expanding and enhancing our property portfolio.

Our neighborhoods are developed on the basis of local needs and markets. Exploiting existing areas and development rights is one way of increasing value, as is progressing development rights in new local plans that allow for expansion. By taking the current sustainability and safety status into consideration at an early stage of the process, we can use new local plans and development rights to enhance existing neighborhoods.

Greater focus on properties for public use

During the year, we consolidated our way of working early in the local planning process to create specific cases for properties for public use, including through more in-depth analyses and a broader understanding of market needs. We also created tools to specify Rikshem's offering in the early stages of the local planning process, in order to meet the local needs of the welfare sector.

New construction projects and renovation

When we supplement an area through new construction projects, we endeavor to create the types of apartment that are lacking, in order to offer a varied range of housing. We also focus on providing premises for facilities such as preschools, nursing homes and sports halls. Good strategic dialog with municipalities and with private-sector school and care providers is key to identifying and meeting current local needs.

By renovating properties, we extend buildings+ service lives and can offer an up-to-date standard of accommodation while also increasing property values. In total, approximately 1,530 apartments were renovated during the year. Read more about Rikshem's renovation model on page 39.

Long-term framework agreements

Rikshem hires contractors for the various stages of the construction phase. At present, framework agreements have been established for renovation and new construction projects in different geographical areas. When orders are placed under a framework agreement, a tailored specification of requirements is drawn up for the individual order, taking quality factors in production, and working environment and sustainability aspects into account. Framework agreements are a way of creating optimal opportunities for long-term business relationships and achieving effective outcomes defined by high quality. Read more about how we work with our suppliers on page 23.

Climate impact and choice of materials

Taking resource management and environmental and climate aspects into consideration is becoming increasingly important, above all in new construction projects. Rikshem continuously adjusts its operations in line with our own strategy and the increasingly more stringent market requirements.

For the construction of new residential properties, Rikshem uses industrial production in both timber and concrete. All of Rikshem's modular builds are timber constructions, but there are still relatively few industry players who can build flexibly in timber. The design of the property determines which type of material is most advantageous for the project in question. Rikshem is planning a gradual transition to climate-improved concrete, as concrete production has a major climate impact.

Climate change will play an ever greater role in environmental impact assessments and risk analyses. In 2022, Rikshem conducted 56 climate risk analyses for portfolio properties located within the risk area for landslides and for flooding from watercourses or other bodies of water. Climate risk analyses are carried out before decisions are made to invest in new construction projects.

Development rights

At the end of the year, Rikshem had a development rights portfolio comprising **759,264 sqm of gross area**. **151,343 sqm of gross area concerns local plans with legal force** and the remaining **607,921 concerns** property development projects.

Of the total portfolio of development rights, **45,780 sqm of gross area pertains to properties for public use**, such as nursing homes and preschools and **713,484 sqm of gross area pertains to residential properties** comprising around **11,000 apartments**.

Rikshem's property development projects for residential properties include approximately **11,000 residential properties**, of which **8,000** are for the development of rental apartments and approximately **3,000 for residential properties for sale**, for the development of owner-occupied housing.

Local plans under development

At year-end, the portfolio of development rights comprised 759,264 sqm of gross area: 151,343 sqm of gross area in local plans with legal force and the remaining 607,921 sqm of gross area in property development projects already in progress. Property development projects refer to projects in the concept phase up to and including adoption of the local plan. Here are some examples of ongoing local planning processes that are expected to generate completed development rights in the next few years.

Bagarmossen, Stockholm

Jordbruksministern 3 is in an attractive and quiet location between Bagarmossen and Kärrtorp, within ten minutes+ walking distance of each downtown area. The new residential district is directly adjacent to the Nacka nature reserve. Approximately 70 residential properties are planned in the L-shaped residential building. The facade will be timberframed and the residential properties will have spacious balconies facing the nature reserve or the green inner courtyard.

Bälinge, Uppsala

A new preschool is planned at Bälinge-Ekeby 12:1 in the small town of Bälinge, around 15 kilometers north of Uppsala. The preschool will provide space for 80-100 children. The property currently houses older and historically valuable building stock. Several of these buildings will be preserved and used as playhouses, canteens and kitchens.

Fredriksdal, Helsingborg

The planning proposal for Barrikaden 2 that includes several properties means that new development rights for residential properties, sports hall and businesses will be created in a location that is currently used for parking in the district of Fredriksdal in Helsingborg. With the new local plan, Rikshem intends to build and manage around 130 residential properties. The sports hall will be built and managed by Helsingborg city.

Adopted plans with legal force in 2022

Municipality	Neighborhood/Property	Main purpose	Number of residential properties (approx.)	Property for public use	Total sqm of gross area	Adopted/with legal force
Stockholm	Axelsberg/Fader Bergström 1	Owner-occupied housing	110		9,100	Adopted
Stockholm	Bagarmossen/Jordbruksministern 3	Owner-occupied housing	70		6,636	Adopted
Luleå	Radiomasten/Mjölkudden 32:51	Rental property/Property for public use	150	Homes for people with disabilities	9,500	Adopted
Malmö	Limhamn/Tuppen 15	Rental property	70		4,250	Legal force

Körfältet, Östersund

The planning proposal for Våghyveln 5 that includes several properties involves the creation of new development rights for residential properties in a location that currently consists of parking spaces in the district of Körfältet i Östersund. By making a change to the local plan, Rikshem intends to densify the neighborhood with around 130 residential properties and two homes for people with disabilities.

Radiomasten, Luleå

A new local plan has been adopted for Mjölkudden 3:51 in Luleå. This will allow Rikshem to supplement the neighborhood with 130-150 new, contemporary apartments in three new buildings. The densification will also provide the opportunity to continue developing the popular neighborhood park that forms the heart of the area. The new local plan also means that Rikshem will be able to develop the municipality's group living provision in the neighborhood, as needed in the future.

Ålidbacken, Umeå

In partnership with Umeå municipality and Region Västerbotten, among others, Rikshem is developing a new planning scheme for a major urban development in Ålidbacken. The area is located at the university and university hospital and will contribute to the development of the city of Umeå. Rikshem holds a positive planning notice on the Sofiehem 2:156 property and plans to build around 300 residential properties and a nursing home.



Projects in progress

Rikshem has a large number of new construction and major renovation projects in progress, mostly residential properties, but also some properties for public use. Many of the renovation projects also involve creating additional apartments. Here are some of the projects.

Gottsunda 34:3, Gottsunda, Uppsala

Renovation in which plumbing overhaul and bathroom renovation are included. The project includes all 297 residential properties across 22 residential buildings consisting of two-story terraced houses and apartment buildings with three or four stories. 183 of the 297 apartments are undergoing succession renovation. The project is due to be completed in the second quarter of 2023. Investment of MSEK 182; MSEK 39 remaining.

Kvarngärdet 4:3 (Kantorn hus 8), Uppsala

Project involving the conversion and uprating of a building consisting of 144 student rooms with communal areas that will be converted into 168 apartments. A further 63 apartments will be created by adding an extension. The project is expected to be completed during the fourth quarter of 2023. Investment of MSEK 269; MSEK 163 million remaining.

Stopet 11, Norrköping

275 apartments are undergoing a plumbing overhaul. In addition to a plumbing overhaul, the project also includes energy-saving measures, including adjustment of ventilation, replacement of substations and radiators, as well as refurbishment of laundry rooms. The project is due to be completed in the second quarter of 2023. Investment of MSEK 101; MSEK 55 remaining.

Repet 4, Blombacka, Södertälje

The neighborhood is being densified to create a more varied and diverse housing offering. 130 apartments have already been completed and the plan is to start new construction projects for 230 apartments; work has already begun on 58 of these in 2023. Besides new construction, investment is also being made in neighborhood development through new places to meet and commercial services. Investment of MSEK 460 million; MSEK 223 remaining.

Several projects in progress

Municipality	Property/neighborhood	Project category	Number of apartments before	Number of apartments after	Investment, MSEK	Remaining investment, MSEK	Estimated completion date
Halmstad	Bonden 7/Centrum	NEW apartments		175	355	91	Q1 2023
Umeå	Flyttfågeln 2/Mariehem	RM&U apartments	170	170	202	47	Q1 2023
Västerås	Vedbo 99/Eriksborg	NEW apartments		252	350	89	Q3 2023
Norrköping	Topazen 2/Vilbergen	NEW apartments		141	260	166	Q2 2024
Malmö	Brönnestad 1/Västra Sorgenfri	NEW apartments		260	417	204	Q4 2024
Uppsala	Gränby 9:3/Gränby	NEW apartments		162	313	165	Q4 2024
Luleå	Porsön 1:240/Porsön	RM&U apartments	426	426	331	194	Q2 2025
Uppsala	Kvarngärdet 5:5/Kantorn	NEW apartments		139	325	235	Q4 2025

NEW – New construction projects

RM&U – Renovation, modernization and uprating



Completed projects

Renovations help existing properties last for many years to come. We are also developing our properties in the context of renovations by adding new residential properties and properties for public use, in order to increase the attractiveness of the whole neighborhood. Several comprehensive renovation projects were completed during the year, as well as new construction projects to build apartments and properties for public use. Here are some of the projects.

Eriksberg 4:1, Uppsala

The Eriksberg 4:1 property consists of three buildings comprising 87 apartments located three kilometers west of downtown Uppsala. The project involved a plumbing overhaul with tenants remaining in their apartments, as well as bathroom renovation; 43 of the 87 apartments also underwent succession renovation. The project was completed in the last quarter of 2022.

Brigaden 1, Helsingborg

Project phase 2 Fredriksdal concerns the RM&U renovation of 69 apartments in three of the 24 blocks. In addition, a further 21 apartments have been created in the Brigaden 1 property. Rikshem's portfolio in Fredriksdal consists of a total of 693 apartments in multi-family residential blocks with four to six stories. The project was completed in the fourth quarter of 2022.

Fröja Luthagen 37:8, Uppsala

The project involved an RM&U renovation of 30 apartments for accommodation of the elderly and the creation of six apartments on the ground floor and nine apartments by means of a single story extension. The renovation work included new plumbing, bathrooms, windows, electricity, heating system, ventilation, lifts, energy-saving measures, safety doors and wall, ceiling and floor surfaces. Due to the large scale of the renovation, it was not possible to allow tenants to remain in their apartments during the construction phase. The project ended in the fourth quarter of 2022.

All completed projects

Municipality	Property/neighborhood	Project category	Number of apartments	Completed
Uppsala	Kvarngärdet 4:3/Kvarngärdet	RM&U apartments	37	Q1 2022
Umeå	Leoparden 4/Väst på stan	RM&U apartments	2	Q2 2022
Umeå	Gärdet 18/Sandbacka	RM&U apartments	1	Q2 2022
Halmstad	Nåden 2/Fyllinge	NEW apartments	92	Q2 2022
Huddinge	Strandpiparen 1/Segeltorp	RM&U properties for public use		Q2 2022
Uppsala	Kvarngärdet 4:3/Kvarngärdet	RM&U apartments	231	Q2 2022
Umeå	Järven 18 & 19/ Öst på Stan	RM&U apartments	23	Q3 2022
Uppsala	Eriksberg 4:1/Eriksberg	RM&U apartments	87	Q4 2022
Umeå	Orspel 1, 2/Mariehem	NEW apartments	103	Q4 2022
Uppsala	Luthagen 37:8/Luthagen	RM&U apartments	45	Q4 2022
Helsingborg	Brigaden 1/Fredriksdal (Phase 2)	RM&U apartments	90	Q4 2022
Umeå	Laxen 23/Öst på stan	RM&U apartments	8	Q4 2022

NEW – New construction projects

RM&U – Renovation, modernization and uprating



Eriksberg 4:1, Uppsala



Brigaden 1, Helsingborg

Boost for students when corridor rooms become apartments

Rikshem is completing its construction of new, contemporary student apartments in the suburb of Kvarngärdet in Uppsala. "This complete renovation will help make the campus area more modern and attractive," says project manager Daniel Eklund.

In April 2022, the groundbreaking ceremony was held for the refurbishment of the eighth Studentsången building in Uppsala, as the penultimate stage of an extensive refurbishment project. A total of 144 student corridor rooms are being converted into 231 sqm of student apartments, each with an area of 18 sqm and their own kitchen and bathroom. Daniel Eklund has worked in his role as project manager at Rikshem for five years. He has devoted three of these to the Studentsången project in Kvarngärdet.

"Everything is going to plan so far. It was quite a struggle during the pandemic when there was more sickness absence than usual among the carpenters. But then we used temporary staffing agencies to cover these absences," says Daniel Eklund.

The main reason for refurbishing the Studentsången building is that it has reached the end of its service life and the changes to its layout represent an upgrading to contemporary requirements. Another reason for the project is the vulnerability of community accommodation.

"A new way of thinking about shared living spaces emerged during the pandemic. Today, there is greater focus on building student apartments with their own kitchens, in order to reduce the risk of infection," says Daniel.

All the Studentsången apartments are built to a high standard and are tastefully furnished using modern and stylish materials. Some of the apartments will have their own balcony with a beautiful view of the city.

Logistical challenges

Rikshem makes structural calculations prior to each of its planned renovation projects. In this case, no foundation reinforcements were needed, as the existing structures were

strong enough. Nonetheless, this is a complex renovation project for several reasons. For example, a large number of new holes needed to be drilled for plumbing purposes.

"I basically put this project on a par with new construction projects. We have only used the foundations as a starting point for renovating the whole building. We're also adding two full floors and an entire stairwell," says Daniel.

Another challenge is the limited space. "Transporting building materials is tight, which means that all logistics processes need to work well and materials need to be delivered at the appointed time. This means we have high expectations of the suppliers we work with, but everything is going very well," says Daniel.

Rikshem will be responsible for managing Student-ången and the newly renovated building is expected to be ready for occupation in two stages: the first in September 2023 and the second in January 2024.



Climate impact in the construction phase

Climate change mitigation in the construction phase

The construction industry

has a strong focus on the climate impact of the construction phase in the form of climate declarations. These are the results of calculations of the climate impact of the constituent building materials and the construction phase. Operators can now work from a forward-looking climate perspective from an early stage in the construction process, in order to better meet society's needs.

Reducing climate impact

To reduce climate impact in the construction phase, it is important to start with the building's most significant impact, i.e. the impact of the building materials. Choosing climate-improved concrete or other materials, such as timber frames, is positive in terms of the climate.

Climate measures taken

In 2022, we raised our climate ambitions in the construction phase. As a result of our membership of LFM30*, a forum that has considerably tougher requirements for reduced climate impact compared with legal requirements, we have set a maximum ceiling of 280 kg CO₂ e per sqm of outside gross area for our new construction project in Skåne. For all new construction projects in Sweden, we have decided to become certified in accordance with Miljöbyggnad Silver (under the Sweden Green Building Council), which also includes new climate requirements.

Future climate steps

Rikshem works with other parties in various industry forums on climate change mitigation in the construction and operating phases. Examples of future climate steps are climate projections for the entire life cycle of a building, including the operating phase and demolition. The long-term goal is to make the entire value chain climate-neutral.

* Lokalt Färdplan Malmö 2030.

Stronger business with joint ventures

Rikshem owns stakes in joint ventures valued at MSEK 2,088. The value of Rikshem's share of the property holdings in these joint ventures is MSEK 3,109, a decrease of MSEK 223 compared with the previous year. Rikshem's joint ventures strengthen our business by enabling us to become established in markets in which we would not be able to invest on our own.

Several of our JV partnerships involve properties that need to be developed, and by exchanging skills and expertise we develop them together. Our two largest joint venture holdings are VärmdöBostäder and Telestaden (Farsta Stadsutveckling). The shareholdings are valued at MSEK 1,196 and MSEK 675, respectively. Value adjustments and investments in our two largest joint ventures mainly account for this year's total increase in value.

VärmdöBostäder AB

VärmdöBostäder is a nonprofit housing company in which Rikshem has a 49 percent stake and Värmdö municipality a 51 percent stake. VärmdöBostäder owns and manages just over 2,100 residential properties and approximately 13,000 square meters of commercial premises in the growing municipality of Värmdö. The majority of the portfolio is traditional rental apartments but there are also youth apartments and senior accommodation, as well as sheltered accommodation. Together with Värmdö municipality, Rikshem and VärmdöBostäder have drawn up shared business development goals, reduced energy consumption, and increased customer focus and new construction projects. In 2022, there was great focus on a more efficient property management organization, and cost- and energy-saving projects and measures, as well as the Brunn project, which involves the construction of 133 new apartments that will be ready for occupation in spring 2023.

"Rikshem's ownership is a major benefit on several levels: as an owner, on the company's board of directors and as a sounding board on operational business issues. Rikshem

contributes important energy, knowledge and experience. I'm convinced that the partnership makes VärmdöBostäder better and sharper on all levels."

Kenneth Claesson, CEO of VärmdöBostäder

Farsta Stadsutveckling AB/Telestaden

Farsta Stadsutveckling/Telestaden is Rikshem's second-largest joint venture, with Rikshem and Ikano Bostad each owning 50 percent. Telestaden in Farsta is one of southern Stockholm's largest district development projects and, as well as businesses and properties for public use, will include at least 2,000 new residential properties. A vibrant district offering residential properties, workplaces, neighborhood services, culture venues, schools and preschools will be created in and around premises previously occupied by Televerket.

Telestaden is already home to housing company Familjebostäder, care provider Attendo and dance studio Ccap. The Swedish Police Authority is renting converted premises, and a new police station was also opened in 2022. Telestaden is divided into two local plans.

"It's great that the police station opened during the year. Telestaden is a project with a long time frame that has already been running for several years. The feeling of safety comes from the fact that it is run by two stable, long-term players with mixed expertise. It also provides financial stability that is vital for successfully creating a brand new district."

Ann-Sophie Forsberg, CEO and Project Manager at Telestaden

Boostad Bostad Sverige AB/Folkhem

Boostad Bostad Sverige/Folkhem is owned 50/50 by Rikshem and Nordr, and is a strategic environment and sustainability investment. Rikshem is developing its knowledge of building with timber via the Folkhem brand, as Folkhem builds exclusively in wood. In 2022, Europe's largest downtown district with a total of 245 solid-wood condominiums took shape in Hagastaden in Stockholm, where the Cederhusen and Folkhem projects have attracted a great deal of international attention. In 2023, the development of more sustainable housing construction projects will continue as we use the reduced interest in condominiums to work on more land allocation agreements with the City of Stockholm for new projects going forward.

Huseriet Riks AB

Huseriet Riks is owned 50/50 by Huseriet AB and Rikshem and is a structured partnership designed to strengthen Rikshem's ability to generate more future investment properties through active project development. This means seeking out and agreeing on purchases of land at an early stage, carrying out local planning work and gaining access to properties, and carrying out projects mainly through forward funding. The partnership concerns the development of residential properties and properties for public use from land purchases, via a local plan to a fully developed property for Rikshem or an external party. Around 1,000 residential properties are currently under development in Lund, where there is planning permission for the first stage of around 300 apartments.

Financing

The year was marked by unrest in the surrounding world and on the financial markets, with higher inflation and rising interest rates. The importance of stable owners and a strong rating was accentuated.

Rikshem is stable and during the year had access to both capital market financing and secured bank loans. In the short term, the interest rate and margin changes only had a limited impact on Rikshem's financial position, since a large part of the loan portfolio has long-term interest rates and debt duration, but the average interest rate will gradually increase.

The market

The year began with the ongoing coronavirus pandemic and as this began to subside, Russia invaded Ukraine and new pandemic-related restrictions were introduced in China. This drove price increases, and inflation increased sharply. Central banks announced and implemented interest-rate hikes with a view to checking inflation, which led to rising interest rates and high volatility in the fixed income and capital markets. Inflation persisted for longer than expected and the year ended with a policy rate of 2.5 percent, and with notice of further increases in 2023. Most forecasters believe that we are heading towards a recession in 2023. Access to capital on the bond and certificate markets was limited or non-existent at times, which pushed up credit margins. This affected the entire property sector, but primarily companies with lower credit ratings than Rikshem.

Goals and strategy

Most of Rikshem's financing is based on debt management, with the goal of maintaining financial stability and good payment liquidity, with access to financing in both the short and long term. At the same time, we strive to achieve the best possible net financials within the framework of the risk levels and limits set out in Rikshem's Financial Policy. To achieve these goals, financing sources need to be diver-

sified and the strong A3 or equivalent credit rating maintained. Rikshem seeks to be a borrower of good repute in the Nordic banking system, on the Swedish commercial paper market, and on the Swedish, Norwegian and European bond markets. Backup facilities with owners and bankers and a diversified loan maturity structure also contribute to financial stability.

Financial position

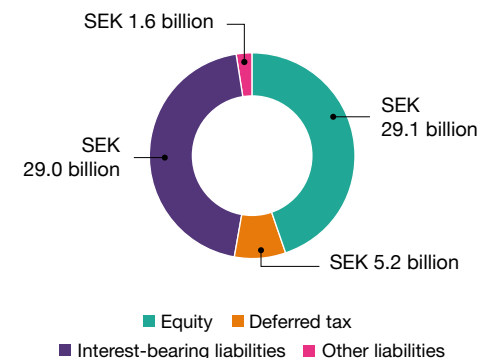
Rikshem is a financially stable company with strong owners and a high credit rating. Key financials have improved over the last five years, but weakened somewhat in 2022, mainly as a result of a decrease in the value of the property portfolio. The equity/assets ratio at year-end was 45 percent, the loan-to-value ratio was 49 percent and the interest coverage ratio was 3.5x. Net debt in relation to EBITDA was 17.6x, in light of a decrease in earnings combined with increased investments.

Funding

Despite an unstable and volatile market, Rikshem had access to both capital market financing and secured bank financing during the year. Interest-bearing liabilities at year-end were MSEK 29,021 (26,922). The increase during the year is mainly attributable to investments in properties. At year-end, the average interest rate was 2.0 percent (1.5).

Bonds represent Rikshem's primary source of financing, with bond loans totaling MSEK 20,506 at year-end. There were 11 bond issues in 2022, amounting to SEK 4.2 billion. The Swedish bond market primarily offers financing with maturities of up to five years. To increase the debt duration and simultaneously broaden the investor base, bonds are also issued in other currencies. During the year, a bond was

Capital structure at December 31, 2022



Interest-bearing liabilities by type of financing

Financing type	Outstanding amount	Percentage of interest-bearing liabilities
Commercial paper	2,841	10%
Secured bank loans	4,530	16%
Loan from the European Investment Bank	999	3%
Loans from related companies	145	1%
Bonds, SEK	11,658	40%
Bonds, NOK	5,012	17%
Bonds, EUR	3,271	11%
Bonds, AUD	565	2%
Total	29,021	100%

issued in EUR with a maturity of five years. Other bonds have been issued in SEK with maturities of between two and five years.

Bank loans secured on properties amounted to MSEK 4,530. Secured bank loans increased by MSEK 1,224 during the year. Secured loans now account for 8 percent of the property portfolio (6 percent). Unsecured loans from the European Investment Bank totaled MSEK 999 (999). Funding through commercial paper decreased by MSEK 709 during the year, ending the year at MSEK 2,841. In addition, the company has MSEK 145 (175) in liabilities to related parties.

Cash and cash equivalents

Cash and cash equivalents amounted to MSEK 783 (468). On the closing date, assets pledged under Credit Support Annexes (CSAs) for combined interest-rate and currency swaps amounted to MSEK 2 (48). Assets of this type are settled on a monthly basis.

Loan program

Rikshem has an EMTN program listed on the Irish Stock Exchange for the issue of bonds. During the year, the framework amount for the EMTN program was increased from EUR 2 to 3 billion. The program allows borrowing in several different currencies. The commercial paper and bonds are unsecured. At year-end, Rikshem had outstanding bonds in EUR, NOK and AUD for a total value of SEK 8.8 billion. The remaining bonds are denominated in Swedish kronor. Rikshem also has a commercial paper program that provides scope to issue commercial paper with a term of up to 12 months within a SEK 10 billion framework.

Backup facilities

The refinancing and liquidity risk inherent in the maturity structure is mitigated by means of a backup facility and a subscription undertaking for commercial paper from Rikshem's owners, as well as backup facilities with Swedish banks. There is also a MSEK 500 committed credit line, which is renewed on an annual basis. The backup facilities cover refinancing of loan maturities of more than two years.

Committed credit facilities, MSEK

with remaining commitment >12 months.

Owners	10,000
Swedish banks	3,000
Total unutilized committed credit facilities	13,000

Interest-rate duration

Approximately 22 percent of the financing (including derivatives) has an interest-rate duration of less than 12 months. Interest-rate derivatives are used to reduce the interest-rate risk resulting from a short interest-rate duration in financing. Borrowing is hedged to limit the company's interest-rate risk and create scope for adjustment in the event of interest-rate fluctuations. The Financial Policy specifies a number of limits that restrict the interest-rate exposure; see table on page 54.

Debt duration

The minimum average debt duration was raised in 2020 from 2.0 to 3.5 years. At year-end, the average debt duration was 3.7 (4.0) years.

Currency exposure

All borrowing in foreign currencies must be hedged in accordance with the company's Financial Policy. Exchange-rate hedging is based on combined interest-rate and currency swaps to eliminate currency risks throughout the loan term. Derivative instruments are reported on an ongoing basis at fair value in the statement of financial position, while changes in value are reported in the income statement. Changes in value in combined interest-rate and currency swaps can be caused by changes in both interest rates and exchange rates. For loans in foreign currencies, only the principal is revalued at the current exchange rate, which means that the change in value for a loan in a foreign currency and its associated swap may vary over the term of the loan. These changes in value are unrealized. If loans and derivative instruments are held to term, previously reported earnings impacts are neutralized.

Financial derivatives

The rise in interest rates during the year had a substantial impact on the value of the company's financial derivatives.

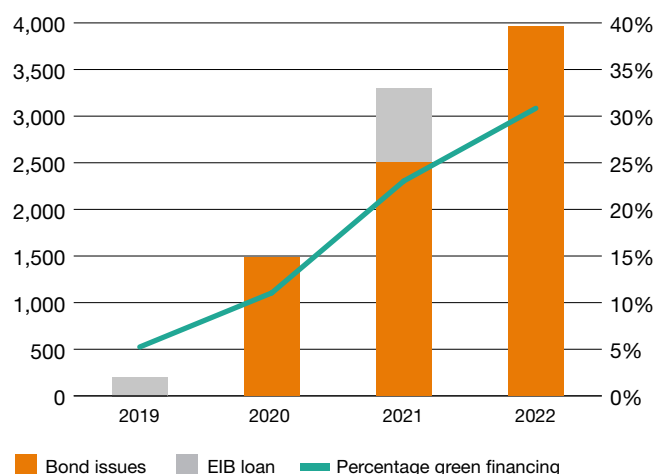


Interest-rate derivatives increased in value, as much of the derivative portfolio consists of interest rate swaps whereby a fixed low interest rate is paid. At year-end, interest-rate derivatives had a net nominal value of SEK 15.5 billion (15.2). The value of interest-rate derivatives increased by MSEK 1,779 during the year and totaled MSEK 1,743 (-36). Combined interest rate and currency swaps decreased in value as in most cases Rikshem receives fixed interest in foreign currencies and pays variable interest in SEK. The value of combined interest rate and currency swaps fell by MSEK 129 and totaled MSEK -33 (96). The total fair value of derivative instruments at year-end was MSEK 1,710 (60).

Green financing

Rikshem's framework for green bonds was updated at the start of 2022 and now covers buildings in certified timber, investments in energy-efficiency initiatives and properties with low energy consumption. The framework is based on the ICMA Green Bond Principles and, as with Rikshem's previous green bond framework, the framework has been reviewed by Cicero, the Center for International Climate Research. Cicero awarded the framework a Medium Green classification for its green credentials and rated it Excellent for governance. The full framework and more information

Green financing



on the green bonds issued can be found on Rikshem's website at www.rikshem.se. Green bonds worth a total of SEK 4.0 billion were issued during the year, and SEK 7.9 billion

in green bonds was outstanding at year-end.

Rikshem also has green financing via a credit facility with the European Investment Bank, which can be used to finance investments in energy-efficiency initiatives. The facility has been fully utilized and the loan amount at year-end was MSEK 999.

Rikshem's total green financing amounts to SEK 8.9 billion, equivalent to 31 percent of interest-bearing liabilities.

Rating

Rikshem has had an A3 credit rating with a stable outlook from the Moody's rating agency since 2020. This rating ensures good access to capital in the financial markets, reduces the financing risk and keeps financing costs down. The credit rating was confirmed by Moody's in June 2022.

Financial Policy

Rikshem's Financial Policy defines objectives and sets out guidelines and risk limits for financing activities. The policy is updated each year and adopted by the Board of Directors.



Interest-bearing external liabilities

Maturity, years	Interest-rate duration		Debt duration	
	Amount (MSEK)	Proportion, %	Amount (MSEK)	Proportion, %
2023	6,021	21	6,435	22
2024	3,616	12	4,309	15
2025	5,785	20	4,852	17
2026	3,700	13	3,631	12
2027	1,999	7	2,633	9
2028	3,000	10	1,053	3
2029	1,500	5	1,405	5
2030	2,400	8	1,089	4
2031	500	2	800	3
2032	500	2	2,814	10
Total	29,021	100	29,021	100

The policy concerns organization and allocation of responsibilities for financing activities; guidelines and risk limits for managing financial risks; and guidelines for monitoring and reporting. Reporting to the Board takes place on a quarterly basis. The table on the right shows the most important limits in the Financial Policy.

Financing and liquidity risk

Financing risk refers to the risk that financing cannot be obtained at a given time, or can only be obtained at a significantly increased cost. Liquidity risk refers to the risk that cash and cash equivalents and available credit are not sufficient to cover payment obligations. Rikshem limits its financing and liquidity risk by spreading the maturity structure of its liabilities and by means of unutilized credit facilities. Rikshem's Financial Policy contains a number of risk limits to restrict these risks.

Interest-rate risk

Interest-rate risk is the risk that developments in the interest rate market will have a negative impact on Rikshem's earnings. The Financial Policy limits this risk by means of parameters for interest-rate duration. The aim is to spread

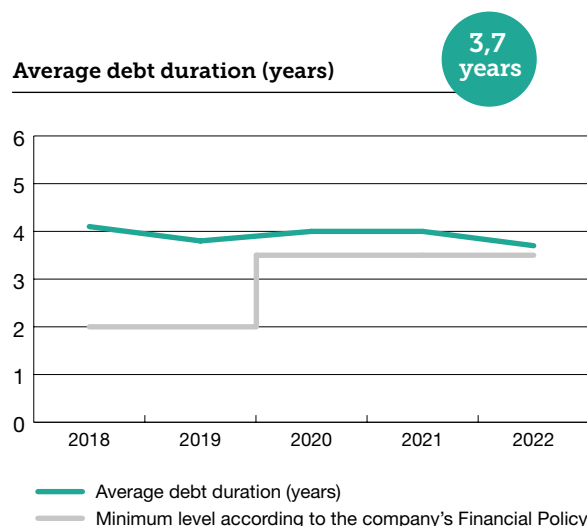
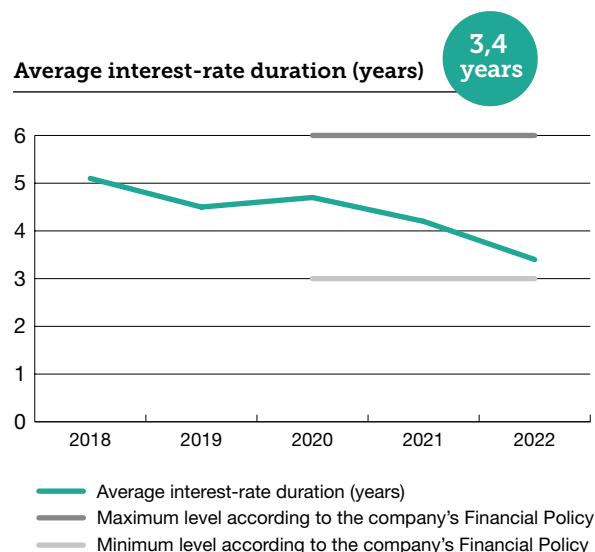
the interest-rate duration over a maximum period of ten years. Interest-rate risk is managed primarily using interest swaps and fixed-rate loans.

Credit and counterparty risk

Credit and counterparty risk is the risk that counterparties, both financial and commercial, cannot fulfill their obligations on time or offer security for fulfillment. The Financial Policy regulates how liquid assets are invested by placing limits on counterparties (and their ratings), instruments and maturities. Ratings are used to regulate counterparties for credit facilities and derivative instruments.

Currency risk

Currency risk is the risk that changes in exchange rates will have a negative impact on the income statement and statement of financial position. The Financial Policy states that Rikshem's financing activities may not be exposed to currency risk. Borrowing in currencies other than Swedish kronor is permitted, but must be hedged at the time of borrowing. Exchange-rate hedging uses combined interest-rate and currency swaps to eliminate currency risks throughout the loan term.



Summary of Financial Policy

Risk/key figure or indicator	Policy	Outcome
Financing risk		
Loan-to-value ratio	Max. 58%	49%
Average debt duration	Min. 3.5 years	3.7 years
Share of secured debt	Max. 25%	8%
Loan maturity	Max. 35% of net debt within 12 months	Achieved
Liquidity ratio	Min. 1.15 x	2.3 x
Interest-rate risk		
Average interest-rate duration	In the range of 3-6 years	3.4 years
Share of interest hedged > 1 year	75-95%	79%
Interest-rate duration > 1 year	Max. 20% within 12 months	Achieved
Max. interest-rate duration	10 years	Achieved
Interest-coverage ratio	Min. 2.2 x	3.5 x
Credit and counterparty risk		
Investments	Limited by maturity and rating	Achieved
Credit facilities and derivative instruments	Limited by rating	Achieved
Currency risk		
Currency exposure	No exposure	Achieved

Directors' Report

The Board of Directors and CEO of Rikshem AB (publ), corporate registration number 556709-9667, hereby submit the Annual Report and Consolidated Financial Statements for the 2022 fiscal year. The Board of Directors is based in Stockholm. Information in brackets refers to the previous fiscal year.

Operations

Rikshem was formed in 2010 and through investments and acquisitions has grown to become one of Sweden's largest private property companies specializing in residential properties and properties for public use. Rikshem is a long-term, sustainable and responsible property owner. The Company creates value growth by developing and refining properties and building rights and by conducting customer-focused and qualitative management.

Rikshem owns properties throughout Sweden – from north to south. Joint ventures provide Rikshem with opportunities to operate in new markets and develop new and existing areas, and to share and supplement existing skills.

Rikshem's business concept is to own, develop and manage residential properties and properties for public use, sustainably and for the long term. This is done by combining business acumen and community engagement. Rikshem's vision is to make a difference in developing the good community.

Rikshem AB (publ) is the Parent Company of the Rikshem Group, hereinafter referred to as Rikshem. The Company manages all of the companies in the Group. The shares of Rikshem AB (publ) are held by Rikshem Intressenter AB, corporate registration number 556806-2466, which is jointly owned by the Fourth Swedish National Pension Fund (AP4) and AMF Tjänstepension AB.

Financial objectives

Rikshem has five long-term goals that govern its operations. Good total return constitutes the overall financial target. In addition to a good total return, Rikshem has a number of financial targets for the Group that aim to ensure that the Company is financially stable, profitable and long-term. A financially strong Rikshem enables the Company to make a difference in terms of contributing to society and creating conditions for developing healthy communities. Rikshem's Financial Policy is a tool for defining objectives and guidelines and specifying risk limits for financing activities, which contribute to the overall objective of a good total return.

Rikshem's measurable financial key performance indicators for 2022 were:

- To deliver a real total return of more than 5 percent on property capital over the long term
- Targets include:
 - Equity/assets ratio
 - Loan-to-value ratio
 - Interest coverage ratio
 - Debt duration
 - Interest-rate duration
 - Net debt/EBITDA

2022 presented the challenges of high inflation and rising interest rates, which affected the Company's results. Falling property values resulted in a negative real total return and slightly less positive equity/assets ratio and loan-to-value ratio. Rikshem has maintained a strong financial position.

	2022	2021
Real total return, including joint ventures (based on figures from MSCI), %	-12.8	10.3
Equity/assets ratio, %	45	46
Loan-to-value ratio, %	49	46
Loan-to-value ratio secured loans, %	8	6
Share of short-term net debt, %	19	25
Net debt/EBITDA, multiple	17.6	15.9
Interest-coverage ratio, multiple	3.5	3.6
Interest-rate duration, years	3.4	4.2
Debt duration, years	3.7	4.0

Organization and employees

The business is mainly run using its own staff. At year-end, December 31, 2022, the number of employees at Rikshem was 316 (286). At the beginning of 2022, the property man-

The year at Rikshem

Q1:

- Rikshem began construction of a four-story building in Stenhagen, Uppsala, comprising a total of 37 apartments that will be ready for tenants to move into in Q2 2023.
- At the Annual General Meeting on March 24, 2022, Siv Malmgren and Zdravko Markovski were elected as new ordinary members of the Board of Directors of Rikshem AB (publ).
- Rikshem began a long-term project to create a safe and sustainable living environment in Gränby, Uppsala.

Q2:

- Rikshem held a groundbreaking ceremony for Rikshem's new apartments at Kronan in Luleå; a total of 92 apartments that will be ready for tenants to move into at the turn of the year 2023/2024.
- Rikshem began construction work to develop Vilbergen, Norrköping. 141 apartments will be built in total, divided across three blocks.
- Rikshem began construction of the Grafikern project in Gränby, Uppsala, involving a total of 162 new apartments.
- Rikshem began the development of Sorgenfri in Malmö and its first new construction project in the city. A total of 260 apartments will be built that will be ready for tenants to move into in 2024.
- The credit rating agency Moody's confirmed Rikshem's long-term credit rating, A3.

- The local plan for the first housing phase in Telestaden, Farsta's new district developed by Rikshem and Ikano Bostad, gained legal force. The plan comprises 460 residential properties.
- Rikshem became established in the Västerbro district of Lund through collaboration with JV Huseriet.

Q3:

- Rikshem held a groundbreaking ceremony for the development of the Talliden senior center in Nacka. The property, which was built based on ideals and thinking prevalent in the 1950s, will undergo a meticulous renovation.
- The Harplinge nursing home in Halmstad won the international ELCA Trend Award. It was one of five entries nominated from Sweden for the competition.
- Rikshem was granted support from the Swedish National Board of Housing, Building and Planning for the development of green and safe communities.

Q4:

- Ann-Sophie Forsberg was appointed CEO of Telestaden, Ikano Bostad's and Rikshem's joint urban development project in Farsta in the south of Stockholm.
- Rikshem joined Public Housing Sweden.
- Rikshem's new construction, Topasen in Norrköping, was awarded Silver certification under the Miljöbyggnad scheme.
- Rikshem vacated the commercial property Stockholm Lagern 6, where the company previously had its head office.

agement organizations in Stockholm outsourced some property operations in order to safeguard operating quality. This resulted in a reduction in the number of Rikshem's own property technicians. During the year, the Project Department changed its name to Project Development, and Property Development has become part of Project Development. The Head of Project Development is now a member of the Company's management. Rikshem also carried out a major reorganization during the year in which the property management organization was divided into Property Management Residential Housing and Property Management Properties for Public Use, to enable a greater focus on properties for public use. This organizational change has meant that property management has grown in terms of the number of employees. Rikshem has faced staff turnover challenges for some time now, and a deeper analysis of the reasons for this was carried out in 2022. This led to a number of initiatives and activities. The focus was on roles and responsibilities, an improved benefits package, and continued investment in recruiting the right people and leadership. During the year, work took place on the process for the Value-creating Renovation and Training concept for the employees concerned.

Significant events during the fiscal year

2022 was a challenging year in several respects. The pandemic, global supply problems, the invasion of Ukraine, high inflation, rapidly rising interest rates and soaring energy prices had a major impact on society. The real estate industry has operated in a favorable climate for some time, but we now need to adapt to a new reality in a period of recession. Financial markets were volatile during the year. Having stable owners, a strong rating and access to financing via both the capital market and bank loans is a strength for Rikshem. Building costs outpaced general inflation. In addition, the industry is experiencing long lead times for certain materials and components. Energy prices were unusually high during the year and the price hedging strategy for electricity employed by Rikshem could not fully counter the effects of the price increases, which resulted in higher public utility costs. Property owners can expect electricity to be more expensive in the future. Rikshem is investing in its own energy optimization and is beginning to see the ef-

fects of completed and ongoing energy investments.

The global situation and rising interest rates drive up required yields, which gives negative value adjustment of properties for the year.

A disrupted world and a turbulent market provide a reason to examine what we are working on and how we are doing it. Rikshem conducts its business with a long-term focus and invests for the future in the neighborhoods and locations where it operates. A prime example is Gränby in Uppsala, where Rikshem has launched a long-term development project aimed at making Gränby a safer and more attractive neighborhood.

Sustainability

Rikshem sees a clear link between sustainability, commercial benefits and long-term profitability, and wants to contribute actively to sustainable development from an environmental, social and economic perspective. As one of Sweden's largest real estate companies, our actions have a major impact on society and on many people's living environments. We develop our properties and neighborhoods in order to help create good and safe living environments, and we protect future generations by making sustainable choices. Rikshem strives to set an example in the area of sustainability and contribute to the UN's Sustainable Development Goals, both as an individual company and together with other stakeholders. Our sustainability work is based on the materiality analysis conducted by Rikshem in 2019. The materiality analysis consolidated the governance of how Rikshem's material sustainability issues are integrated into its operations. The work was specified in Rikshem's sustainability compass, which is now applied to all sustainability areas. The sustainability compass shows the connection between our material sustainability issues, Rikshem's five overall goals and the global goals. The sustainability compass provides guidance on how employees should approach the material sustainability issues with a view to creating the greatest possible benefit for Rikshem's customers and helping the Company in its mission to improve social infrastructure and the social fabric. Rikshem contributes to community development in the areas where it operates, while working to ensure a minimal impact on the environment. Sustainability work is ongoing and is a natural part of the entire business.

Sustainability report

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Rikshem has chosen to prepare its statutory Sustainability Report as a separate section in the Annual Report. The Sustainability Report was submitted to the auditor at the same time as the Annual Report. A sustainability index is available on page 118 with page references to each sustainability disclosure which the Company is required make in accordance with Chapter 6, Section 12 of the Swedish Annual Accounts Act.

Significant risks and uncertainties

Rikshem's task on behalf of its owners is to deliver a long-term, stable and attractive real return. In the course of its operations, Rikshem is exposed to various types of risks. Minimizing risks and optimizing opportunities are an integral part of Rikshem's business plan, as risks are uncertainties that can affect the Company's ability to achieve its goals. Rikshem has chosen to classify risks in the categories of external risks, strategic risks, financial risks and operational risks. Each risk category is analyzed on an ongoing basis.

External risks

A number of major events have caused concern in the world around us in recent times and these also affect and risk affecting Rikshem's operations. The war in Ukraine is having knock-on effects, including a sharp rise in energy prices, higher material prices and reduced availability of materials. The lingering effects of the Covid-19 pandemic may still lead to lockdowns and restrictions in the world around us. The prevailing political uncertainty can in itself lead to unexpected or amended decisions in laws and regulations. We face a period with a risk of recession, with reduced economic growth, higher unemployment and cost of living increases that outpace wage increases, which affects both Rikshem and Rikshem's customers. A higher incidence of gang crime and shootings in recent years has resulted in greater insecurity and segregation in society, which can have a negative impact on the sense of community, safety and trust. In its sixth report, the UN's Intergovernmental Panel on Climate Change states that global warming is 1.1 degrees, which increases the risk of physical events such as

extreme weather conditions. Events in the world around us affect Rikshem. Active business intelligence addresses, evaluates and manages risks strategically, tactically and operationally at Rikshem.

Strategic risks

The property sector is impacted by macroeconomic factors such as general economic trends, growth rates, employment trends, the rate of construction of new properties, changes in infrastructure, population growth, inflation and interest rates. In a weaker macroeconomic situation, the value of properties could decline. The value of properties could also decline if the property sector has diminished access to financing and/or to equity. To safeguard the value of its property portfolio, Rikshem is working continually to develop its property management operations, improve its operating economy and maintain its properties on an ongoing basis.

Rikshem makes ongoing investments, mainly in the form of acquisitions, renovations and tenant modifications. To contribute to continued value growth, the investments need to achieve or exceed the yield requirements set. If the investments do not correspond to the yield requirements, which vary for different types of investments, there is a risk of the value of the properties being eroded. Certain investments may need to be made without yield requirements. Investments of this kind are subject to special scrutiny. Acquisitions are only made in selected locations. Organizational risks such as high staff turnover, skills and resource shortages are managed on an ongoing basis in order to be able to run the business as expected. How Rikshem runs its business can also have a long-term impact on the Company's reputation. By adopting a consistent values-based approach and further developing its working methods, Rikshem can strengthen its brand.

Financial risks

Rikshem's interest-bearing liabilities result in liquidity, refinancing, currency and interest rate risk. Liquidity and refinancing risk is defined as the risk that when loans mature funding cannot be raised or can only be raised at significantly higher costs, and that payment obligations cannot be met due to insufficient liquidity. Currency risk refers to the

risk that changes in exchange rates may have a negative impact on financial liabilities. Interest-rate risk is the risk that increased market interest rates lead to higher interest expenses. This can have adverse consequences for the Company's financial position and earnings. Rikshem has a well-developed Financial Policy, which, among other things, regulates how the financial risks are to be managed. Liquidity risks, for example, are managed using updated cash flow forecasts and access to adequate backup facilities. The refinancing risk is limited primarily through access to different sources of financing and a long debt duration, with a spread of loan maturities. The interest-rate risks are also limited by using interest-rate derivatives, while currency risks are limited by using currency derivatives. Climate change makes different demands of properties. Rikshem conducts climate risk analyses to minimize the risk of certain properties becoming unusable in the future, or the cost of rectifying any damage becoming excessive. Rikshem's assessment of the climate risks identified for its operations is that they will not have any significant financial impact in the short term.

Operational risks

Rikshem's revenue consists of rent for leased residential properties and premises. Should the number of rented residential properties and leased premises decline, the Company's revenue will decrease. Revenue could also decline if the Company fails to fulfill its contractual obligations in terms of rented residential properties or premises or if the payment capacity of the Company's tenants is reduced and they therefore fail to pay their rent. Revenue risk is primarily managed by the spread of revenue across the large number of rental agreements for residential properties. An assessment of the individual tenant's ability to pay is made when signing a rental agreement. Long leases with stable, long-term tenants are entered into for properties for public use.

The Company's costs for managing the property portfolio, and for operation and maintenance, are dependent on the general cost trend in Sweden. This applies particularly to electricity and heating costs. Rikshem is working on an ongoing basis to enhance its energy efficiency in order to lower its costs and also because reducing energy consumption is important in terms of the environment and sustain-

ability. The Company also has long-term maintenance plans to ensure efficient operation. Rikshem relies on information stored in systems being reliable and accessible to authorized persons, while also restricting access by unauthorized persons.

Deficiencies in IT security can have major negative consequences, where information can, for example, be destroyed or made unavailable in some other way, disclosed to unauthorized persons or be altered inappropriately. Unauthorized access to the Company's IT environment may have other negative consequences, such as various forms of disruption to property operations. Systematic IT security work is continuously ongoing and is adapted to the current situation and the technical development that the Company is pursuing or benefits from.

Rikshem's operations may affect sustainability-related operational risks, such as risks associated with people and the environment. This may involve the risk of work-related injuries and accidents, discrimination, abuse, bribery and corruption, for both our own staff and for our suppliers.

Rikshem's operations have a climate impact and there is a risk that emissions will not decrease as planned. The adopted climate roadmap towards climate-neutral operations by 2045, with associated activities, as well as continuous follow-up, facilitates proactive work to reduce the climate impact of operations.

Expected future development

In the long term, the Swedish property market is expected to be characterized by a continued housing shortage and a growing need for properties for public use, such as residential care homes and schools. This is mainly due to demographic changes, as Sweden's growing and aging population increases the need for extended social services from municipalities and regions.

In terms of the residential care segment, the country's municipalities are signaling a great need to be able to conduct more efficient operations, as the need for care of the elderly is expected to increase dramatically over the next ten years. This creates opportunities for property companies offering new properties that facilitate this, partly with the support of digital technology.

In 2022, inflation reached the highest levels in more than thirty years. Global uncertainty suggests that high inflation will persist to some extent. The rapid increase in inflation characterized the property market in 2022 and is also expected to affect the property market in 2023. Properties for public use, which are largely inflation-proofed as rents are normally index-linked with KPIs, will be attractive from an investment perspective, while property management of rental properties will be under pressure from higher costs, as rent negotiations do not allow these cost increases to be fully absorbed in the form of higher rents.

The conditions for the housing market and residential construction have deteriorated very quickly since the beginning of 2022. Household purchasing power weakened significantly in 2022 and this is expected to continue in 2023, due to high inflation. Rising interest and energy costs contribute to higher living costs for property owners, which in short leads to falling property prices and lower valuations. Households' expectations of their own finances (confidence indicator) have plummeted and the new-build market for condominiums and small houses has weakened significantly. Swedish households are expected to face their most difficult time since the crisis in the 1990s. All in all, this entails a deterioration in conditions for residential construction, which will lead to a sharp downturn in the start of new residential property construction in 2023. Due to its focus on growth locations and rental apartments, development of existing neighborhoods, and increasing the volume of properties for public use in its portfolio, Rikshem is well equipped for the prevailing market situation. The Company's prioritization on properties for public use is in line with society's current and future needs for residential care and nursing homes, preschools and schools. Demand for rental apartments is expected to remain strong and the need for properties for public use is stable even in times when the surrounding world is changing at an ever faster rate.

Rikshem's streamlining and digitalizing activities yielded results in 2022 and are expected to become increasingly important to secure the Company's earnings in the face of the high rate of inflation, as the Company will not achieve rent increases that fully match inflation.

Furthermore, the high energy prices are expected to become entrenched, which will create additional needs and opportunities to continue the work of increasing the quality of the portfolio from an energy and operational perspective, and to continue developing it into a more sustainable property portfolio.

Events after the closing date

For events after the end of the financial year, see Note 25.

Proposed allocation of profit

The following earnings in the Parent Company are at the disposal of the AGM:

Share premium reserve, SEK	840,772,100
Retained earnings, SEK	7,001,137,280
Profit for the year, SEK	1,323,148,813
Total, SEK	9,165,058,193

The Board of Directors proposes that SEK 9,165,058,193 be carried forward.

For information on the Company's financial performance and position in general, see the following financial statements and associated notes.



Risks and opportunities

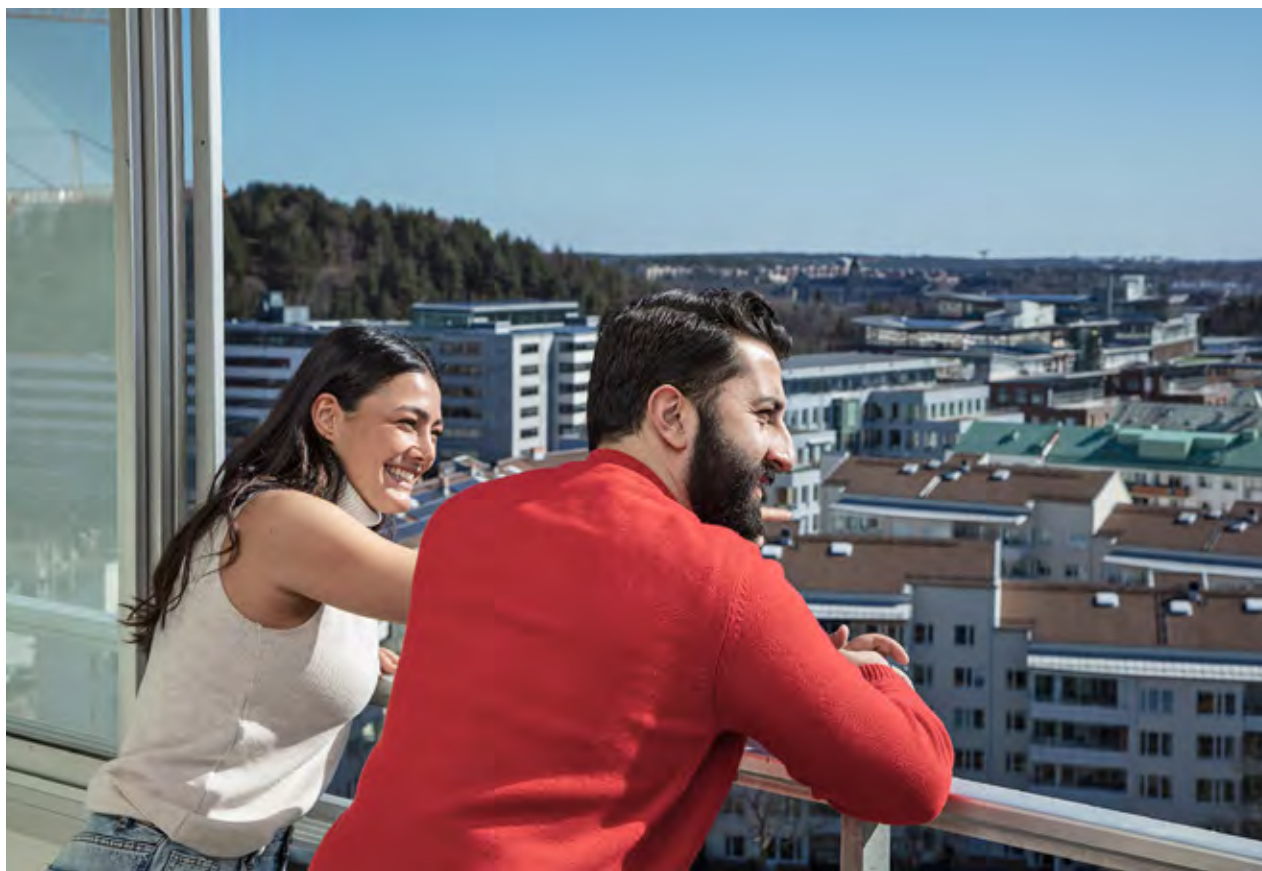
Rikshem's operations are impacted by a large number of external factors that are associated with both risks and opportunities. Managed correctly, risks can be turned into opportunities, while a mismanaged risk or lack of preparedness for a certain risk can have significant negative consequences. Risk management is a priority for Rikshem, which, by extension, helps the company to be more successful.

Identifying material risks

For optimum achievement of its business objectives and creation of long-term value, Rikshem needs to identify, understand and manage external factors that can represent both risks and opportunities. Ultimate responsibility for managing the company's risks rests with the Board of Directors, while the CEO has operational responsibility.

During the year, Rikshem reviewed the description of the company's risks, and grouped identified risks into four categories: external, strategic, financial and operational risks. The previous risk categories of sustainability risks and brand risks have been incorporated into these four risk categories. The risks are analyzed on an ongoing basis.

All risk categories have been graded. The grading indicates the probability of the risk being realized and an assessment of the possible impact if it is realized, for the business and, in some cases, also for the wider community. The following pages describe the company's risks and how they are managed. The gradings are based on the value of Rikshem's property and loan portfolio, as well as current rental income and costs.



	LIKELIHOOD	IMPACT	PRIORITY	CHANGE
EXTERNAL RISKS				
Macro factors	High	High	Focus	⬆️
Statutory and regulatory changes	High	Medium	Monitor	⬆️
Increased insecurity, social exclusion and criminality	High	High	Focus	⬆️
Energy	Medium	Medium	Focus	New
Availability of materials	Medium	Medium	Monitor	New
Climate change	Low	Medium	Monitor	⬆️
STRATEGIC RISKS				
Organization	Low	High	Focus	⬆️
Property portfolio	Medium	High	Monitor	⬆️
Investments	Medium	Medium	Focus	⬆️
Digitalization	Medium	Medium	Focus	New
Brand/reputation	Medium	High	Focus	⬆️
FINANCIAL RISKS				
Financing and interest-rate risk	Medium	High	Focus	⬆️
Market valuations of properties and financial instruments	Medium	High	Monitor	⬆️
Climate impact on Rikshem's business	Low	Medium	Monitor	⬆️
OPERATIONAL RISKS				
Working environment	Medium	High	Focus	⬆️
Rental income	Low	Low	Monitor	⬆️
Property expenses	Medium	Medium	Focus	⬆️
Project implementation	Medium	Low	Focus	⬆️
Property management	Medium	Medium	Focus	⬆️
Property development	Medium	Medium	Focus	New
Suppliers	Medium	High	Focus	⬆️
Climate impact	Medium	Medium	Focus	⬆️
IT and information security	Medium	High	Focus	⬆️

⬆️ – Risk unchanged

⬆️ – Increased risk

New New risk since previous year

External risks

Risk	Description of risk	Rikshem+s management	Opportunities	Likelihood and impact
Macro factors	<ul style="list-style-type: none"> The property sector is affected by the general economic development and community development. Rikshem is also affected by developments in the world around us, such as periods of high inflation, redundancies/unemployment, pandemics or unrest. 	<ul style="list-style-type: none"> Rikshem has a balanced and relatively recession-proof portfolio of apartments and properties for public use, concentrated in selected growth areas, which limits the risks. Over time, Rikshem can adjust the portfolio, for example to benefit from favorable conditions within a geographical submarket or a market segment. 	Economic development and growth lead to new job opportunities and demand for labor. Demographic changes such as an increasing and aging population and continuing urbanization drive additional demand for housing and properties for public use.	Likelihood: High Impact: High
Statutory and regulatory changes	<ul style="list-style-type: none"> A change of political control may affect Rikshem if it leads to changes in tax legislation or amended property legislation, for example. Changes in laws and regulations can have a significant impact on conditions in the sector and the company's results. 	<ul style="list-style-type: none"> In consultation with external experts, Rikshem monitors changes to existing legislation, regulatory developments and industry practice. Rikshem is also active in industry associations and interest groups to bring influence to bear on issues of interest to the company. Monitoring of legislation Business intelligence 	Residential properties and properties for public use are important to society and citizens. Policy and regulatory changes that promote opportunities in these areas are good news for Rikshem and the wider community. Political decisions that benefit Rikshem create better conditions for us to succeed in our mission.	Likelihood: High Impact: Medium
Increased insecurity, social exclusion and criminality	<ul style="list-style-type: none"> Increased insecurity and segregation in society can create uncertainty in Rikshem's neighborhoods. Many residential areas do not live up to today's urban planning ideal of vibrant neighborhoods. Large neighborhoods of rental apartments with a narrow range of apartment sizes can pose socioeconomic risks. Reluctance among municipalities to build new rental apartments. Tenants may move away from the neighborhood as their families grow or their household finances improve. 	<ul style="list-style-type: none"> Rikshem works on neighborhood development to achieve a mixture of rental options, types of building, and sizes and standards of apartments by densifying and renovating the existing portfolio. Rikshem aims to have vibrant ground floors in its properties and to provide more jobs in properties for public use so as to increase the daytime population. Increased customer dialog whereby tenants can express their views and influence their neighborhood is an important element in increasing participation and reducing social exclusion. Based on existing local conditions, Rikshem works to provide inviting outdoor environments with good lighting and meeting places that help to promote the flow of people and encourage people to spend time in the neighborhood. 	<p>A heightened sense of safety leads to greater stability, which results in lower property management costs, for example relating to vandalism and tenants moving out.</p> <p>A heightened sense of safety also leads to more satisfied tenants and creates opportunities to make neighborhoods more pleasant and attractive, resulting in higher values for Rikshem's properties. If Rikshem can create positive change in neighborhoods and is perceived as a good property owner and landlord, this will strengthen the company's brand and relationships with municipalities.</p>	Likelihood: High Impact: High
Energy	<ul style="list-style-type: none"> Rapidly increasing energy prices are severely affecting both Rikshem and tenants. A risk that electricity will be disconnected if demand exceeds supply, or if there is a power shortage. 	<ul style="list-style-type: none"> Rikshem has a designated resource that continuously monitors and further develops its electricity trading strategy. Rikshem works actively on energy efficiency, which is the most important prerequisite for securing investments to reduce emissions. 	By securing electricity and heating contracts, we ensure the supply of sustainable energy. The advantage of having the same supplier across the country is that we have one party to negotiate with, which makes things easier to manage. In the case of district heating, we negotiate with the local district heating company at each location.	Likelihood: Medium Impact: Medium
Availability of materials	<ul style="list-style-type: none"> Pandemics and geopolitical conflicts, for example, can create a shortage of materials, resulting in higher prices. A shortage of materials affects construction in both the Swedish market and at Rikshem. Construction is dependent on cement and other building materials, for example. 	<ul style="list-style-type: none"> Rikshem is proactive in strategic purchasing. Access to sustainable building materials is secured by involving the procurement department earlier in the process. 	Signing framework agreements directly with material suppliers secures access to sustainable building materials at the right price, at the right quality and at the right time.	Likelihood: Medium Impact: Medium
Climate change	<ul style="list-style-type: none"> Climate change may lead to adverse consequences for Rikshem's properties and neighborhoods. Increasing extreme weather conditions in the form of floods, heatwaves and storms increase the risk of damage to our properties and inconvenience to our tenants. 	<ul style="list-style-type: none"> Rikshem's long-term target is to be climate-neutral by 2045. Rikshem+s goal is reduce emissions from heating and property electricity by 2 kg CO₂/m² per year. Reducing climate impact is part of our work to develop our properties. Rikshem has mapped out the potential consequences of climate change for the property portfolio at each location. 	Systematic climate change mitigation strengthens our brand and our dealings with other market participants, and helps to meet climate targets. The company's efforts mean that Rikshem can offer customers housing and premises with superior environmental performance, which can increase customer satisfaction and employee engagement.	Likelihood: Low Impact: Medium

Strategic risks

Risk	Description of risk	Rikshem+s management	Opportunities	Likelihood and impact
Organization	<ul style="list-style-type: none"> Rikshem depends on skilled and professional employees who have relevant experience and who work in accordance with the company's values and processes. Incompetence can lead to the wrong decisions. An inadequate organizational structure, or shortcomings in the company's values or management and governance, can increase staff turnover and make recruitment difficult. Employees, subcontractors and others working on behalf of Rikshem run the risk of being exposed to workplace accidents and dangerous situations. Employees and others working on behalf of Rikshem risk being exposed to discriminatory or offensive treatment. 	<ul style="list-style-type: none"> As a values-based company, Rikshem can attract the right employees. The company's values and management system are natural components of the ongoing staff skills development within the framework of the Rikshem Academy. The working-environment committee works in accordance with Rikshem's working-environment policy and procedures within the framework of systematic working-environment efforts to prevent injuries and ill health. By means of its Supplier Code of Conduct, Rikshem sets requirements for suppliers regarding human rights, working conditions, the environment and anti-corruption, etc. Rikshem's Equality and Diversity Policy has been drawn up in collaboration with union representatives and is based on national legislation to tackle discrimination. There has been an established whistleblower system for several years. 	<p>By striving for constant improvements, professionalism and a values-driven approach in all parts of the company, Rikshem can attract and retain the right staff.</p> <p>Healthy employees lead to increased productivity, a higher quality of work, and more satisfied customers. Job satisfaction makes Rikshem an attractive place to work and helps to retain and recruit well-qualified staff.</p> <p>A company culture in which employees thrive and are respected and treated equally is more productive and makes Rikshem an attractive employer. Equal treatment of and respect for our tenants and suppliers contribute to satisfied customers and better business relationships.</p>	<p>Likelihood: Low</p> <p>Impact: High</p>
Property portfolio	<ul style="list-style-type: none"> The fair value of properties is based primarily on operating performance and market yield requirements, which are affected by such factors as interest rate levels and location-specific circumstances. Rikshem+s net operating income is affected by such factors as rent level, vacancy rate and operation and maintenance costs. Changes in net operating income or yield requirements may cause a fall in property values. The value of properties may decrease as a result of a reduction in the property sector's financing capacity. 	<ul style="list-style-type: none"> To safeguard and increase values in its property portfolio, Rikshem works continuously to develop its property management, including by improving operational economy and maintaining its properties on an ongoing basis. To some extent, Rikshem can limit the risks of changed yield requirements, among other things by concentrating its activities in locations with good growth and good liquidity on the transaction market. The property portfolio is evaluated continuously, and opportunities for acquisitions and divestments that can strengthen the portfolio are identified. 	<p>Being active in different segments with in part different drivers and different yield requirements means changes in requirements can be balanced to some extent.</p> <p>By working actively on measures to increase value in the property portfolio and making investments that increase net operating income, Rikshem can impact value positively.</p>	<p>Likelihood: Medium</p> <p>Impact: High</p>
Investments	<ul style="list-style-type: none"> Rikshem makes ongoing investments, for example in the form of acquisitions, renovations and tenant modifications. If the investments do not correspond to the yield requirements set or criteria for achieving climate targets, there is a risk of the value of the properties being eroded. 	<ul style="list-style-type: none"> To contribute to continued value growth, the investments need to achieve or exceed the yield requirements set. Certain investments may need to be made without yield requirements. Investments of this kind are subject to special scrutiny. The property portfolio is evaluated continuously, and opportunities for acquisitions and divestments that can strengthen the portfolio are identified. 	<p>By balancing different types of investments, the company can achieve good yields at the same time as keeping the property portfolio in good condition.</p>	<p>Likelihood: Medium</p> <p>Impact: Medium</p>

Strategic risks, continued

Digitalization	<ul style="list-style-type: none"> • Risk that the company does not keep pace with the digital development taking place in society. • Deficiencies in the processing of personal data, GDPR, cyber attacks. 	<ul style="list-style-type: none"> • Rikshem works continuously to manage our IT environment and develop system support in order to simplify and streamline our business. • IT security work involves all employees and therefore digital training is carried out on an ongoing basis. 	<p>Digital signing of agreements, contracts and notices of termination makes things easier for both us and our tenants. Through active IT security work, we increase knowledge and prevent attacks in the IT environment.</p>	<p>Likelihood: Medium</p> <p>Impact: Medium</p>
Risk	Description of risk	Rikshem+s management	Opportunities	Likelihood and impact
Brand (reputation)	<ul style="list-style-type: none"> • How Rikshem runs its business can have a long-term impact on the company's reputation. If mistakes are made as a result of incompetence or ignorance of relevant rules, this can have a negative impact on reputation. • A low level of awareness of Rikshem can have an influence when tenants choose a landlord. • Deficiencies in Rikshem's sustainability efforts, or bribery/corruption can result in business risks such as reputational damage, as well as legal and financial consequences for Rikshem. 	<ul style="list-style-type: none"> • Rikshem strives to comply with rules set and society's expectations. The company's governing documents, such as policies and guidelines, are communicated to all employees when they join the company and thereafter on an ongoing basis. • The Riksvågen quality management system includes processes and procedures for the various parts of the organization. • Rikshem has a Code of Conduct and a sustainability policy based on the company's values, which serve as guidance for employees on business ethics issues. Employees are able to report breaches of the Code of Conduct anonymously via Rikshem's whistleblower function. The company has an established policy for counteracting conflicts of interest and a rental policy that governs the company's rental activities. 	<p>If the work is carried out in line with applicable requirements, internal rules, relevant risk management, and society's expectations, the company's reputation can be maintained or enhanced.</p> <p>There is commercial potential in improving knowledge of Rikshem as a brand. By adopting a consistent values-based approach and further developing company-wide processes and working methods, Rikshem can strengthen its brand. A strong brand and a high level of awareness strengthen Rikshem+s position in the property market.</p> <p>A high level of compliance within ethical issues combined with trustworthiness and transparency create opportunities for Rikshem to establish trust with important partners, current and potential employees, and investors.</p>	<p>Likelihood: Medium</p> <p>Impact: High</p>

Financial risks

Risk	Description of risk	Rikshem+s management	Opportunities	Likelihood and impact
Financing and interest-rate risk	<ul style="list-style-type: none"> Rikshem+s external bond loans, commercial papers and bank loans give rise to liquidity, refinancing and interest-rate risks, as well as currency risks. If these risks are not managed correctly, they can have negative consequences for the company's financial position and results. 	<ul style="list-style-type: none"> Rikshem has a well-developed Financial Policy, which, among other things, regulates how the financial risks are to be managed. Liquidity risks, for example, are managed using updated cash flow forecasts and access to adequate backup facilities. The refinancing risk is limited primarily by using different permitted sources of financing and a long debt duration, with a spread of maturities on loans. Interest-rate risks are limited by using interest-rate derivatives. Currency risks are limited by using currency derivatives. Rikshem is continuously assessed by and has a credit rating from the Moody's rating agency. The company is working to increase its proportion of green financing. 	By using different types of financing sources, interest-rate and foreign-currency hedging instruments, the company can ensure good liquidity and, at the same time, work actively to minimize its financing costs.	Likelihood: Medium Impact: High
Market valuations of properties and financial instruments	<ul style="list-style-type: none"> Falling fair values and market-related fluctuations can have a negative impact on Rikshem's results and key performance indicators. 	<ul style="list-style-type: none"> Rikshem conducts ongoing analyses and internal and external valuations of the property portfolio. The company identifies and evaluates potential properties prior to acquisition and sale. 	By following and being active in the property market, we can acquire and sell properties on better terms.	Likelihood: Medium Impact: High
Climate impact on Rikshem's business	<ul style="list-style-type: none"> Rikshem's properties and residential areas may be adversely affected by climate events as a consequence of climate change. Increasing extreme weather conditions in the form of floods, heatwaves and storms increase the risk of damage to our properties and inconvenience to our tenants. 	<ul style="list-style-type: none"> Rikshem has mapped the property portfolio based on potential consequences of climate change within each region, using scenarios RCP 4.5 and 8.5. Rikshem conducts climate risk analyses prior to acquisitions, transactions and investments, such as new construction projects and property management. 	By carrying out climate risk analyses, Rikshem can make better decisions prior to acquisitions, transactions and investments, such as new construction projects and property management. Rikshem's green financing gives us access to more beneficial and more secure loan terms.	Likelihood: Low Impact: Medium

Operational risks

Risk	Description of risk	Rikshem+s management	Opportunities	Likelihood and impact
Working environment	<ul style="list-style-type: none"> • Risk of occupational injuries, accidents and health problems • Risk of discrimination or other offensive treatment of employees, but also of employees of suppliers and subcontractors. • The safety of personnel in terms of threats and violence. • Risks associated with working alone/remotely. • Health and safety risks involve business risks such as reputational damage, legal and financial consequences. 	<ul style="list-style-type: none"> • Rikshem's Code of Conduct sets out how the company and employees must behave with respect to human rights. • Rikshem's Supplier Code of Conduct guides suppliers in how to behave in relation to human rights. The goal is for all Rikshem's major suppliers to sign Rikshem's Supplier Code of Conduct. It contains formulations to convey Rikshem's requirements, including with regard to employment rights and decent working conditions; these extend to third-party suppliers. Rikshem monitors compliance with the requirements set out in the Code of Conduct by means of supplier meetings and self-evaluations. • Rikshem has a safety organization that provides support in the event of incidents, as well as internal health and safety training courses. 	<p>Working actively on the global development of sustainable working and living conditions reinforces Rikshem's ambition to contribute to the UN Sustainable Development Goals. Following up on the requirements set out in Rikshem's Supplier Code of Conduct facilitates positive, long-term relationships with our suppliers and business partners, which is crucial for Rikshem's commercial success.</p>	<p>Likelihood: Medium</p> <p>Impact: High</p>
Rental income	<ul style="list-style-type: none"> • Rikshem's revenues comprise rental income for the apartments and other premises it rents. Increased vacancies, empty properties and tenants failing to pay rent reduce revenues. • If the outcome of the annual rent negotiations for apartments does not follow the general cost trend, Rikshem+s revenue is reduced. 	<ul style="list-style-type: none"> • Good property management and active safety efforts make Rikshem's neighborhoods attractive. Demand for apartments is high in many of Rikshem's submarkets. Attractive neighborhoods and customer satisfaction are prerequisites for a low vacancy rate. • The tenant's economic circumstances are assessed when entering into a lease. The large number of leases are a form of security in themselves. • In the case of properties for public use, the company works actively to renegotiate agreements and leases are entered into with stable, long-term tenants. Index-linked leases take account of the inflation risk. 	<p>The rental value increases when properties undergo renovations that change the utility value. Rikshem works actively on neighborhood development with a view to reducing the risk of vacancies and increasing the attractiveness of its neighborhoods and, by that means, encouraging people to stay.</p>	<p>Likelihood: Low</p> <p>Impact: Low</p>
Property expenses	<ul style="list-style-type: none"> • The costs of managing the property portfolio depend partly on the general development in costs. • A lack of cost control can lead to higher maintenance costs, for example for fire or water damage. • Increased costs in the long term can have a negative impact on property values. • Increased costs for energy and waste management, for example. 	<ul style="list-style-type: none"> • Rikshem works on energy efficiency on an ongoing basis for both cost and sustainability reasons, and has long-term maintenance plans to ensure efficient operations. • Rikshem takes a proactive approach to purchasing and hedges prices for a longer period where this is feasible and appropriate. The company works with company-wide processes and assesses its organization on an ongoing basis. The company takes out the usual insurance for damage caused by fire or water, for example. 	<p>Sustained efforts to optimize operations, for example, can reduce costs or keep them stable. Neighborhood development initiatives, which aim to increase attractiveness, can reduce vandalism and costs of external care and maintenance. Structured purchasing work ensures that purchased goods and services are of good quality, and simultaneously enables economies of scale to be achieved.</p>	<p>Likelihood: Medium</p> <p>Impact: Medium</p>
Project implementation	<ul style="list-style-type: none"> • Shortcomings in project management can lead to choosing the wrong contractors or other partners for new construction or renovation projects. This can have major consequences in the form of cost increases, quality defects and delays. • The use of substances hazardous to health and the environment may be associated with environmental and work environment risks for personnel, partners, tenants, customers and others in connection with ongoing property development operations. • If it develops the wrong type of project, the company risks higher vacancies and lower value creation in the long term. 	<ul style="list-style-type: none"> • Rikshem uses templates and models for contractor agreements and project management. The suppliers and contractors that Rikshem uses must comply with Rikshem's Supplier Code of Conduct. • Working-environment risks can be reduced by means of active planning and preventive measures. Good internal collaboration between the project development and property management organizations and central support functions guarantees that the right products are developed. • Implementation of sustainability requirements in procurement and project processes. 	<p>Executing projects that create value is a prerequisite for being able to realize the potential in the portfolio. Ongoing project monitoring and control enable potential rationalizations and cost savings in current projects to be identified and realized. If implemented correctly, Rikshem's projects can provide good opportunities for economic development.</p>	<p>Likelihood: Medium</p> <p>Impact: Low</p>

Operational risks, continued

Risk	Description of risk	Rikshem+s management	Opportunities	Likelihood and impact
Property management	<ul style="list-style-type: none"> Shortcomings in property management can reduce customer satisfaction and thereby present a risk of more people moving out and hence vacancies. For Rikshem as a property owner, it is important that the value of the properties is maintained or increased by means of sound property management and that maintenance costs are kept to a minimum. Shortfalls in regulatory compliance can arise if there is a lack of competence or the regulations are unclear. 	<ul style="list-style-type: none"> Rikshem has a sophisticated property management model with defined levels of care and maintenance. The property management organization works in accordance with property-specific maintenance plans, and there is ongoing training in property-owner responsibilities. 	Professional and customer-focused property management can help Rikshem increase customer satisfaction, reduce the risk of vacancies and simultaneously deliver good returns.	Likelihood: Medium Impact: Medium
Property development	<ul style="list-style-type: none"> Long lead times in planning and building permit processes can affect Rikshem's planning of residential construction. If no new projects are started, this will have an impact on society as a whole. 	<ul style="list-style-type: none"> Rikshem closely monitors developments in the market to better meet society's needs for residential properties and properties for public use. By maintaining close dialog with stakeholders at an early stage and during the local planning process, we can develop building regulations for residential properties and properties for public use. 	Through our expertise in developing new local plans for properties, from project concept to local plan, we can enhance the use of land and thereby achieve higher values and higher returns for the company.	Likelihood: Medium Impact: Medium
Suppliers	<ul style="list-style-type: none"> Supply chain shortcomings, for example related to bribery and corruption or human rights. Deficiencies in the working environment and safety at Rikshem's construction sites, such as shortcomings in log books and ID checks on construction sites at Rikshem's properties. 	<ul style="list-style-type: none"> Rikshem imposes relevant sustainability requirements in connection with procurement processes and monitors these requirements through audits and checks. Rikshem works actively with sustainable supply chains from a business ethics and environmental perspective through our Supplier Code of Conduct, with which our suppliers and partners must comply. 	Rikshem is a major purchaser and thus has a great opportunity to influence our suppliers of goods and services. By imposing requirements and then monitoring them, we can highlight our sustainability work in the supply chain.	Likelihood: Medium Impact: High
Climate impact	<ul style="list-style-type: none"> Rikshem's climate impact is not reduced in accordance with the adopted climate roadmap. 	<ul style="list-style-type: none"> Take measures in accordance with the adopted climate roadmap. Collaboration in the sector by joining LFM30, SBTi and Fossil Free Sweden. 	Through active climate efforts, we contribute to reducing Rikshem's climate impact. By setting tough climate targets and joining various climate initiatives, we can strengthen the brand.	Likelihood: Medium Impact: Medium
IT and information security	<ul style="list-style-type: none"> Rikshem is dependent on the information stored in its systems being accessible to authorized persons and blocked to unauthorized persons. Deficiencies in IT security can have severe negative consequences. Unauthorized access, for example through cyber attacks, can have negative consequences, such as disruptions to property operations. 	<ul style="list-style-type: none"> Systematic work on IT security is ongoing at Rikshem and adapted in line with the current situation and the technical developments that the company uses or benefits from. 	Good IT security ensures that Rikshem's IT systems are accessible to authorized persons and that the information in them is correct.	Likelihood: Medium Impact: High

Corporate Governance Report 2022

Rikshem AB (publ) ("Rikshem" or "the Company") is a Swedish limited liability company. Rikshem's Corporate Governance Report was prepared in accordance with the Swedish Annual Accounts Act for the 2022 fiscal year. The report is included as part of Rikshem's Annual Report and Sustainability Report for 2022.

Rikshem's corporate governance is based on internal and external regulations. The main external regulations include the Swedish Companies Act, regulations for issuers in the marketplaces where the Company's bonds are listed, and the Market Abuse Regulation (MAR). Important internal rules are the ownership directive, the Articles of Association, the rules of procedure for the Board of Directors and the Board's committees, the CEO's instructions, the Code of Conduct, the Financial Policy and other internal policies and guidelines.

Rikshem's Articles of Association state, among other things, the name of the Company to be Rikshem AB (publ) and that the Company is publicly listed and is headquartered in Stockholm. The aim of the Company's business operations is to directly or indirectly, through wholly or jointly owned companies or via purchased services, own, develop and manage real estate and pursue related activities, including the provision of property-related services.

Rikshem is not formally covered by the Swedish Corporate Governance Code ("the Code") (or any other corporate governance code) as a result of the Company not having shares admitted to trading on a regulated market in Sweden, but following the rules on corporate governance set out in the law or other statutes. According to Rikshem's ownership directives, the Code shall serve as a guide for corporate governance. The Company therefore mainly applies the Code, but deviates from certain provisions, mainly as a result of the Company's ownership structure and the fact that the Company's shares are not listed in a marketplace. The Company has bonds issued under its previous MTN program, which are listed on Nasdaq OMX Stockholm (Stockholm Stock Exchange), as well as bonds issued under its Euro Medium Term Note (EMTN) program, which are listed on Euronext Dublin (Irish Stock Exchange). The Company therefore complies with the respective market place regulations for issuers. Rikshem has chosen Ireland as its home member state.

For the internal and external disclosure of information, the

Company has adopted a communication policy that regulates, among other things, how the Company is to communicate with the market.

Shareholders and owner directives

As of December 31, 2022, Rikshem's share capital amounted to SEK 99,727,900, distributed over 997,279 shares with one vote each. All of Rikshem's shares are owned by Rikshem Intressenter AB. Rikshem Intressenter AB is jointly owned by the Fourth Swedish National Pension Fund (AP4) and AMF Tjänstepension AB, each holding a 50 percent stake (joint "Owners").

The Annual General Meeting has adopted an ownership directive for the business. The ownership directive addresses issues such as the return target, risk management and capital structure, the rate of investment and dividend policy, ethics and sustainability, general corporate governance principles, the Board of Directors, auditors, coordination between the Board and the owners, and financial reporting. The ownership directive is discussed annually at the Annual General Meeting. At the 2022 Annual General Meeting, an updated ownership directive was adopted, which included mainly editorial amendments in relation to the previous version.

General meetings of shareholders

Shareholders have the right to make decisions about Rikshem's affairs at general meetings of shareholders. At general meetings of shareholders, each voting-qualified person is entitled to vote, without restriction, for the full number of shares represented. The Annual General Meeting (AGM) is to be held in Stockholm no later than June 30 each year. The Swedish Companies Act and the Articles of Association regulate what the Annual General Meeting will decide on. Rikshem held its AGM on March 24, 2022, in Stockholm.

All of Rikshem Intressenter AB's shares were represented at the Annual General Meeting. All members of the Board, the CEO and the Company's chief auditor attended the meeting. The AGM resolved to re-elect Pernilla Arnrud Melin, Liselotte Hjorth, Andreas Jensen, Per-Gunnar Persson, Peter Strand and Per Uhlén to the Board, and to newly elect Siv Malmgren and Zdravko Markovski. Per Uhlén was re-elected Chairman of the Board. The election of Board members had been preceded by

work on the Nomination Committee. The AGM also resolved that the Company shall have a Nomination Committee prior to the 2023 AGM and decided to adopt instructions for the Nomination Committee.

No extraordinary general meeting was held in 2022.

Nomination Committee

According to the instructions for the Nomination Committee, the Nomination Committee shall consist of one member appointed by AMF Tjänstepension AB and one member appointed by Fourth Swedish National Pension Fund (AP4) and by the Chairman of the Board. The Chairman of the Board shall be the Chairman of the Nomination Committee, but shall not have the right to vote on matters regarding proposals concerning the Chairman of the Board and the Chairman's fees. The Nomination Committee is to prepare proposals concerning Board members, the Chairman of the Board and Board fees, including the distribution between the Chairman and the other members of the Board, as well as fees for committee work.

The Nomination Committee shall take into account that the Board shall have an appropriate composition defined by diversity and breadth in terms of the competence, experience and background of the Board members, taking into consideration the Company's operations, development phase and other circumstances. The instructions for the Nomination Committee state that Rikshem's Diversity and Equality Policy must be taken into account when nominating Board members. Since the 2022 AGM, the Board of Directors has consisted of three women and five men.

The Nomination Committee shall also, following a recommendation from the Audit Committee, propose auditors and auditors' fees. Fees are not paid to members of the Nomination Committee.

Board of Directors

Composition

In accordance with the Articles of Association, the Board of Directors is to comprise no less than three and no more than ten members with zero to ten deputy members. At the beginning of the year, the Board consisted of six ordinary members elected by the Annual General Meeting and at the 2022 Annual

General Meeting it was resolved that the Board should have eight ordinary Board members with no deputies. The CEO is not a member of the Board of Directors but attends all Board meetings. Board members provide expertise in both property and finance. The members of the Board of Directors are presented on page 71. Rikshem's chief legal officer serves as Board secretary.

Duties of the Board

The work of the Board of Directors is governed by, inter alia, the Swedish Companies Act, the Articles of Association and the Board's rules of procedure approved annually by the Board for its work. Under the Swedish Companies Act, the Board of Directors is ultimately responsible for Rikshem's organization and management. The Board of Directors' rules of procedure describe the forms of the work to be carried out by the Board in respect of Board meetings, minutes, the duties of the Chairman and the CEO, etc. The rules of procedure also include regulations regarding how the conditions of employment for people in executive positions are to be determined. The CEO reports regularly at Board meetings.

The Chairman of the Board leads the work of the Board and is responsible for convening Board meetings and planning these meetings in consultation with the CEO. The Chairman is responsible for coordinating between the Board and the Owners.

The Board's work in 2022

The Board of Directors adopts an annual plan for its work, with meetings scheduled at set times that take into consideration the fact that the Board must publish financial reports at certain times. At Board meetings, the CEO regularly submits a report on the Company's operations, results and financial position. The CEO will also inform the Board of Directors of particularly important events in day-to-day operations. Board meetings involve reporting on the proceedings at meetings of the Board's committees. In 2022, the Board's work included decisions regarding the adoption of the 2023-2025 business plan, the Company's other strategic development and the customary decisions on interim reports, the year-end report and the annual and sustainability report, the adoption of the business plan and budget for the coming year, decisions on financing issues, investments and major leases in properties, as well as decisions regarding the revision of central governing documents. The Board also made a number of decisions per capsulam during the year.

Evaluation of the Board of Directors

The ownership directive and the Board's rules of procedure state that the Board is to carry out an annual evaluation of its own work. According to the rules of procedure, the Chairman is responsible for carrying out the evaluation. During the year, the evaluation was conducted with the help of a digital tool from an external operator. The outcome has been reviewed by the Board and reported to the Owners and the Nomination Committee. The outcome is used to develop the Board's work and in work to ensure that the Board has the right composition.

Remuneration of the Board of Directors

The Annual General Meeting decides on the remuneration of the Board. For the period up to and including the 2023 Annual General Meeting, the AGM resolved that annual fees amounting to SEK 624,000 would be paid to the Chairman of the Board of Directors and SEK 215,000 to other members, that the annual fee for work in established committees may not exceed SEK 350,000 per year to be distributed according to decisions by the Board of Directors, and that the total fee to the Board of Directors including committee fees may not exceed SEK 2,500,000 per year. The AGM resolved that fees for Board and committee work would not be paid to members of the Board who are employees of any of the Owners. The Board of Directors decided at the statutory Board meeting that an annual fee of SEK 95,000 would be paid to the Chairman of the Audit Committee and SEK 35,000 to each member of the Audit Committee, that an annual fee of SEK 85,000 would be paid to the Chairman of the Investment Committee and SEK 35,000 to each member of the Investment Committee, and that an annual fee of SEK 20,000 would be paid to the Chairman of the Remuneration Committee and SEK 10,000 to each member of the Remuneration Committee.

Board committees

The ownership directive states that a committee is to be established to address issues related to risk management, internal control and financial reporting. The Board has therefore established an Audit Committee. In addition, the Board itself assesses the need for additional committees and has established a Remuneration Committee and an Investment Committee. The Board of Directors has adopted rules of procedure for each committee. The Committee's main task is to prepare the Board's decisions in each area. All committees shall consist of three Board members. The CEO reports regularly in the committees.

Audit Committee

The Audit Committee shall, for example, monitor the Company's financial reporting, prepare the Annual Report and interim reports, review and monitor the impartiality and independence of the auditor, prepare governing documents that fall within the remit of the committee, and prepare strategic issues relating to the Company's financial structure. The Audit Committee annually selects an area for specific review to ensure, for example, that adequate procedures and processes are in place. At the beginning of the year, the Audit Committee consisted of Liselotte Hjorth, Chair, Per-Gunnar Persson and Peter Strand. In March 2022, Peter Strand was replaced by Siv Malmgren.

Investment Committee

In accordance with its rules of procedure, the Investment Committee shall, for example, decide on acquisitions, sales and investments that fall within the committee's mandate. It shall also be a preparatory body for decisions by the Board of Directors on matters concerning acquisitions, sales and investments that go beyond the Committee's mandate and shall prepare governing documents that fall within the Committee's remit. At the beginning of the year, the Investment Committee consisted of Per-Gunnar Persson, Chairman, Pernilla Arnrud Melin and Andreas Jensen. In March 2022, Per-Gunnar Persson was replaced as Chairman by Zdravko Markovski and Andreas Jensen was replaced by Peter Strand.

Remuneration Committee

The Remuneration Committee shall, among other things, prepare proposals for and evaluate principles for remuneration and other terms of employment for the CEO and other senior executives (remuneration policy), prepare questions regarding variable salary schemes, monitor remuneration structures and remuneration levels in the Company, and prepare governing documents that fall within the Committee's remit. In 2022, the Remuneration Committee consisted of Per Uhlén, Chairman, Pernilla Arnrud Melin and Andreas Jensen.

CEO and management team

The CEO is responsible for the day-to-day administration of the Company, taking into account the directions and instructions established by the Board of Directors and presented in, for ex-

ample, the CEO's instructions and the decision-making and authorization procedures, both of which are adopted annually by the Board of Directors. The CEO is responsible for financial reporting in the Company. The CEO has established a management team, which reports directly to the CEO.

The management team holds regular meetings to address Group-wide and strategic issues. Ten management team meetings were held in 2022. Rikshem's management team initially consisted of Anette Frumerie, CEO, Andrea Cedwall, Head of Portfolio Strategy and Transactions, Carl Conradi, General Counsel, Fredrik Edlund, Head of Residential Properties, Sandra Isberg, Head of Operations, Petter Jurdell, JV Director, Anders Lilja, CFO and Jennie Wolmestad, Head of Communications. In 2022, Elin Sjöstrand, Head of Project Development, Maria André Ahlgren, Head of HR, and Catrin Viksten, Head of Properties for Public Use, joined the management team. A more detailed presentation of the management team can be found on page 72. The CEO assistant is secretary to the management team.

Auditor

At the AGM on March 24, 2022, Ernst & Young AB was elected as auditor for the period until the end of the next AGM. Authorized public accountant Mikael Ikonen is the chief auditor. The auditor reviews, among other things, the company's Annual Report, Consolidated Financial Statements and accounting records, as well as the administration of the Board of Directors and the CEO, and submits an Auditor's Report. The audit is conducted in accordance with the Swedish Companies Act, international auditing standards and generally accepted auditing standards in Sweden. The auditor expresses an opinion on the Corporate Governance Report and the Company's Sustainability Report. The chief auditor attended two Board meetings and five Audit Committee meetings in 2022.

Internal control of financial reporting

Under the Swedish Companies Act, the Board of Directors is responsible for internal control. Internal control is based on documented policies, guidelines, instructions, the allocation of responsibilities and duties such as the Board's rules of procedure, committee rules of procedure, the CEO's instructions,

decision-making and authorization procedures, the Financial Policy and other documents, all of which seek to ensure a clear allocation of responsibilities for the effective management of the operation's risks and high-quality financial reporting. Compliance with the Company's governing documents is monitored and evaluated continuously. The Company conducts an annual review and follow-up of policies and other governing documents. Rikshem has identified essential business processes designed, among other purposes, to identify and reduce risks or to mitigate the consequences of the Company's risks. Risks and opportunities are also identified and managed in the business planning and budget processes for each department and the Company as a whole. Furthermore, an assessment is made of the financial risks on the basis of the income statement and balance sheet, where items are evaluated based on risk and materiality. In financial reporting, control activities are based on risk assessments and are integrated into the Company's processes, which are evaluated on an ongoing basis.

The process for valuation of investment properties includes estimates and assumptions with a major potential impact on the carrying amounts of assets. Accordingly, special attention is paid to ensuring that financial reporting in this regard does not contain material errors. Rikshem's properties are valued at the end of each quarter. The property valuation is carried out in accordance with the Company's policy for valuation of properties. Investment properties are valued externally by independent, authorized valuation institutions with relevant qualifications. Development properties, new construction projects and undeveloped land must be assessed both externally and internally, where the external valuation is responsible for quality assurance of the internal valuation. If both an external and internal valuation of a property has been made, the value according to the internal valuation is used in the Company's accounts.

Each year, the Company's auditor reports their observations from the review and assessment of the internal control linked to the Group's financial statements to the Board of Directors and the management team. The six-month interim report is reviewed by the Company's auditor. Internal control is continuously being improved with respect to implementation and is considered suitable for the Company's purposes. Each year Rikshem considers whether a special function for internal auditing should be established and during the year decided not to establish such a function.

Board remuneration, etc.			Attendance at meetings			
	Elected	Total annual fees, TSEK ¹	Board meetings ³	Remuneration Committee	Audit Committee	Investment Committee
Per Uhlén	2020	639	13 (13)	3 (3)	–	–
Pernilla Arnrud Melin	2018	No remuneration	13 (13)	3 (3)	–	7 (7)
Liselotte Hjorth	2016	307	13 (13)	–	6 (6)	–
Andreas Jensen ⁴	2019	No remuneration	13 (13)	3 (3)	–	2 (2)
Siv Malmgren ⁵	2022	193	10 (10)	–	4 (4)	–
Zdravko Markovski ⁶	2022	227	10 (10)	–	–	5 (5)
Per-Gunnar Persson ⁷	2016	264	13 (13)	–	6 (6)	2 (2)
Peter Strand ⁸	2021	247	13 (13)	–	2 (2)	4 (5)

- 1) The AGM decides on the total annual fees paid to members of the Board for the work they carry out. Fees for the work in committees are determined by the Board of Directors within the framework decided by the AGM. The fees are recognized as an expense and paid in 12 equal monthly instalments.
- 2) The figure in brackets refers to possible meetings for the period, i.e., where appropriate from the time the Board member was elected or to the time the Board member left the Board or Committee.
- 3) Including protocol-based decisions by correspondence.
- 4) Resigned from the Investment Committee in March 2022.
- 5) Elected to the Board in March 2022.
- 6) Elected to the Board in March 2022.
- 7) Resigned from the Investment Committee in March 2022.
- 8) Resigned from the Audit Committee and joined the Investment Committee in March 2022.

Board of Directors



Per Uhlén (1948)

Chair of the Board
Chair of the remuneration committee

Elected to the Board: 2020

Other positions: –

Education: Master's degrees in Engineering and Business & Economics

Previous positions: Acting CEO of Rikshem, and other senior positions in the construction and real estate industry.



Pernilla Arnrud Melin (1975)

Board member
Member of the investment committee
Member of the remuneration committee

Elected to the Board: 2018

Other positions: Head of Property Investments at AMF, board member of Antilooppi Management Oy, Antilooppi GP Oy and Mercada Oy.

Education: Master's degree in Engineering

Previous positions: Senior positions in the real estate industry.



Liselotte Hjorth (1957)

Board member
Chair of the audit committee

Elected to the Board: 2016

Other positions: Chair of White arkitekt, Eastnine and Niam Credit Advisory. Board member of Fastighetsbolaget Emilshus.

Education: Bachelor's degree in Economics

Previous positions: Senior positions in the banking and finance industry.



Andreas Jensen (1981)

Board member
Member of the remuneration committee

Elected to the Board: 2019

Other positions: Senior Portfolio Manager, alternative investments, at the Fourth Swedish National Pension Fund.

Education: Master's degree in Engineering

Previous positions: Senior positions at MTR Nordic and in the life insurance industry, political adviser and management consultant.



Siv Malmgren (1959)

Board member
Member of the audit committee

Elected to the Board: 2022

Other positions: Board positions at AB Borudan Ett and Gatun Arkitekter.

Education: Bachelor's degree in Behavioral Science and MBA from SU

Previous positions: CEO of John Mattson and board positions in the real estate industry.



Zdravko Markovski (1964)

Board member
Chair of the investment committee

Elected to the Board: 2022

Other positions: Board member of Besqab.

Education: Master's degree in Engineering

Previous positions: CEO of Svevia, several senior positions in the JM Group and board position at Castellum.



Per-Gunnar Persson (1965)

Board member
Member of the audit committee

Elected to the Board: 2016

Other positions: CEO of Platzer Fastigheter Holding, board member of BRIS and Svenska Sportpublikationer.

Education: Master's degree in Engineering

Previous positions: Board positions in the real estate industry.



Peter Strand (1971)

Board member
Member of the investment committee

Elected to the Board: 2021

Other positions: CEO of Swedish Logistic Property and board member of Diös Fastigheter.

Education: Master's degree in Engineering

Previous positions: CEO of property companies Victoria Park, Annehem Fastigheter and Tribona.

Management



Anette Frumerie (1968)

CEO

Employed since: 2020

Member since: 2020

Other positions: Board member of Lindab

Education: Master's degree in Engineering

Previous experience: Besqab, Skanska, JM.



Maria André Ahlgren (1973)

Head of HR

Employed since: 2022

Member since: 2022

Education: Master of Business Administration

Previous experience: Coor Service Management, Accenture.



Andrea Cedwall (1977)

Head of Portfolio Strategy and Transactions

Employed since: 2020

Member since: 2021

Education: Real Estate Economics

Previous experience: Hemsö, Kungsleden.



Carl Conradi (1968)

General Counsel

Employed since: 2010

Member since: 2016

Education: Bachelor of Laws

Previous experience: Vasa-kronan, solicitor's office, court service.



Fredrik Edlund (1975)

Head of Property Management

Employed since: 2015

Member since: 2017

Education: Master's degree in Engineering

Previous experience: Hyresbostäder i Norrköping, Grontmij/Carl Bro, Sweco.



Sandra Isberg (1974)

Head of Operations Development

Employed since: 2021

Member since: 2021

Education: Master's degree in Engineering

Previous experience: Libitum Sverige, Skanska.



Petter Jurdell (1971)

Head of Alternative Business and JVs

Employed since: 2017

Member since: 2017

Education: BSc., IFL

Previous experience: SABO, NCC.



Anders Lilja (1967)

CFO

Employed since: 2018

Member since: 2018

Education: Master's degree in Engineering; MBA

Previous experience: Skanska.



Elin Sjöstrand (1974)

Head of Project Development

Employed since: 2018

Member since: 2022

Education: International Economics

Previous experience: Riksbyggen, Graflunds, Mälardalen University.



Catrin Viksten (1970)

Head of Properties for Public Use

Employed since: 2022

Member since: 2022

Education: MBA from Stockholm School of Business and certified real estate manager

Previous experience: Hemsö, Ersta fastigheter and Magnolia Bostad.



Jennie Wolmestad (1979)

Head of Communication

Employed since: 2015

Member since: 2015

Education: Bachelor's degree in Media and Communications Science

Previous experience: Com Hem, Vasakronan, communications agencies.

Financial reporting

Consolidated statement of comprehensive income

Amounts in MSEK	Note	2022	2021
Rental income	3.1	3,169	3,062
Operating expenses		-873	-783
Repairs and maintenance		-266	-249
Property administration		-222	-220
Property tax		-48	-42
Total property expenses		-1,409	-1,294
Net operating income	4	1,760	1,768
Central administration	3.2, 5	-156	-100
Earnings from joint ventures	14	-91	330
<i>of which income from property management</i>		39	35
<i>of which change in value of properties</i>		-159	379
<i>of which change in value of financial derivative instruments</i>		6	2
<i>of which tax</i>		23	-85
Financial income	7	5	8
Financial expenses	7	-450	-480
Income from property management		1,068	1,526
Change in value of investment properties	10	-1,935	5,509
Value adjustment of interest rate derivatives	17	1,780	575
Change in value of foreign exchange derivatives	17	-129	168
Foreign exchange effect on financial liabilities		-465	-432
Profit before tax		319	7,347
Tax	8	-91	-1,416
Profit for the year		228	5,931
Other comprehensive income that is not to be reclassified to the income statement in subsequent periods			
Revaluation of pensions	5	3	4
Tax, pensions		-1	-1
Other comprehensive income for the year, net after tax		2	3
Total comprehensive income for the year		230	5,934

Comprehensive income is attributable to the Parent Company's shareholders.

Comments on the Group's performance

Net operating income

Rental income increased by MSEK 107 or 3.5 percent compared to the previous year and amounted to MSEK 3,169 (3,062). The increase mainly relates to the annual rent adjustment and effects of investments that impact rent. Rental income for the like-for-like portfolio rose MSEK 84 or 3.3 percent. Property costs for the year increased by MSEK 115 or 8.9 percent to MSEK 1,409 (1,294). Expenses for the like-for-like portfolio increased by MSEK 102 or 9.7 percent. The main contributor to this was higher utility costs, particularly for electricity as a result of the increase in electricity prices. Maintenance costs increased, mainly costs for planned maintenance. The cost allocation was changed during the first quarter in order to better reflect the cost structure used by MSCI. Some of the costs that were previously recognized as operating expenses are now recognized under Central administration. For the year 2022, the change means a reduction in operating costs by MSEK 26. All in all, the total net operating income decreased by MSEK 8 in relation to the previous year and amounted to MSEK 1,760 (1,768). For like-for-like portfolio, net operating income decreased by MSEK 18 or 1.2 percent.

The surplus ratio for the total property holding was 56 percent (58).

Central administration

The costs for central administration amounted to MSEK -156 (-100). Central administration includes group-wide costs.

During the fourth quarter, a write-down of a claim was made in a transaction where the counterparty went bankrupt. The write-down charges central administration costs of MSEK 16. The cost allocation was changed during the first quarter in order to better reflect the cost structure used by MSCI. Some of the costs that were previously recognized as operating expenses are now recognized under Central administration.

The change was made to better reflect the structure used by MSCI. For the year 2022, the change means an increase in costs within central administration of MSEK 26.

Earnings from joint ventures

Earnings from shares in joint ventures amounted to MSEK -91 (330). The loss was attributable to value adjustment of investment properties.

Financial income and expense

The net financial income and expenses consist primarily of the Company's external interest expenses. Net financial items totaled MSEK -445 (-472). Market interest rates and credit margins have increased, particularly in the second half of the year. This is gradually taking effect as a large part of the loan portfolio has long interest and debt duration. At year-end, the average interest on the interest-bearing liabilities amounted to 2.0 percent (1.5).

Income from property management

Compared with the previous year, income from property management fell by MSEK 458 to MSEK 1,068 (1,526). Adjusted for non-recurring costs and value adjustments in joint ventures, income from property management increased by MSEK 96 to MSEK 1,243 (1,147).

Change in value of investment properties

The value adjustment for investment properties during the year amounted to MSEK -1,935 (5,509), which corresponds to a decrease in value of 3.2 percent (increase 10.6). The average direct yield requirement in the valuation increased by 0.25 percentage points during the year.

Change in value of financial derivative instruments

The Company's financial derivative instruments are interest-rate swaps, which extend the fixed interest period, and combined interest-rate and currency swaps, which have been entered into to eliminate currency risk on interest payments and repayments of loans raised in EUR, NOK and AUD. The sharp rise in interest rates during the year had a positive impact on the value adjustment of interest rate derivatives in SEK, which amounted to MSEK 1,780 (575). The value adjustment of combined currency and interest rate derivative instruments amounted to MSEK -129 (168) and was nega-

tively affected by the rise in interest rates and positively by the weakening of the krone. The foreign exchange fluctuations for loans in EUR, NOK and AUD totaled MSEK -465 (-432) and relate to the weakening of the Swedish krona against these currencies during the year.

Profit for the year and tax

Profit for the year totaled MSEK 228 (5,931). Tax reported for the year amounted to MSEK -91 (-1,416), MSEK -75 (-95) of which was current tax and MSEK -16 (-1,321) deferred tax. Deferred tax is mainly affected by the change in temporary differences between the carrying amount and tax base of investment properties and the change in value of financial items, while current tax is mostly affected by non-deductible interest and tax depreciation.

The effective tax rate for the year was 28.6 percent (19.3). The deviation in relation to Swedish corporation tax of 20.6 percent is mainly explained by negative profit shares from joint ventures and by non-deductible interest costs attributable to current interest deduction limitation rules. The deferred tax asset has been offset against the deferred tax liability in the statement of financial position.

Consolidated statement of financial position

Amounts in MSEK	Note	Dec. 31, 2022	Dec 31, 2021
ASSETS			
Fixed assets			
Intangible fixed assets			
Capitalized development expenditure	9	15	8
Total intangible fixed assets		15	8
Equipment			
Investment properties	10	59,423	58,780
Leaseholds and other right-of-use assets	11	177	134
Equipment	12	6	2
Total property, plant and equipment		59,606	58,916
Fixed assets			
Participations in joint ventures	14	2,088	2,191
Financial derivative instruments	17	2,142	403
Non-current receivables	18	62	227
Total financial fixed assets		4,292	2,821
Total non-current assets		63,913	61,745
Current assets			
Current receivables			
Accounts receivable	18	28	27
Other receivables	19	116	90
Prepaid expenses and accrued income	15	82	81
Total current receivables		226	198
Cash and cash equivalents	18	783	468
Total current assets		1,009	666
TOTAL ASSETS		64,922	62,411

Consolidated statement of financial position, cont.

Amounts in MSEK	Note	Dec. 31, 2022	Dec 31, 2021
EQUITY AND LIABILITIES			
Equity			
Share capital		100	100
Other paid-in capital		4,874	4,874
Retained earnings		24,111	23,881
Total equity		29,085	28,855
LIABILITIES			
Non-current liabilities			
Deferred tax liability	8	5,189	5,173
Interest-bearing liabilities	18	22,441	19,683
Liabilities to Group companies	18, 22	145	175
Financial derivative instruments	17	432	343
Non-current liabilities, finance leases	11	151	117
Other provisions for pensions and similar obligations	5	1	6
Total non-current liabilities		28,359	25,497
Current liabilities			
Interest-bearing liabilities	18	6,435	7,064
Accounts payable	18	122	146
Tax liabilities		57	132
Current liabilities, finance leases	11	22	15
Other current liabilities	19	65	99
Accrued expenses and deferred income	20	777	603
Total current liabilities		7,478	8,059
Total liabilities		35,837	33,556
TOTAL EQUITY AND LIABILITIES		64,922	62,411

Comments on financial position

Investment properties

At year-end, Rikshem's property portfolio comprised 519 properties (514) with a fair value of MSEK 59,423 (58,780). Properties representing 46 percent of fair value are located along the Greater Stockholm–Uppsala axis. Altogether, the property portfolio comprises around 29,000 apartments (29,000) and a lettable area of around 2,240,000 sqm (2,216,000).

During the year, Rikshem acquired properties worth MSEK 500 (532), most of which relate to acquisitions from joint venture companies. Rikshem divested properties worth MSEK 382 (862) during the year. During the fourth quarter, Lagern 6 in Stockholm was surrendered. The year+s investments in existing properties amounted to MSEK 2,460 (1,851), of which MSEK 1,147 (956) related to rebuilding and renovation of residential properties, MSEK 1,109 (705) related to new production of residential properties and MSEK 203 (190) related to investments in properties for public use.

Stakes in joint ventures

Rikshem owns stakes in joint ventures with a total value of MSEK 2,088 (2,191). The largest holding of MSEK 1,196 pertains to 49 percent of VärmdöBostäder. The remainder of VärmdöBostäder is owned by Värmdö Municipality. The second-largest holding of MSEK 675 relates to Farsta Stadsutveckling (Telestaden), with Rikshem and Ikano Bostad each owning 50 percent. This is where the development of the new city area Telestaden is under way, which will comprise

approximately 2,000 residential properties and premises for offices and local services. Other participations in joint ventures totaling MSEK 217 relate to development projects owned and operated together with Nordr, P&E Fastighetspartner and Huseriet.

Financial derivative instruments

At year-end, the company had an interest rate derivative portfolio that hedged SEK 15.5 billion in net terms. The Company also has combined interest-rate and currency swaps to hedge loans raised in other currencies. The total fair value of the Company's financial derivative instruments with a positive fair value was MSEK 2,142 (403), while that of instruments with a negative fair value was MSEK -432 (-343). The net fair value of the derivative portfolio was MSEK 1,710 (60).

Receivables

Non-current receivables amounted to MSEK 62 (227) and mainly consisted of loans to joint ventures. Current receivables amounted to MSEK 226 (198), of which MSEK 82 (81) relates to prepaid expenses and accrued income. Accounts receivable amounted to MSEK 28 (27).

Cash and cash equivalents

Cash and cash equivalents amounted to MSEK 783 (468). On the closing date, pledged assets received under Credit Support Annexes (CSAs) for combined interest rate and currency swaps amounted to MSEK 2 (48). These pledged assets are settled on a monthly basis.

Interest-bearing liabilities

At year-end, the interest-bearing liabilities amounted to MSEK 29,021 (26,922). The current portion of this totaled MSEK 6,435 (7,064). MSEK 4,530 (3,306) of the interest-bearing liabilities pertained to secured bank loans, MSEK 999 (999) to liabilities to the EIB, MSEK 2,841 (3,550) to funding through commercial paper, and MSEK 20,506 (18,892) to bond loans. In addition, the Company had MSEK 145 (175) in interest-bearing liabilities to related companies.

All bank loans are secured by collateral in properties. In total, secured financing accounted for 8 percent (6) of the fair value of the investment properties. Of Rikshem's outstanding bonds, bonds corresponding to

SEK 2.9 billion have been issued in EUR, SEK 5.0 billion in NOK and SEK 0.5 billion in AUD. The remaining bonds have been issued in SEK. The carrying amount of foreign-currency bonds on the closing date was SEK 3.3 billion (EUR), SEK 5.0 billion (NOK), and SEK 0.6 billion (AUD). The average debt duration is 3.7 years (4.0), and the average interest-rate duration is 3.4 years (4.2).

Equity

During the year, the Group's equity increased by MSEK 230 to MSEK 29,085 (28,885). Rikshem has an equity/assets ratio of 45 per cent (46).

Group – Statement of changes in equity

Amounts in MSEK	Share capital	Other paid-in capital	Retained earnings including profit for the year	Total equity
Opening balance, Jan 1, 2021	100	4,874	17,947	22,921
Profit for the year			5,931	5,931
Other comprehensive income			3	3
Total comprehensive income			5,934	5,934
Closing balance, Dec 31, 2021	100	4,874	23,881	28,855
 Opening balance, Jan 1, 2022	 100	 4,874	 23,881	 28,855
Profit for the year			228	228
Other comprehensive income			2	2
Total comprehensive income			230	230
Closing balance, Dec 31, 2022	100	4,874	24,111	29,085

Classification of equity

Share capital

The item equity includes the registered equity for the Parent Company. As of December 31, 2022, the number of shares amounted to 997,279 (997,279). The par value is SEK 100 per share.

Other paid-in capital

Other paid-in capital relates to equity contributed by the owners as shareholders' contributions and new share issues at a premium.

Retained earnings

Retained earnings correspond to the cumulative gains and losses generated in the Group in total.

Consolidated statement of cash flows

Amounts in MSEK	Note	2022	2021
Operating activities			
Income from property management		1,068	1,526
Adjustment for non-cash items	23	95	-328
Reversal of net interest income		445	472
Interest paid		-413	-489
Interest received		5	6
Tax paid		-158	-26
Cash flow from operating activities before changes in working capital		1,042	1,162
Decrease (+)/increase (-) in operating receivables		-18	25
Decrease (-)/increase (+) in operating liabilities		125	-16
Cash flow from operating activities		1,149	1,171
Investing activities			
Investment in investment properties		-2,460	-1,851
Acquisition of investment properties		-500	-533
Divestment of investment properties		382	862
Investment in other fixed assets		-14	-1
Investment in financial assets		-1	-67
Dividend from financial assets		-	-
Divestment of financial assets		179	30
Cash flow from investing activities		-2,414	-1,559

Consolidated statement of cash flows, ctd.

Amounts in MSEK	Note	2022	2021
Financing activities	24		
Loans raised		17,589	12,881
Repayment of loans		-15,956	-12,710
Change in collateral		-51	-143
Redemption of financial instruments		-	-3
Repayment of finance leases		-2	-
Cash flow from financing activities		1,580	25
Cash flow for the year		315	-362
Cash and cash equivalents at the start of the year		468	830
Cash and cash equivalents at the end of the year		783	468

Parent Company income statement

Amounts in MSEK	Note	2022	2021
Operating income	3.1	300	248
Other operating expenses	3.2, 11	-193	-123
Personnel expenses	5	-234	-232
Depreciation		-2	-2
Operating profit/loss		-129	-109
Earnings from subsidiaries	6	215	96
Financial income	7	820	774
Financial expenses	7	-489	-522
Value adjustment of interest rate derivatives		1,780	575
Change in value of foreign exchange derivatives		-129	168
Foreign exchange effect on financial liabilities		-466	-432
Profit after financial items		1,602	550
Appropriations, group contribution		-21	-44
Appropriations, profit to principal		64	-
Tax	8	-322	-84
Profit for the year ¹⁾		1,323	422

1) In the Parent Company, there are no items under other comprehensive income.

Parent Company

The activities of the Parent Company Rikshem AB (publ) primarily comprise managing the Group's properties through the ownership of shares and participations in its property-owning subsidiaries. The Parent Company's billings are mainly fees for services provided to the subsidiaries. Since January 2022, the Parent Company has been included as principal for fiscal purposes with the majority of its subsidiaries. These subsidiaries also part of a VAT group as of July 1, 2022.

Revenue for the year amounted to MSEK 300 (248) and profit after financial items to MSEK 1,602 (550). The parent company received MSEK 64 (-) in profit from subsidiaries in the Tax Law Commission. The Parent Company's equity amounted to MSEK 9,408 (8,085) at year-end.

Parent Company balance sheet

Amounts in MSEK	Note	Dec. 31, 2022	Dec 31, 2021
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized development expenditure	9	15	8
Total intangible fixed assets		15	8
<i>Tangible fixed assets</i>			
Equipment	12	5	2
Total property, plant and equipment		5	2
<i>Financial fixed assets</i>			
Participations in subsidiaries	13	2,690	2,724
Receivables from Group companies	22	32,607	31,668
Financial derivative instruments	17	2,142	403
Non-current receivables	18	18	144
Total financial fixed assets		37,457	34,939
Total non-current assets		37,477	34,949
CURRENT ASSETS			
<i>Current receivables</i>			
Accounts receivable	18	1	0
Other receivables	19	17	74
Prepaid expenses and accrued income	15	42	45
Total current receivables		60	119
Cash and cash equivalents	18	783	465
Total current assets		843	584
TOTAL ASSETS		38,320	35,533

Parent Company balance sheet, ctd.

Amounts in MSEK	Note	Dec. 31, 2022	Dec 31, 2021
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		100	100
Revaluation reserve		143	143
		243	243
Non-restricted equity			
Retained earnings		7,001	6,578
Share premium reserve		841	841
Profit for the year		1,323	422
		9,165	7,841
Total equity		9,408	8,085
Provisions			
Deferred tax liability	8	492	243
Other provisions for pensions and similar obligations	5	1	3
Total provisions		493	246
Non-current liabilities			
Interest-bearing liabilities	18	18,945	17,924
Liabilities to Group companies	18, 22	145	175
Financial derivative instruments	17	432	343
Total non-current liabilities		19,522	18,442
Current liabilities			
Interest-bearing liabilities	18	6,435	6,550
Accounts payable		13	7
Liabilities to Group companies	22	2,232	1,974
Tax liability		64	46
Other liabilities	19	22	65
Accrued expenses and deferred income	20	131	118
Total current liabilities		8,897	8,760
Total liabilities		28,912	27,448
TOTAL EQUITY AND LIABILITIES		38,320	35,533

Parent Company statement of changes in equity

Amounts in MSEK	Share equity	Revaluation reserve	Share premium reserve	Retained earnings including profit for the year	Total equity
Opening balance, Jan 1, 2021	100	143	841	6,578	7,662
Profit for the year				422	422
Closing balance, Dec 31, 2021	100	143	841	7,000	8,085
Opening balance, Jan 1, 2022	100	143	841	7,000	8,085
Profit for the year				1,323	1,323
Closing balance, Dec 31, 2022	100	143	841	8,323	9,408

Parent Company statement of cash flows

Amounts in MSEK	Note	2022	2021
Operating activities			
Operating profit/loss		-129	-109
Adjustment for non-cash items	23	0	-13
Interest paid		-456	-527
Interest received		820	774
Tax paid		-55	16
Cash flow from operating activities before changes in working capital		180	141
Increase (+)/decrease (-) in operating receivables		59	-19
Increase (+)/decrease (-) in operating liabilities		-3	183
Cash flow from operating activities		236	305
Investing activities			
Shareholders' contributions paid		-1	-607
Divestment of subsidiaries		35	-
Investment in other fixed assets		-13	-1
Investment in Group companies		-554	-378
Investment in non-current receivables		-	-65
Divestment of non-current receivables		-	-
Cash flow from investing activities		-532	-1,051

Parent Company statement of cash flows, ctd.

Amounts in MSEK	Note	2022	2021
Financing activities	24		
Loans raised		15,846	12,881
Repayment of loans		-15,439	-12,229
Change in collateral		-51	-316
Redemption of financial instruments		-	-3
Earnings from partnerships and limited partnerships		215	96
Group contributions received		-	-
Group contributions paid		43	-44
Cash flow from financing activities		614	386
Cash flow for the year		318	-361
Cash and cash equivalents at the start of the year		465	826
Cash and cash equivalents at the end of the year		783	465

Notes with accounting policies and notes to the financial statements

Note 1

Company information

The Rikshem Group comprises the Parent Company Rikshem AB (publ), corporate registration number 556709-9667, and its subsidiaries and associated companies. The Parent Company is a public limited company with its registered office in Stockholm, Sweden. The head office is located at Klara Södra Kyrkogata 1 in Stockholm. The shares of Rikshem AB (publ) are held by Rikshem Intressenter AB, corporate registration number 556806-2466, which in turn is jointly owned by the Fourth Swedish National Pension Fund (AP4) and AMF Tjänstepension AB, each of which owns 50 percent. The Group's principal activity is to acquire, manage and develop residential properties and properties for public use in selected municipalities in Sweden.

The Annual Report and Consolidated Financial Statements pertain to Rikshem AB (publ) and were approved by the Board of Directors on March 21, 2023.

The Annual Report and Consolidated Financial Statements were submitted to the Annual General Meeting on the same day for approval.

Note 2

Accounting policies

This section is a summary of the basis for the preparation of the financial statements. The accounting policies are presented in the respective notes in order to provide a better understanding of each accounting area.

Applicable regulations

The Consolidated Financial Statements for the Rikshem Group were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and interpretations issued by the IFRS Interpretations Com-

mittee (IFRIC), as approved by the European Union (EU). The Swedish Annual Accounts Act and the Swedish Financial Reporting Board's Recommendation RFR 1 Supplementary Rules for Consolidated Financial Statements were also applied. Unless otherwise stated, the principles have been applied consistently for the years presented.

The Parent Company applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's Recommendation RFR 2. Deviations between the policies used by the Parent Company and the Group are due to restrictions on fully applying IFRS in the Parent Company due to the Swedish Annual Accounts Act and the connection between accounting and taxation. The deviations are presented in the section entitled Parent Company's accounting policies.

Reporting currency

The Group's reporting currency is the Swedish krona (SEK), which is the functional currency of the Parent Company. Transactions in foreign currency are recalculated with the current exchange rate to Swedish kronor. Monetary assets and liabilities in foreign currencies are translated at the exchange rate on the closing date, and realized and unrealized exchange rate fluctuations are recognized in the consolidated statement of comprehensive income. Unless otherwise specified, all amounts are reported in SEK millions. Numbers between 0 and 0.5 are reported in texts and tables with 0.

Bases for preparation of the financial statements

The Consolidated Financial Statements were prepared on the principle of a going concern. Assets and liabilities are measured at historical cost, with the exception of derivative instruments, right-of-use assets in the form of leaseholds and investment properties, which are measured at fair value, and deferred tax, which is measured at nominal value.

Fixed assets, non-current liabilities and provisions are expected to be recovered or fall due for payment more than twelve months after the closing date. Current assets and current liabilities are expected to be recovered or fall due for payment earlier than 12 months after the closing date.

Gross accounting is applied consistently in the recognition of assets and liabilities except where both a receivable and a liability exist with the same counterparty and these can be legally offset and the intention is to do so. Gross accounting is also applied in respect of revenue and expenses, unless otherwise indicated.

Consolidated financial statements

The Consolidated Financial Statements include the Parent Company and all subsidiaries. Subsidiaries are all those companies in which the Group is exposed to various kinds of risks, or has a right to variable returns from its participation and is able to affect these returns through its influence over the Company. This usually results from a shareholding comprising more than half of the voting rights. All subsidiaries are consolidated as of the date when a controlling influence is achieved and consolidation ceases as of the date when the controlling influence ceases.

The Consolidated Financial Statements have been prepared in accordance with the acquisition method, which entails that an acquisition analysis is prepared on the date on which a subsidiary is acquired, with assets, liabilities and contingent liabilities measured at fair value. The Consolidated Financial Statements only include equity earned in the subsidiaries after the acquisition date. Earnings attributable to companies that were acquired or sold during the year are only included in the Consolidated Financial Statements in an amount corresponding to the profit earned during the holding period.

When a subsidiary is acquired, an assessment is made as to whether the acquisition is to be recognized as a business acquisition or an asset acquisition. Note 10 describes the criteria that Rikshem applies when assessing the acquisition.

Intra-group transactions and balance sheet items as well as realized and unrealized gains and losses on transactions between Group companies are eliminated. The accounting policies of subsidiaries have been changed where applicable to guarantee consistent application of the Group's policies.

Note 2.1

Changes in accounting policies

Significant accounting policies are summarized in Note 2.3 below. The accounting policies applied include new and revised standards issued by the IASB and interpretations of existing standards that entered into force and are mandatory for application in the EU as from January 1, 2022.

New standards, amendments and interpretations of existing standards that have not been applied in advance by the Group.

New standards and interpretations that come into force for the fiscal year beginning after January 1, 2022, have not been applied in this report. The standards, amendments and interpretations that are expected to affect or may have an impact on the Consolidated Financial Statements are described below.

Proposals for changes to IAS 1 Presentation of financial statements may have an impact on Rikshem's financial statements. The proposal entails, among other things, introducing three mandatory result lines and stricter requirements for what may be included in the reports. This will complicate opportunities, for example, for industry-specific result lines. Cash flow will also be more regulated in terms of what is to be reported on each line.

Amendments to IAS 12 in respect of deferred tax on leasing agreements have been adopted by the EU and will come into force on January 1, 2023. The decision means that companies that apply IFRS in their consolidated financial statements must report deferred tax on all temporary differences. The amendment clarifies that the exemption from recognition of deferred tax is not applicable to transactions that on first recognition give rise to deferred tax assets of the same amount as deferred tax liabilities. The change is not deemed to have any significant impact on the financial statements.

Note 2.2

Parent Company accounting policies

Rules and regulations applied

The Parent Company applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's Recommendation RFR 2.

Deviations between the policies used by the Parent Company and the Group are due to restrictions on fully applying IFRS in the Parent Company due to the Swedish Annual Accounts Act and the connection between accounting and taxation. The deviations are presented below.

Participations in subsidiaries

Shares in subsidiaries are recognized using the amortization cost method. The value is assessed on an ongoing basis in relation to the subsidiaries' consolidated equity.

In cases where the value is less than the group value of the subsidiaries, an impairment loss is charged to the income statement.

If the conditions that resulted in impairment change, this can be reversed.

Share capital

Transaction costs directly attributable to the issue of new common shares are recorded, net of tax, in equity as a deduction from the proceeds.

Group contributions and shareholders' contributions

The Parent Company recognizes Group contributions in accordance with the principal rule, which entails that contributions received from the Parent Company are recognized in equity.

Group contributions received from subsidiaries are recognized as earnings from subsidiaries in the income statement. Group contributions paid to subsidiaries are recognized as an increase in participations in Group companies.

Shareholders' contributions paid by the Parent Company are recognized directly against the recipient's equity and are recognized as shares and participations with the Parent Company, insofar as amortization is not required. Shareholders' contributions received are recognized as an increase in non-restricted equity.

Leases

The Parent Company does not apply the rules on the recognition of leases in accordance with IFRS 16. This means that lease payments are recognized in the Parent Company as an expense on a straight-line basis over the lease term. Right-of-use assets and lease liabilities are therefore not recognized in the Parent Company's balance sheet.

Pensions

The Parent Company recognizes pensions in accordance with the rules of the Swedish Pension Obligations Vesting Act since this is a condition of tax deductibility.

Note 2.3

Significant accounting assessments, estimates and assumptions

In order to prepare Consolidated Financial Statements in accordance with IFRS and generally accepted accounting principles, a number of estimates and assumptions must be made that affect the carrying amounts of assets, liabilities, income and expenses and other information provided. These assessments and assumptions are based on historical experience and other factors considered reasonable in the prevailing circumstances. Changes in estimates are recognized in the period in which the change is made if the change only affects this period, or in the period in which the change is made if it affects both the current period and future periods. Actual outcomes may differ from the assessments made. The most important areas where estimates and assumptions are of great significance relate to the following and are described further in connection with the note they are assessed to be able to affect.

Assessment item	Note
Investment properties	10 Investment properties
Classification of acquisitions	10 Investment properties, 13 Participations in subsidiaries
Deferred tax	8 Tax

Note 3

Operating income and expenses

Accounting policies

Revenue is recognized when it is probable that the economic benefits will accrue to the Group and when revenue can be determined in a reliable manner. Revenue is recognized excluding VAT with deductions for any discounts. In all material respects, the Group's revenue comprises rental income. Leases are classified in their entirety, from an accounting perspective, as operating leases. Rental income, including supplements, is announced in advance and is recognized in the income statement on a straight-line basis over the rental period and includes the fair value of what will be received. Only the portion of the rent accruing to the period is recognized as revenue. Rent paid in advance is recognized as deferred income.

Property costs include direct and indirect costs of managing a property. Direct costs refer to consumption costs and indirect costs refer to costs for personnel for administration and leasing. Central administration includes group-wide costs. Costs are recognized in the period to which they relate.

Note 3.1

Operating income

Rental income

Rikshem's property portfolio consists of approximately 70 percent residential properties with housing and parking contracts, which usually have a three-month period of notice. For information purposes, the value of the annual rent for these contracts is shown. The maturity structure for agreed rental contracts in properties for public use and contracts for the few commercial premises in the residential properties for local services are also presented. The maturity structure does not include future indexation of rents.

The Group 2022	Number of contracts	Contracted revenues
<i>Housing and parking contracts</i>		
Annual rent	35,776	2,128
<i>Contracts in residential properties and properties for public use</i>		
Contracted revenues with payment 2022	3,272	1,157
Contracted revenues with payment 2023	970	1,041
Contracted revenues with payment 2024	722	918
Contracted revenues with payment 2025	575	818
Contracted revenues with payment 2026	475	727
Agreed income with payment later than 5 years		
	424	3,886
Total		8,547

The Group 2021	Number of contracts	Contracted revenues
<i>Housing and parking contracts</i>		
Annual rent	35,512	2,034
<i>Contracts in residential properties and properties for public use</i>		
Contracted revenues with payment 2022	3,197	1,039
Contracted revenues with payment 2023	986	967
Contracted revenues with payment 2024	735	847
Contracted revenues with payment 2025	571	747
Contracted revenues with payment 2026	467	679
Agreed income with payment later than 5 years		
	427	3,750
Total		8,029

The average term of the rental agreements in the table above was 7.2 years for 2022 and 7.5 years for 2021. The average term of equivalent rental agreements exclusively for properties for public use was 7.6 years for 2022 and 8.3 years for 2021.

Operating income in the Parent Company

Of the Parent Company's operating income, MSEK 298 (247) pertains to sales of administrative and property management services to subsidiaries, corresponding to 99 percent (99) of sales.

Note 3.2

Operating expenses

Auditors+ fees and reimbursements

	The Group		Parent Company	
	2022	2021	2022	2021
Ernst & Young AB				
Audit assignment	4	3	4	3
Audit activities other than the audit assignment	1	1	1	1
Tax advice	0	0	0	0
Total	5	4	5	4

"Audit assignment" refers to the examination of the Annual Report, Sustainability Report and accounting records as well as of the administration of the Board of Directors and the CEO, other duties that the Company's auditors are required to conduct, and advisory services and other assistance required as a result of observations made during such examination or during the execution of such other duties. Where appropriate, fees in addition to the audit assignment are distributed between the items "Auditing activities other than the audit assignment", "Tax advice" and "Other services".

Operating expenses in the Parent Company

Of the operating expenses, MSEK 9 (12) pertains to purchases from subsidiaries, corresponding to 5 percent (9) of total purchases.

Note 4

Segment reporting

The Group

Rikshem's division into segments is based on how management and the CEO follow up and manage the business. Rikshem's breakdown into segments consists of two types of assets: residential properties and properties for public use. The segments are mainly monitored for net operating income and total return. Investment properties are also analyzed based on each segment. Income statement items included in net operating income and value adjustments are distributed by segment. No division is made in respect of the remaining income statement items as these are consolidated. All items in the Balance Sheet, apart from investment properties, are assessed to be group-wide and are therefore not allocated to the respective segments.

	Residential properties		Properties for public use		Total	
	2022	2021	2022	2021	2022	2021
Rental income	2,210	2,148	959	914	3,169	3,062
Operating expenses	-669	-596	-204	-187	-873	-783
Maintenance	-195	-182	-71	-67	-266	-249
Administration	-172	-165	-50	-55	-222	-220
Property tax	-46	-40	-2	-2	-48	-42
Total property expenses	-1,080	-982	-328	-311	-1,409	-1,294
Net operating income	1,130	1,166	631	602	1,760	1,768
Change in value of investment properties	-1,943	3,890	8	1,619	-1,935	5,509
Total return	-813	5,056	639	2,222	-175	7,278

All revenue relates to Sweden. No single tenant accounted for 10 percent or more of revenue during 2021 and 2022.

	By segment		Unallocated items		Total	
	2022	2021	2022	2021	2022	2021
Income statement						
Net operating income	1,760	1,768	-	-	1,760	1,768
Central administration	-	-	-156	-100	-156	-100
Interest income	-	-	5	8	5	8
Interest expense	-	-	-450	-480	-450	-480
Earnings from joint ventures	-	-	-91	330	-91	330
Change in value of properties	-1,935	5,509	-	-	-1,935	5,509
Value adjustment of derivatives	-	-	1,651	743	1,651	743
Foreign exchange effect on financial liabilities	-	-	-466	-432	-465	-432
Profit before tax	-175	7,278	494	69	319	7,347

	Residential properties		Properties for public use		Total	
	2022	2021	2022	2021	2022	2021
Statement of financial position						
Investment properties ¹	41,642	41,591	17,780	17,189	59,423	58,780
1) of which investments for the year.	2,257	1,661	203	190	2,460	1,851

All investment properties are located in Sweden. For further information about investments, acquisitions and sales, see Note 10.

Note 5

Employees, personnel costs and remuneration to the Board



Accounting policies

Employee benefits consist of salaries, social security expenses, paid holidays and sick leave, pensions and other benefits. Remuneration is recognized as the employees have performed services in exchange for remuneration.

The Group has both defined benefit pension plans and defined contribution pension plans. With regard to the defined contribution pension plans, the Group pays fixed contributions to a separate legal entity and has thus fulfilled its commitment to the employee. The Group's contributions to defined contribution pension plans are charged to profit for the year to which they are attributable. The defined benefit pension plan guarantees a percentage of the final salary that the employee receives on retirement. Rikshem reports defined benefit pension obligations in accordance with IAS 19. Obligations are valued annually by an independent actuary and reported at the present value of future discounted payments where the discount rate corresponds to the interest rate on premium mortgage bonds with a maturity corresponding to the pension obligation. Revaluations of defined benefit pension plans comprise actuarial gains and losses as well as actual returns on plan assets and are recognized under other comprehensive income in the period in which they arise. The obligation is recognized in the consolidated balance sheet at the net value of the present value of the obligation and the fair value of the plan assets.

Termination benefits are paid when employment is terminated by the employer or when an employee accepts voluntary severance in exchange for such benefits. The Group recognizes severance pay when an obligation arises.

Provisions are recognized when the Group has a current obligation, either legal or informal, as a result of past events and when it is probable that a disbursement will be required to settle the obligation and the amount can be reliably calculated. Provisions are reviewed at the end of each reporting period.

	The Group		Parent Company	
	2022	2021	2022	2021
Average number of employees				
Women	152	136	139	129
Men	152	143	130	126
Total	304	279	269	255

At December 31, 2022, the number of employees at Rikshem was 316 (286).

Gender distribution, Board of Directors

Women	3	2	3	2
Men	5	4	5	4
Total	8	6	8	6

Gender distribution, Management

Women	7	5	6	4
Men	4	4	4	5
Total	11	9	10	9

Note 5

- continued

	The Group		Parent Company	
	2022	2021	2022	2021
Salaries, other remuneration and social security expenses				
Chairman of the Board Per Uhlén (from April 20, 2021, prior to that Board member)	0.6	0.5	0.6	0.5
Chairman of the Board Bo Magnusson (until April 19, 2021)	–	0.2	–	0.2
Board member, Pernilla Arnrud Melin	–	–	–	–
Board member, Liselotte Hjorth	0.3	0.3	0.3	0.3
Board member Andreas Jensen	–	–	–	–
Board member Siv Malmgren (from March 24, 2022)	0.2	–	0.2	–
Board member Zdravko Markovski (from March 24, 2022)	0.2	–	0.2	–
Board member Ulrica Messing (until October 26, 2021)	–	0.2	–	0.2
Board member, Per-Gunnar Persson	0.3	0.3	0.3	0.3
Board member Peter Strand (from April 20, 2021)	0.3	0.2	0.3	0.2
CEO Anette Frumerie				
Basic salary	4.8	4.6	4.8	4.6
Benefits	0.1	0.1	0.1	0.1
Other senior executives*				
Basic salary	16.0	12.1	14.4	12.1
Severance pay	–	1.8	–	1.8
Benefits	0.3	0.3	0.3	0.3
Performance-related pay	0.2	1.6	0.1	1.6
Other employees				
Basic salary	153.6	137.3	132.1	121.9
Benefits	1.4	1.1	0.8	0.5
Performance-related pay	1.2	9.0	0.7	8.0
Social security expenses	55.9	53.6	48.1	48.3
Total	235.4	223.2	203.3	200.9
Pension costs				
CEO	1.2	1.3	1.2	1.3
Other senior executives*	4.0	4.0	3.6	4.0
Other employees	17.6	21.2	14.4	18.4
Total	22.8	26.5	19.2	23.7
Total	258.2	249.7	222.5	224.6

*As of December 31, 2022, the number of senior executives was 10 (8).

Board of Directors

According to an AGM resolution, as from March 24, 2022, an annual fee at the amount of TSEK 624 is to be paid to the Chairman of the Board and TSEK 215 to each Board member. An annual fee of TSEK 85 is to be paid to the Chairman of the Investment Committee and TSEK 35 to each member of the Investment Committee, and an annual fee of TSEK 95 is to be paid to the Chairman of the Audit Committee and TSEK 35 to each member of the Audit Committee, and an annual fee of TSEK 20 is to be paid to the Chairman of the Remuneration Committee and TSEK 10 to each member of the Remuneration Committee. No fees are payable for Board or committee work for members employed by the Fourth Swedish National Pension Fund (AP4) or AMF Tjänstepension AB. In 2022, fees totaling TSEK 638 were paid to the Chairman of the Board and a total of TSEK 1,265 to the other Board members. At the meeting on March 24, 2022, two board members, Siv Malmgren and Zdravko Markovski, were elected to the Board.

CEO

Remuneration and benefits

Remuneration and benefits for the CEO are determined by the Board. Compensation consists solely of basic salary. Benefits refer chiefly to Company vehicles.

Pension

The retirement age for the CEO is 65 years. Pension benefits for the CEO amount to a total premium of 4.5 per cent on salary components below 7.5 income base amounts and 30 per cent on salary components above 7.5 income base amounts of the monthly salary.

Agreement on period of notice and severance pay

The Company and the CEO are subject to a mutual six-month period of notice. In accordance with the employment contract, severance pay amounting to 12 months' salary will be paid to the CEO in the case of termination by the Company. Deductions to severance pay and salary will be made in respect of other income. No severance pay will be paid in the case of termination by the employee.

Other senior executives

Remuneration and benefits

Other senior executives include ten people whose roles are: CFO, General Counsel, Head of Administration for Residential Properties, Head of Administration for Properties for Public Use, Head of Alternative Business and JV, Head of Business Development, Head of HR, Head of Communications, Head of Portfolio Strategy & Transaction and Head of Project Development. Remuneration to other senior executives consists of basic salary, variable remuneration and benefits. The variable remuneration can amount to a maximum of four monthly salaries. The variable remuneration is based on four target areas for

Note 5

- continued

2022: Real total return will exceed 5 per cent, the total return for the Company's total portfolio in 2022 will exceed the benchmark portfolio's* total return for 2022, the service index for residential properties, in total for the Company, will be improved by 2.0 units compared with the previous year's service index for residential properties, and the CSI for properties for public use, total for the Company, will be improved by 2.0 units compared with the previous year's CSI for properties for public use. The four target areas can lead to separate outcomes. The variable remuneration is pensionable. There is a senior executive who is exempt from the variable remuneration. Benefits mainly pertain to car benefits and healthcare benefits.

Pension

The retirement age is 65 years for all employees. Pension benefits for other senior executives follow collectively agreed defined contribution plans; a senior executive has supplementary premiums, up to 30 per cent of pensionable salary.

Agreement on severance pay

The period of notice on the part of the Company varies between three and six months. Upon termination by the Company, severance pay may – according to individual agreements – be paid for up to 12 months with deductions made for other income.

Other employees

Remuneration to other employees consists of basic salary, variable remuneration and benefits. The variable remuneration is based on four target areas for 2022: Real total return will exceed 5 per cent, the total return for the Company's total portfolio in 2022 will exceed the benchmark portfolio's* total return for 2022, the service index for residential properties, in total for the Company, will be improved by 2.0 units compared with the previous year's service index for residential properties, and the CSI for properties for public use, total for the Company, will be improved by 2.0 units compared with the previous year's CSI for properties for public use. The four target areas can lead to separate outcomes. Performance-based remuneration may amount to a maximum of two months' salary. The variable remuneration is pensionable. Benefits mainly pertain to car benefits and healthcare benefits.

* Rikshem's total return for the Company will exceed the benchmark portfolio's total return for 2022. *Benchmark portfolio refers to a benchmark portfolio developed by MSCI consisting of Swedish residential and properties for public use (MSCI Sweden Public Use and Residential Property Type Annual Property Index).

Other provisions for pensions and similar obligations

Rikshem applies occupational pension agreements within the ITP plan, SAF-LO Collective Pension Insurance and the Banks' occupational pension agreements, the BTP plan. The occupational pension agreements are collectively agreed retirement plans covering sickness and survivor annuities in addition to provisions for retirement pension. Like SAF-LO, the ITP plan applies ITP1, which is a defined contribution plan. In regard to the BTP plan, both BTP1 and BTP2 are applied. BTP1 is a defined contribution pension plan and BTP2 is a defined benefit plan.

Within the defined contribution pension plans, employees contribute most of the premium themselves, which is based on pensionable income. As Rikshem has hereby fulfilled its undertaking to the employee through payment of premiums, the pension plans do not result in future obligations and provisions. The BTP2 plan provides a percentage of final salary as a retirement pension. The defined benefit pension obligations are measured according to the Projected Unit Credit Method (PUCM). The defined benefit obligations are placed in a fund through payment of pension premiums to the pension insurance with SPP. Rikshem does have access to such information that would make it possible to recognize this plan as a defined benefit plan secured with SPP. Rikshem currently has no employees who are active in the BTP2 plan. Rikshem's obligation in respect of BTP2 solely includes paid-up policy holders and retirees and survivors' pensions.

Pension income/costs in other comprehensive income	2022	2021
Actuarial gains/losses	6	4
Return on plan assets excluding interest income	–3	0
Total pension income/costs in other comprehensive income	3	4

Actuarial gains and losses in other comprehensive income are due to differences in assumptions and outcomes with respect to life expectancy and inflation, and to differences in the discount rate.

Net debt, defined pension benefits	2022	2021
Change in pension obligations		
Present value of pension obligations, opening balance	20	24
Interest on pension obligations ¹	0	0
Pension payments	0	0
Actuarial gains (–)/losses (+) on pension commitments ²	–6	–4
Present value of pension obligations, closing balance³	14	20
Change in plan assets, fair value		
Fair value of plan assets, opening balance	–17	–17
Interest income ¹	0	0
Disbursement of benefits	0	0
Return on plan assets ²	3	0
Fair value of plan assets, closing balance	–14	–17
Net debt, defined pension benefits	0	3
Other provisions pensions ⁴	1	3
Provisions for pensions and similar obligations in the statement of financial position	1	6

1) Reported in the income statement.

2) Reported in other comprehensive income.

3) The expected weighted average duration of the present value of the obligation is 14.37 (17.32).

4) Other provisions pension refers to special payroll tax on endowment insurance.

A provision for special payroll tax has not been made in the valuation of the present value of the obligation as there is no active person in the portfolio and special payroll tax is paid on the occupational pension premium.

Plan assets consist of equities, interest-bearing securities and properties.

Note 5

- continued

Actuarial assumptions	2022	2021
Discount rate	3.7	1.9
Inflation	2.0	2.0
Expected annual increase in pension paid out	2.0	2.0

The discount rate used corresponds to the interest rate on mortgage bonds. The discount rate is the assumption that has the greatest impact on the size of the pension obligation. A change in the discount rate of +1 percentage point would result in a reduced pension obligation of MSEK 2. A change in the discount rate of -1 percentage point would result in an increased pension obligation of MSEK 2.

Note 6

Earnings from participations in subsidiaries

	Parent Company	
	2022	2021
Profit share from limited partnerships	-30	96
Profit/loss from divestment of participations in subsidiaries	245	-
Total	215	96

Note 7

Financial income and expense



Accounting policies

Financial income consists primarily of interest income on bank balances and financial receivables and investments. Financial expenses refer to interest expenses, interest on leasing debt, ground rents and costs incurred in connection with borrowing. Costs for setting up loans that arise when loans are taken out are accrued over the term of the loan in accordance with the effective interest method. Financial income and expense are recognized in the period to which they pertain. In the case of major new builds, extensions and redevelopments, interest on the investment is capitalized during the production period. Changes in the market valuation of interest and currency derivative agreements entered into are recognized on separate lines in the consolidated statement of comprehensive income. This also includes translation of loans in foreign currency.

	The Group		Parent Company	
	2022	2021	2022	2021
Interest income	4	2	3	0
Interest income from subsidiaries	-	-	816	771
Interest income, joint ventures/ subsidiaries' joint ventures	1	6	1	3
Other financial income	0	0	0	0
Total financial income	5	8	820	774
	The Group		Parent Company	
	2022	2021	2022	2021
Interest expense	-422	-448	-411	-453
Interest expenses to subsidiaries	-1	0	-57	-41
Interest expenses, lease liabilities	-4	-3	-	-
Other financial expenses	-23	-29	-21	-28
Other financial expenses	-450	-480	-489	-522
Financial income and expense	-445	-472	331	252

In 2022, interest of MSEK 35 (20) was capitalized on major projects and was calculated based on the average interest rate on the loan portfolio during the period.

Note 8

Tax



Accounting policies

Current tax

Tax for the year includes current tax and deferred tax. Tax is recognized in profit for the year except when the tax pertains to items recognized in other comprehensive income or directly in equity. In such cases the tax is also recognized in other comprehensive income or equity, respectively. Current tax is calculated on the taxable profit for the year, which is the reported profit adjusted for non-taxable income and non-deductible expenses. The current tax reported in the income statement relates to tax to be paid, adjusted for any current tax in respect of previous years. Tax assets and tax liabilities for the current and previous years are set at the amount expected to be recovered from or paid to the Swedish Tax Agency. The tax rates and tax laws used to calculate the amount are those in force or announced on the closing date.

Deferred tax

Deferred tax is recognized on the closing date in accordance with the balance sheet method for temporary differences between the tax and accounting amounts of the assets and liabilities. Deferred tax liabilities in the Rikshem Group refer mainly to differences between the estimated fair value and tax value of current properties and financial instruments. Deferred tax assets are recognized for all deductible temporary differences, including loss carryforwards. The valuation of deferred tax assets is assessed on each closing date and adjusted to the extent that it is no longer probable that sufficient profit will be generated, so that all or part of the deferred tax asset can be used.

When acquiring a company, an assessment is made as to whether the acquisition refers to the acquisition of a business or the acquisition of an asset (a property). Acquisition of a business means that the acquisition pertains to the purchase of a company with properties, including the acquisition of staff and processes. When acquiring a business, deferred tax is reported at the nominal amount of temporary differences. In cases where acquisitions of assets are made, no deferred tax is recorded in the acquisition. When calculating the temporary difference for an asset or liability, which is the basis for calculating the deferred tax liability or tax asset, only the temporary differences that have arisen after the Group has acquired the asset or liability are taken into consideration. Accounting according to the balance sheet method for temporary differences means that there is a tax liability or tax asset that is realized on the day the asset or liability is divested.

Deferred tax assets and deferred tax liabilities are recorded net.

Note 8

- continued

	The Group		Parent Company	
Tax on profit for the year	2022	2021	2022	2021
Current tax	-75	-95	-73	-16
Deferred tax	-16	-1,321	-249	-68
	-91	-1,416	-322	-84
Reconciliation of effective tax				
Recognized profit before tax	319	7,347	1,645	506
Tax according to current tax rate	-66	-1,513	-339	-104
Change in value of properties	-40	6	-	-
Earnings from holdings according to the equity method	-19	68	-	-
Divestment of properties	47	59	-	-
Untaxed reserves	0	-	-	-
Non-taxable revenue/non-deductible expenses	-14	-35	22	39
Tax attributable to earlier fiscal years	-3	-5	0	-16
Other adjustments	4	4	-5	-3
Recognized effective tax	-91	-1,416	-322	-84
Effective tax rate	-28.6%	19.3%	19.6%	16.7%

Deferred tax in statement of comprehensive income

Investment properties/Investment properties in limited partnerships	230	-1,254	-3	-4
interest rate and foreign exchange derivatives	-244	-65	-244	-65
Untaxed reserves	-2	1	-	-
Loss carryforwards	0	-3	-	-
Other	-	-	-2	1
Recognized deferred tax	-16	-1,321	-249	-68

Current tax and deferred tax have been calculated for the years 2022 and 2021 based on a nominal tax rate of 20.6 per cent.

In the statement of comprehensive income, earnings from joint ventures are recognized net after deduction of estimated tax.

In the event of direct sales of the Group's properties, a profit is taxable. If a sale takes place indirectly, through the divestment of a property-owning subsidiary, the profit is in most cases not taxable.

	The Group		Parent Company	
Deferred tax	2022	2021	2022	2021
Deferred tax attributable to loss carryforwards	-1	-1	-	-
Deferred tax attributable to properties	4,930	5,160	232	229
Deferred tax attributable to financial instruments	261	17	258	15
Deferred tax attributable to other items	-1	-3	2	-1
Total	5,189	5,173	492	243

A total of MSEK 6 (MSEK 6) in loss carryforwards is available. MSEK 4 of these losses are blocked until 2024.

Note 9

Capitalized development expenditure



Accounting policies

Expenses for technical platforms developed and adapted for the Group are reported as intangible assets if they are expected to result in future economic benefits in the coming years. The amortization period is assessed on the basis of the expected useful life and is recorded on a straight-line basis over the useful life. The useful life is reviewed at least once a year. Amortization is recognized in the consolidated statement of comprehensive income under the item central administration. In accordance with IAS 36, intangible assets are subject to impairment testing. The asset's carrying amount is assessed when there are indications that the asset has decreased in value. If the carrying amount exceeds the estimated recoverable amount, impairment is recognized at the recoverable amount, which is recognized in the statement of comprehensive income. Impairment previously made is reversed if the conditions for impairment no longer exist. Reversal is made to a maximum of the asset's residual value and is recognized in the statement of comprehensive income.

	The Group		Parent Company	
	2022	2021	2022	2021
Amortized cost				
At the start of the year	8	7	8	7
Investments for the year	8	1	8	1
Closing accumulated acquisition values	16	8	16	8
Depreciation				
At the start of the year	0	-	0	-
Depreciation for the year	-1	0	-1	0
Closing accumulated amortization	-1	0	-1	0
Carrying amount at year-end	15	8	15	8

Expenses for development work and similar items of significant value to the business were capitalized. Rikshem's intangible assets essentially comprise acquired software that is considered to have an economic value in the coming years. Impairment testing has not indicated an impairment requirement.

Note 10

Investment properties

Accounting policies

Investment properties are held for the purpose of receiving rental income or an increase in value or a combination of the two. All properties owned by Rikshem are regarded as investment properties. Investment properties are recognized at cost on the acquisition date, including expenses directly attributable to the acquisition. After the acquisition date, investment properties are recognized at fair value in the consolidated statement of financial position. Changes in value during the period are recognized as realized and unrealized changes in value in the consolidated statement of comprehensive income. Unrealized value adjustments are calculated on the basis of the difference between the fair value on the closing date and the fair value at the time of the immediately preceding reporting, taking due account of acquisitions, sales and investments. Earnings from the sale of properties are recognized as a realized change in value. Realized change in value consists of the difference between the agreed purchase price after deduction of sales expenses and the property's fair value recognized in the latest financial report. Revenue from property sales is recognized when the risks and rewards are transferred from the seller to the buyer, which coincides with date of surrendering possession.

Additional expenditures are added to the carrying amount only if it is probable that the future economic benefits associated with the asset will accrue to the Company. All other additional expenditures are recognized as expenses in the periods in which they are incurred. Repairs and maintenance activities are expensed at the time when the expenditure is incurred. In larger projects, interest costs are capitalized during the production period in accordance with IAS 23 Borrowing Expenses.

Investment properties include buildings, land, ground installations, permanent equipment, service facilities, etc., in buildings, ground equipment and work in progress.

Valuation of investment properties

In the valuation of investment properties, assessments and assumptions may affect the Group's earnings and financial position.

Valuation requires that assessments and assumptions be made regarding future cash flow and the determination of a discounting factor (property yield requirement and cost of capital). In order to reflect the uncertainty inherent in assumptions and assessments made in a property valuation, a "valuation range" of +/- 5 percent is usually specified. The assumptions and assessments made and sensitivity analysis are shown below.

Note 10

- continued

Classification of acquisitions

Usually, property acquisitions are made indirectly through the acquisition of companies containing the property (ies) instead of a direct acquisition of the property. An assessment must be made as to whether an acquisition is a business acquisition or an asset acquisition. The acquisition is classified, somewhat simplified, as an asset acquisition if the majority of the fair value of the acquired assets consists of an asset or group of similar assets. For all acquisitions made during the year, Rikshem's assessment has resulted in the transactions being classified as asset acquisitions.

When acquisitions of subsidiaries entail the acquisition of non-business acquisition assets, the cost of these assets and liabilities is allocated according to their relative fair values on the acquisition date. If instead the assessment should have resulted in classification as a business combination, this would have resulted in deferred tax for any surplus value, apart from goodwill, being recognized as a liability based on the nominal tax rate. The difference between the nominal tax rate and the value at which a temporary difference is valued in the acquisition analysis would be reported as goodwill.

The Group

Changes in the property portfolio for the year

The fair value of investment properties increased to MSEK 59,423 (58,780) during the year, corresponding to SEK 26,525 (26,522) per square meter. The increase in value relates to investments in existing properties and value increases.

The overall value adjustment was MSEK -1,935 (5,509), corresponding to a 3.2 percent decrease in value (increase of 10.6). The value adjustment is primarily driven by the market's increased direct yield requirement. Investments in existing properties during the year amounted to MSEK 2,460 (1,851), of which MSEK 1,147 (956) pertained to redevelopment and renovation of residential properties, MSEK 1,109 (705) to new construction of residential properties and MSEK 203 (190) to investments in properties for public use. Rikshem acquired properties for a total of MSEK 500 (532) during the year. Most of this relates primarily to acquisitions from joint ventures. Three project properties were acquired in Lund during the first quarter. Properties for a total of MSEK 382 (862) were sold during the year. Sales were mainly related to Lagern 6 in Stockholm, which was surrendered during the fourth quarter.

	Residential properties		Properties for public use		Total	
	2022	2021	2022	2021	2022	2021
The Group						
Fair value at the start of the year	41,591	36,243	17,189	15,507	58,780	51,750
Investments	2,257	1,661	203	190	2,460	1,851
Acquisitions	500	33	–	499	500	532
Change in value	-1,943	3,890	8	1,619	-1,935	5,509
Divestments	–382	–236	–	–626	–382	–862
Reclassified	–380	–	380	–	–	–
Fair value at the end of the year	41,642	41,591	17,780	17,189	59,423	58,780

Contractual liabilities

The Group has contractual liabilities as yet not recognized in the Balance Sheet. These liabilities refer to the purchase of properties and investments in existing properties to complete initiated construction and renovations.

	Dec. 31, 2022	Dec 31, 2021
The Group		
Acquisitions	–	402
New construction	1,295	1,595
Redevelopment	486	769
Total	1,781	2,766

Property valuations

In accordance with the Company's valuation policy, the fair value of investment properties is determined via external valuations. A small proportion of the portfolio is also valued internally. Internally valued properties consist primarily of properties with major ongoing projects or future projects.

Fair value has been calculated using valuations based on established valuation principles according to each property's earnings potential and market yield requirements. As a general rule, the analysis period must include a ten-year period. For properties for public use rented to municipalities with rental agreements longer than ten years, the analysis period must include a period equivalent to the remaining agreement period. Fair value has therefore been assessed according to IFRS 13 level 3.

The value of development rights is based on the future area of use and local market analyses.

Fair value is based on the following assumptions in respect of rent levels and property yield requirement.

Note 10

- continued

Rent in SEK/sqm

Property type	min.	average	max.
Residential properties	917	1,593	3,836
Properties for public use – nursing homes	878	1,753	3,419
Properties for public use – schools	884	1,446	2,736
Commercial	642	1,684	2,049
Average		1,628	

Property yield requirement, %

Property type	min.	average	max.
Residential properties	2.50%	3.76%	6.00%
Properties for public use – nursing homes	3.15%	4.06%	5.60%
Properties for public use – schools	3.80%	4.41%	5.60%
Commercial	4.27%	5.93%	8.00%
Average		3.90%	

Of the assessed fair value of MSEK 59,423 (58,780), MSEK 837 pertains to development rights which, on average, have been valued at around SEK 2,000 per square meter. The average direct yield requirement is 3.90 (3.65) percent, which is an increase of 0.25 percentage points compared with the average direct yield requirement at the beginning of the year.

Fair value per property type	2022	2021
Residential properties	40,850	41,024
Properties for public use – nursing homes	14,417	13,903
Properties for public use – schools	3,206	2,977
Commercial ¹⁾	949	876
Total	59,423	58,780

1) Commercial premises for local services or areas of use for future residential properties or properties for public use.

Sensitivity analysis

Property valuations are based, for example, on assumptions about future use, earning capacity and market return requirements. The valuation range of +/- 5 percent specified for property valuation reflects

the uncertainty inherent in assumptions and estimations made. In the case of Rikshem, this uncertainty range of +/- 5 percent is equivalent to a value range of +/- MSEK 2,971.

The table below shows how value is affected by a change in certain key valuation parameters. The table provides a simplified overview since a single parameter will probably not change in isolation.

Changed property yield requirement	+0.25	–0.25
Residential properties	-2,592	2,997
Properties for public use – nursing homes	-862	975
Properties for public use – schools	-168	189
Total	-3,622	4,161

Change in market rent	+1.0%	–1.0%
Residential properties	639	-639
Properties for public use – nursing homes	153	-153
Properties for public use – schools	34	-34
Total	826	-826

Change in costs	+1.0%	–1.0%
Residential properties	220	-220
Properties for public use – nursing homes	51	-51
Properties for public use – schools	13	-13
Total	284	-284

External valuation

CBRE and Savills were engaged for the external valuation. A small proportion is also valued internally. If a property has been valued both externally and internally, the value according to the internal valuation will have served as the basis for the Company's reporting. The deviation between the total external value and Rikshem's reported value of the portfolio amounts to 0.1 percent. The deviation is within the uncertainty range of +/- 5%.

Note 11

Leaseholds and other right-of-use assets



Accounting policies

At the commencement date of a lease, Rikshem recognizes a right-of-use asset and a lease liability. The majority of Rikshem's right-of-use assets consist of leaseholds. Leaseholds are deemed to have perpetual contracts and are reported at fair value. Leaseholds are not amortized, but the value remains until the rent is renegotiated. As leaseholds are deemed to have perpetual contracts, there is no amortization and the rent is reported as an interest expense in the income statement. For other leasing agreements, which consist of leases for premises and contracts for Company cars and vans, a liability is reported where the fixed payments are discounted with the implied interest rate of the agreement or with Rikshem's marginal loan interest rate if there is no implicit interest rate. An equivalent right-of-use-asset is reported. Amortization of right-of-use assets is recorded on a straight-line basis and is reported in property management and central administration, while interest rates are reported in financial expenses. Leasing costs with a lease term of 12 months or less, or leases with an underlying asset of low value, are not reported as right-of-use assets.

	The Group		Parent Company	
	2022	2021	2022	2021
Maturity within 1 year	23	14	18	11
Maturing within 2-5 years	50	28	35	16
Maturity later than 5 years	117	107	–	–
Total	190	149	53	27

Note 11

- continued

The Group	2022 Leaseholds	2022 Other agree- ments	2022 Total	2021 Leaseholds	2021 Other agree- ments	2021 Total
Assets						
Opening balance	105	29	134	105	31	137
Newly signed agreements and renewed agreements	5	43	48	–	10	10
Indexation	12	–	12	–	–	–
Depreciation	–	–16	–16	–	–11	–11
Other items	–	–1	–1	–	–1	–1
Carrying amount at year-end	122	55	177	105	29	134
The Group	2022 Leaseholds	2022 Other agree- ments	2022 Total	2021 Leaseholds	2021 Other agree- ments	2021 Total
Liabilities, financial leases						
Accumulated costs						
Non-current liability	118	33	151	101	16	117
Current liability	4	18	22	3	12	15
Carrying amount at year-end	122	51	173	105	28	132

Note 12

Equipment



Accounting policies

Equipment comprises physical assets that are used in the Group's operations and have an expected useful life exceeding one year. This mainly concerns vehicles and office equipment. Equipment is recognized at cost less accumulated depreciation and any impairment.. Depreciation is recorded on a straight-line basis over 5 years and commences when the asset is placed in service. Amortization is recognized in the consolidated statement of comprehensive income under the item central administration. Residual value is not taken into account as this is considered negligible. In accordance with IAS 36, equipment is subject to impairment testing.

Some assets, such as intangible assets and equipment, are subject to impairment testing in accordance with IAS 36. The asset's carrying amount is assessed when there are indications that the asset has decreased in value. If the carrying amount exceeds the estimated recoverable amount, impairment is recognized at the recoverable amount, which is recognized in the statement of comprehensive income. Impairment previously made is reversed if the conditions for impairment no longer exist. Reversal is made to a maximum of the asset's residual value and is recognized in the statement of comprehensive income.

	The Group		Parent Company	
	2022	2021	2022	2021
Accumulated acquisition values				
At the start of the year	19	20	16	17
Acquisitions and new purchases	6	0	6	0
Divestments and disposals	–6	–2	–6	–1
Closing amortized cost	19	19	16	16
Depreciation				
At the start of the year	–17	–17	–14	–14
Divestments and disposals	5	1	5	1
Depreciation for the year according to plan	–2	–1	–2	–1
Closing depreciation	–13	–17	–11	–14
Carrying amount at year-end	6	2	5	2

Note 13

Participations in subsidiaries



Accounting policies

Participations in subsidiaries are reported at acquisition value, which includes any transaction costs. If the carrying amount of the shares exceeds the fair value, an impairment loss is recognized in the income statement. Impairment previously made is reversed if the conditions for impairment no longer exist.

Parent Company	2022	2021
Amortized cost		
At the start of the year	2,724	2,117
Divestments	-35	–
Shareholder contributions	1	607
Impairment of shares in subsidiaries	–	–
Share of profit in limited partnerships	–30	96
Withdrawal of share of profit in limited partnerships	30	–96
Carrying amount at year-end	2,690	2,724

Specification of the Company's holding of shares and participations in subsidiaries

The number of shares and book value of directly owned subsidiaries are stated below. Other companies in the Group are owned indirectly and appear in the Annual Report of the respective subsidiaries.

Subsidiaries	Corporate registration number	Domicile	Number of participations	% ¹⁾	Carrying amount
Rikshem Fastigheter AB	556793-1281	Stockholm	1,000	100	2
Rikshem Enheten AB	556299-6388	Stockholm	5,000	100	105
Rikshem Nordan AB	556312-4642	Solna	265,000	100	362
Rikshem Bostäder Holding AB	556856-2911	Stockholm	50,000	100	338
Rikshem Samhold AB	556856-2929	Stockholm	50,000	100	144
Rikshem Uppsala KB	969646-7290	Stockholm	–	99	944
Rikshem Fastighetsutveckling AB	556912-1493	Stockholm	500	100	500
Rikshem BRF-utveckling AB	556971-2846	Stockholm	500	100	0
Rikshem JV Holding AB	559015-8928	Stockholm	50,000	100	295
					2,690

1) Refers to the equity share, which also corresponds to the percentage of votes for the total number of shares/participations.

Note 14

Stakes in joint ventures

Accounting policies

The term joint ventures refers to companies in which Rikshem, through collaboration agreements with one or more parties, has a joint controlling influence over the management of the Company. Holdings in joint ventures are reported in accordance with the equity method, which means that the shares are reported at cost at the time of acquisition and thereafter adjusted by Rikshem's share of the profit/loss for the year and any dividends received. The accounting policies of each joint venture are adjusted to correspond with the Group's accounting policies.

	The Group	
	2022	2021
At the start of the year	2,191	1,768
Acquisitions	–	0
Divestments	–12	–
Contribution	–	92
Share of profit	–91	330
Carrying amount at year-end	2,088	2,191

	2022		2021	
Company	Profit for the year	Rikshem's share	Profit for the year	Rikshem's share
Farsta Stadsutveckling KB	0	0	0	0
Farsta Intressenter AB	0	0	0	0
Farsta Fastighetsintressenter AB	–228	–114	308	154
Boostad Bostad Sverige AB	40	20	14	7
VärmdöBostäder AB	6	3	344	169
Bergagårdshöjdens JV AB	–	–	–	–
Bergagårdshöjdens BR JV AB	–	–	–	–
JV Tidmätaren AB	0	0	1	0
Huseriet Riks AB	0	0	–	–
Profit for the year	–182	–91	667	330
Comprehensive income for the year	–182	–91	667	330

Specification of the Company's holding of shares and participations in joint ventures

Joint ventures	Corp. reg. no.	Domicile	Partner	Share of capital, %	Number of participations	Carrying amount
Farsta Stadsutveckling KB	969622-6399	Stockholm	Ikano Bostad	50	500	5
Farsta Intressenter AB	559015-9108	Stockholm	Ikano Bostad	50	25,000	0
Farsta Fastighetsintressenter AB	559039-2246	Stockholm	Ikano Bostad	50	25,000	670
Boostad Bostad Sverige AB	559021-1313	Stockholm	Northern Sweden	50	250	205
VärmdöBostäder AB	556476-2176	Värmdö	Värmdö municipality	49	12,250	1,196
Bergagårdshöjdens JV AB	559006-0967	Kalmar	P&E Fastighetspartner	50	500	10
Bergagårdshöjdens BR JV AB	559079-9077	Kalmar	P&E Fastighetspartner	50	500	0
Huseriet Riks AB	559343-7980	Stockholm	Huseriet	50	125	2
						2,088

During the year, Rikshem acquired Glommen & Lindberg+s 50% of JV Tidmätaren AB, which means that Rikshem now owns 100% of the company and the joint-venture cooperation has ceased.

Condensed financial information, significant holdings

Financial information for the joint ventures that are deemed to be significant from a holding perspective is presented below. Information for joint ventures refers to the amounts recognized in the annual accounts of each company (not the Group's participation) adjusted for differences in the accounting policies between the Group and the joint ventures. The information below is a summary.

	Farsta Fastighets-intressenter AB		Värmdö-Bostäder AB	
	2022	2021	2022	2021
Income	72	54	202	192
Income from property management	31	25	75	68
Change in value of properties	–303	372	–57	374
Change in value of derivatives	–	–	12	4
Net financial items	–17	–9	–9	–8
Tax	61	–80	–15	–93
Profit for the year	–228	308	6	344
Comprehensive income for the year	–228	308	6	344

	Farsta Fastighets-intressenter AB		Värmdö-Bostäder AB	
	2022	2021	2022	2021
Fixed assets	2,250	2,460	3,754	3,706
Current assets	42	4	21	9
Cash and cash equivalents	23	67	57	27
Assets	2,315	2,531	3,832	3,742
Equity	1,339	1,568	2,442	2,435
Non-current financial liabilities	780	735	1,058	989
Other non-current liabilities	150	196	271	261
Other current liabilities	46	32	61	56
Equity and liabilities	2,315	2,531	3,832	3,742

Note 15

Prepaid expenses and accrued income

	The Group		Parent Company	
	2022	2021	2022	2021
Accrued income	61	60	32	40
Accrued insurance compensation	0	2	–	–
Prepaid insurance premiums	13	13	1	1
Prepaid operating expenses	2	1	–	–
Other prepaid income and accrued income	6	5	9	4
Total	82	81	42	45

Note 16

Financial risks and risk management

Rikshem is exposed to a number of financial risks. The risks are managed within the framework of the financial policy adopted by the Board. The finance policy defines objectives and mandates, and specifies guidelines and risk limits for financial activities within Rikshem. The financial risks to which the Group is exposed and risk management are presented below. All the guidelines presented below have been complied with. Read more in the section on financing on pages 51-54.

Financing and liquidity risk

Financing risk refers to the risk that financing cannot be obtained at any given time, or is only obtained at a significantly increased cost. Liquidity risk refers to the risk that cash and cash equivalents and available credits are not sufficient to fulfill payment obligations. The following guidelines shall be followed to limit financing and liquidity risk:

- A liquidity reserve must be available at all times. The liquidity ratio must be at least 1.15 times.
- Short-term net debt should amount to a maximum of 35 percent of the total interest-bearing debt.
- The average debt duration must be at least 3.5 years.
- An even term structure for the net debt should be sought.

Rikshem works pro-actively to ensure it continuously has multiple financing sources available. Bank loans have been raised with a number of Nordic banks. In addition, the Company has a commercial paper program, which provides the opportunity to issue within a framework of MSEK 10,000 (10,000) for a maximum maturity of 12 months. On the closing date, MSEK 2,865 (3,550) had been utilized. Rikshem also has an EMTN program of MEUR 3,000 (2,000), or an equivalent amount in another convertible currency. As of the closing date, bonds for MSEK 20,506 (18,892) had been issued, of which 13,888 were for the EMTN program and 6,618 were for an older MTN program. Rikshem manages financing and liquidity risk through back-up facilities. Agreements have been established with two banks for a total of MSEK 3,000, as well as back-up facilities and subscription commitments for commercial paper with the owners AMF Tjänstepension AB and Fourth Swedish National Pension Fund (AP4) totaling MSEK 10,000. The Company also has an overdraft facility of MSEK 500. Liquidity planning on a daily basis minimizes the risk of unforeseen payments. The term structure of interest-bearing liabilities is shown in Note 18.

Interest rate risk

Interest rate risk is the risk that developments in the interest rate market will have a negative impact on Rikshem's earnings. Interest rate risk affects current interest costs for loans and derivatives and changes in the market value of derivatives. The management of interest rate risk has the objective of achieving stability in Rikshem's financial cash flow. Interest expense is affected by market interest rates, margins on financing and Rikshem's chosen strategy for fixed interest. In order to limit interest rate risk, the following guidelines must be followed:

- The average fixed interest period shall be 3–6 years.
- The proportion of interest-hedged parts of the loan portfolio that exceed 12 months must be 75 to 95 percent.
- A maximum of 20 percent of the total amount of the loan portfolio must be traded within a 12-month period.
- An interest-rate duration exceeding 10 years is not permitted.

Currency risk

Currency risk is defined as the risk that changes in exchange rates have a negative impact on the income statement and balance sheet. Rikshem is only exposed to currency risk when borrowing in a foreign currency. Rikshem may not be exposed to currency risk exposure in financing operations. When borrowing in a currency other than SEK, all cash flows are swapped to SEK, thereby eliminating currency risk over the term of the loan.

Credit and counterparty risk

Credit and counterparty risk is the risk that counterparties, both financial and commercial, cannot fulfill their obligations on time or offer security for fulfillment. To manage credit and counterparty risk, an assessment of the risk to which the Company is exposed must take place prior to each transaction. Rikshem's total exposure and net exposure with the counterparty shall be taken into account. Counterparty risks must be spread and only counterparties with a high credit rating, determined in the finance policy, may be used. For combined currency and interest rate swaps, Rikshem has signed CSA agreements with the counterparties whereby the parties undertake to provide security for undervalues in derivative instruments. These pledged assets are settled on a monthly basis.

Note 17

Financial derivative instruments

Accounting policies

The interest rate and currency derivative agreements, which have been signed to manage Rikshem's interest rate and currency risk, are recognized in the statement of financial position and valued in accordance with the accepted valuation model at fair value. Since values can be derived from an observable market, valuation takes place in accordance with level 2 of the valuation hierarchy in IFRS 13. Interest rate and foreign exchange derivatives are measured at fair value by discounting expected future cash flows under a contract's terms and due dates on the basis of market interest rate/observable yield curve. For combined currency interest rate swaps, a valuation is added at current exchange rates. Value adjustments are reported in Rikshem's statement of comprehensive income for the year. Derivative instruments with positive values are reported as an asset and derivative instruments with negative values are reported as a liability.

	The Group		Parent Company	
	2022	2021	2022	2021
Recognized as financial assets				
Interest rate swaps	1,821	104	1,821	104
Currency swaps	321	299	321	299
	2,142	403	2,142	403
Recognized as financial liabilities				
Interest rate swaps	-78	-140	-78	-140
Currency swaps	-354	-203	-354	-203
Total liabilities	-432	-343	-432	-343

Derivative agreements have been signed with five Nordic banks that hold a credit rating of A+. ISDA agreements allow receivables and liabilities to the same counterparty to be offset against each other, thereby reducing the credit risk of the counterparty not being able to fulfill its obligations.

Future liquidity flows, interest rate derivatives

Future liquidity flows attributable to interest rate derivatives consist of interest payable and interest receivable. The variable interest rate leg in interest rate derivatives is calculated in relation to STIBOR 3 months as at the balance sheet date. This interest rate has been applied for the entire term.

Future liquidity flows, interest rate derivatives, MSEK

	Interest payable	Interest receivable	Net
2023	-263	556	293
2024	-258	552	294
2025	-209	481	272
2026	-152	336	184
2027	-119	263	144
2028 –	-223	388	165
Total	-1,224	2,576	1,352

At year-end, the Company had an interest rate derivative portfolio that hedged SEK 15.5 billion in net terms. Derivatives have a maturity of up to 10 years. For funding in foreign currency, Rikshem uses currency swaps whereby the exchange rate on interest payments and repayments is hedged. Derivative instruments for combined currency and interest rate swaps have a closing fair value of MSEK -33, while the closing fair value for interest rate swaps was MSEK 1,743. The net fair value of the derivative portfolio was MSEK 1,710 (60). The year's value adjustment of interest rate and currency derivatives amounted to MSEK -129 (167). The value adjustment of interest rate derivatives was MSEK 1,779 (578).

Note 18

Financial assets and liabilities

Accounting policies

Financial instruments are any form of agreement that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. Financial instruments recognized in the Balance Sheet include cash and cash equivalents, accounts receivable, other receivables, derivative instruments and financial receivables on the asset side. Liabilities include borrowings, derivative instruments, accounts payable and other liabilities.

A financial asset or financial liability is recognized in the Balance Sheet when the Company becomes party to it in accordance with the instrument's contractual conditions. A financial asset and financial liability are offset and recorded in a net amount in the Balance Sheet only when there is a legal right to offset the amounts and there is an intention to settle the items as a net amount, or to simultaneously realize the asset and settle the liability. A financial asset is removed from the Balance Sheet when the rights in the agreement are realized, expire or when the Company loses control of them. A financial liability is removed from the Balance Sheet when the contractual obligation is met or otherwise extinguished. The same applies to portions of a financial liability. The recognition of financial instruments depends on how they are classified.

Classification of financial instruments

Financial assets

The classification of financial assets is based on the Group's business model for the management of the asset and the asset's contractual cash flow characteristics. The instruments are classified at amortized cost, fair value through other comprehensive income or fair value through profit or loss. On initial recognition, all financial instruments are measured at fair value.

Financial assets classified at amortized cost are held under the business model of collecting the contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. This refers to long-term financial receivables, receivables from joint ventures and other current receivables. Accounts receivable and lease receivables are initially recorded at their invoiced value. After initial recording, the assets are measured according to the effective interest method.

Rikshem's interest rate and currency derivatives are classified at fair value through profit or loss as the Group does not apply hedge accounting. Changes in fair value are recognized in the statement of comprehensive income for the year. Fair value is determined according to the description in Note 17.

Financial assets are subject to loss provisions for expected credit losses, which are described below.

Note 18

- continued

Rikshem is not covered by financial assets measured at fair value through other comprehensive income.

Financial liabilities

Financial liabilities are classified at accrued cost with the exception of financial derivative instruments. Financial liabilities measured at accrued acquisition value are initially measured at fair value including transaction costs. After the initial recognition date, they are measured at accrued cost in accordance with the effective interest method.

Financial derivative instruments are classified at fair value through profit or loss. The Group does not apply hedge accounting. Changes in fair value are recognized in the statement of comprehensive income for the year. Fair value is determined according to the description in Note 17.

Impairment of financial assets

The Group's financial assets, with the exception of those classified at fair value through profit or loss, are included in impairment of expected credit losses. Impairment also includes rent receivables and contract assets not measured at fair value through profit or loss. Impairment of credit losses under IFRS 9 is forward-looking and a loss allowance is made when there is exposure to credit risk, usually on initial recognition. Expected credit losses reflect the present value of all deficits in cash flows attributable to default either for the next 12 months or for the expected remaining life of the financial instrument, depending on the class of asset and credit impairment since initial recognition. Expected credit losses reflect an unbiased and probability-weighted amount that considers a range of possible outcomes based on reasonable and verifiable forecasts.

The measurement of expected credit losses is based on different methods for different credit risk exposures. The simplified model is applied for rental and trade receivables, which means that a loss reserve is recognized for the expected maturity of the receivable. Provisions for expected credit losses are based on past statistics and a risk assessment of accounts receivable and rental receivables, taking into account economic cycles and credit risk.

Long-term financial receivables and receivables from joint ventures are valued on the basis of a rating-based model based on the creditor's cash flow, equity/assets ratio, ownership structure and any collateral and guarantees.

Financial assets are recognized in the Balance Sheet at accrued cost, which is the net of gross amount and the loss reserve. Changes in the loss reserve are recognized in the statement of comprehensive income.

Classification of financial instruments

The Group	Financial assets/liabilities measured at amortized cost	Financial assets/ liabilities recorded at fair value through profit or loss	Total carrying amount	Fair value
December 31, 2022				
Assets				
Non-current receivables	62	–	62	62
Financial derivative instruments	–	2,142	2,142	2,142
Accounts receivable and other receivables	198	–	198	198
Cash and cash equivalents	783	–	783	783
Total assets	1,043	2,142	3,185	3,185
Liabilities				
Interest-bearing liabilities	29,021	–	29,021	28,642
Financial derivative instruments	–	432	432	432
Accounts payable and other liabilities	526	–	526	526
Total liabilities	29,547	432	29,979	29,600
The Group	Financial assets/liabilities measured at amortized cost	Financial assets/ liabilities recorded at fair value through profit or loss	Total carrying amount	Fair value
December 31, 2021				
Assets				
Non-current receivables	227	–	227	227
Financial derivative instruments	–	403	403	403
Accounts receivable and other receivables	176	–	176	176
Cash and cash equivalents	468	–	468	468
Total assets	871	403	1,274	1,274
Liabilities				
Interest-bearing liabilities	26,922	–	26,922	27,406
Financial derivative instruments	–	343	343	343
Accounts payable and other liabilities	543	–	543	543
Total liabilities	27,465	343	27,808	28,293

Note 18

- continued

Classification of financial instruments, Parent Company

Parent Company	Financial assets/liabilities measured at amortized cost	Financial assets/ liabilities recorded at fair value through profit or loss	Total carrying amount	Fair value
December 31, 2022				
Assets				
Receivables from Group companies	32,607	–	32,607	32,607
Non-current receivables	18	–	18	18
Financial derivative instruments	–	2,142	2,142	2,142
Accounts receivable and other receivables	42	–	42	42
Cash and cash equivalents	783	–	783	783
Total assets	33,450	2,142	35,592	35,592
Liabilities				
Interest-bearing liabilities	25,525	–	25,525	25,168
Interest-bearing liabilities to Group companies	2,232	–	2,232	2,232
Financial derivative instruments	–	432	432	432
Accounts payable and other liabilities	134	–	134	134
Total liabilities	27,891	432	28,323	27,966
December 31, 2021				
Assets				
Receivables from Group companies	31,668	–	31,668	31,668
Non-current receivables	144	–	144	144
Financial derivative instruments	–	403	403	403
Accounts receivable and other receivables	77	–	77	77
Cash and cash equivalents	465	–	465	465
Total assets	32,355	403	32,757	32,757
Liabilities				
Interest-bearing liabilities	24,649	–	24,649	25,138
Interest-bearing liabilities to Group companies	1,975	–	1,975	1,975
Financial derivative instruments	–	343	343	343
Accounts payable and other liabilities	152	–	152	152
Total liabilities	26,775	343	27,118	27,607

For financial instruments, long-term receivables, accounts receivable and other receivables and accounts payable and other liabilities, the book value is substantially equal to the fair value. For the purpose of disclosure, the fair value of interest-bearing liabilities is calculated by discounting future cash flows of the principal and interest, discounted by the market interest rate on the closing date. This has been carried out in accordance with level 3 of the valuation hierarchy in IFRS 13. Recognition at fair value would decrease the Group's liabilities by MSEK 379 and increase equity by MSEK 301.

Note 18

- continued

	The Group		Parent Company	
	2022	2021	2022	2021
Non-current receivables				
Opening book value	227	281	144	79
Additional receivables	–	69	–	65
Deductible receivables	–165	–123	–126	–
Provision for expected losses according to IFRS 9	0	0	0	0
Closing book value	62	227	18	144

Of the Group's receivables, MSEK 62 (224) relates to receivables from joint ventures. Of the Parent Company's receivables, MSEK 18 (144) relates to receivables from subsidiaries+ joint venture holdings.

	The Group		Parent Company	
	2022	2021	2022	2021
Accounts receivable				
Tenant receivables	29	27	1	–
Other accounts receivable	0	–	–	0
Provision for expected credit losses	–1	0	–	–
Total	28	27	1	0

	The Group		Parent Company	
	2022	2021	2022	2021
Aging analysis, accounts receivable				
Non-overdue accounts receivable	9	10	1	0
Past due <30 days	1	2	–	–
Past due 31> days	18	15	0	0
Total accounts receivable	28	27	1	0

	The Group		Parent Company	
	2022	2021	2022	2021
Cash and cash equivalents				
Cash and cash equivalents	783	468	783	465
Total	783	468	783	465

Interest-bearing liabilities

Interest-bearing liabilities are shown in the table below. Of Rikshem's

outstanding bonds, bonds corresponding to SEK 2.9 billion have been issued in EUR, SEK 5.0 billion in NOK and SEK 0.5 billion in AUD. The remaining bonds have been issued in SEK. The carrying amount of foreign-currency bonds on the closing date was SEK 3.3 billion (EUR), SEK 5.0 billion (NOK), and SEK 0.6 billion (AUD).

Collateral is provided in the form of property mortgages for the Group's liabilities to Nordic credit institutions. No collateral is provided for other financing. In total, secured financing accounted for 8 percent (6) of the fair value of the investment properties.

	The Group		Parent Company	
	2022	2021	2022	2021
Interest-bearing liabilities				
Bonds	20,506	18,892	20,506	18,892
Bank loans	5,529	4,305	2,033	2,032
Liabilities to Group companies	145	175	145	175
Commercial paper	2,841	3,550	2,841	3,550
Total	29,021	26,922	25,525	24,649

At year-end, the Group+s average interest rate was 2.0 percent (1.5), taking account of fees for unutilized back-up facilities. If the average interest rate for interest-bearing debt and derivatives were to change by 1 percentage point, the coming year+s profit for the year would be affected by +/- MSEK 55 net.

The Group's average interest-rate duration was 3.4 years (4.2) and the debt duration was 3.7 years (4.0) at year-end. Debt duration and interest-rate duration give rise to the term maturity structure:

Maturity structure interest-bearing liabilities

	Interest-rate duration		Debt duration	
	SEK mil-		SEK mil-	
Years	lions	share, %	lions	share, %
<1 year	6,021	21	6,435	22
1-2 years	3,616	12	4,309	15
2-3 years	5,785	20	4,852	17
3-4 years	3,700	13	3,631	12
4-5 years	1,999	7	2,633	9
5-6 years	3,000	10	1,053	3
6-7 years	1,500	5	1,405	5
7-8 years	2,400	8	1,089	4
8-9 years	500	2	800	3
>9 years	500	2	2,814	10
Total	29,021	100	29,021	100

	Interest-rate duration		Debt duration	
	SEK mil-		SEK mil-	
Years	lions	share, %	lions	share, %
<1 year	6,585	25	7,064	26
1-2 years	–	–	3,294	12
2-3 years	2,649	10	3,842	14
3-4 years	3,888	15	3,378	13
4-5 years	3,500	13	2,423	9
5-6 years	2,000	7	512	2
6-7 years	3,000	11	1,021	4
7-8 years	2,400	9	874	3
8-9 years	1,900	7	1,066	4
>9 years	1,000	3	3,448	13
Total	26,922	100	26,922	100

Maturity analysis, interest rate derivatives

Year	Amortized cost	Nominal amount	Future interest payments
2023 Q1	3,237	3,255	208
2023 Q2	1,053	1,060	193
2023 Q3	1,195	1,195	185
2023 Q4	950	950	178
2023	6,435	6,460	764
2024	4,309	4,312	657
2025	4,852	4,861	552
2026	3,631	3,633	448
2027	2,633	2,637	324
after 2027	7,161	7,175	917
Total	29,021	29,078	3,662

The table presents the remaining contractual term for the Group's interest-bearing liabilities. The flows are not discounted. Future variable interest payments are based on STIBOR 3 months as of the closing date, and this interest rate has been applied to the entire term.

Note 18

- continued

Other financial liabilities	The Group		Parent Company	
	2022	2021	2022	2021
Financial derivative instruments	432	343	432	343
Liabilities to Group companies	–	–	2,232	1,975
Accounts payable	122	146	13	7
Other current liabilities	19	72	5	50
Accrued expenses and deferred income	385	325	116	95
Total	958	886	2,798	2,470

Maturity analysis of other financial liabilities	The Group	Parent Company
2023	526	2,366
2024	14	14
2025	62	62
2026	2	2
after 2027	354	354
Total	958	2,798

Note 19

Current receivables and liabilities

Other receivables	The Group		Parent Company	
	2022	2021	2022	2021
Tax claims	58	38	1	2
Security basis swap	2	–	2	–
Prepaid project expenses	–	–	9	37
Other advances	0	0	0	0
Other receivables	56	52	5	35
Total	116	90	17	74

Other liabilities	The Group		Parent Company	
	2022	2021	2022	2021
Personnel-related liabilities	9	8	8	7
Value added tax	37	17	9	8
Security basis swap	–	48	–	48
Other liabilities	19	26	5	2
Total	65	99	22	65

Note 20

Accrued expenses and deferred income

	The Group		Parent Company	
	2022	2021	2022	2021
Prepaid rental income	375	263	–	–
Accrued operating expenses	80	37	–	–
Accrued interest expense	89	50	78	49
Accrued personnel expenses	47	53	41	48
Accrued project expenses	166	159	–	–
Other items	20	41	12	21
Total	777	603	131	118

Note 21

Pledged assets and contingent liabilities



Accounting policies

A contingent liability is a possible obligation arising from past events whose existence will only be confirmed by one or more uncertain future events, not wholly within the control of the Company, which may or may not occur, or an obligation arising from past events which is not recognized as a liability or provision since it is not probable that an outflow of resources will be required to settle the obligation or because the size of the obligation cannot be calculated with sufficient reliability. No recognition is required when the probability of an outflow of resources is remote.

	The Group		Parent Company	
	Dec. 31, 2022	Dec 31, 2021	Dec. 31, 2022	Dec 31, 2021
Mortgages	5,056	3,865	–	–
Shares in subsidiaries	255	248	–	–
Total	5,311	4,113	–	–

	The Group		Parent Company	
	Dec. 31, 2022	Dec 31, 2021	Dec. 31, 2022	Dec 31, 2021
Guarantees on behalf of Group companies	–	–	3,626	2,368
Guarantees on behalf of joint ventures/joint ventures owned by subsidiaries	1,169	1,092	956	969
Responsibility for limited partnership liabilities	–	–	403	389
Total	1,169	1,092	4,985	3,725

Commitments leading to expenses for restoring contaminated land or other environmental commitments for owned properties may be updated in the future. Expenses can occur, for example, in the form of extra costs in connection with new constructions or extensions or a price reduction when selling a property. Assessing any future amounts is not possible at this stage. Rikshem is involved in a number of minor disputes with tenants, mainly concerning ongoing management issues, which may result in future commitments. For example, expenses can be incurred in the form of consulting costs associated with negotiations. Assessing any future amounts relating to these disputes is not possible at present.

Note 22

Related-party transactions



Accounting policies

Similar to other transactions, transactions with related parties must take place on market terms. Guidelines for conflicts of interest shall be taken into account in relation to related party transactions.

Related parties	Transactions
Parent Company owners	During the year, fees were paid to the Fourth Swedish National Pension Fund (AP4) for a subscription undertaking and to AMF Tjänstepension AB for a loan commitment.
Board and management group	For information on remuneration, see Note 5. No Board member or senior executive has concluded any additional direct or indirect business transactions with Rikshem.
Parent Company	Shown in notes 3, 7 and 13. Rikshem AB has a liability to Rikshem Intressenter AB of MSEK 145. SEK 30 million was repaid during the year. The loan is expensed with interest and is due for payment in 2025.
Group companies	Transactions between Group companies relate mainly to invoicing from Rikshem AB for the services relating to property management, reversals and interest on intra-Group transactions.
Joint ventures	Presented in Note 14.

Note 23

Adjustment for non-cash items



Accounting policies

Cash and cash equivalents comprise balances available with banks and other liquid investments with a maturity of less than three months that are exposed to insignificant value fluctuations. Cash flow from operating activities is recognized in accordance with the indirect method.

	The Group		Parent Company	
	2022	2021	2022	2021
Share of profit in joint ventures	91	–330	–	–
Depreciation	2	2	2	2
Capital gain on sale of equipment	0	0	0	0
Pension costs	–2	1	–2	1
Other	4	–	0	–16
Total	95	–328	0	–13

Note 24

Summary of liabilities attributable to financing activities

	The Group		Parent Company	
	2022	2021	2022	2021
Interest-bearing liabilities				
Opening carrying amount	26,922	26,315	24,649	23,559
Changes affecting cash flow	1,633	172	408	652
Changes not affecting cash flow				
Currency fluctuations	465	432	465	432
Accrual of borrowing costs and issues at premium/discount rate	1	3	3	5
Closing carrying amount	29,021	26,922	25,525	24,649

Note 25

Events after the closing date

There have been no significant events since the end of the financial year.

Note 26

Proposed allocation of profit

The following earnings in the Parent Company are at the disposal of the AGM:

Share premium reserve, SEK	840,772,100
Retained earnings, SEK	7,001,137,280
Profit for the year, SEK	1,323,148,813
Total, SEK	9,165,058,193

The Board of Directors proposes that SEK 9,165,058,193 be carried forward.

Rikshem's dividend policy entails that if the financial targets are met, the owners can decide on an annual dividend amounting to a maximum of 50 percent of the previous financial year's cash flow from the Company's operating activities.

Signing of the Annual Report

The Board of Directors and the CEO hereby certify that the Annual Report was prepared in accordance with generally accepted accounting practices. The Annual Report provides a true and fair view of the Company's financial position and earnings, and the Directors' Report provides a true overview of the operations, financial position and earnings of the Company and describes the significant risks to which the Company is exposed. The Consolidated Financial Statements were prepared in accordance with international accounting standards referred to in regulation EC No 1606/2002 of the European Parliament and of the Council of July 19, 2002, on the application of international accounting standards. The Consolidated Financial Statements provide a true and fair view of the Group's financial position and earnings, and the Directors' Report provides a true overview of the operations, financial position and earnings of the Company and describes the significant risks to which the Company is exposed.

Stockholm, March 21, 2023

<div>Per Uhlén</div> <div>Chairman of the Board</div>	<div>Pernilla Arrrud Melin</div> <div>Board member</div>	<div>Liselotte Hjorth</div> <div>Board member</div>
<div>Andreas Jensen</div> <div>Board member</div>	<div>Siv Malmgren</div> <div>Board member</div>	<div>Zdravko Markovski</div> <div>Board member</div>
<div>Per-Gunnar Persson</div> <div>Board member</div>	<div>Peter Strand</div> <div>Board member</div>	<div>Anette Frumerie</div> <div>CEO</div>

Our auditor's report was submitted on March 21, 2023.

Ernst & Young AB

Mikael Ikonen
Authorized Public Accountant

Auditor's report

This is a translation from the swedish original

To the general meeting of the shareholders of Rikshem AB (publ), corporate identity number 556709-9667

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Rikshem AB (publ) for the year 2022 with exception of the corporate governance report on pages 68-70. The annual accounts and consolidated accounts of the company are included on pages 55-59 and 73-104 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Insurance Companies and present fairly, in all material respects, the financial position of the parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act for Insurance Companies. The consolidated accounts have been prepared in accordance with the Annual Accounts Act for Insurance Companies and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act for Insurance Companies. Our opinion does not cover the corporate governance report on pages 68-70. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders

adopts the income statement and balance sheet for the parent company and the condensed statement of comprehensive income and condensed statement of financial position for the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Valuation of investment properties

Description

The fair value of investment properties in the Group as at 31 December 2022 was 59 423 MSEK. The Group has a policy of valuing the properties externally.

In additions, properties with large ongoing projects or upcoming projects are also valued internally. For properties valued both internally and externally, the internal valuation is used in the Group's accounting, while the external valuation serves as quality assurance of the internal valuation. Valuation according to fair value is associated with subjective assumptions where a small change in made assumptions on which the valuation is based on may have a material effect on the accounted values.

Valuations are prepared based on the discounted cash flow method which relies on the forecasted future cash flows. The properties' yield requirements are assessed based on each property's unique risk and transactions made on the market for items of similar nature.

Based of the many assumptions and assessments connected to the valuation of investment properties, we believe that this area is a key audit matter.

Description of the valuation of the property holdings, accounting policies, significant accounting assessments and judgments and risk and risk management of the valuation of the property holdings, are presented in Note 10 Investment properties on pages 92-93.

How our audit addressed this key audit matter

In our audit, we have evaluated and tested the Group's property valuation process.

We have obtained and reviewed a selection of established valuations to evaluate compliance with the Group's valuation policy and valuation model.

We have evaluated the competence and objectivity of the externally hired valuation experts and evaluated the competence of the Group's internal appraisers.

For a selection of properties, we reviewed the input data to the external valuation model and checked the valuations.

Our sample has mainly included the largest properties in the portfolio in terms of value, as well as the properties with the largest variations in value compared to previous quarters and previous years.

We have discussed important assumptions and assessments with the Group's valuation managers and management. We have also benchmarked the assumptions and inputs against observable market data.

With the support of our in-house valuation specialists, we have also reviewed the reasonableness of assumptions made such as yield requirements, vacancy rates, rental income and operating costs for a selection of properties.

We have reviewed the disclosures in the annual report.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 2-54, 60-67, 71-72 as well as 110-118. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also consider our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act for Insurance Companies and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the Group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease opera-

tions, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Directors' responsibilities and tasks in general, among other things, monitor the Group's financial reporting.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and

other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Rikshem AB (publ) for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions

and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Insurance Business Act, the Annual Accounts Act for Insurance Companies or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other

circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 68-70 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Ernst & Young AB, Box 7850 103 99 Stockholm, was appointed auditor of Rikshem AB (publ) by the general meeting of the shareholders on the 28 March 2018 and has been the company's auditor since 2011. Rikshem has been a public interest entity since 2014.

Stockholm, March 21, 2023

Ernst & Young AB

Mikael Ikonen
Authorized Public Accountant



Sustainability governance

Rikshem AB (publ), with operations in Sweden and its head office in Stockholm, manages sustainability efforts as an integral part of other corporate governance. The ultimate responsibility for corporate governance and sustainability governance lies with Rikshem's Board of Directors. Rikshem's CEO is responsible for sustainability efforts and then delegates the work to the line operations. Rikshem's Sustainability Manager and the Sustainability Unit provide the business with support and governance, as well as competence-enhancing measures for the business' stakeholders. During the year, an in-depth review and dialog were conducted with each owner about Rikshem's sustainability efforts. Each quarter, the Board follows up Rikshem's overall company goals, which include sustainability. During the year, an in-depth review and follow-up of Rikshem's sustainability efforts were carried out with the management team. In addition, the status of the sustainability efforts is reported to the management team every month as part of the regular reporting. Read more about Rikshem's strategic sustainability efforts on page 21. The table shows the results of Rikshem's most important KPIs (Key Performance Indicators) by area of materiality, as well as Rikshem's carbon disclosure. Other key figures can be found in the GRI index on pages 114-117.

Changes compared to previous reports

Rikshem has produced carbon footprint disclosure for the entire value chain of its operations, with all Scopes 1, 2 and 3, based on data from the base year 2020 and calculations in accordance with the GHG protocol for the 2021 and 2022 financial years. This year's Sustainability Report has been adapted to the Global Reporting Initiative (GRI) Universal Standards 2021, which, among other things, entails new general disclosure requirements.

EU Taxonomy

The EU Taxonomy on Green Investments is a common classification system for which economic activities are environmentally sustainable. In order for an activity to be considered sustainable under the Taxonomy Regulation, it must con-

tribute significantly to at least one of the six established environmental goals, and not cause significant damage to any of the other goals, and must also be carried out in accordance with so-called minimum protection measures.

At present, Rikshem has no direct reporting requirements under the regulation, but as there are expectations from stakeholders, Rikshem has started work on implementing the Taxonomy Regulation. Rikshem's largest economic activity is linked to the Taxonomy Regulation's section 7.7 Acquisitions and ownership of buildings where technical review criteria have been developed for the two climate-related goals: 1) mitigation of climate change and 2) adaptation to climate change. In addition, the activities may not cause harm to the other environmental objectives and must be carried out in accordance with minimum protection measures. In 2022, the focus was therefore on the first two environmental goals. Rikshem has carried out a survey of the properties' primary energy figures linked to the first environmental goal. The assessment was made on the basis of the property owners' and the industry's joint work with threshold values for what is considered to be among the best 15 per cent from an energy perspective. In addition, the focus was on the second environmental goal related to adaptation to climate change by carrying out 56 climate risk analyses at property level. A review was also conducted on the basis of the minimum protective measures.

Corporate Responsibility Policies

Professionalism combined with exemplary sustainability efforts underpin Rikshem's long-term value creation. The

Company's policies and guidelines promote responsible business and steer operations based on Rikshem's values. Rikshem's Code of Conduct has been laid down by the Board of Directors and is based on the Ten Principles of the UN Global Compact in the areas of human rights, labor, environment and anti-corruption. All employees must familiarize themselves with the Code of Conduct when joining the Company. Rikshem has a zero-tolerance approach to bribery, kickbacks and other unlawful benefits, and works actively to create an environment where openness and dialog lay the foundations for preventing violations. For employees, there are a large number of policies and governing documents setting out how to act in various situations. Rikshem's policy for counteracting conflicts of interest sets out how employees should act in situations where personal interests are at risk of being confused with Rikshem's business operations and states that employees may not participate in the handling of issues where employees may have a conflict of interest. The whistleblower policy describes the opportunities employees have to report irregularities, what can be reported, to whom and how cases are handled by Rikshem's whistleblower function. Notifications may be made anonymously. No reports to the whistleblower service were received in 2022. No confirmed cases of corruption or violations of the law were noted in 2022.

Good working environment management

To ensure that it maintains a high standard of working environment, Rikshem works in accordance with a working-environment policy and routine descriptions. This systematic approach is in place to avoid hazards and risks, but also to comply with laws and regulations concerning the working environment, such as the Swedish Work Environment Act

Sustainable business

A high standard of business ethics is of the utmost importance to Rikshem and is a material part of responsible enterprise. Rikshem has formulated its way of working in policies, guidelines and other governing documents that set out the route for the business and limit the risks of corruption.

Here are some of them:

- Code of Conduct
- Sustainability policy
- Supplier code of conduct
- Policy for whistleblowing
- Policy for tackling conflict of interest
- Policy for business travel, entertainment and conferences
- Financial policy
- Insider policy
- Equality and diversity policy
- Rental policy
- Working-environment policy
- CEO instructions
- Decision-making and authorization arrangement

and internal guidelines. Working environment management is ensured through individual discussions, communication and action plans and union reconciliations. The HR department also follows up on the work with the respective manager. The aim is to ensure a healthy workplace in the long term. The Company has a working environment committee whose purpose is to support and take responsibility for working environment management through dialog and exchange of experience. This is to ensure that Rikshem fulfills its responsibility for the working environment as an employer. There is an annual follow-up on working environment responsibility regarding the fulfillment of goals and key performance indicators. Risk assessments and identification of training needs are then reviewed and occupational injuries and incidents are evaluated. Action plans for the coming years are set on the basis of the results. Each manager coordinates and drives ongoing working environment management. Working environment issues are included in annual performance reviews and are a recurring theme at departmental meetings and separate coordination meetings between employees and managers. All employees except the CEO are covered by collective agreements. Rikshem strives to offer all employees a healthy work-life balance. All employees are offered wellness grants, regular health checks, counseling and reimbursement of healthcare costs. Proactive health checks and wellness care, and the fact that those who need it quickly receive support and medical care, are what enable a healthy life. People working in Rikshem's neighborhoods are also given the vaccine against hepatitis and tetanus, as there is a risk of minor injuries. The pandemic meant that many employees were ordered to work from home due to the risk of infection. In 2022, Rikshem welcomed all employees back to the offices, but also offers continued opportunities for remote working.

Materiality analysis

Rikshem's ten materiality areas constitute the core of sustainability efforts, see page 21. Prioritization of the materiality areas is based on where Rikshem's operations have the greatest positive or negative impact on the environment and society. Rikshem's materiality analysis was carried out with a view to further ramping up and specifying its sustainability activities in light of the global challenges the world is facing. The basis for the materiality analysis in-

Rikshem's stakeholders

Stakeholder	Dialog	Key questions and expectations	Rikshem's risk management
Customers	Conversations with residents, daily contact, SCI (Satisfied Customer Index) survey, case management system, in-depth interviews prior to the development of significant issues.	<ul style="list-style-type: none"> Waste management Energy and heating Communication to and from the home Security Communal areas 	Read how Rikshem manages customer expectations on pages 6, 16-17, 22, 37, 38-42 and 49.
Owners	Owner meetings, owner reports, Annual and Sustainability Reports, Board meetings, in-depth interviews prior to the preparation of material issues.	<ul style="list-style-type: none"> Climate impact and climate benefit Social inclusion and integration Partnership and collaboration Material choices 	Read how Rikshem manages owner expectations on pages 11-15, 21, 24-25, 38-43, 45, 49-50 and 113.
Lenders	Dialog in connection with loan negotiations, capital market presentations and investor meetings.	<ul style="list-style-type: none"> Climate impact and climate benefit Social inclusion and safety Governance 	Read how Rikshem manages lenders' expectations on pages 11-15, 21-28, 40, 43 and 68-70.
Employees	Daily dialog between employees, including managers and employees, performance reviews, training courses, the intranet, the Rikshem annual conference and working environment committee work.	<ul style="list-style-type: none"> Take advantage of skills and contribute to development Improved internal processes and procedures A safe and sustainable physical and psychosocial working environment Collaboration and sharing of experiences 	Read how Rikshem manages employees' expectations on pages 21 and 26-28.
Suppliers	Tenders, supplier code of conduct, follow-ups, quality controls, in-depth interviews prior to the production of material issues.	<ul style="list-style-type: none"> Sustainable and long-lasting materials Positive impact on society Sustainable supply chain Safe construction sites 	Read how Rikshem manages suppliers' expectations on pages 23, 45 and 49.
Municipalities	Conversations with customers, event-driven dialogs in various thematic areas, in-depth interview before the development of significant issues.	<ul style="list-style-type: none"> Correctly managed agreements and contracts Responsiveness Security Sustainable material choices Social inclusion and integration 	Read how Rikshem manages municipality expectations on pages 12-15, 38-43, and 44-50.
The Swedish Union of Tenants	Ongoing dialog with local offices and at central level between the Swedish Union of Tenants nationally and Rikshem's head office, in-depth interview prior to the preparation of material issues.	<ul style="list-style-type: none"> Climate impact Social inclusion and integration Everyone's equal opportunity and right to a home. 	Read how Rikshem manages the Swedish Union of Tenants' expectations on pages 12-13, 24-25, 38-43, 45 and 49.

cludes continuous business intelligence, ongoing and targeted stakeholder dialogs and an analysis of the sustainability impact of our operations. Since Rikshem's target management model was updated, Rikshem's materiality areas were also reviewed. This meant that certain areas were merged and others were specified more clearly.

Stakeholder dialog

Rikshem engages in ongoing dialog with our stakeholders on sustainability. The most important stakeholders are the people or activities that are affected by or affect Rikshem's activities, see the table above. Rikshem has conducted a targeted dialog on sustainability issues with key stakeholders within

the framework of the materiality analysis. These included customers, owners, employees, suppliers, municipalities (which are also customers in certain cases) and the Swedish Union of Tenants. The dialog took the form of in-depth interviews and conversations with residents in the neighborhoods where stakeholders were asked to prioritize Rikshem's most important sustainability issues. Borrowers have also been identified as an important stakeholder, where dialog takes place in connection with loan negotiations, capital market presentations and investor meetings. The results of the stakeholder dialog are used to prioritize Rikshem's sustainability issues within the materiality analysis.

KPIs by materiality area

The table shows the results of Rikshem's most important KPIs (Key Performance Indicators) by materiality area and the trend compared with the previous year. The page reference indicates where in the report more information can be found about the work behind the results.

Target area	Good total return		Customer satisfaction		Employee satisfaction		Climate-neutral operations		Safe and attractive neighborhoods	
Materiality area	Sustainable business	Sustainable supply chain	Customer dialog	Easy to live sustainably	Sustainable working life	Equality & diversity	Reduced climate emissions	Resource management & environment ²	The feeling of safety & well-being	Varied range
KPI (indicator)	Confirmed incidents of corruption	Share of Rikshem's suppliers who have accepted the supplier code of conduct	Service index for residential properties (index 100)	Number of summer jobs provided	Employee satisfaction index, ESI	Share of employees who consider there are equal numbers of male and female role models	Reduced energy consumption kWh/sqm. A temp and year in %, total energy adjusted to a normal year	Number of projects certified under Miljöbyggnad Silver	Perceived feeling of safety for tenants (index 100)	Attractiveness index (index 100)
			Satisfied customer index, SCI for properties for public use				Reduced CO ₂ in kg/sqm A temp and year, based on total energy adjusted to a normal year			
Target	0	100%	71.9	150	82	90%	-2.5%/year	Goal missing	70.8	Goal missing
			57.3				-2 kg CO ₂ e/sqm/year			
2022 result	0	82% (571 of 699)	71.4	152	68	84%	-7.3%	2	71.4	74.7
			56.8				-0.1 kg			
2021 result	0	77% (436 of 566)	69.9 (zero measurement)	156	68	87%	-0.3%	3	69.8 (zero measurement)	71.9 (zero measurement)
			55.3				-0.1 kg			
Page	110	23	38-42	22	26-28	26-28	24-25, 43, 113	7	38-42	38-42

1) Note that energy consumption and climate emissions are measured in different units. The target follow-up is based on figures adjusted for a normal year to facilitate comparison between the years, regardless of whether it has been a warm or cold year. SMHI's degree days are used in the normal year correction.

2) KPI changed to include number of projects certified under Miljöbyggnad Silver.

Rikshem's carbon disclosure

Rikshem's carbon disclosure for 2022 and 2021, with 2020 as the base year, include Scopes 1, 2 and 3, distributed on different climate-related items in accordance with the GHG protocol. The climate calculations were made with the support of IVL Swedish Environmental Research Institute. The base year selected is based on the 2020 survey. Read more about our climate work on pages 24-25.

Carbon disclosure (ton CO₂e)

	2022	2021	2020
SCOPE 1			
Purchased energy fuel (natural gas, oil, pellets)	14	246*	172
Fuel for service vehicles and machines	88	81	572
Total Scope 1	102	327	744
SCOPE 2			
District heating	17,960	17,952	16,986
Electricity purchased (site-based)	4,012	5,084	4,026
Electricity purchased (market-based)	11	5*	8
Total Scope 2 (site-based)	21,972	23,036	21,012
Total Scope 2 (market-based)	17,971	17,957	16,994
SCOPE 3			
Property management (RM&U) (3.1)	2,507	4,889	2,720
New construction (climate declaration and installations) (3.2)	14,969	7,696	13,339
Major RM&U projects (value-adding) and Succession Renovation (3.2)	3,221	1,062	2,162
Upstream purchased energy fuel (natural gas, oil, pellets) (3.3)	1	23	12
Upstream fuel for service vehicles and machines (3.3)	29	28	105
Upstream purchased electricity and district heating (site-based) (3.3)	2,275	2,199	2,340
Upstream purchased electricity and district heating (market-based) (3.3)	1,585	1,385	1,520
Business travel (private car, flights) (3.6)	44	25	39
Residents' household electricity (3.13)	5,795	5,409	7,060
Residents' waste (handling fractions) and residual waste (incineration) (3.13)	7,051	6,037	8,550
Residents' driving (3.13)	17,188	17,399	21,679
Total Scope 3 (site-based)	53,080	44,767	58,006
Total Scope 3 (market-based)	52,390	43,953	57,186
Total climate impact (site-based energy)	75,154	68,130	79,762
Total climate impact (market-based energy)	70,463	62,237	74,924

*Updated values compared with last year's report due to adjustments in emission factors for oil and electricity.

Annual report on energy and climate (market-based method)

The table below presents energy use and climate emissions for purchased energy (Scopes 1-3) for Rikshem's comparable portfolio ¹. The figures adjusted to a normal year used to follow up against Rikshem's targets (2022 compared with 2021) show a small reduction in both energy use and climate emissions from 2021 (-7.3% kWh/m² A_{temp} and -0.1 kg CO₂e/sqm A_{temp}). The target is -2.5% kWh/sqm A_{temp} and -2.0 kg CO₂e/sqm A_{temp}.²

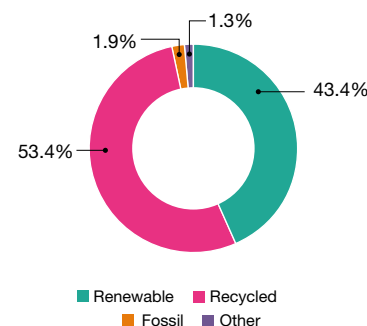
2022 was a warm year with low energy use, as shown by the actual figures in the table. The table also shows that it is important not simply to compare data with the previous year's figures, but to put the change into context with figures from earlier years.

Energy use and climate emissions	2022	2021	2020
Energy consumption, actual (kWh/sqm A _{temp})	116	129	121
Energy use, adjusted to a normal year (kWh/sqm A _{temp})	118	127	131
Emissions, actual (kg CO ₂ e/sqm A _{temp}) ³	7.7	8.1	7.3
Emissions, adjusted to a normal year (kg CO ₂ e/sqm A _{temp}) ³	7.9	8.0	8.0

¹Like-for-like portfolio with respect to energy and climate statistics refers to the part of the portfolio that Rikshem owned for a full calendar year and for which comparable figures are available, i.e. properties where the company can monitor the same type of energy use (heating of buildings and water, and property electricity). The like-for-like portfolio includes 407 of Rikshem's total of 519 properties.

²A_{temp} is taken from energy declarations and follows the rules concerning measured or standard calculated values, depending on when the declaration was made.

³Emission factors have been obtained from the respective suppliers. Calculated using the previous year's emission factors for district heating.



Origin of purchased energy

Rikshem purchases origin-labelled electricity from renewable sources (hydroelectric power, solar power and wind power). Heating is mainly purchased from district-heating companies, which report their emissions by source: fossil, recycled, renewable and other. This shows the breakdown of energy in the like-for-like portfolio, energy use adjusted to a normal year, using the market-based method.

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Remuneration policies				
2-19	Remuneration policies	Corporate governance report Note 5 Employees, personnel costs and remuneration to the Board		68-70, 87-89
Remuneration process				
2-20	Process for determine remuneration	Corporate governance report Note 5 Employees, personnel costs and remuneration to the Board		68-70, 87-89
Annual total compensation				
2-21	Annual total compensation ratio	Note 5 Employees, personnel costs and remuneration to the Board of Directors	Rikshem deviates from reporting differences in total annual remuneration, as the Company does not need to produce a remuneration report.	87-89
Sustainability strategy				
2-22	Statement on sustainable development strategy	Statement from the CEO, Long-term and sustainable development, Sustainability governance		8-10, 21, 110-111
Policy commitments				
2-23	Policy commitments	Sustainable supply chain, Property management, Sustainability governance Link to codes of conduct: www.rikshem.se/om-oss/hallbarhet		23, 38-43, 110-111
Embedding policy commitments				
2-24	Embedding policy commitments	Sustainable supply chain, Property management, Risks and opportunities Sustainability governance, Link to information about codes of conduct: www.rikshem.se/om-oss/hallbarhet		23, 38-43, 60-67 110-111
Remediate processes				
2-25	Processes to remediate negative impacts	Property management, Risks and opportunities, Sustainability governance		38-43, 60-67, 110
Mechanisms for seeking advice				
2-26	Mechanisms for seeking advice and raising concerns	Sustainable supply chain, Property management, Risks and opportunities, Sustainability governance		23, 38-43, 60-67, 110- 111

GRI Index, ctd.

GRI Standards	Disclosure	Comment	Deviation and reason	Page
General disclosures				
Compliance				
2-27	Compliance with laws and regulations	Sustainability governance		110
Membership associations				
2-28	Membership associations	Fastighetsägarna, Sweden Green Building Council, Byggarubedömningen, Sveriges Allmännytt		
Stakeholder engagement				
2-29	Approach to stakeholder engagement	Sustainability governance		110-111
Collective bargaining agreements				
2-30	Number of employees covered by collective bargaining agreements	All employees except the CEO		

GRI Standards	Disclosure	Comment	Deviation and reason	Page
GRI indicators				
205-3	Confirmed incidents of corruption and actions taken	Financing, Sustainability governance		51-54, 110
302-3	Energy intensity	KPIs per area of materiality, Annual report energy and climate		112-113
302-4	Reduction of energy consumption	Energy-smart properties, KPIs per area of materiality, Annual report on energy and climate		43, 112-113
305-1	Direct (Scope 1) GHG emissions	Climate development, Rikshem's carbon disclosure, Annual report energy and climate	Rikshem deviates from reporting biogenic emissions when data is not available.	24-25, 113
305-2	Energy indirect (Scope 2) GHG emissions	Climate development, Rikshem's carbon disclosure, Annual report energy and climate		24-25, 113
305-3	Other indirect (Scope 3) GHG emissions	Climate development, Rikshem's carbon disclosure, Annual report energy and climate	Rikshem deviates from reporting biogenic emissions when data is not available.	24-25, 113
305-4	GHG emissions intensity	KPIs per area of materiality, carbon footprint accounts, Annual report energy and climate		112-113
308-1	New suppliers that were screened using environmental criteria	Sustainable supply chain		23
403-1 -7	Occupational health and safety	Employees are the key to success, Risks and opportunities		26-28, 60-67
403-9	Work-related injuries	Employees are the key to success, Risks and opportunities	Rikshem deviates from reporting by region; consultants are not included in the data.	26-28, 60-67
405-1	Diversity of governance bodies and employees	Employees are the key to success Board of Directors, Management Note 5 Employees, personnel costs and remuneration to the Board of Directors		26-28, 71-72, 87-89
414-1	New suppliers that were screened using social criteria	Sustainable supply chain		23

GRI Index, ctd.

GRI Standards	Disclosure	Comment	Deviation and reason	Page
Material topics				
Material topics process				
3-1	Process to determine material topics	Sustainability governance		110-111
List of material topics				
3-2	List of material topics	Long-term and sustainable development, KPIs per area of materiality		21, 112
Management of material topics				
3-3	Sustainable business	Financing, Sustainability governance, KPIs per area of materiality		51-54, 110-112
205-3	Confirmed incidents of corruption and actions taken	See comment for indicator on page 116		
3-3	Sustainable supply chain	Sustainability, Sustainability governance, KPIs per area of materiality		21, 23, 110-112
308-1	New suppliers that were screened using environmental criteria	See comment for indicator on page 116		
414-1	New suppliers that were screened using social criteria	See comment for indicator on page 116		
3-3	Customer dialog	Property management, Sustainability governance, KPIs per area of materiality		38-43, 110-112
Own indicator:	Service Index for residential properties	Property management Housing, KPIs per area of materiality		39, 112
Own indicator:	Customer Satisfaction Index (CSI) for properties for public use	Property management, Properties for public use, KPIs per area of materiality		42, 112
3-3	Easy to live sustainably	Property management, Sustainability governance, KPIs per area of materiality		38-43, 110-112
Own indicator:	Number of summer jobs provided	Sustainability, Area development		20, 22
3-3	Sustainable working life	Employees are the key to success, Sustainability governance, KPIs per area of materiality		26-28, 110-112
403-1-7, 9	Occupational health and safety, Work-related injuries	See comment for each indicator on page 116		
Own indicator:	Employee satisfaction index (NMI)	Goals that lead the way, Employees are the key to success		11, 26-28
3-3	Equality & diversity	Employees are the key to success, Sustainability governance, KPIs per area of materiality		26-28, 110-112
405-1	See information on page 116			
3-3	Reduced climate emissions	Long-term and sustainable development, Sustainability Governance, KPIs per area of materiality, carbon footprint accounts, Annual report energy and climate		21, 24-25 110-113
302-3-4	Energy intensity, Reduction of energy consumption	See comment for each indicator on page 116		
305-1-4	GHG emissions, GHG emissions intensity	See comment for each indicator on page 116		
3-3	Resource management & environment	Project and property development, KPIs per area of materiality		44-54, 110-112
Own indicator:	Number of projects certified under Miljöbyggnad Silver	Year in brief, KPIs per area of materiality		7, 112
3-3	The feeling of safety & well-being	Area development, Property management, KPIs per area of materiality		22, 40, 110-112
Own indicator:	Tenants' perceived safety	Area development, Property management with responsibility		22, 40
3-3	Diverse range	Area development, Property management, KPIs per area of materiality		22, 40, 110-112
Own indicator:	Attractiveness index	Area development, Property management		22, 38-42

About the Sustainability Report

Rikshem’s Sustainability Report for 2022 has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. The sustainability report, which includes Rikshem AB (publ) and wholly-owned subsidiaries, is prepared annually and summarizes Rikshem’s sustainability efforts in 2022. Joint ventures are not included in the financial statements.

The Sustainability Report has been reviewed by auditors on behalf of the Board of Directors. See page 119 for the auditor’s statement. Rikshem’s fiscal year corresponds to the calendar year. All the information in this present Sustainability Report relates to the fiscal year January 1, 2022- December 31, 2022, unless stated otherwise. The latest Annual Report and Sustainability Report were published on March 24, 2022, for the 2021 fiscal year. The contact person for the report is Head of Sustainability Ebba Lindencrona, ebba.lindencrona@rikshem.se.

Sustainability report

Rikshem presents the following content for the 2022 statutory sustainability report in accordance with the Annual Accounts Act:

	Page
Rikshem’s business model	12-13
Risks and risk management	60-67

Governance, monitoring, results and key performance indicators

Environment	7, 11, 18, 20-25 35, 37, 43, 45, 49 60-67, 110-113
Human rights	20-23, 60-67, 110-111
Staff	26-28, 60-67, 110-111
Anti-corruption	51–54, 60–67, 110
Social circumstances (sustainable urban development)	6-7, 11, 14-15, 19 20-23, 37, 40, 44-49 60-67, 110-112

Signatories to the Sustainability Report

The statutory Sustainability Report, which covers the areas in Rikshem AB’ (publ)’s Annual Report whose content is indicated on page 118, has been approved for issue by the Board of Directors.

Stockholm, March 21, 2023

Per Uhlén
Chairman of the Board

Pernilla Arnrud Melin
Board member

Liselotte Hjorth
Board member

Andreas Jensen
Board member

Siv Malmgren
Board member

Zdravko Markovski
Board member

Per-Gunnar Persson
Board member

Peter Strand
Board member

Anette Frumerie
CEO

Auditor's Limited Assurance Report on Rikshem AB's Sustainability Report and the Auditor's Report on the Statutory Sustainability Report

To Rikshem AB (publ), corporate, identity number 556709-9667.

Introduction

We have been engaged by the Board of Directors of Rikshem AB (publ) (Rikshem) to undertake a limited assurance engagement of Rikshem's Sustainability Report for the year 2022. The company has defined the scope of the Sustainability Report on pages 114-118 in this document, which also includes the statutory sustainability report defined on page 118.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report, including the statutory sustainability report, in accordance with the applicable criteria and the Swedish Annual Accounts Act respectively. The applicable criteria are explained on page 118 and are the parts of the Sustainability Reporting Guidelines published by GRI (The Global Reporting Initiative) that are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or mistake.

Responsibilities of the Auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to provide an opinion on the

statutory sustainability report. Our assignment is limited to the historical information that is presented and thus does not include future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (revised) Assurance engagements other than audits or reviews of historical financial information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report and applying analytical and other limited assurance procedures.

Our examination of the statutory sustainability report has been conducted in accordance with FAR's auditing standard RevR 12, The auditor's report on the statutory sustainability report. The procedures performed in a limited assurance engagement and in accordance with FAR's auditing standard RevR 12 vary in nature from, and are less in scope than for, a reasonable assurance engagement conducted in accordance with International 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 A member firm of Ernst & Young Global Limited Page 2 requirements. We are independent of Rikshem in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

Consequently, the procedures performed and our examination in accordance with RevR12 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. The conclusion based on a limited assurance engagement, therefore, does not provide the same level of assurance as a conclusion based on an audit has.

Our procedures performed in the limited assurance engagement are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

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

Conclusions

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

A statutory sustainability report has been prepared.

Stockholm, March 21, 2023

Ernst & Young AB

Mikael Ikonen
Authorized Public
Accountant

Marianne Förander
Specialist member
of FAR

List of properties

Property	Location	Address	Purpose	Segment
Häljered 2:75	Ale	Vallmovägen 3	Nursing home	Property for public use
Ledet 1:4	Ale	Ledetvägen 9	Nursing home	Property for public use
Nödinge 2:45	Ale	Fyrklövergatan 26	Nursing home	Property for public use
Nödinge 38:50	Ale	Södra Klöverstigen 31-32	Retirement homes/ care homes/sheltered housing	Property for public use
Skepplanda 3:62	Ale	Odalvägen 2	Nursing home	Property for public use
Skårdal 1:68	Ale	Göteborgsvägen 217	Retirement homes/ care homes/sheltered housing	Property for public use
Starrkärr 4:10	Ale	Garverigränd 2, Garverivägen 3	Nursing home	Property for public use
Utby 3:63	Ale	Änggatan 4	Nursing home	Property for public use
Blåregnet 9	Halmstad	Barnhemsgatan 30, Skepparegatan 21, Skånegatan 9-11	Nursing home	Property for public use
Bonden 7	Halmstad	Boreliusgatan 2, Flygaregatan 10, Pilotgången 3	Residential properties	Residential properties
Enheten 1	Halmstad	Flottiljvägen 1-24	Residential properties	Property for public use
Krusbäret 19	Halmstad	Snöstorpsvägen 54	Nursing home	Property for public use
Lyngåkra 3:22	Halmstad	Pålsgårdsvägen 8	Nursing home	Property for public use
Nåden 2	Halmstad	Fyllingevägen 83	Residential properties	Residential properties
Talet 1	Halmstad	Pålsbovägen 18	Nursing home	Property for public use
Termometern 1	Halmstad	Bäckagårdsvägen 47	Nursing home	Property for public use
Vivan 1	Halmstad	Parkvägen 4	Nursing home	Property for public use
Vokalen 3	Halmstad	Ålderstigen 4	Nursing home	Property for public use
Volontären 4	Halmstad	Agestigen 1-5	Nursing home	Property for public use
Amerika Norra 50	Helsingborg	Hantverkaregatan 24-26	Residential properties	Residential properties

Property	Location	Address	Purpose	Segment
Amerika Södra 21	Helsingborg	Furutorpsgatan 34, Södergatan 95	Residential properties	Residential properties
Ask 1	Helsingborg	Kurirgatan 51-59, Kullavägen	Residential properties	Residential properties
Balgripen 1	Helsingborg	Spannmålgatan 6-8	Residential properties	Residential properties
Barrikaden 2	Helsingborg	Fyrverkaregatan	Land/Parking	Residential properties
Batteriet 1	Helsingborg	Fyrverkaregatan 2-10, Minörgatan 3-5	Residential properties	Residential properties
Batteriet 3	Helsingborg	Minörgatan 7-17	Residential properties	Residential properties
Batteriet 8	Helsingborg	Fyrverkargatan 4–6	Residential properties	Residential properties
Batteriet 9	Helsingborg	Fyrverkargatan 8–10	Residential properties	Residential properties
Bollbro 19	Helsingborg	Södergatan 20	Residential properties	Residential properties
Brigaden 1	Helsingborg	Trångatan 1-6, Revärgatan 1-6	Residential properties	Residential properties
Böhmen 19	Helsingborg	Hantverkaregatan 11, 17	Residential properties	Residential properties
Carnot 8	Helsingborg	Öresundsgatan 25	Residential properties	Residential properties
Elineberg 5	Helsingborg	Elinebergsplatsen 3,5,7,12	Commercial	Residential properties
Elineberg 7	Helsingborg	Elinebergsplatsen 2,4,6,8,10	Residential properties	Residential properties
Eneborg 10	Helsingborg	Övre Eneborgsvägen 24	Residential properties	Residential properties
Eneborg 11	Helsingborg	Övre Eneborgsvägen 26	Residential properties	Residential properties
Eneborg 7	Helsingborg	Bjäreg. 8, Ö. Eneborgsv. 28, Ö. Holländareg. 35	Residential properties	Residential properties
Filen 8	Helsingborg	Hälsövägen 25-27, Kopparmöllegatan 22	Residential properties	Residential properties
Frigg 1	Helsingborg	Kullavägen 57-69, Majorsgatan 4-16	Residential properties	Residential properties
Getingen 19	Helsingborg	Siöcronaplatsen 8 - 10	Residential properties	Residential properties
Getingen 6	Helsingborg	Siöcronaplatsen 4 - 6	Residential properties	Residential properties

Property	Location	Address	Purpose	Segment
Guldsmeden 15	Helsingborg	Gullandersgatan 4 A-C, O D Krooks gata 39	Residential properties	Residential properties
Gärdet 1	Helsingborg	Plutogatan 9-11	Retirement homes/care homes/sheltered housing	Property for public use
Hammaren 23	Helsingborg	Stampgatan 15	Residential properties	Residential properties
Hantverkaren 13	Helsingborg	O D Krooks gata 38	Residential properties	Residential properties
Herden 16	Helsingborg	Elinebergsvägen	Land/Parking	Residential properties
Huslyckan 6	Helsingborg	Elinebergsvägen 18A-D, 20 A-B, Härads gatan 1, 3A-C, 5, 7A-C, 9, 11A-C	Residential properties	Residential properties
Kapellet 17	Helsingborg	Hälsövägen 26-30, Kopparmöllegatan 20	Residential properties	Residential properties
Kapellet 18	Helsingborg	Hälsövägen 32-38	Residential properties	Residential properties
Kapellet 21	Helsingborg	Lilla Möllevångsgatan 9 A-C	Residential properties	Residential properties
Kaplanen 10	Helsingborg	Krabbegatan 3 A-C	Residential properties	Residential properties
Karl XI Norra 19	Helsingborg	Karls gatan 9	Residential properties	Residential properties
Karl XI Södra 20	Helsingborg	Karls gatan 12, Södra Storgatan 16	Residential properties	Residential properties
Karl XI Södra 4	Helsingborg	Karls gatan 10	Residential properties	Residential properties
Köpingelyckan 5	Helsingborg	Elinebergsvägen 10A-B, 12A-B, Lugguddegatan 1, 3A-C, 5, 7A-D, 9, 11A-C	Residential properties	Residential properties
Köpingelyckan 6	Helsingborg	Elinebergsvägen 14A-B, 16A-C, Härads gatan 2A-D, 4A-B, 6 A-D, 8A-C	Residential properties	Residential properties
Ljuset 5	Helsingborg	Rusthållsg. 10-18, Norrehedsg. 9-17	Residential properties	Residential properties
Malen 41	Helsingborg	Sadelmakareg. 7 A-B, Övre Eneborgsv. 36 A-B	Residential properties	Residential properties
Maria 1	Helsingborg	Traktörs gatan 42-52	Residential properties	Residential properties
Norge 10	Helsingborg	Nedre Holländaregatan 4-6	Residential properties	Residential properties
Norge 2	Helsingborg	Södergatan 58	Residential properties	Residential properties
Norge 9	Helsingborg	Södergatan 56, Nedre Holländaregatan 8	Residential properties	Residential properties
Nunnan 1	Helsingborg	Södra Stenbocksgatan 106	Residential properties	Residential properties

Property	Location	Address	Purpose	Segment
Nunnan 2	Helsingborg	Södra Stenbocksgatan 108	Residential properties	Residential properties
Nunnan 3	Helsingborg	Södra Stenbocksgatan 110	Residential properties	Residential properties
Nunnan 5	Helsingborg	Visitörs gatan 13	Residential properties	Residential properties
Nunnan 6	Helsingborg	Visitörs gatan 11	Residential properties	Residential properties
Nunnan 7	Helsingborg	Visitörs gatan 9	Residential properties	Residential properties
Nunnan 8	Helsingborg	Sämsmakaregatan 2 A-B	Residential properties	Residential properties
Nyckelpigan 2	Helsingborg	Sadelmakaregatan 2 A-B	Residential properties	Residential properties
Nyckelpigan 26	Helsingborg	Sadelmakaregatan 4-14	Residential properties	Residential properties
Nässlan 12	Helsingborg	Industrigatan 22-24, Wienergatan 17	Residential properties	Residential properties
Nässlan 13	Helsingborg	Norra Ljunggatan 13	Residential properties	Residential properties
Nässlan 4	Helsingborg	Industrigatan 28	Residential properties	Residential properties
Ollonborren 11	Helsingborg	Siöcronangatan 5	Residential properties	Residential properties
Ollonborren 14	Helsingborg	Övre Holländaregatan 34 A-B	Residential properties	Residential properties
Ollonborren 9	Helsingborg	Bjäre gatan 14	Residential properties	Residential properties
Pinjen 5	Helsingborg	Fredsgatan 2-4 A-B, Planteringsvägen 42 A-E	Residential properties	Residential properties
Pinjen 8	Helsingborg	Östra Fridhemsgatan 3 A-D	Residential properties	Residential properties
Rovan 13	Helsingborg	Södra Stenbocksgatan 83	Residential properties	Residential properties
Rovan 14	Helsingborg	Munkavägen 14-28, Skånegatan 13	Residential properties	Residential properties
Ruuth 17	Helsingborg	Trädgårdsgatan 15 A-C	Residential properties	Residential properties
Samson 7	Helsingborg	Erik Dahlbergsgata 57, Helmfeltsgatan 13	Residential properties	Residential properties
Samson 8	Helsingborg	Helmfeltsgatan 11	Residential properties	Residential properties
Skepparlyckan 3	Helsingborg	Elinebergsvägen 4A-B, 6A-C, 8; Lugguddegatan 2A-C, 4A-C, 6A-C	Residential properties	Residential properties
Sköldenborg 12	Helsingborg	Hebsackers gatan 14	Residential properties	Residential properties
Sköldenborg 16	Helsingborg	Hebsackers gatan 16-18	Residential properties	Residential properties

Property	Location	Address	Purpose	Segment
Sköldenborg 18	Helsingborg	Hebsackersgatan 24	Nursing home	Property for public use
Spindeln 7	Helsingborg	Apotekaregatan 16-22, Eneborgsplatsen 4-6	Residential properties	Residential properties
Stiftelsen Norra 2	Helsingborg	O D Krooks gata 23	Residential properties	Residential properties
Stiftelsen Norra 3	Helsingborg	O D Krooks gata 21	Residential properties	Residential properties
Stiftelsen Norra 4	Helsingborg	O D Krooks gata 19	Residential properties	Residential properties
Stiftelsen Norra 5	Helsingborg	Norra Stenbocksgatan 10 A-B	Residential properties	Residential properties
Stiftelsen Norra 7	Helsingborg	Norra Stenbocksgatan 14	Residential properties	Residential properties
Stiftelsen Norra 8	Helsingborg	Norra Stenbocksgatan 16, Grubbagatan 2	Residential properties	Residential properties
Städet 15	Helsingborg	Föreningsgatan 37	Residential properties	Residential properties
Städet 17	Helsingborg	Stampgatan 17-19	Residential properties	Residential properties
Städet 9	Helsingborg	Föreningsgatan 35	Residential properties	Residential properties
Träsket 8	Helsingborg	Flogatan 12	Retirement homes/sheltered housing	Residential properties
Ugglan 15	Helsingborg	Fredrikdalspatsen 1 A-B, Lilla Möllevångsgatan 2	Residential properties	Residential properties
Ugglan 4	Helsingborg	Mellersta Stenbocksgatan 41	Residential properties	Residential properties
Ugglan 9	Helsingborg	Lilla Möllevångsgatan 4	Residential properties	Residential properties
Uven 5	Helsingborg	Lilla Möllevångsgatan 6 A-B	Residential properties	Residential properties
Valhall 17	Helsingborg	Fredsgatan 1, Planteringsvägen 48-50 A-C	Residential properties	Residential properties
Valhall 18	Helsingborg	Fredsgatan 3 A-F, Tryckerigatan 25-27 A-B	Residential properties	Residential properties
Värnet 2	Helsingborg	Minörgatan 19	Residential properties	Residential properties
Värnet 3	Helsingborg	Minörgatan 18	Residential properties	Residential properties
Württemberg 13	Helsingborg	Carl Krooks gata 51	Residential properties	Residential properties
Württemberg 7	Helsingborg	Carl Krooksgatan 49, Gustav Adolfs torg 2	Residential properties	Residential properties
Württemberg 8	Helsingborg	Carl Krooks gata 55/Furutorpsgatan 25	Residential properties	Residential properties

Property	Location	Address	Purpose	Segment
Württemberg 9	Helsingborg	Carl Krooks gata 53	Residential properties	Residential properties
Beckasinen 9 (leasehold)	Huddinge	Sjöstigen 14-16	Retirement homes/care homes/sheltered housing	Residential properties
Strandpiparen 1 (leasehold)	Huddinge	Tranvägen 42	Retirement homes/care homes/sheltered housing	Residential properties
Lärlingen 9	Jönköping	Västerliden 16-18, Wilhelm Thams väg	Nursing home	Property for public use
Apotekaren 22	Kalmar	Kaggensgatan 16-18, Storgatan 16	Commercial	Residential properties
Beckasinen 34	Kalmar	Tullslätten 17-31, Unionsgatan 16-18	Residential properties	Residential properties
Beckasinen 43	Kalmar	Unionsgatan 10-14	Residential properties	Residential properties
Braxen 15	Kalmar	Esplanaden 26-28, Postgatan 5	Residential properties	Residential properties
Bärnstenen 1	Kalmar	S:t Kristoffers väg 3	Nursing home	Property for public use
Duvan 22	Kalmar	Norra Vägen 37	Commercial	Residential properties
Flintan 2	Kalmar	Två Systrars väg 2-24	Residential properties	Residential properties
Gnejsen 1	Kalmar	Två Systrars väg 1-21	Residential properties	Residential properties
Hagby 12:42	Kalmar	Möregårdsvägen 10	Nursing home	Property for public use
Kalkstenen 1	Kalmar	Vänskapens väg 4	Nursing home	Property for public use
Kalkstenen 22	Kalmar	Björkenäsvägen 4-20	Nursing home	Property for public use
Karlstunda-Fagerhult 1:25	Kalmar	Bäverdalsvägen 13	Nursing home	Property for public use
Korpen 16	Kalmar	Nygatan 36	Commercial	Property for public use
Kroppkakan 2	Kalmar	Kastrullvägen 2-108, Lassevägen 37-105, Förlösavägen 7-135	Residential properties	Residential properties
Ljungby 16:126	Kalmar	Backsippvägen 13	Nursing home	Property for public use
Måbäret 1	Kalmar	Malörtsvägen 7 A-B, Värsnäsavägen 15 A-B	Residential properties	Residential properties
Rapsen 10	Kalmar	Bergagårdsvägen 6	Residential properties	Residential properties
Rapsen 11	Kalmar	Bergagårdsvägen 8	Residential properties	Residential properties
Rapsen 12	Kalmar	Bergagårdsvägen 16	Residential properties	Residential properties

Property	Location	Address	Purpose	Segment
Rapsen 14	Kalmar	Bergagårdsvägen 12	Residential prop- erties	Residential prop- erties
Rapsen 15	Kalmar	Bergagårdsvägen 10	Residential prop- erties	Residential prop- erties
Rapsen 9	Kalmar	Bergagårdsvägen 4	Residential prop- erties	Residential prop- erties
Rodret 4	Kalmar	Sparregatan 34	Residential prop- erties	Residential prop- erties
Rönnbäret 1	Kalmar	Malörtsvägen 1,3 Skvatramsvägen 35	Residential prop- erties	Residential prop- erties
Smedbacken 1	Kalmar	Ingelstorpsvägen 1 A-D	Nursing home	Property for pub- lic use
Smedhagen 1	Kalmar	Klappervägen 1-35	Residential prop- erties	Residential prop- erties
Stenmuren 1	Kalmar	Smedhagsvägen 1-65, Stenmursvägen 1-43	Residential prop- erties	Residential prop- erties
Vallmon 19	Kalmar	Sjöbrings väg 4, Ståthållaregatan 50 A-B	School/pre-school	Property for pub- lic use
Videt 13	Kalmar	Gasverksgatan 4-6 A-B	Residential prop- erties	Residential prop- erties
Gredelby 7:91	Knivsta	Disponentg 3, Mejerskansg. 18 A-B, 26, Sägverkstorget 4-12, Staffansv 7, Faktorns gata 2 - 6, Ostmästargatan 22-24	Nursing home, Residential	Property for pub- lic use
Särsta 3:25	Knivsta	Forsbyvägen 3-7, Häradsvägen 3	Residential prop- erties	Residential prop- erties
Idrottsplatsen 1	Linköping	Korpralsgatan 6-10	Nursing home	Property for pub- lic use
Balder 1	Luleå	Baldersvägen 2 A-B, Furumovägen 5	Nursing home	Property for pub- lic use
Bergviken 5:40	Luleå	Klintvägen 81-83	Residential prop- erties	Residential prop- erties
Kallkällan 9	Luleå	Lingonstigen 33, 36, 36 A, 147-233	Residential prop- erties	Residential prop- erties
Kristallen 12	Luleå	Tunastigen 1-91	Residential prop- erties	Residential prop- erties
Kronan 1:221	Luleå	Kronadalsvägen 1, Kaserngatan 1-7, Kronan A, B, H	Commercial	Residential prop- erties
Maskinisten 2	Luleå	Storstigen 20-28	Nursing home	Property for pub- lic use
Midskogen 13	Luleå	Gymnasievägen 6-8	Nursing home	Property for pub- lic use
Mjölkudden 3:51	Luleå	Radiomasten 3-21	Residential prop- erties	Residential prop- erties
Mjölkudden 3:54	Luleå	Mjölkuddsvägen 79 A-C	Nursing home	Property for pub- lic use
Porsön 1:240	Luleå	Assistentvägen 8-370, Docentvägen 1-555	Residential prop- erties	Residential prop- erties

Property	Location	Address	Purpose	Segment
Porsön 1:406	Luleå	Kårhusgränd 1-9, 3 A	Housing for stu- dents and young people	Residential prop- erties
Sundsgården 4	Luleå	Lulsundsgatan 40-44, 42 A-B, 44 A-B, Sundsbacken 9	Nursing home	Property for pub- lic use
Virket 1	Lund	Öresundsvägen 12, 14-16, 26, Kobjersvägen 1	Commercial	Residential prop- erties
Virket 3	Lund	Öresundsvägen 28	Commercial	Residential prop- erties
Virket 6	Lund	Kobjersvägen 3	Commercial	Residential prop- erties
Brönnestad 1	Malmö	Industrigatan, Nobelvägen	Residential prop- erties	Residential prop- erties
Brönnestad 2	Malmö	Industrigatan, Nobelvägen	Residential prop- erties	Residential prop- erties
Cellon 2	Malmö	Mellanhedsgatan 26 A-C	Residential prop- erties	Residential prop- erties
Handskfacket 3	Malmö	Sommarvagnsgatan 22	Nursing home	Property for pub- lic use
Insjön 3	Malmö	58 A-D, Karlskronaplan 4 A-B	Residential prop- erties	Residential prop- erties
Jagten 7	Malmö	Ystadsgatan 8 A-D	Residential prop- erties	Residential prop- erties
Kungsfågeln 5	Malmö	Älggatan 29	Residential prop- erties	Residential prop- erties
Månstrålen 6	Malmö	Råkritregatan 10	Nursing home	Property for pub- lic use
Protokollet 1	Malmö	Industrigatan, Nobelvägen	Land/Parking	Residential prop- erties
Puffen 1	Malmö	Axel Danielssons väg 117	Nursing home	Property for pub- lic use
Rönnen 2	Malmö	Nobelvägen 137, Rönnbladsgatan 2 A-B	Housing for stu- dents and young people	Residential prop- erties
Skansen 1 (lease- hold)	Malmö	Lilla Varvsgatan 6-10, Kompassgatan 40	Housing for stu- dents and young people	Residential prop- erties
Tavlan 5	Malmö	Amiralsgatan 54, Skanörsgatan 2	Residential prop- erties	Residential prop- erties
Tuppen 15	Malmö	Hyllie Kyrkoväg 56-58, Idrottsgatan 47	Residential prop- erties	Residential prop- erties
Undret 1	Malmö	Lantmannagatan 46 A-D, Lindgatan 2 A-D	Residential prop- erties	Residential prop- erties
Värmereglaget 1	Malmö	Landålettgatan 42	Nursing home	Property for pub- lic use
Åkermyntan 3 (leasehold)	Malmö	Norra Bulltoftavägen 8	Nursing home	Property for pub- lic use

Property	Location	Address	Purpose	Segment
Björknäs 1:34	Nacka	Eklundavägen 9	School/pre-school	Property for public use
Björknäs 1:4	Nacka	Talluddsvägen 12	Nursing home	Property for public use
Björknäs 1:442	Nacka	Häckvägen 2 B	School/pre-school	Property for public use
Bo 12:7	Nacka	Norrstigen 23, Liljekonvaljens väg 42	School/pre-school	Property for public use
Bo 8:5	Nacka	Bragevägen 36	School/pre-school	Property for public use
Part of Orminge 46:1 Residential housing, Nursing home	Nacka	Edövägen	Land/Parking	Property for public use
Erstavik 26:245	Nacka	Ostronvägen 2, Fidravägen 1	School/pre-school	Property for public use
Igelboda 46:5	Nacka	Odenvägen 10	School/pre-school	Property for public use
Igelboda 54:1	Nacka	Vinterbrinksvägen 2	School/pre-school	Property for public use
Kummelnäs 27:1	Nacka	John Wibergs väg 5-7	School/pre-school	Property for public use
Lännersta 1:148	Nacka	Liljekonvaljens väg 2	School/pre-school	Property for public use
Mensättra 17:1	Nacka	Stiltjev 5	School/pre-school	Property for public use
Neglinge 13:5	Nacka	Neglingevägen 21	Nursing home	Property for public use
Orminge 34:1	Nacka	Bockögränd 1	School/pre-school	Property for public use
Orminge 59:1	Nacka	Sandövägen 1, 2, 4 & 8	School/pre-school	Property for public use
Rösunda 45:1	Nacka	Karl Gerhards väg 23B	School/pre-school	Property for public use
Rösunda 9:11	Nacka	Ringvägen 50	School/pre-school	Property for public use
Sicklaön 123:1	Nacka	Helgesons väg 5	Nursing home	Property for public use
Sicklaön 127:1	Nacka	Helgesons väg 4	School/pre-school	Property for public use
Sicklaön 226:8	Nacka	Duvnäsavägen 30-38	School/pre-school	Property for public use
Sicklaön 343:1	Nacka	Hågervägen 33	School/pre-school	Property for public use
Sicklaön 352:1	Nacka	Ektorpsvägen 17-19	Nursing home	Property for public use
Sicklaön 369:1	Nacka	Jarlabergsvägen 5	School/pre-school	Property for public use

Property	Location	Address	Purpose	Segment
Sicklaön 375:2	Nacka	Gamla Landsvägen 22	School/pre-school	Property for public use
Sicklaön 73:48	Nacka	Skuru Skolväg 2	School/pre-school	Property for public use
Solsidan 12:22	Nacka	Skyttevägen 17-19	School/pre-school	Property for public use
Tollare 2:48	Nacka	Skymningsv 2, Sockenv 38	School/pre-school	Property for public use
Älta 100:2	Nacka	Sävsångarv 42 A & B	School/pre-school	Property for public use
Älta 47:7	Nacka	Erstaviksv 4, Evalundsv 2, Ältavägen 183-185	School/pre-school	Property for public use
Älta 61:1	Nacka	Bäckalidsvägen 8	School/pre-school	Property for public use
Bergskvadraten 1	Norrköping	Kvarngatan 43-73, Källvindsgatan 8	Residential properties	Residential properties
Bärnstenen 1 (leasehold)	Norrköping	Kalkstensgatan 5	Nursing home	Property for public use
Djäkneberget 10	Norrköping	Skepparegatan 33, Skolgatan 31	Residential properties	Residential properties
Dörren 16	Norrköping	Armeraregatan 1-11	Residential properties	Residential properties
Fönstret 7	Norrköping	Hagebygatan 180	Commercial	Property for public use
Godvån 16	Norrköping	Källvindsgatan 16, S:t Persgatan 38-40	Residential properties	Residential properties
Godvån 21	Norrköping	Sankt Persgatan 34-36	Residential properties	Residential properties
Godvån 28	Norrköping	Korsgatan 19, Nygatan 19	Residential properties	Residential properties
Hålet 1 (leasehold)	Norrköping	Dragaregatan 1	Land/Parking	Residential properties
Karbinen 9	Norrköping	Bråddgatan 57 A-C	Residential properties	Residential properties
Kardusen 7	Norrköping	Dagbergsvägen 136-140	Residential properties	Residential properties
Kolonien 11	Norrköping	Lagergrensgatan 7, 11-13	Residential properties	Residential properties
Kolonien 12	Norrköping	Dagsbergsvägen 4, 4 A	Residential properties	Residential properties
Kopparkypen 30	Norrköping	Sankt Persgatan 43 A-G	Residential properties	Residential properties
Krukan 16	Norrköping	Garvaregatan 15	Residential properties	Residential properties
Krusmyntan 4	Norrköping	Stensgatan 1-3, Hagagatan 29	Residential properties	Residential properties

Property	Location	Address	Purpose	Segment
Lejongapet 10	Norrköping	Norralundsgatan 23 A-C	Residential prop- erties	Residential prop- erties
Linjen 2 (lease- hold)	Norrköping	Idrottsgatan 32-74	Residential prop- erties	Residential prop- erties
Niten 1	Norrköping	Hagebyg. 160-174, Hyvlareg. 17-21, Mamreg. 2-16, Murareg. 107-129	Residential prop- erties	Residential prop- erties
Planen 4	Norrköping	Ektorpsgatan 22-46	Residential prop- erties	Residential prop- erties
Pokalen 21	Norrköping	Bråddg. 47-49, Luntg. 23-25, Smedjeg. 40	Residential prop- erties	Residential prop- erties
Pokalen 27	Norrköping	Luntgatan 19-21, Smedjegatan 36, Vattengatan 30-32	Residential prop- erties	Residential prop- erties
Pokalen 29	Norrköping	Smedjegatan 38 A-B	Residential prop- erties	Residential prop- erties
Spärren 2	Norrköping	Formareg.3-21, Hyvlareg. 2-20, Limmareg. 2-21, Snickareg. 3-21, Svarvareg. 2-21, Murareg. 9	Residential prop- erties	Residential prop- erties
Stadsvakten 2	Norrköping	Torggatan 7-9, Trädgårdsg 15-17, Olai Kyrkogata 6	Residential prop- erties	Residential prop- erties
Stopet 11	Norrköping	Sankt Persgatan 125-131, Hantverkaregatan 48-50	Residential prop- erties	Residential prop- erties
Strömbacken 4	Norrköping	Linköpingsvägen 12	Residential prop- erties	Residential prop- erties
Topasen 1	Norrköping	Urbergsgatan 41-47, 91-97	Residential prop- erties	Residential prop- erties
Topasen 2	Norrköping	Urbergsgatan 11-37, 51-87	Residential prop- erties	Residential prop- erties
Tornet 11	Norrköping	Styrmansgatan 21-25, Östra Promenaden 18	Residential prop- erties	Residential prop- erties
Tornet 8	Norrköping	Hospitalsgatan 58, Östra Promenaden 14	Residential prop- erties	Residential prop- erties
Tornet 9	Norrköping	Östra Promenaden 16	Residential prop- erties	Residential prop- erties
Tuvan 1 (lease- hold)	Norrköping	De Geersgatan 57-63, Ångsvaktaregatan 27	Residential prop- erties	Residential prop- erties
Vattnet 7	Norrköping	Trädgårdsgatan 27-29	Residential prop- erties	Residential prop- erties
Vesslan 5	Norrköping	Norra Promenaden 110 A-B, Åbygatan 1	Residential prop- erties	Residential prop- erties
Vesslan 6	Norrköping	Norra Promenaden 112, 112 A-B	Residential prop- erties	Residential prop- erties
Vesslan 7	Norrköping	Norra Promenaden 114, Tjustgatan 2 A-B	Residential prop- erties	Residential prop- erties
Motormannen 1	Norrälje	Stockholmsvägen 53-59	Nursing home	Property for pub- lic use
Brandstoden 7	Nyköping	Järnvägsgatan 26-28 A-C	Residential prop- erties	Residential prop- erties

Property	Location	Address	Purpose	Segment
Brudslöjan 3	Nyköping	Hemgårdsvägen 18 A-B, 20 A-B, 22 A-B	Residential prop- erties	Residential prop- erties
Garvaren 1	Nyköping	Östra Kvarngatan 11-13, 17	Residential prop- erties	Residential prop- erties
Kaveldunet 2	Nyköping	Skolörtsgången 1-87	Residential prop- erties	Residential prop- erties
Brännbo 1:29	Sigtuna	Lilla Brännbovägen 18	Nursing home	Property for pub- lic use
Ekill 4:19	Sigtuna	Solbrinken 5	Nursing home	Property for pub- lic use
Ekill 6:125	Sigtuna	Solbrinken 12	Nursing home	Property for pub- lic use
Fiskgjusen 1	Sigtuna	Ormbergsvägen 28, 30, 32, 34	Residential prop- erties	Residential prop- erties
Havsörnen 2	Sigtuna	Ormbergsvägen 17, 19, 21, 23	Residential prop- erties	Residential prop- erties
Humlegården 17	Sigtuna	Prästgatan 21	Nursing home	Property for pub- lic use
Hällsboskolan 2	Sigtuna	Prästängsvägen 1	School/pre-school	Property for pub- lic use
Höken 2	Sigtuna	Trollbergsvägen 1	Nursing home	Property for pub- lic use
Märsta 1:186	Sigtuna	Idrottsvägen 21	Nursing home	Property for pub- lic use
Märsta 1:19	Sigtuna	Bollbacken 9	Nursing home	Property for pub- lic use
Norrbacka 1:39	Sigtuna	Odensalavägen 1-3	School/pre-school	Property for pub- lic use
Norrbacka 1:48	Sigtuna	Norrbackav 1-17, Odensalav 2-58	Residential prop- erties	Residential prop- erties
Ormvråken 1	Sigtuna	Falkvägen 1-5G	Residential prop- erties	Residential prop- erties
Ragvaldsbo 1:119	Sigtuna	Rosendalsvägen 34	Nursing home	Property for pub- lic use
Ragvaldsbo 1:186	Sigtuna	Hagtornsvägen 12	Nursing home	Property for pub- lic use
Ragvaldsbo 1:189	Sigtuna	Ragvaldsbo gårdsväg 14 A	Residential prop- erties	Residential prop- erties
Rävsta 5:386	Sigtuna	Solursg 3 A-D, Solursst 4 A-G, Spaljeväg 23 A	Residential prop- erties	Residential prop- erties
Rördrommen 1	Sigtuna	Ormbergsvägen 1-32	Residential prop- erties	Residential prop- erties
Sigtuna 2:171	Sigtuna	Väringavägen 11	Nursing home	Property for pub- lic use
Sigtuna 2:247	Sigtuna	Skolbacken 58	School/pre-school	Property for pub- lic use
Sjudargården 1:17	Sigtuna	Karin Hansdotterväg 2 / Hertigvägen 3	Nursing home	Property for pub- lic use

Property	Location	Address	Purpose	Segment
Sätuna 3:12	Sigtuna	Dragonvägen 10	School/pre-school	Property for public use
Sätuna 3:201	Sigtuna	Södergatan 33	School/pre-school	Property for public use
Sätuna 3:266	Sigtuna	Södergatan 57-59	School/pre-school	Property for public use
Valsta 3:170	Sigtuna	Vikingavägen 2	School/pre-school	Property for public use
Valsta 3:172	Sigtuna	Ragnagatan 5A-C	School/pre-school	Property for public use
Valsta 3:179	Sigtuna	Ragnagatan 7 & 9	Nursing home	Property for public use
Valsta 3:182	Sigtuna	Steninge Backe 1-6	Residential properties	Residential properties
Valsta 3:184	Sigtuna	Valsta gårdsväg 10, Valsta gårdsväg 14	Residential properties	Residential properties
Valsta 3:38	Sigtuna	Sleipnergatan 40-86	Residential properties	Residential properties
Valsta 3:53	Sigtuna	Ragnagatan 38	School/pre-school	Property for public use
Tidmätaren 2	Sollentuna	Kuskvägen 8	Commercial	Residential properties
Tidmätaren 1	Sollentuna	Kuskvägen 6	Commercial	Residential properties
Nordan 21 (leasehold)	Solna	Hagalundsgatan 19	Commercial	Residential properties
Nordan 23	Solna	Hagalundsgatan 23 - 31	Residential properties	Residential properties
Nordan 25	Solna	Hagalundsgatan 35 - 41	Residential properties	Residential properties
Brågarp 6:879	Staffanstorps	Amarantgatan 12	Nursing home	Property for public use
Fader Bergström 1	Stockholm	Selmedalsvägen 90 & 92	Nursing home	Property for public use
Jordbruksministern 3	Stockholm	Byälvsvägen 35 B	Nursing home	Property for public use
Skrinnaren 1	Sundbyberg	Rissneleden	Land/Parking	Residential properties
Daldockan 1	Södertälje	Ågårdevägen 1-9	Residential properties	Residential properties
Elefanten 19	Södertälje	Björklundsgatan 4 D-L	Nursing home	Property for public use
Fasanen 1	Södertälje	Karlhovsvägen 7-17	Residential properties	Residential properties
Glasberga 1:133	Södertälje	Glasbygatan 1, Ljustergatan 1	Nursing home	Property for public use

Property	Location	Address	Purpose	Segment
Hasseln 4	Södertälje	Övre Torekällgatan 21 A-B	Residential properties	Residential properties
Karlberga 2	Södertälje	Karlbergavägen 1	Nursing home	Property for public use
Ljungbacken 2	Södertälje	Rönnvägen 9 A	Nursing home	Property for public use
Lönnen 3	Södertälje	Parkgatan 8	Nursing home	Property for public use
Ollonborren 7	Södertälje	Kringelvägen 1	Nursing home	Property for public use
Pumpan 1	Södertälje	Prästgårdsvägen 48	School/pre-school	Property for public use
Påfågeln 1	Södertälje	Karlhovsvägen 1-5, Törnrosavägen 14-18	Residential properties	Residential properties
Repet 4	Södertälje	Myrstigen, Fjärilsstigen	Residential properties	Residential properties
Segelbåten 1	Södertälje	Hertig Carls väg 24 A-C	Residential properties	Residential properties
Segelbåten 2	Södertälje	Hertig Carls väg 26 A-C	Residential properties	Residential properties
Skorpionen 6	Södertälje	Oxbacksgatan 14, Sankta Ragnhildsg 30	Residential properties	Residential properties
Spettet 2	Södertälje	Täppgatan 14	Residential properties	Residential properties
Spettet 3	Södertälje	Täppgatan 12 A-B	Residential properties	Residential properties
Spettet 4	Södertälje	Täppgatan 10 A-B	Residential properties	Residential properties
Vibacken 2	Södertälje	Wijbacksvägen 1	Nursing home	Property for public use
Båtsmannen 1	Umeå	Bankgatan 16 A, 16 B	Residential properties	Residential properties
Duvhöken 2	Umeå	Länsmansvägen 4	Residential properties	Residential properties
Duvhöken 3	Umeå	Länsmansvägen 6 A-B	Residential properties	Residential properties
Fjällämmeln 23	Umeå	Målargränd 11	Nursing home	Property for public use
Flyttfågeln 1	Umeå	Mariehemsvägen 43 A-D, 39 A-K	Residential properties	Residential properties
Flyttfågeln 11	Umeå	Mariehemsvägen 41 A-Ö	Residential properties	Residential properties
Flyttfågeln 2	Umeå	Mariehemsvägen 35 A-H, 37 A-H	Residential properties	Residential properties
Gärdet 16	Umeå	Norra Ersmarksgatan 51	Residential properties	Residential properties

Property	Location	Address	Purpose	Segment
Gärdet 18	Umeå	Hagmarksvägen 26	Residential prop- erties	Residential prop- erties
Handlaren 20	Umeå	Bölevägen 9 A-B, 11 A-C, 13 A-B	Residential prop- erties	Residential prop- erties
Hygget 1	Umeå	Sandbackavägen 22-24 A-L	Residential prop- erties	Residential prop- erties
Hygget 75	Umeå	Sandbackavägen 22 M-N	Residential prop- erties	Residential prop- erties
Ingenjören 6	Umeå	Svedjebacken 4 A-H, 6 A-B	Residential prop- erties	Residential prop- erties
Jungmannen 1	Umeå	Centralgatan 25 A-B	Residential prop- erties	Residential prop- erties
Jägaren 4	Umeå	Skolgatan 40 A-B	Residential prop- erties	Residential prop- erties
Jägaren 5	Umeå	Kungsgatan 41-43 A-C	Residential prop- erties	Residential prop- erties
Järven 18	Umeå	Storgatan 72-74, Häradshövdingegatan 6, Östra Strandgatan 19	Residential prop- erties	Residential prop- erties
Järven 19	Umeå	Storgatan 76-78	Residential prop- erties	Residential prop- erties
Krukan 15	Umeå	Mjölkvägen 10-12 A-E, 14-22	Residential prop- erties	Residential prop- erties
Laxen 23	Umeå	Storgatan 98	Residential prop- erties	Residential prop- erties
Leoparden 2	Umeå	Hovrättsgatan 5, Kungsgatan 39	Residential prop- erties	Residential prop- erties
Leoparden 4	Umeå	Skolgatan 36 A-B, Slöjdgatan 8	Residential prop- erties	Residential prop- erties
Lövsågen 16	Umeå	Lagmansgatan 48 A-B	Residential prop- erties	Residential prop- erties
Lövsågen 37	Umeå	Lagmansgatan 44	Residential prop- erties	Residential prop- erties
Matrosen 4	Umeå	Nygatan 2 A-B	Residential prop- erties	Residential prop- erties
Matrosen 7	Umeå	Bankgatan 11, Nygatan 4 A-B	Residential prop- erties	Residential prop- erties
Nämndemannen 1	Umeå	Svedjebacken 5 A-K	Residential prop- erties	Residential prop- erties
Orrspelet 1	Umeå	Morkullevägen 16 A-H	Residential prop- erties	Residential prop- erties
Orrspelet 2	Umeå	Morkullevägen 18 A-M, Morkullevägen 20 A - B	Residential prop- erties	Residential prop- erties
Reparatören 3	Umeå	Odlarvägen 6 A-X , Yrkesvägen 6 A-K	Residential prop- erties	Residential prop- erties
Rubinen 2	Umeå	Kungsgatan 23, Skolgatan 22 A-B	Residential prop- erties	Residential prop- erties

Property	Location	Address	Purpose	Segment
Sandtaget 2	Umeå	Sandbackavägen 34 A-M, 36-38	Residential prop- erties	Residential prop- erties
Släggskaftet 11	Umeå	Markvägen 3 A-M	Residential prop- erties	Residential prop- erties
Sofiehem 2:156	Umeå	Ålidbacken 23	School/pre-school	Property for pub- lic use
Stora Björnen 11	Umeå	Häradshövdingegatan 8, 10 A-C	Residential prop- erties	Residential prop- erties
Storjägaren 7	Umeå	Borgvägen 22 A-B	Residential prop- erties	Residential prop- erties
Svalan 6	Umeå	Holmsundsvägen 77 A-B	Residential prop- erties	Residential prop- erties
Tranan 2	Umeå	Skolgatan 95	Residential prop- erties	Residential prop- erties
Tranan 3	Umeå	Skolgatan 97, Fabriksgatan 9	Residential prop- erties	Residential prop- erties
Täfteå 10:202	Umeå	Mastvägen 2-8 A-F	Residential prop- erties	Residential prop- erties
Uven 11	Umeå	Träsnidargatan 4 A-B	Residential prop- erties	Residential prop- erties
Vaktposten 3	Umeå	Slöjdgatan 7 A-B	Residential prop- erties	Residential prop- erties
Vallen 4	Umeå	Grisbackav. 3-5, Hartvigsg.14, Lagmansg. 7-11	Residential prop- erties	Residential prop- erties
Vittran 1	Umeå	Vittervägen 172-290	Residential prop- erties	Residential prop- erties
Nedre Runby 1:58 (leased)	Upplands Väsby	Lilla Hagvägen 2	Housing for stu- dents and young people	Residential prop- erties
Skälby 1:14	Upplands Väsby	Maria Krantzons väg 1-28	Residential prop- erties	Residential prop- erties
Skälby 1:312	Upplands Väsby	Lindhemsvägen 13-60	Residential prop- erties	Residential prop- erties
Vilunda 28:22	Upplands Väsby	Holmvägen 2-20	Residential prop- erties	Residential prop- erties
Vilunda 28:25	Upplands Väsby	Holmvägen 11, 13	Residential prop- erties	Residential prop- erties
Kungsängens- Tibble 1:653	Upplands- Bro	Lillsjö Badväg 10	Nursing home	Property for pub- lic use
Kungsängens- Tibble 1:654	Upplands- Bro	Lillsjö Badväg 8	School/pre-school	Property for pub- lic use
Almunge Prästgård 1:59	Uppsala	Lillsjövägen 14 D	Nursing home	Property for pub- lic use
Berthåga 38:5	Uppsala	Sandstensvägen 20	Assisted living	Property for pub- lic use
Berthåga 43:1	Uppsala	Stenkolsvägen 5	Assisted living	Property for pub- lic use
Berthåga 48:6	Uppsala	Stenhuggarvägen 12	Assisted living	Property for pub- lic use

Property	Location	Address	Purpose	Segment
Berthåga 60:2	Uppsala	Herrhagsvägen 16	Nursing home	Property for public use
Björklinge-Tibble 2:8	Uppsala	Brudlåtsvägen 20	Assisted living	Property for public use
Björklinge-Tibble 2:9	Uppsala	Södra Tibblevägen 12	Assisted living	Property for public use
Björklinge-Tibble 5:52	Uppsala	Bror Hjorts väg, Spelmansvägen	Nursing home	Property for public use
Bälinge-Ekeby 12:1	Uppsala	Lundgårdsvägen 2, Lundgården	Nursing home	Property for public use
Bälinge-Ekeby 14:1	Uppsala	Kyrkvägen 2	Assisted living	Property for public use
Dalby 11:1	Uppsala	Dalby 17	Nursing home	Property for public use
Ellsta 2:72	Uppsala	Knutbyvägen 4, Björkgården	Nursing home	Property for public use
Eriksberg 11:5	Uppsala	Gnejsvägen 20-26	Retirement homes/care homes/sheltered housing	Residential properties
Eriksberg 12:2	Uppsala	Gnejsvägen 1/Granitvägen 21	Residential properties	Residential properties
Eriksberg 15:2	Uppsala	Glimmervägen 3	Assisted living	Property for public use
Eriksberg 17:1	Uppsala	Glimmervägen 5 A-B, 7 A-B	Residential properties	Residential properties
Eriksberg 17:2	Uppsala	Glimmerv 9-11 A-B, Granitv 1 A-C	Residential properties	Residential properties
Eriksberg 4:1	Uppsala	Glimmervägen 6-10	Residential properties	Residential properties
Eriksberg 9:4	Uppsala	Gustavsbergsgatan 4	Residential properties	Residential properties
Flogsta 17:2	Uppsala	Tavastehusgatan 5	Assisted living	Property for public use
Flogsta 34:3	Uppsala	Helsingforsgatan 159	Assisted living	Property for public use
Fålhagen 6:3	Uppsala	Vaksalagatan 35-39	Residential properties	Residential properties
Fålhagen 6:4	Uppsala	Eskilsgatan 6 A-B	Residential properties	Residential properties
Gamla Uppsala 21:80	Uppsala	Arkeologvägen 15-27	Assisted living	Property for public use
Gamla Uppsala 47:7	Uppsala	Sköldmövägen 11-19	Nursing home	Property for public use
Gamla Uppsala 94:4	Uppsala	Topeliusgatan 21	Assisted living	Property for public use
Gamla Uppsala 97:3	Uppsala	Huges väg 7	Assisted living	Property for public use

Property	Location	Address	Purpose	Segment
Gottsunda 32:6	Uppsala	Djurgårdsvägen 7	Assisted living	Property for public use
Gottsunda 34:3	Uppsala	Bröderna Berwalds väg	Residential properties	Residential properties
Gottsunda 48:2	Uppsala	Granelidsvägen 1C	Assisted living	Property for public use
Gottsunda 49:1	Uppsala	Vårdsätravägen 78	Assisted living	Property for public use
Gränby 19:1	Uppsala	Solskensgatan 4-10	Residential properties	Residential properties
Gränby 19:2	Uppsala	Tövådersgatan 3-13	Residential properties	Residential properties
Gränby 6:1	Uppsala	Br. Liljeforsg. 43-49, Levertinsg. 1-35	Residential properties	Residential properties
Gränby 6:2	Uppsala	Bruno Liljeforsgatan 1-41	Residential properties	Residential properties
Gränby 6:3	Uppsala	Levertinsgatan 37	Garage	Residential properties
Gränby 6:4	Uppsala	Bruno Liljeforsgatan	Land/Parking	Residential properties
Gränby 6:5	Uppsala	Bruno Liljeforsgatan	Land/Parking	Residential properties
Gränby 7:1	Uppsala	Br.Liljeforsg. 57-63, Atterbom 1-31	Residential properties	Residential properties
Gränby 7:2	Uppsala	Br.Liljeforsg. 43-55, Levertin 2-34	Residential properties	Residential properties
Gränby 7:3	Uppsala	Atterbomsgatan 33	Garage	Residential properties
Gränby 7:4	Uppsala	Bruno Liljeforsg. 52-58, Råbyvägen 61 A-C	Residential properties	Residential properties
Gränby 8:1	Uppsala	Br.Liljeforsg. 71-77, Almqvist 1-35	Residential properties	Residential properties
Gränby 8:2	Uppsala	Br.Liljeforsg. 65-69, Atterbom 2-32	Residential properties	Residential properties
Gränby 8:3	Uppsala	Almqvistgatan 37	Garage	Residential properties
Gränby 9:1	Uppsala	Br.Liljeforsg. 85-91, A Engströmg 1-31	Residential properties	Residential properties
Gränby 9:2	Uppsala	Br.Liljeforsg. 79-83, Almqvist 2-36	Residential properties	Residential properties
Gränby 9:3	Uppsala	Bruno Liljeforsgatan	Land/Parking	Residential properties
Gränby 9:4	Uppsala	Albert Engströmsgatan 2 A-G	Residential properties	Residential properties
Gåvsta 2:36	Uppsala	Gåvstavägen 17	Assisted living	Property for public use

Property	Location	Address	Purpose	Segment
Gävsta 2:37	Uppsala	Gåvstavägen 19	Nursing home	Property for public use
Kronåsen 1:29	Uppsala	Eklundshovsvägen 13	Assisted living	Property for public use
Kronåsen 1:31	Uppsala	Eklundshovsvägen 4 A-D	Residential properties	Residential properties
Kvarngärdet 4:2	Uppsala	Kantorsgatan	Land/Parking	Residential properties
Kvarngärdet 4:3	Uppsala	Kantorsgatan 2-80	Housing for students and young people	Residential properties
Kvarngärdet 4:4	Uppsala	Kantorsgatan	Land/Parking	Residential properties
Kvarngärdet 45:1	Uppsala	Långjärnsgatan, Kvarängsgatan	Residential properties	Residential properties
Kvarngärdet 46:1	Uppsala	Långjärnsgatan 1-7	Residential properties	Residential properties
Kvarngärdet 47:1	Uppsala	Långjärnsgatan 2-18, Kvarnängsgatan 46-52	Residential properties	Residential properties
Kvarngärdet 5:5	Uppsala	Djåknegatan	Land/Parking	Residential properties
Kvarngärdet 52:1	Uppsala	Gärdets bilgata, Kvarnängsgatan, Kvarnbacksgatan, Lurgatan	Residential properties	Residential properties
Kvarngärdet 53:1	Uppsala	Kvarnängsgatan, Kvarnbacksgatan, Gärdets bilgata	Residential properties	Residential properties
Kvarngärdet 54:1	Uppsala	Kvarnängsgatan, Hjulsgatan, Kvarnkammargatan, Gärdets Bilgata	Residential properties	Residential properties
Kvarngärdet 55:1	Uppsala	Kvarnängsgatan, Gärdets bilgata, Kvarnkammargatan	Residential properties	Residential properties
Kvarngärdet 56:13	Uppsala	Orgelgatan 1-5, Vattholmavägen 10 A-B	Nursing home	Property for public use
Kvarngärdet 56:14	Uppsala	Orgelgatan 1-17, Vattholmavägen 10-12	Nursing home	Property for public use
Librobäck 19:7	Uppsala	Ullforsgatan 5	Assisted living	Property for public use
Librobäck 4:7 (leased)	Uppsala	Söderforsgatan	Assisted living	Property for public use
Luthagen 24:1	Uppsala	Dalgatan 1-3, Norrlandsgatan 6, Wallingatan 25	Retirement homes/care homes/sheltered housing	Property for public use
Luthagen 37:8	Uppsala	Börjegatan 25 A-E	Retirement homes/care homes/sheltered housing	Residential properties
Löten 7:1	Uppsala	Lagerlöfsgatan 2-62	Residential properties	Residential properties
Löten 7:2	Uppsala	Lagerlöfsgatan 2-32	Residential properties	Residential properties

Property	Location	Address	Purpose	Segment
Löten 7:4	Uppsala	Lagerlöfsgatan 1-11	Residential properties	Residential properties
Norby 63:33	Uppsala	Tallbacksvägen 40, Norbyvägen 133	Assisted living	Property for public use
Norby 63:34	Uppsala	Norbyvägen 135	Assisted living	Property for public use
Norby 90:8	Uppsala	Fältvägen 10	Assisted living	Property for public use
Norrvisjö 1:22	Uppsala	Norrvisjö	Land/Parking	Property for public use
Sala Backe 13:3	Uppsala	Årstagatan 23 A-E	Nursing home	Property for public use
Sala Backe 25:1	Uppsala	Verkmästargatan 16-20	Residential properties	Residential properties
Storvreta 1:214	Uppsala	Hasselvägen 11A	Assisted living	Property for public use
Storvreta 4:15	Uppsala	Vretalundsvägen 10 A-B, 12	Nursing home	Property for public use
Storvreta 55:1	Uppsala	Vitsippsvägen 10	Assisted living	Property for public use
Storvreta 56:1	Uppsala	Bordtennisvägen 2	Assisted living	Property for public use
Sunnersta 155:7	Uppsala	Sunnerstavägen 28B	Assisted living	Property for public use
Sunnersta 193:1	Uppsala	Morkullevägen 76	Assisted living	Property for public use
Sunnersta 67:35	Uppsala	Backvägen 1	Assisted living	Property for public use
Sunnersta 79:31	Uppsala	Domherrevägen 12	Assisted living	Property for public use
Svartbäcken 14:3	Uppsala	Hallstensgatan 20, Styrbjörnsgratan 7	Nursing home	Property for public use
Svartbäcken 29:4	Uppsala	Egilsgatan 8 - 12	Residential properties	Residential properties
Svartbäcken 36:45	Uppsala	Svartbäcksgatan	Nursing home	Property for public use
Sävja 111:1	Uppsala	Stenbrohultsvägen 91-93	Nursing home	Property for public use
Sävja 59:1	Uppsala	Carl von Linnés väg 4	Assisted living	Property for public use
Sävja 64:2	Uppsala	Linvägen 58	Assisted living	Property for public use
Trollbo 5:3	Uppsala	Konstnärsvägen 14	Assisted living	Property for public use
Tuna Backar 33:1	Uppsala	Tunagatan 31-37	Retirement homes/care homes/sheltered housing	Property for public use
Vaksala-Lunda 4:14	Uppsala	Vaksala Lunda 200-202	Assisted living	Property for public use

Property	Location	Address	Purpose	Segment
Valsätra 54:6	Uppsala	Rosendalsvägen 3	Assisted living	Property for public use
Vattholma 5:320	Uppsala	Malmvågsvägen 11	Nursing home	Property for public use
Vattholma 5:330	Uppsala	Järnmalmsvägen 1	Assisted living	Property for public use
Vänge-Täby 1:137	Uppsala	Täbyvägen 2	Assisted living	Property for public use
Vänge-Täby 1:138	Uppsala	Arkitektvägen 33B	Assisted living	Property for public use
Vänge-Täby 1:2	Uppsala	Arkitektvägen 1	Nursing home	Property for public use
Årsta 106:3	Uppsala	Mariedalsgatan 1-3	Assisted living	Property for public use
Årsta 93:1	Uppsala	Hjortrongatan 5	Assisted living	Property for public use
Årsta 96:1	Uppsala	Fyrislundsgatan 62-66	Nursing home	Property for public use
Bommen 1 (leasehold)	Västerås	Genuagatan 12-14, Mälarparksvägen 12-16, Öster Mälärstrands Allé 127	Residential properties	Residential properties
Dingtuna Kyrkby 1:15	Västerås	Ekebyvägen	Land/Parking	Residential properties
Dingtuna Kyrkby 1:16	Västerås	Ekebyvägen	Land/Parking	Residential properties
Dingtuna Kyrkby 1:19	Västerås	Ekebyvägen	Land/Parking	Property for public use
Fatburen 3	Västerås	Fatburgsgatan 17	Nursing home	Property for public use
Fredriksberg 7	Västerås	Lövsångargatan 74-78	Nursing home	Property for public use
Fyrtornet 1 (leasehold)	Västerås	Fyrtornsgatan 6, Kummelgatan 5, Verksgatan 9-13	Residential properties	Residential properties
Gippen 1	Västerås	Ankargatan 37	Nursing home	Property for public use
Gulmäran 2	Västerås	Prästkragegatan 3 A-C, 5 A-D	Retirement homes/care homes/sheltered housing	Property for public use
Gunnar 18	Västerås	Karlsgratan 17 B, Knutsgatan 2 B-D	Retirement homes/care homes/sheltered housing	Property for public use
Karlavagnen 1	Västerås	Karlavagnsgatan 8-10	Residential properties	Residential properties
Kronhjorten 5	Västerås	Karlfeldtsgatan 20-22	Retirement homes/care homes/sheltered housing	Property for public use
Läkaren 125	Västerås	Hyvlargatan 9, Plåtslagargatan 1 A-C, 2	Assisted living	Property for public use

Property	Location	Address	Purpose	Segment
Pinjen 2	Västerås	Cedergatan 11	Nursing home	Property for public use
Resmilan 1	Västerås	Odensviplatsen 1 A-D, 2 A-B	Retirement homes/care homes/sheltered housing	Property for public use
Rädisan 1	Västerås	Hammarbacksv 5 A-B, Narvav. 24	Nursing home	Property for public use
Sjömärket 2 (leasehold)	Västerås	Fyrtornsgatan 7 A-B, Sjömärkesgatan 8 A-B	Residential properties	Residential properties
Smugglaren 1	Västerås	Havsfrugatan 6-8, Poseidongatan 16	Residential properties	Residential properties
Svärdsliljan 5	Västerås	Svärdsliljegatan 1-3, Gulsörregatan 3-13	Residential properties	Residential properties
Tvättstugan 2 (leasehold)	Västerås	Håkantorpsgratan 158	School/pre-school	Property for public use
Urberget 1	Västerås	Jakobsgatan 47-99	Residential properties	Residential properties
Vaktposten 2	Västerås	Kaserngatan 24	Nursing home	Property for public use
Vedbo 99	Västerås	Hörntorpsvägen 3 A-F	Land/Parking	Residential properties
Vetterstorp 3	Västerås	Narvavägen 58-74	Residential properties	Residential properties
Vintergatan 1	Västerås	Karlavagnsgatan 4-6	Residential properties	Residential properties
Abc-Boken 10	Östersund	Rådhusgatan 31, Thoméeegränd 22 A-B	Residential properties	Residential properties
Batteriet 1	Östersund	Divisionsgränd 2-20	Residential properties	Residential properties
Batteriet 2	Östersund	Batterigränd 1-19	Residential properties	Residential properties
Batteriet 3	Östersund	Batterigränd 2-20	Residential properties	Residential properties
Batteriet 4	Östersund	Trossgränd 1-19	Residential properties	Residential properties
Elritsan 4	Östersund	Rådhusgatan 85-91 A-B	Residential properties	Residential properties
Frigg 10	Östersund	Repslagarstigen 23, Skolgatan 76 A-D	Residential properties	Residential properties
Förskinnets 8	Östersund	Regementsgatan 38-42, Södra Gröngatan 37-41, Thoméeegränd 26-28, Tullgatan 25-27	Residential properties	Residential properties
Harren 2	Östersund	Brunflovägen 22	Residential properties	Residential properties
Hyacinten 10	Östersund	Ängagatan 3A-B	Residential properties	Residential properties

Property	Location	Address	Purpose	Segment
Hyacinten 12	Östersund	Grundläggargränd 2-16, Brunflovägen 9A-B, Ångegatan 1, 1A-B	Residential properties	Residential properties
Hyacinten 13	Östersund	Ångegatan 1C, 5A-D, 7C, Grundläggargränd 18-32	Residential properties	Residential properties
Hyacinten 15	Östersund	Grundläggargränd 34-48	Residential properties	Residential properties
Hyacinten 16	Östersund	Ångegatan 7A-B, D, 9A-B, 11A-B	Residential properties	Residential properties
Härbärgat 3	Östersund	Storgatan 58 A-B & K	Residential properties	Residential properties
Kålhagen 6	Östersund	Kyrkgatan 37-39, Residensgränd 20, Rådhusgatan 38, Samuel Permans gata	Residential properties	Residential properties
Lussekatten 1	Östersund	Blåhammarvägen 2-160	Residential properties	Residential properties
Majsen 11	Östersund	Ringvägen 26-30	Residential properties	Residential properties
Motboken 7	Östersund	Rådhusgatan 41 A-D	Residential properties	Residential properties
Pastorn 12	Östersund	Brogränd 14, 16 A-B, Färjemansgatan 13, 15 A-B, Kyrkgatan 24 A-B, Prästgatan 5, 7 A-B	Residential properties	Residential properties
Pionen 13	Östersund	Stuguvägen 20, Övre Hantverksgatan 23-25	Residential properties	Residential properties
Rektorn 9	Östersund	Köpmangatan 35, Biblioteksgatan 5, Törnstensgränd 6, Storgatan 26	Residential properties	Residential properties
Stadspredikanten 2	Östersund	Pastorsgatan 4 A-B, Artillerigatan 7	Residential properties	Residential properties
Sädesskäppan 3	Östersund	Regementsgatan 32, Pastorsgatan 3	Residential properties	Residential properties
Trasmattan 1	Östersund	Skogsbruksvägen 1-17, Stöttingvägen 2-22	Residential properties	Residential properties
Trossen 1	Östersund	Trossgränd 2-20	Residential properties	Residential properties
Tröskan 11	Östersund	Odenskogsvägen 102-114, Slåttervägen 5-29	Residential properties	Residential properties
Väghyveln 5	Östersund	Stabsgränd 2-20	Residential properties	Residential properties
Väghyveln 6	Östersund	Divisionsgränd 1-19	Residential properties	Residential properties

Key figures

Key figures

Amounts in MSEK	2022	2021	2020	2019	2018
Income statement					
Rental income	3,169	3,062	3,032	2,916	2,792
Net operating income	1,760	1,768	1,760	1,586	1,524
Income from property management	1,068	1,526	1,279	1,286	1,008
Change in value of properties	-1,935	5,509	1,825	1,538	2,107
Profit for the period	228	5,931	2,481	2,244	2,489
Statement of financial position					
Equity	29,085	28,855	22,921	20,441	18,199
External liabilities	29,021	26,922	26,315	26,838	26,493
Fair value of properties	59,423	58,780	51,750	49,307	45,687
Total assets	64,922	62,411	55,271	52,612	48,734
Financial key indicators					
Equity/assets ratio, %	45	46	41	39	37
Loan-to-value ratio, %	49	46	51	54	58
Interest-coverage ratio, multiple	3.5	3.6	3.7	3.5	3.2
Net debt/EBITDA, multiple	17.6	15.9	15.2	18.0	17.6
Loan-to-value ratio, secured loans, %	8	6	9	9	10
Average interest rate, %	2.0	1.5	1.7	1.6	1.7
Fixed interest, years	3.4	4.2	4.7	4.5	5.1
Debt duration, years	3.7	4.0	4.0	3.8	4.1
Return on equity, %	0.8	22.9	11.4	11.6	14.7
Property yield, %*	3.0	3.2	3.5	3.3	3.5
Total return excl. joint ventures, %	-0.3	13.9	7.2	6.7	8.6
Total return incl. joint ventures, %	-0.4	13.9	7.0	7.2	7.8

Amounts in MSEK	2022	2021	2020	2019	2018
Property-related key indicators					
Number of properties	519	514	540	560	555
Lettable area, 1,000 sqm	2,240	2,216	2,232	2,292	2,274
Number of apartments	29,230	28,514	28,730	29,214	28,840
Share of properties for public use, %	30	29	30	30	29
Vacancy rate, apartments, %	3.1	5.1	4.0	3.5	3.2
Market vacancy rate, residential properties, %	0.8	1.5	1.4	0.8	0.5
Remaining lease term for properties for public use, years	7.6	8.3	8.8	9.0	9.4
Fair value, SEK/sqm	26,525	26,522	23,181	21,512	20,090
Growth in income for the like-for-like portfolio, %	3.3	2.4	3.5	4.3	3.8
Growth in net operating income, like-for-like portfolio, %	-1.2	1.1	9.2	3.6	-3.9
Surplus ratio, %	56	58	58	54	55
Employees					
Number of employees at December 31	316	286	271	259	242

Key indicators – calculations

Both interim and annual reports refer to a number of financial metrics that are not defined by IFRS. Rikshem believes that these metrics help both investors and management to analyze the Company's results and financial position. Not all companies calculate financial metrics in the same way, so the metrics are not always comparable with those used by other companies. Amounts in MSEK unless stated otherwise.

Key indicators – calculations

Amounts in SEK millions	2022	2021
Return on equity		
Profit for the year	228	5,931
Average equity	28,970	25,888
Return on equity, %	0.8	22.9
Net operating income		
Rental income	3,169	3,062
Property expenses	-409	-1,294
Net operating income	1,760	1,768
Surplus ratio		
Net operating income	1,760	1,768
Rental income	3,169	3,062
Surplus ratio, %	56	58
Property yield		
Net operating income	1,760	1,768
Opening property value	58,780	51,750
Closing property value	59,423	58,780
Average property value	59,102	55,265
Property yield, %	3.0	3.2
Total return		
Net operating income	1,760	1,768
Change in value of properties	-1,935	5,509
Total	-175	7,278

Amounts in SEK millions	2022	2021
Opening property value	58,780	51,750
Closing property value	59,423	58,780
Minus unrealized change in value	1,935	-5,509
Adjusted average property value	60,069	52,510
Total return, %	-0.3	13.9
Interest-coverage ratio		
Profit before tax	319	7,347
<i>Reversal</i>		
Change in value of properties	1,935	-5,509
Change in value of financial derivative instruments and loans	-1,186	-311
Earnings from joint ventures	91	-330
Other financial expenses	27	32
Interest expense	423	448
Operating profit/loss	1,609	1,676
External interest	-456	-467
Interest-coverage ratio, multiple	3.5	3.6
Loan-to-value ratio		
External interest-bearing liabilities	29,021	26,922
Fair value of investment properties	59,423	58,780
Loan-to-value ratio, %	49	46
Loan-to-value ratio, secured loans		
Outstanding secured debt	4,530	3,306
Fair value of investment properties	59,423	58,780
Loan-to-value ratio, %	8	6

Amounts in SEK millions	2022	2021
Net debt/EBITDA		
External interest-bearing liabilities	29,021	26,922
Cash and cash equivalents	-783	-468
Collateral relating to CSA agreements	-2	48
Net debt	28,236	26,503
Net operating income	1,760	1,768
Central administration	-156	-100
Depreciation	2	2
EBITDA	1,606	1,670
Net debt/EBITDA, multiple	17.6	15.9

Definitions

Share of short-term net debt	Current interest-bearing liabilities less cash and cash equivalents in relation to total interest-bearing liabilities.	Net financial items	Net interest income, interest expense, ground rents and similar income and expenses.	Interest-rate duration	The weighted remaining fixed interest period for interest-bearing liabilities and financial derivative instruments on the closing date.
Return on equity	Profit for the year in relation to average equity.	Income from property management	Net operating income less administrative costs and net financial items plus earnings from joint ventures.	Interest-coverage ratio	Profit before tax after reversal of earnings from joint ventures, interest expense, change in value of assets and liabilities, and other financial expenses in relation to interest expense for external borrowings.
Amounts within parentheses	Amounts within parentheses for income statement items refer to the outcome for the corresponding period of the preceding year and for Balance Sheet items, amounts within parentheses refer to the outcome at the immediately preceding year-end.	Rental income	Rental value less vacancies and rent discounts.	Equity/assets ratio	Equity in relation to total assets.
Loan-to-value ratio	External interest-bearing liabilities in relation to the fair value of properties.	Like-for-like portfolio	For financial monitoring, this refers to the properties that have been owned or, in the case of new construction projects, that have been moved into during the last four quarters.	Secured loans	Loans raised against liens on properties.
Loan-to-value ratio, secured loans	Secured interest-bearing liabilities in relation to the fair value of properties.	Debt duration	The weighted remaining maturity of interest-bearing liabilities on the closing date.	Total return	Net operating income plus change in value in relation to the average fair value of properties, less rolling four-quarter changes in value.
Property yield	Net operating income on an annual basis in relation to the average fair value of properties.	Market vacancy rate, residential properties	The number of unrented apartments less apartments decommissioned due to renovation, for example, in relation to the total number of apartments on the closing date.	Vacancy rate, residential properties	The number of unrented apartments in relation to the total number of apartments on the closing date.
Net operating income	Rental income less property expenses.	Average interest rate	Average interest rate for interest-bearing liabilities including expenses for backup facilities in relation to current loans on the closing date.	Remaining lease term, properties for public use	The weighted remaining lease term in the rental value in the properties for public use segment on the closing date.
Economic occupancy rate	Contract rent in relation to total rental value on the closing date less rent related to areas that are unrented due to renovation.	Net debt/EBITDA	External interest-bearing liabilities minus cash and cash equivalents, adjusted for collateral relating to CSA agreements, in relation to EBITDA. EBITDA is calculated as net operating income excluding central administration plus reversal of depreciation included in central administration.	Surplus ratio	Net operating income in relation to rental income.
Property expenses	Costs for heating, electricity, water, operation, maintenance, property tax, rent losses and property administration.				



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