

A young girl with blonde hair, wearing a purple jacket, a light-colored cap, and dark pants with white polka dots, is running on a colorful hopscotch path. The path is painted on asphalt and features various letters and numbers in different colors. In the background, there are modern residential buildings with balconies and a playground structure. The scene is set outdoors on a sunny day with a clear blue sky and some clouds.

**Annual and
Sustainability Report
2021**





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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 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.



Our values are the company's DNA

Active, Present and Responsible.

Our residential properties and properties for public use can be found across Sweden – from Malmö in the south to Luleå in the north.

[Read more on page 22.](#)





Long-term ownership

50%

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

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



Fair value

SEK 62 billion

The properties have a combined fair value of MSEK 62,112 incl. joint ventures and MSEK 58,780 excl. joint ventures:



SEK

41.6 billion

Residential



SEK

17.2 billion

Properties for public use



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

approx.

70%

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

Portfolio of approx.

29,000

apartments



Professional community engagement

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



Properties for public use based on need

approx.

30%

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

An eventful 2021



Increased customer satisfaction for properties for public use

The Customer Satisfaction Index for properties for public use rose by six points during the year, from 49 to 55. Read more about our work with properties for public use on page 38.



Connected properties

By the end of 2021, more than 15,000 apartments had been connected to Open network, offering customers a free choice of broadband, TV and telephony providers. We have also installed around 10,000 sensors that generate continuous technical information, enabling more efficient operations and more sustainable property management.



Taxonomy brings new requirements

In 2021 the EU Commission adopted the first targets in the Taxonomy Regulation, which is a common classification system of what are environmentally sustainable economic activities. During the year, Rikshem started mapping its activities based on the taxonomy's requirements, focusing on energy requirements and climate-risk analyses of the existing portfolio.

Credit rating confirmed

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

156 summer workers

Over the summer months, Rikshem was able to offer summer jobs to 156 young people. For many of them, it was their first experience of working life, as well as a chance to help to maintain the outdoor environments of their neighborhoods.

Energy-smart properties

The energy-efficiency project launched in 2020 entered an intensive phase in 2021. Among other things, recommendations for individual metering have been drawn up and preliminary studies carried out for solar panels on 15 properties. Read more on page 36.

JANUARY – MARCH

APRIL – JUNE



Higher rental income

Rental income increased to MSEK 3,062.



Good total return

The total return for the year was 14.2%, incl. joint ventures, according to MSCI.

Financial key figures

	2021	2020	2019
Equity/assets ratio, %	46	41	39
Loan-to-value ratio, %	46	51	54
Interest-coverage ratio, x	3.6	3.7	3.5
Net debt/EBITDA, x	15.9	15.2	18.0
Loan-to-value ratio, secured loans, %	6	9	9

Breakdown of rental income



- Residential leases, 64%
- Public sector, 27%
- Private sector, 9%



Construction started on 700 apartments

In July, work began to build 252 new apartments in Eriksborg in Västerås. During August and September, there were also groundbreaking ceremonies for a further 130 apartments in Södertälje and 103 in Umeå. Work started on a total of 700 apartments in 2021.



Climate-neutral by 2045

During the year, Rikshem resolved to become climate-neutral by 2045 and to join the Science Based Targets initiative (SBTI). We've also joined LFM30, a local initiative in Malmö and Helsingborg with around 200 participants that aims to achieve a climate-neutral building and construction sector by 2030. Read more on page 16.

New electric-car pool in Kalmar

To make it easier for customers to live sustainably, Rikshem started an electric-car pool where the company covers the monthly fee and tenants pay only for their actual usage of the car.

MSEK 22 for green outdoor environments

The focus on outdoor environments continued during the year. Rikshem also applied for support from the Swedish National Board of Housing, Building and Planning for green outdoor environments in 32 different projects. The total amount of support received was MSEK 22, which is a welcome contribution to the work to improve the outdoor environments in our neighborhoods.



Dear customers

Several steps were taken during the year that together improve Rikshem's customer service. Innovations include customer service developments, a new case management system, increased customer communication out in the neighborhoods and the Rikshem Direkt rental initiative. Read more on page 34.

Silver certification for new buildings

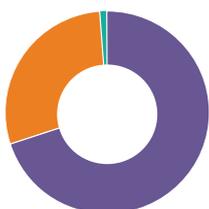
In October, a decision was taken that all new buildings going forward will have silver certification from the Swedish Green Building Council. Read more on page 43.



JULY – SEPTEMBER

OCTOBER – DECEMBER

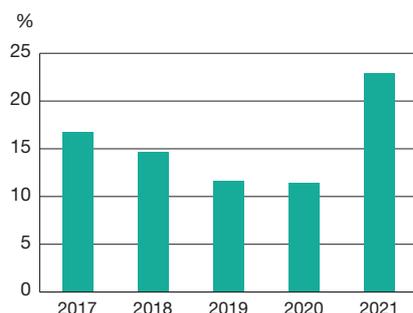
Breakdown of fair value of the properties



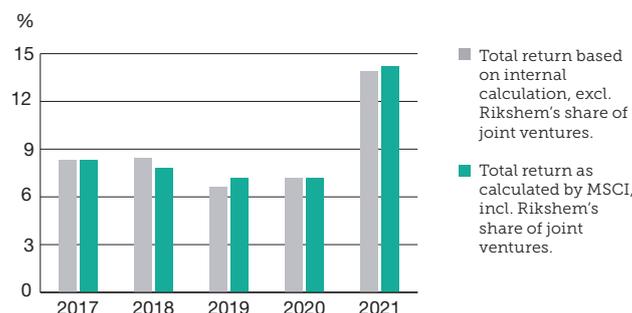
- Residential properties, 70%
- Properties for public use, 28% of which Nursing homes, 23% of which Schools, 5%
- Commercial properties, 2%

Return for the year

Return on equity



Total return





“ We’re posting a total return of 14.2 percent, almost double last year’s result. ”

A safe company in uncertain times

Looking back on the pandemic of the last couple of years puts many things in perspective. As does watching news coverage of Russia’s armed attack on Ukraine, with images none of us wanted to see again. With the world in turmoil, it’s clear that – in a small way – Rikshem serves an important purpose. By adopting a long-term perspective and investing in stable segments such as residential properties and properties for public use, we’re a safe company that stands firm and works on issues important to society: keeping a roof over people’s heads and providing social infrastructure. This is something we can be proud of.

Rikshem has taken many important steps over the past year. We continue to invest in the existing portfolio and new construction projects, we’ve divested some smaller properties that didn’t fit the portfolio in the long term, and we’re building structural capital and accelerating digitalization. We’ve finalized our roadmap for climate neutrality and implemented a new rental strategy, involving more active rental efforts to minimize vacancies. We’ve also worked hard to improve customer satisfaction in both the residential and properties for public use segments.

Great potential in the portfolio

Our apartments generally attract a high

number of applications, and there are long waiting times. However, in areas where a lot of new apartments have been built, more work is required and it takes longer to rent out the apartments. We have a high occupancy rate for our portfolio with market vacancies currently at just 1.5 percent, mostly related to Norrköping. The total vacancy rate, including apartments that have been vacated for renovation, is 5.1 percent, which shows the enormous potential in the portfolio. To realize this potential, we’ve further refined our renovation model over the past year. In some properties, depending on the construction, we’ll continue to move tenants out to do renovations, but most

renovations going forward will be carried out with tenants remaining in their apartments while plumbing and bathrooms are updated. This will enable us to progress the renovations faster, which is of paramount importance when roughly half the portfolio requires some form of renovation. As a long-term property owner, we look after our properties both to safeguard technical standards and to ensure that the apartments meet the expectations of today’s tenants. A renovation project based on the new model with tenants remaining in their apartments is currently under way in one of our larger neighborhoods in Uppsala, and we have several other projects starting up, including in Södertälje.

In total, renovation projects are in progress involving around 1,500 apartments.

Construction under way on 700 apartments

The pace of residential construction in Sweden is high, and this goes for Rikshem too. During 2021, we started up production of 700 apartments, a significant increase compared with 2020. With the discontinuation of investment support at the end of the year, the number of new rental apartments being started in Sweden is likely to fall this year. For our part, some projects have had to be reviewed and, although it is unfortunate that the parameters were changed at short notice, having the same parameters for all new construction of rental apartments makes the rules clearer and makes it more important than ever to work to build the right product in the right place. We're also in dialog with a large number of local authorities on local plans and development rights to be able to further develop our neighborhoods. Rikshem currently has development rights for approximately 10,000 new apartments.

Strengthened segments during the pandemic

After another year of the Covid pandemic, the new digital working methods remain, and we've already been able to confirm that Rikshem has not been adversely affected financially. We adapted quickly right from the start, and we did it well from day one. There has been no increase in rent losses – in fact there is greater interest on the property market in our segments than before. This can be seen in yield requirements too, which fell significantly during the year, both for apartments and properties for public use. In the wake of the pandemic, we expect more flexible ways of working to be here to stay. This may lead to people wanting more neighborhood amenities if they are spending more time at home, which in the long term opens up the possibility of more vibrant, mixed-use neighborhoods. For a period at the start of the year, we saw fewer expressions of interest in empty properties, but the vacancy rate is still on par with previous years. There has been no increase in demand for larger apartments, for example to have space for a home office. Well-designed apartments continue to be most popular, ideally fast broadband enabled. The pandemic continued to present certain challenges for employees and customers in 2021, but I'm proud of how well we've handled this period. I'm particularly proud of our employees who, every day, were out visiting tenants, ensuring that both residential

properties and properties for public use were functioning as they should.

More satisfied customers for properties for public use

We work continuously to improve customer satisfaction and last year made great strides among customers of our properties for public use. This is a result of increased focus on the people running and using the facilities housed in these properties. Closer dialog enables us to better understand what customers want and meet their expectations. For example, the interior of a dementia home in Luleå was painted in colors that research has shown to be beneficial to dementia patients. On the residential side, we've introduced a case management system and are increasing the frequency of customer surveys to pro-



The pandemic presented challenges for employees and customers, but I'm proud of how well we've handled this period.

vide greater customer insight here too, which gives us opportunities to improve. Digitalization also helps us to improve customer satisfaction by enabling us to work more proactively. Work to connect the properties continues, with around half already connected. Many apartments have also had sensors installed, providing continuous technical information about the properties. Among other things, the sensors have already enabled us to detect water damage at an early stage.

Climate-neutral Rikshem

Rikshem's property management shall be climate-neutral by 2030, with all the company's operations following suit by 2045. The road map we adopted in 2021 sets out the route we will take to achieve this. However, based inter alia on the UN Intergovernmental Panel on Climate Change report published at the end of February, there is much to suggest that adaptations will need to be made even more quickly than we are currently planning for. We've long worked to make our portfolio more energy efficient and, during 2021, we implemented a number of energy projects, including in a school in Nacka and at an assisted living facility in Västerås, resulting in energy savings of just over 60 and just over 70 percent respectively. We also increased the share of green financing over the year, which now represents 23 percent of interest-bearing liabilities, more than double what it was at year-end 2020.

Long-term neighborhood development

On the social side, we're aware that many people don't feel safe in their communities today. One of the steps we've taken to increase the feeling of safety in our buildings and neighborhoods is introducing systematic lease checks, with 7,000 leases reviewed over the past year to reduce illegal subletting. The results have been positive, and we plan to review a similar number of leases in 2022. We also conduct safety patrols in our neighborhoods. In Grånby in Uppsala, we've started a major neighborhood development project planned to run over ten years – something I particularly look forward to following.

Total return doubled

Rental income and net operating income both increased in 2021, despite some properties being divested. Income from property management was MSEK 1,526 and profit for the year after tax MSEK 5,931. Property values increased strongly and, including joint ventures, our properties now have a fair value of over SEK 62 billion. The change in value accounts for a large part of the increase but investments in profitable projects contributed too. The equity/assets ratio has been strengthened, the loan-to-value ratio has decreased, and we're posting a total return of 14.2 percent according to MSCI, almost double last year's result.

An uncertain world but a safe Rikshem

I want to thank all Rikshem's employees for a special but successful year, one in which we kept moving forward to develop Rikshem together. I also want to thank our customers, partners and other stakeholders with whom we have the privilege of working. 2022 looks set to be shaped by a large number of uncertainties. One such factor is inflation, now also being pushed up by the sanctions linked to the armed attack on Ukraine. Nobody knows yet exactly how we will be affected. Rikshem's mandate of long-term ownership, management and development of residential properties and properties for public use means that we are a safe and stable company, and we expect to continue to be able to deliver a good long-term return to our owners and, by extension, to Sweden's pensioners. With cool heads and warm hearts, we'll continue on our path.

Anette Frumerie, CEO Rikshem
Stockholm, March 2022

Targets that show the way

Rikshem has five long-term targets that guide the focus of our operations. The long-term targets apply to the period 2017–2022, with work being carried out incrementally to achieve them.

Rikshem's targets

Target area	 Good total return	 Customer satisfaction	 Employee satisfaction	 Climate-neutral operations**	 Safe and attractive neighborhoods
Target	Deliver a total return of minimum 5% in real terms on the property capital in the long term.*	Achieve a score of 62 (index 100) on the Customer Satisfaction Index (CSI) for housing in 2022.	Achieve a score of 82 (index 100) on the Employee Satisfaction Index (ESI) in 2022.	Reduce energy use by 2.5% per year and CO ₂ emissions by 2.0 kg/m ² per year.	Achieve a score of 85 for Perceived safety (index 100) among tenants in 2022.
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	2021 10.3 % 2020 6.7 % 2019 5.5 %	2021 59 2020 59 2019 57	2021 68 2020 71 2019 70	2021 -0.3 % -0.1 kg/m ² per year 2020 -8.0 % -0.7 kg/m ² per year 2019 +0.7 % -1.7 kg/m ² per year	2021 76 2020 77 2019 77

* Real total return is calculated by figures from MSCI.
 ** No date assigned.

Financial key figures

Equity/assets ratio

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

%	2021	2020	2019
Equity/assets ratio	46	41	39
Minimum level according to policy	35	35	30

Loan-to-value ratio

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

%	2021	2020	2019
Loan-to-value ratio	46	51	54
Maximum level according to policy	58	58	70

Net debt/EBITDA*

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

multiple	2021	2020	2019
Net debt/EBITDA	15.9	15.2	18.0
Maximum level according to policy	16.0	16.0	-

Interest-coverage ratio

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

multiple	2021	2020	2019
Interest-coverage ratio	3.6	3.7	3.5
Minimum level according to policy	2.2	2.2	1.75

* New financial target in 2020.

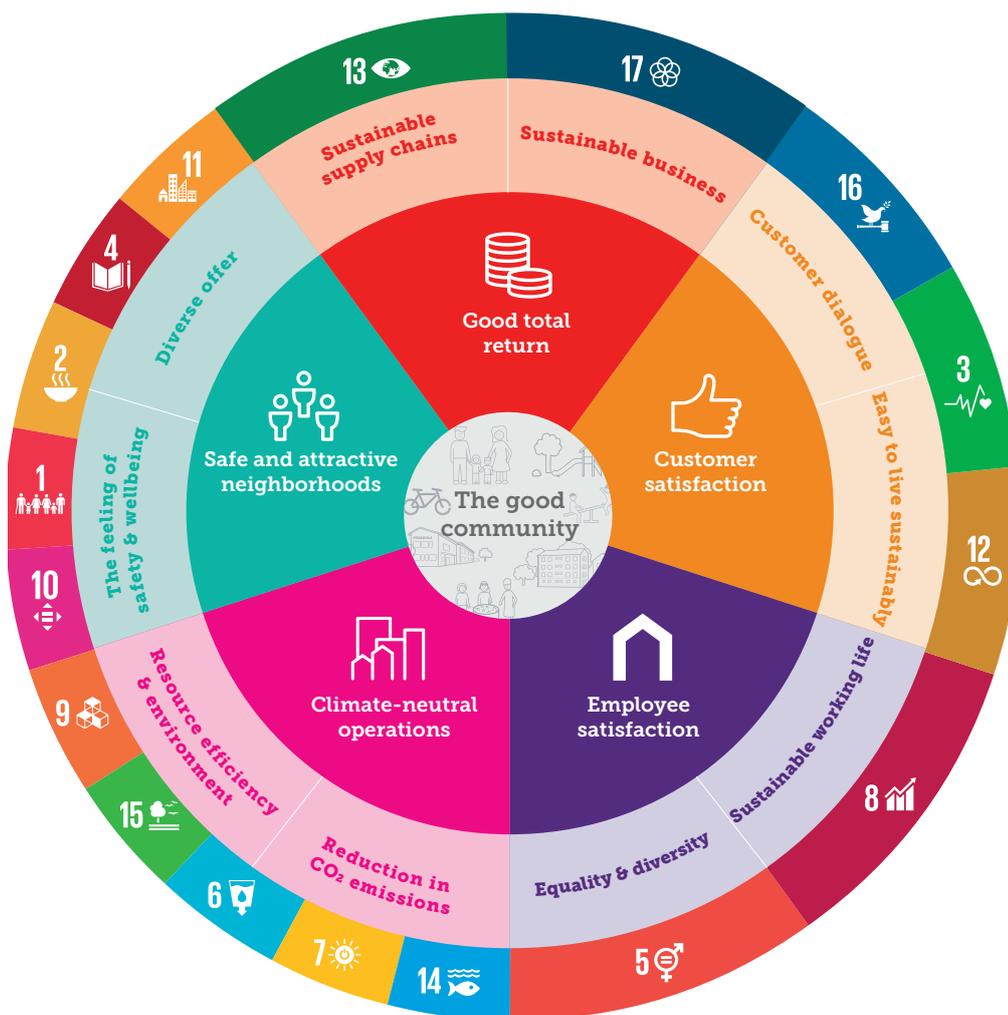
Read more about our KPIs by material issue on page 70.

Strategic sustainability efforts

Sustainability is integrated in Rikshem's business. The sustainability compass shows how Rikshem's material issues emanate from the long-term, overall targets and how these support the UN Sustainable Development Goals. The

sustainability compass shows the way in our work by integrating sustainability in all decision processes relating to development projects and investment decisions. What the various material issues mean in practice, and how we

work on them, is described in the various chapters of the Report. The material issues are followed up by means of KPIs; these can be found on page 70. Read more about Rikshem's materiality analysis on page 68.



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

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.

ASSETS

Financial capital

Stable cash flow from investment properties. Capital market financing via bank loans and bond programs. Strong owners in the Fourth Swedish National Pension Fund and AMF Tjänstepension AB.

Labor & skills

Professional and skilled employees with relevant experience. Working methods and procedures are developed continuously and based on the company's values.

Natural resources

Construction, development and property management use resources such as water, energy, materials and chemicals.

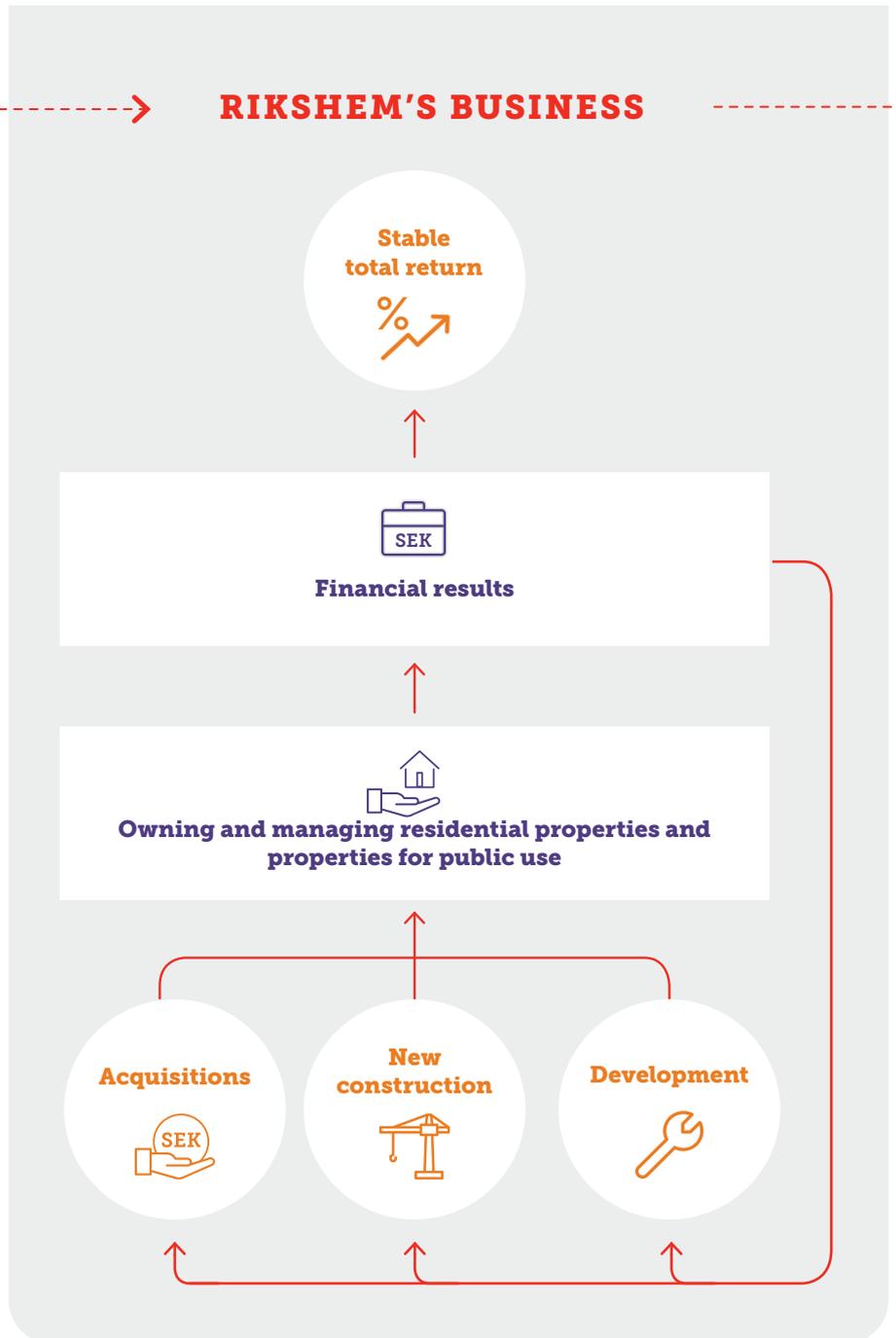
Relationships with customers and partners

Continuous customer dialog picks up customer preferences and wishes, with partners of the right caliber essential to achieving customer satisfaction.

Innovation & development

New technology and digital solutions are used to run and continuously develop the business.

RIKSHEM'S BUSINESS





→ **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, gender-equal and inclusive employment in a positive working environment.

Partners

Business and development opportunities.

→ **IMPACT ON SOCIETY**

Positive

- Increased access to a diverse offer of housing 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.

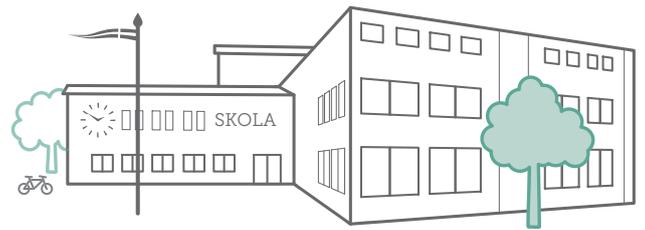


The good community



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.

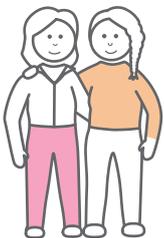


PRESCHOOLS AND SCHOOLS

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 **Läxhjälpen foundation**, Rikshem supports students who need extra help with homework.

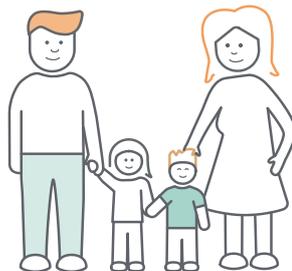
Variation and breadth in the offer are important. Different types of housing and different sizes of apartments are needed within the same neighborhood, to enable people to move within their local area as their circumstances change. Rikshem manages and looks after both buildings and people.

With approximately 30,000 apartments, Rikshem plays an important part 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.

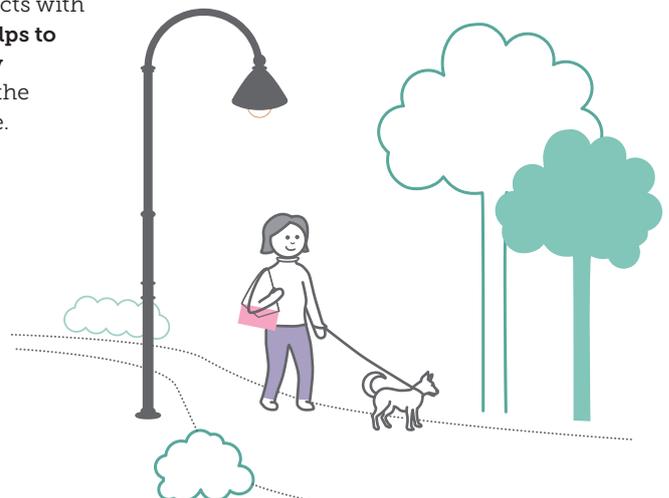


Through social-housing contracts with the municipalities, **Rikshem helps to give people who have difficulty accessing the housing market** the chance to have their own home.

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

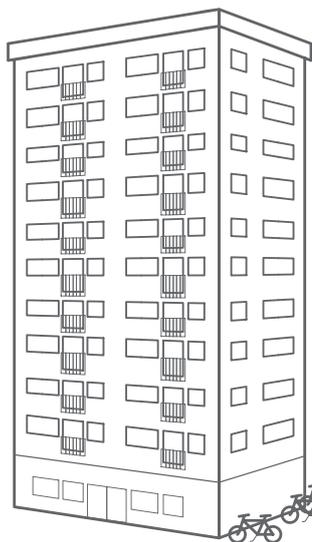


By offering **apartments and living environments on a long-term basis** for households in **different economic and social circumstances**, Rikshem contributes to positive community development.





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.

SPECIAL NEEDS ACCOMMODATION

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



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.



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.**



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.

Making our operations climate-neutral

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 over the last year. Three important milestones in 2021 were producing a climate roadmap, joining the Science Based Targets initiative and signing up to LFM30, a local initiative in Malmö.

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 target ambitions, a climate roadmap was drawn up in 2021. The roadmap is based on climate mapping of the entire value chain carried out during the year.

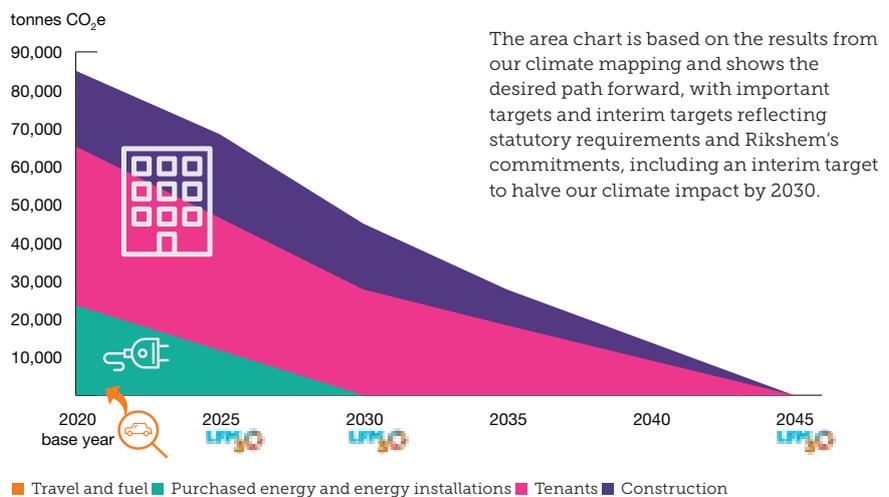
Climate roadmap in two parts

The roadmap is in two parts: an area chart and a matrix, to visualize the rapid development needs we are facing and what we have to work on.

The area chart shows the rate at which we need to reduce our climate emissions, which determines our targets and interim targets, as well as where in our value chain the emissions occur. The emissions are divided into three scopes and include both our direct and indirect climate impact. Our previously adopted climate target for climate-neutral property management by 2030 remains in place. We have also added targets 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. Through our participation in LFM30 (see next page), we plan to increase the rate at which emissions from construction are reduced.

IVL Swedish Environmental Institute has helped us to calculate scenario developments that incorporate Rikshem's own needs to reduce climate emissions but also include reduced emissions from other participants, society and the sector in areas such as heating, electricity, construction and mobility. In the matrix we have divided our climate emissions into different emission areas and linked them to where in our operations the emissions arise. During 2022, Rikshem will refine the details for each square of the matrix in order to guide annual action plans that will lead us toward the climate targets.

Rikshem's climate roadmap



	Travel and fuel	Purchased energy and own energy installations	Tenants	Construction
Own operations	Business travel Flights Private car for business use	Office energy consumption • Heating • Electricity use		
Property management	Maintenance vehicles Fuel for machinery	Operating energy • Heating • Air conditioning • Property electricity Self-generated solar power	Apartments • Household electricity • Residual waste • Driving Properties for public use • Energy use • Driving	Maintenance Renovation • Material choices • Construction waste • Transport • Construction energy
Projects and RM&U renovations*		Decisions for operating energy • Heating • Air conditioning • Property electricity • Self-generated renewable electricity (solar power)	Decisions for the operational stage, apartments • Household electricity • Residual waste • Driving Decisions for the operational stage, properties for public use • Energy use • Driving	New construction and RM&U renovations • Material choices • Construction waste • Transport • Construction energy

* RM&U – Renovation, modernization and uprating



Scope 1

Direct impact from own operations, fuels and travel



Scope 2

Indirect impact from energy purchased for own operations



Scope 3

Indirect impact that arises before and after our operations

Climate mapping of the value chain

Rikshem's climate roadmap is based on climate mapping of operations carried out in 2021. 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 the baseline year 2020 and calculations in accordance with the GHG Protocol.* The figures refer to Rikshem's total portfolio. A clear overview of the climate impact from differ-

ent parts of the value chain provides a good basis for working systematically on halving the impact by 2030 and achieving climate-neutral operations by 2045.

Rough estimate of Rikshem's climate impact, base year 2020 (tonnes CO₂e/year)



Climate emissions for 2021 are reported on page 70.

* The emissions figures are calculated using the place-based method. The Nordic electricity mix from 2018 is used for electricity and emission factors are taken from SMED 2021. Emission factors for district heating have been sourced from the respective supplier and are calculated based on the previous year's emission factors for district heating, as the emission factors for the current year are obtained from the suppliers no earlier than the second quarter of each year. The emission factor for oil has been sourced from the 'Environmental fact book' from 2011 and that for transport from the Swedish Energy Agency. Emission factors for Scope 3 have been obtained from the Swedish waste management association, the Swedish Energy Agency and a number of significant market participants.

RM&U – Renovation, modernization and uprating

The Science Based Targets initiative

Rikshem applied to join the Science Based Targets initiative in 2021, and the application was approved in February 2022. For Rikshem, this means a target of net zero emissions from operations by 2045 in order to achieve the climate targets of the Paris Agreement.



The Science Based Targets initiative (SBTI) is a partnership between CDP, the UN Global Compact, World Resources Institute and WWF. The initiative is intended to help companies to set scientifically based climate targets in line with the Paris Agreement.

Local Roadmap Malmö (LFM30)

During the year, Rikshem affiliated its operations in Malmö and Helsingborg to LFM30, a local initiative with around 200 participants. All members undertake to implement LFM30's roadmap and targets for a climate-neutral building and construction sector, with the goal of moving toward climate-neutral operations by 2030. Rikshem's initiatives must be in line with LFM30, which is a pioneer in the field of climate work. Among other things, membership of LFM30

requires us to start a climate-neutral construction project before 2025. We must also continue using timber frames in new construction projects where possible and reduce the climate impact when we need to build with concrete frames. The climate impact from management of our existing portfolio and our renovation activities is also included in the development within LFM30. The learnings from this will serve as guidance for initiatives in other places.



Appetite to buy

The property sector offers a safe investment alternative in uncertain times. In 2021 the property sector experienced increased interest from investors and consolidation.

There were many transactions on the property market during the year. There was also some consolidation in the sector, including Castellum's acquisition of Kungsleden and Heimstaden's purchase of Akelius's Swedish, Danish and German portfolios. One effect of this is that there are now fewer participants in the market, but they are bigger. Many other sectors were viewed as significantly riskier, which made the safer property market an even more attractive proposition. 2021 turned out to be a record year with the highest-ever transaction volume. The total transaction volume for direct property transactions in Sweden was SEK 350 billion (162). MSCI calculated the total return for the Swedish

Property Index at 13.4 percent. The average change in value was 9.6 percent and the property yield 3.5 percent.

Continuing housing shortage

The Swedish National Board of Housing, Building and Planning estimates that around 60,000 new homes are needed per year until 2030. Other experts consider the general housing shortage may be over within a few years. The need for new homes is unevenly distributed across Sweden, with almost three-quarters of the requirement in the three metropolitan areas, while that in certain other locations is expected to fall as a result of a decrease in population. But even if the need for apartments falls in these

locations, there may be a need for other types of housing, for example nursing homes. Building increased by 15 percent in 2021. Work started on 60,000 new apartments, including a net increase as a result of redevelopments. Most of the new construction was in Greater Stockholm and among larger municipalities. The number of small houses under construction increased by 25 percent and the number of condominiums by 15 percent. The number of rental apartments under construction in apartment buildings increased by ten percent, representing almost half of all new construction projects, according to the Swedish National Board of Housing, Building and Planning.



Rikshem on the property market

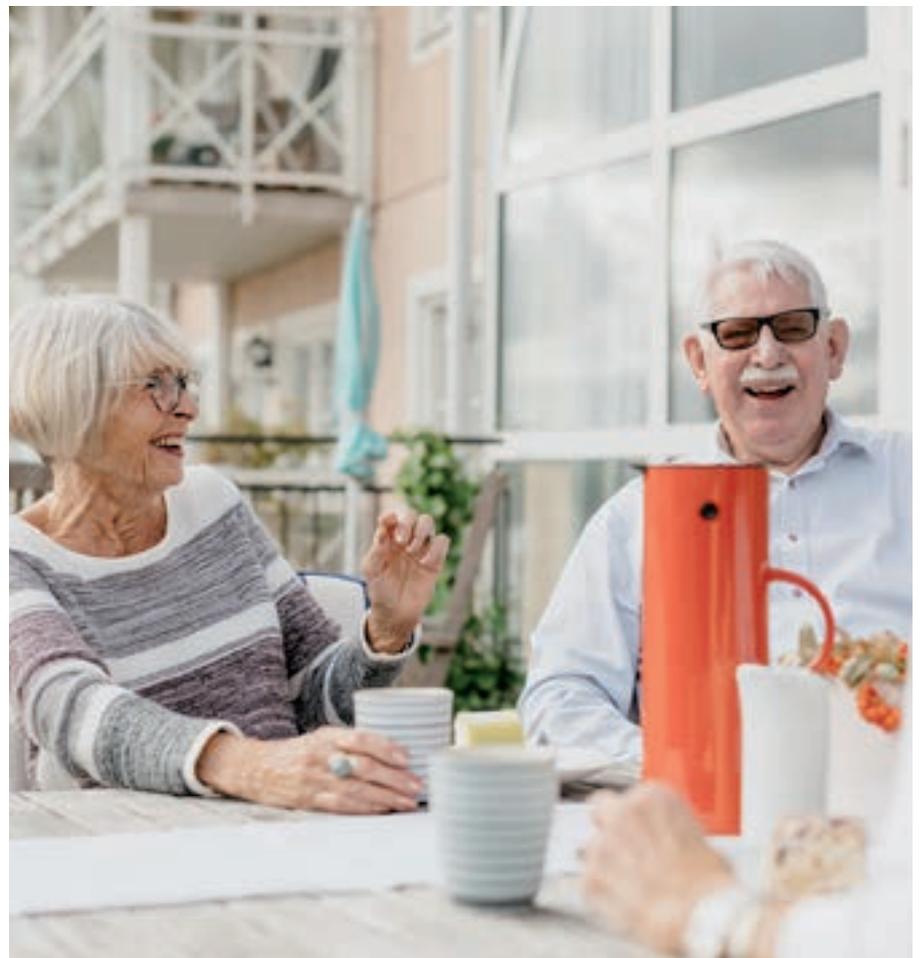
In 2021 we continued working in accordance with our investment strategy – to develop the existing portfolio and increase portfolio efficiency as a result. The company's focus on rental apartments and fit-for-purpose properties for public use means that we remain well equipped for the future. This prioritization is wholly 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, with interest increasing recently because of the lack of safe investment alternatives. Rikshem also has good access to low-cost financing, partly thanks to strong ownership.

Still a need for rental apartments

The market conditions for rental housing in growth areas are still generally considered to be good. 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. A number of planned condominium projects were switched to rental apartments during the year. When the investment support is withdrawn in 2022, construction of rental apartments will probably decrease. Housing rents in Sweden are regulated, and are determined based on the utility value system after negotiation with the tenants' association. The average change in rent for apartments in 2021 was an increase of 1.4 percent, which was lower than 2020 (1.9 percent).

Continued interest in properties for public use

Demand for properties for public use remains high in view of the need for investments in nursing homes, care facilities and other properties used for public services. However, public resources are limited, opening up opportunities for private-sector operators still more. Demand continues to rise, linked to an aging population. The rental market for properties for public use as a whole 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.



Business intelligence and global megatrends

CLIMATE CHANGE



Climate change means that both individuals and organizations need to switch to more sustainable alternatives. The financial sector and the EU are setting increasingly stringent requirements for companies to report how business development and investments lead to increased sustainability. The EU taxonomy, the aim of which is to help investors compare environmentally sustainable economic activities, was introduced in 2021.

Rikshem joined two important initiatives during the year: the Science Based Targets initiative and 'Local Roadmap Malmö'. Rikshem has also drawn up a plan for being climate-neutral 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 adaptations in light of climate change. We also invest in energy efficiency and new construction projects with low climate impact. Investors can contribute to this sustainable development by investing in our green bonds. In total, Rikshem has outstanding green bonds worth SEK 5.1 billion, SEK 2.5 billion of which were issued during 2021.

URBANIZATION



Sweden is one of the world's most urbanized countries. The population of rural areas has been largely stable in recent years, at the same time as ever more people are choosing to move to towns. However, the Covid pandemic has triggered discussion of a possible impact on this trend, with many people working at home and not having the same need to commute to work in towns.

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.

We put three questions to Rikard Silverfur, Head of Development and Sustainability at Fastighetsägarna, the Swedish property owners' association.

What challenges do you see for the sector within sustainability?

One challenge is influencing the new laws and regulations, both in Sweden and the EU, so that they are fit for purpose. For example, there is no longer any doubt that existing buildings will become subject to mandatory energy performance regulations.

How far has the property sector come within sustainability compared with other sectors?

I would say the sector is a long way out in front. If we look at green financing, we're the leading sector when it comes to issuing green bonds. Phasing out oil- and coal-fired boilers is something we should be proud of too. However, we're dependent on other sectors doing their bit, for example the energy sector must become 100 percent fossil-free and construction materials need to be produced more sustainably. That's not to say there isn't more we can do ourselves.

Which are the most important sustainability issues for the property sector to focus on going forward?

Construction and property management generate a lot of waste and, unfortunately, the waste isn't always sorted and reused as it should be. The property sector should also look at its role in the link between waste management and energy production, and work on both higher recycling rates and tougher criteria for energy providers. We also see great potential in increasing resource efficiency in the existing building stock. Around 80 percent of the buildings that will exist in 2050 are already built, so we need to focus on how we can use them more efficiently. Finally, the sector needs to develop a common approach to social sustainability.



DEMOGRAPHIC CHANGES



The working-age percentage is falling, while the total population is growing and aging. The number of 80-year-olds is forecast to rise by 50 percent in less than ten years. The demographic development is driving the need both for new forms of housing and infrastructure solutions and for new-build properties for public use.

An aging population combined with an increased number of children of both preschool and school age means that Rikshem considers the market for properties for public use to be heading upward. Rikshem is responding to this by increasing the supply of rental apartments and fit-for-purpose properties for public use.

We put three questions to Ulrika Lindmark, Head of Valuation & Strategic Analysis, Newsec Advisory.

What do you think defined the Swedish property market in 2021?

I would say the strong yield compression we've seen in effectively every segment. It's rare to see yields drop by as much in a single year as we saw in 2021, with the yield for logistics properties, for example, falling by as much as 100 points in some areas. Even within the residential properties and properties for public use segments, we've seen big falls of 30 to 50 points for certain locations.

2021 saw record transactions on the property market. What would you say about that?

The transaction volume was almost twice the level in 2019, the previous record year. On the one hand we've seen 25 mergers and acquisitions, accounting for a full 40 percent of the transaction volume, and on the other hand there was a record total number of transactions, at around 800. The market is being driven both by major acquisitions and a large number of smaller transactions. There is still a huge amount of capital seeking returns, few investment alternatives, persistently low interest rates, and a stable outlook for the property market as a whole, with allocations in this direction continuing to increase. That's why I think the enormous pressure on the property market will continue in the coming years.

How will consolidation affect the property sector going forward?

Big property companies will get bigger, as consolidation facilitates more favorable financing options. However, I don't think there will be fewer property companies overall, as the property market is growing and new companies are starting up.



DIGITALIZATION



Technical developments are overturning existing business models and changing working methods at all levels in society. Technologies such as artificial intelligence both streamline internal processes and revolutionize customer utility. Sweden is ranked the third most digitalized country in the EU according to the Digital Economy and Society Index (DESI 2021). When it comes to IT security, Sweden is no. 12 of 160 countries on the National Cyber Security Index (NCSI, February 2022).

Rikshem's work on digitalization progressed during the year. Connecting the portfolio allows us to automate control and monitoring of the properties and their energy systems to a greater degree. This allows more proactive property management, which is positive for us and our customers. Digitalization leads to more efficient use of resources and, subsequently, reduced climate impact, and therefore facilitates climate change mitigation. In pace with the increase in automation and connection of our properties, which allows our customers a free choice of service providers, we are also stepping up our work on data management. All technology that involves more metering and information also requires the data to be processed and managed, and this is an area where Rikshem strengthened its expertise in 2021. Systematic work on IT security is ongoing and tailored to the technical developments we implement.

Local challenges: segregation and feeling less safe

As well as the global megatrends, there are several challenges and currents in the local community that influence Rikshem's operations in various ways.

One topical example is segregation in the community and feeling less safe. Segregation can have a negative impact on the sense of community, the feeling of safety and trust, and lead to neighborhoods and people being stigmatized. 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.



Continued focus on the existing 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.



Properties and neighborhoods to grow in

The fair value of Rikshem’s property portfolio at year-end was MSEK 58,780 (excl. joint ventures). Rikshem wants to grow responsibly and expand sustainably, which is why in 2021 we stuck to our investment strategy and continued to focus on developing our existing neighborhoods. This was a conscious decision rather than following the transaction-heavy trend on the property market, where many participants were increasing their portfolios by means of acquisitions.

To ensure stable long-term returns, Rikshem’s portfolio contains both residential properties and properties for public use. This split enables Rikshem to develop both the societal functions and the type of housing needed in a neighborhood to help residents feel safer there and improve their well-being.

Rikshem's largest 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: 6,766
Share of properties for public use: 36%
Total area: 445,608 sqm

Uppsala* accounts for the lion's share of Rikshem's 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 the suburbs. More than 1,500 of Rikshem's apartments are in the Gränby neighborhood, an area that Rikshem is working hard to develop. Uppsala is also home to one of Scandinavia's largest nursing homes (read more on p. 31) and a large number of student apartments, 230 of which were completed in 2021.

* Incl. Knivsta.



GREATER STOCKHOLM

Number of apartments: 4,281
Share of properties for public use: 47%
Total area: 445,257 sqm

Rikshem's portfolio is scattered across the Stockholm area*, from the southern municipality of Södertälje to Sigtuna in the north. Almost half of the portfolio here comprises properties for public use, mostly in the southern districts and particularly in Nacka. The residential properties offer a large number of apartments, but we are endeavoring to build more in the Stockholm area. Around 130 new apartments are being built in Södertälje, with work to renovate and uprate older properties under way in several places.



HELINGSBORG

Number of apartments: 3,512
Share of properties for public use: 1%
Total area: 253,270 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.

* Solna, Upplands Väsby, Sigtuna, Märsta, Nacka, Huddinge and Södertälje

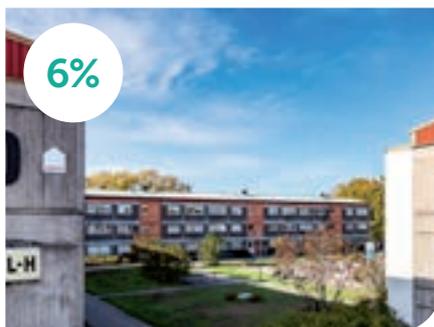


NORRKÖPING

Number of apartments: 3,425
Share of properties for public use: 14%
Total area: 240,047 sqm

Rikshem's properties in Norrköping* are mostly residential but there are also properties for public use. The properties are located both centrally and in the suburbs. Rikshem has built extensively in the last few years, with a further 200 new apartments added in 2021. We continue to grow in Norrköping, with around 140 new apartments ready by 2023.

* Incl. Jönköping, Nyköping and Linköping.



KALMAR

Number of apartments: 1,576
Share of properties for public use: 46%
Total area: 154,758 sqm

Rikshem has had residential properties and properties for public use in Kalmar since 2012. Kalmar continues to grow, and residential construction has been high in recent years. Rikshem has built almost 500 new apartments over the last five years. We are currently planning renovations in two older neighborhoods.



VÄSTERÅS

Number of apartments: 1,807
Share of properties for public use: 21%
Total area: 132,171 sqm

Rikshem is one of the largest property owners in Västerås, with a portfolio of both older and new properties. There is a big need for more apartments in Västerås, and Rikshem is building 252 in the Eriksborg district that will be ready for tenants to move into in 2023. Further new construction projects and redevelopments are also planned.



HALMSTAD

Number of apartments: 1,022
Share of properties for public use: 70%
Total area: 86,881 sqm

Rikshem has a high share of properties for public use in Halmstad*, and there is a need for additional nursing homes, among other things. There is also a significant need for more homes, and Rikshem completed 87 new apartments in the city in 2021. A further three new construction projects are ongoing, which will result in more than 300 apartments in 2022/2023.

* Incl. Ale.



LULEÅ

Number of apartments: 1,904
Share of properties for public use: 18%
Total area: 160,553 sqm

Since 2015, Rikshem has had a mixture of residential properties, properties for public use, student apartments and also a few commercial properties in Luleå. We are modernizing the existing portfolio and building new properties, for example a convenience store was built in 2021. One area under development is Kronan, where Rikshem is working with other participants to develop a new and sustainable district.



UMEÅ

Number of apartments: 1,630
Share of properties for public use: 6%
Total area: 115,671 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. A total of 97 new apartments were completed in 2021, and construction started on a further 103. Commercial premises are also being redeveloped to provide 30 new apartments.

ÖSTERSUND

Number of apartments: 1,877
Share of properties for public use: 0%
Total area: 136,391 sqm

Share of the portfolio: **4%**

MALMÖ

Number of apartments: 714
Share of properties for public use: 18%
Total area: 45,681 sqm

Share of the portfolio: **3%**

The portfolio in figures

Rikshem's total fair value at year-end was MSEK 62,112 incl. joint ventures and MSEK 58,780 excl. joint ventures. Figures reported below are for the portfolio excl. joint ventures. The fair value of the portfolio increased by MSEK 7,030 in 2021, mainly as a result of changes in value. The portfolio comprises 514 properties with a total lettable area of approximately 2,216,000 sqm. During the year, Rikshem divested 31 properties and acquired five.

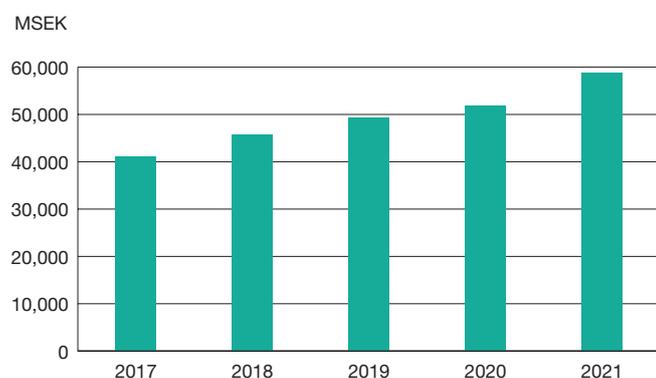
Rikshem's property portfolio

	2021	2020
Fair value, MSEK	58,780	51,750
Number of properties	514	540
Number of apartments	28,514	28,730
Lettable area, 1,000 sqm	2,216	2,232
Rental income, MSEK	3,062	3,032
Property expenses, MSEK	-1,294	-1,272
Net operating income, MSEK	1,768	1,760
Property yield, %	3.2	3.5
Total return, % excl. JV	13.9	7.2
Economic occupancy rate, %	95.8	96.4

Change in the property portfolio

MSEK	2021	2020
Fair value at January 1	51,750	49,307
Investments	1,851	1,592
Acquisitions	532	285
Divestments	-862	-1,259
Change in value	5,509	1,825
Fair value at December 31	58,780	51,750

Fair value of the properties

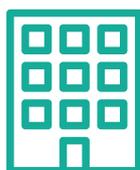


Acquisitions 2021

Municipality	Property	sqm	Property type
Luleå	Kalkällan 9	Parking lot	Parking lot
Norrköping	Bergskvadraten 1	10,699	Property for public use
Västerås	Dingtuna Kyrkby 1:16	Development rights	Development rights
Västerås	Dingtuna Kyrkby 1:15	Development rights	Development rights
Västerås	Dingtuna Kyrkby 1:19	Development rights	Development rights

Divestments 2021

Municipality	Property	sqm	Property type
Halmstad	Eketånga 6:658	2,536	Property for public use
Halmstad	Åsen 15	3,719	Property for public use
Halmstad	Getinge 5:26	2,347	Property for public use
Halmstad	Eldsberga 6:13	1,981	Property for public use
Helsingborg	Fjärilen 12	948	Apartments
Helsingborg	Fjärilen 13	907	Apartments
Helsingborg	Fjärilen 14	1,315	Apartments
Helsingborg	Fjärilen 19	768	Apartments
Helsingborg	Fjärilen 9	584	Apartments
Helsingborg	Fjärilen 16	980	Apartments
Helsingborg	Fjärilen 17	700	Apartments
Helsingborg	Myran 8	1,550	Apartments
Helsingborg	Spindeln 5, 6	2,340	Apartments
Kalmar	Puman 1	4,290	Property for public use
Luleå	Part of Kronan 1:221	1,103	Property for public use
Nacka	Part of Orminge 46:1	Development rights	Property for public use
Västerås	Hässlö 5:6	3,392	Property for public use
Västerås	Vaktchefen 2	1,296	Property for public use
Västerås	Barkaröby 15:298	570	Property for public use
Västerås	Enkelstugan 25	575	Property for public use
Västerås	Skogsduvan 3	2,613	Property for public use
Västerås	Härjedalen 3	760	Property for public use
Västerås	Sveten 1	496	Property for public use
Västerås	Nadden 1	496	Property for public use
Västerås	Nybygget 8	496	Property for public use
Västerås	Rimfrosten 1	589	Property for public use
Västerås	Hubbo-Kvistberga 1:23	646	Property for public use
Västerås	Hubbo-Sörby 15:9	613	Property for public use
Västerås	Adrian 11	403	Property for public use
Västerås	Krutbacken 1	517	Property for public use
Västerås	Ollonborren 32	504	Property for public use



Net operating
income, MSEK

2021 2020
1,768 1,760



Change in value
of the portfolio

2021 2020
↑ 10.6% ↑ 3.7%



Rental income,
MSEK

2021 2020
3,062 3,032

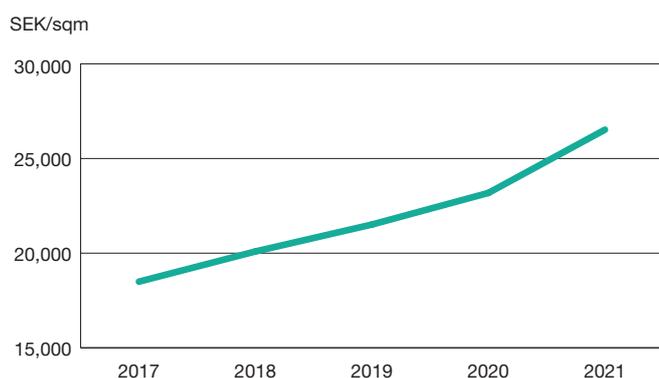
The 10 highest-value properties

Property	Municipality	Type of property	Area, sqm	Value, MSEK	Share of total value, %
Kvarngärdet 4:3	Uppsala	Apartments	44,977	2,083,700	4
Gränby 8:1, 8:3	Uppsala	Apartments	47,967	1,347,320	2
Gränby 6:1, 6:3	Uppsala	Apartments	48,033	1,324,500	2
Kristallen 12	Luleå	Apartments	43,213	834,600	1
Svartbäcken 36:45, prev. 36:49	Uppsala	Property for public use	24,759	827,400	1
Repet 4	Södertälje	Apartments	29,629	803,700	1
Spärren 2	Norrköping	Apartments	44,343	802,800	1
Huslyckan 6, Köpingelyckan 5, 6, Skepparlyckan 3, Herden 16	Helsingborg	Apartments	36,038	774,500	1
Kvarngärdet 55:1	Uppsala	Apartments	2,479	652,500	1
Eriksberg 17:1	Uppsala	Apartments	6,845	641,300	1
Total			328,283	10,092,320	17

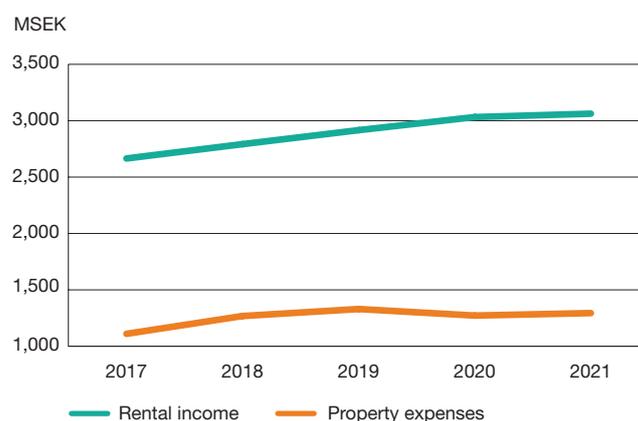
Segment reporting 2021

Amount (MSEK)	Residential properties		Properties for public use		Total	
	2021	2020	2021	2020	2021	2020
Rental income	2,148	2,121	914	911	3,062	3,032
Property expenses	-982	-982	-311	-290	-1,293	-1,272
Net operating income	1,166	1,139	602	621	1,768	1,760
Change in value of properties	3,890	1,325	1,619	500	5,509	1,825
Total return	5,056	2,464	2,222	1,121	7,278	3,585
Total return excl. joint ventures, %	13.7	7.1	14.3	7.5	13.9	7.2
Fair value of properties	41,591	36,243	17,189	15,507	58,780	51,750
Percentage share	71	70	29	30	100	100
Area, 1,000 sqm	1,608	1,611	608	622	2,216	2,233
Fair value, SEK/sqm	25,863	22,501	28,265	24,942	54,128	23,181
Investments	1,661	1,246	190	346	1,851	1,592

Fair value



Rental income and property expenses



Accommodation for the Armed Forces

Sweden's rearmament has led to increased demand for housing for military personnel. For the Armed Forces Staff College in Halmstad, Rikshem is part of the solution.

In November 2021, it was time for both ribbon-cutting and groundbreaking ceremonies at Kadettbyn, which surrounds Halmstad's flotilla area, home to the Staff College. Rikshem owns the property and has signed a contract that grants the Swedish Fortifications Agency access to all the apartments in Kadettbyn. The Agency in turn rents them to the Swedish Armed Forces, to provide accommodation for those studying at the Staff Colleges.

"Kadettbyn will eventually offer 402 apartments. The Fortifications Agency initially had 265 apartments at its disposal. Thanks to the agreement, this was increased by 87 new-build apartments, which were officially opened in November 2021, at the same time as a ground-

breaking ceremony was held for the final phase, which involves building an additional 50 apartments and a communal building," says Håkan Carlsson, property manager at Rikshem.

Use of the apartments is of great value to the Armed Forces, as the accommodation addresses a long-term need.

"The residents are mostly permanent employees of the Armed Forces on courses of varying lengths in Halmstad. The apartments are a prerequisite for the Armed Forces being able to hold its training courses in Halmstad," says Jan-Erik Bergendahl, real estate manager at the Fortifications Agency.

Kadettbyn will mean a boost for the Staff Colleges, in that students can live and meet nearby. The communal build-

” Use of the apartments is of great value to the Armed Forces.

ing is somewhere they can socialize in their free time and swap experiences about their courses.

"The arrangement whereby we at the Fortifications Agency have our own staff assigned to Kadettbyn also simplifies our operations and management. It feels good to be able to offer this solution to the Armed Forces, which are arming at pace and need accommodation solutions," says Jan-Erik Bergendahl.



402

eventual number of apartments in Kadettbyn

"The increase in apartments in Kadettbyn is important, because access to accommodation is a prerequisite for being able to hold all the training courses."



Official opening and groundbreaking ceremony

In November 2021, 87 new-build apartments were officially opened, at the same time as a groundbreaking ceremony was held for a further 50 apartments in Kadettbyn.

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 portfolio includes rental apartments, student accommodation, youth apartments, senior and sheltered accommodation. The tenant turnover rate for residential properties is around 25 percent.

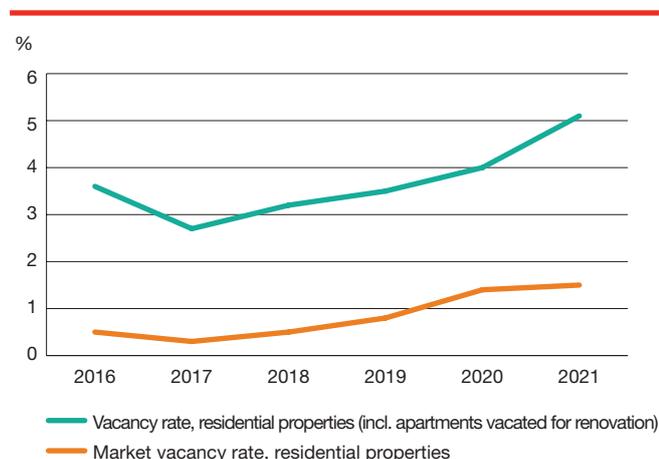
Portfolio of residential properties

	2021	2020
Rental income	2,148	2,121
Property expenses	-982	-982
Net operating income	1,166	1,139
Change in value of properties	3,890	1,325
Total return	5,056	2,464
Property yield, %	3.0	3.2
Total return excl. JV, %	13.7	7.1
Fair value of properties	41,591	36,243
Number of properties	333	341
Number of apartments	23,711	23,661
Share, %	71	70
Area, 1,000 sqm	1,608	1,611
Fair value, SEK/sqm	25,863	22,501
Investments	1,661	1,246

Residential properties by area

Municipality or location	Number of properties	Area, apartments, 1,000 sqm	Area, other, 1,000 sqm	Rental value, MSEK	Share of fair value, %
Uppsala/Knivsta	46	272	22	462	23
Greater Stockholm	33	229	14	329	15
Helsingborg	91	227	25	313	15
Norrköping, incl. Nyköping	38	202	15	256	12
Västerås	16	74	27	148	7
Umeå	42	102	6	142	7
Östersund	29	126	10	155	6
Luleå	5	106	8	131	5
Kalmar	18	84	8	108	4
Malmö	12	28	11	62	4
Halmstad/Ale	3	0	12	22	2
Total	333	1,450	157	2,127	100

Vacancy rate (units)



Key figures by use of area

	Rental apartment	Student apartment	Commercial	Other	Total
Area, 1,000 sqm	1,402	49	13	145	1,608
Number	21,797	1,914	241	12,757	36,709
Rental value, MSEK	2,012	115	49	201	2,376

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 being leased by the public sector.

Portfolio of properties for public use

	2021	2020
Rental income	914	911
Property expenses	-311	-290
Net operating income	602	621
Change in value of properties	1,619	500
Total return	2,222	1,121
Property yield, %	3.7	4.1
Total return excl. JV, %	14.3	7.5
Fair value of properties	17,189	15,507
Number of properties	181	199
Number of apartments	4,803	5,069
Share, %	29	30
Area, 1,000 sqm	608	622
Fair value, SEK/sqm	28,265	24,942
Investments	190	346
Average remaining lease period, years	8.3	8.8

10 largest tenants of properties for public use

Tenant	Type of tenant	Leased area, 1,000 sqm	Rental value, %
1 Uppsala municipality	local authority	107	6
2 Nacka municipality	local authority	72	4
3 Sigtuna municipality	local authority	61	3
4 Kalmar municipality	local authority	51	3
5 Halmstad municipality	local authority	42	2
6 City of Västerås	local authority	34	2
7 Luleå municipality	local authority	40	2
8 Telge Fastigheter	municipally owned company	38	2
9 Ale municipality	local authority	18	1
10 Attendo Sverige	care provider	16	1
Total		479	25

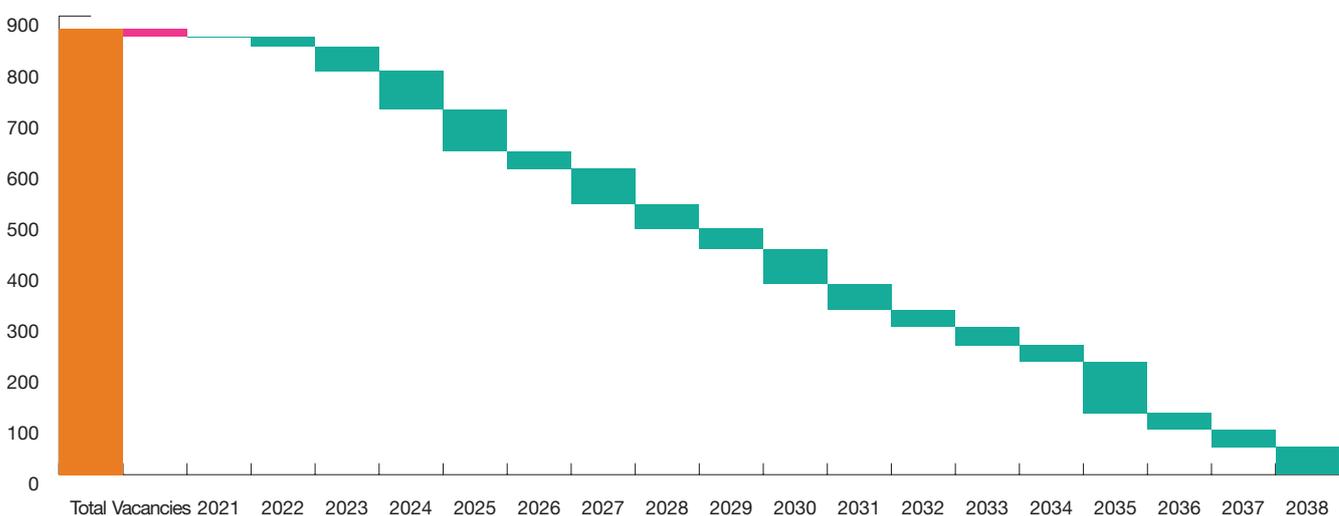
Key figures by use of area

	Nursing homes	Schools	Other	Total
Area, 1,000 sqm	457	116	36	608
Rental value, MSEK	635.4	177.3	101.1	914

Portfolio of properties for public use by area

Municipality or location	Number of properties	Area, nursing homes, 1,000 sqm	Area, schools, 1,000 sqm	Area, other, 1,000 sqm	Rental value, MSEK	Share of fair value, %
Greater Stockholm	64	96	106	0	296	33
Uppsala/Knivsta	61	96		56	262	31
Halmstad/Ale	16	67		8	117	11
Kalmar	10	51	6	6	83	9
Norrköping, incl. Linköping, Jönköping	5	10		13	42	5
Västerås	9	25	4	1	45	5
Luleå	7	32		15	41	3
Malmö	6	7		0	16	2
Umeå	2	3	4	0	10	1
Helsingborg	1	1		0	2	0
Total	181	389	120	99	914	100

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



A sustainable home from home

Safety and well-being take center stage at one of Scandinavia’s largest nursing homes. Cozy furnishings, a glazed-in roof terrace, spa, sports bar and an attractive inner courtyard are all elements that enhance the living environment.

Kapellgärdet Vård Södra and Vård Norra nursing home in Uppsala was completed in 2021. The facility comprises two linked buildings. Rikshem bought the turnkey buildings in what is known as a forward funding project, involving Rikshem, FFAB and Veidekke. Rikshem’s tenant is the care provider Attendo.

“Vård Södra has 102 apartments and Vård Norra 99. We at Attendo were involved in the building process, which is always an advantage. It’s important that people with experience of the facility the premises will be used for have input and can adapt the

building to what the staff and users need. It’s worked well, and now we’re having fun developing the facility,” says Sara Jansson, Head of Operations at Attendo.

“The big advantage with the accommodation is that it has been tailored to the demands of the older generation of today. We’ve focused on making the nursing home homely, with lots of social areas,” says Sven Eriksson, real estate manager at Rikshem. Each

floor is a ‘home from home’ with small dining rooms and TV rooms, and a dedicated chef prepares all the residents’

food. Trained care staff are always on hand to give residents the care and supervision they need. The icing on the cake is the glazed-in roof terrace, where residents can look out over Uppsala’s city center. The top floor also houses a spa facility with sauna.

“If residents want to cheer on their favorite football team or follow Sweden’s medal-winning performances at the Olympics, they can do that together in the sports bar. The attractive inner courtyard boasts a fountain, raised beds and a winding path. And the building has silver certification from the Swedish Green Building Council, with sustainable modern technical solutions in place,” finishes Sven Eriksson.



I think the big advantage is that the facility has been tailored to the demands of the older generation of today.



201

apartments in Vård Södra and Vård Norra nursing home.

“The icing on the cake is the glazed-in roof terrace, where residents can look out over Uppsala’s city center.”



Certified and ready

The nursing home has silver certification from the Swedish Green Building Council. Read more on page 43.

Property management that makes a difference

Rikshem's management of residential properties and properties for public use plays a key role in the aspiration for a better society. The 2021 financial year brought strategic safety initiatives, new forms of rentals and customer dialog, as well as a continued focus on attractive outdoor environments.



2021 Customer
Satisfaction Index

59

for residential
tenants

15,000

apartments have
been connected to
Open network

2021 Customer
Satisfaction Index

55

for properties for
public use

Attractiveness Index
in our neighborhoods

78

Climate and well-being in focus

With a portfolio worth almost SEK 60 billion, property management is a major part of Rikshem's business. Rikshem's property management shall be climate-neutral by 2030. A number of energy-efficiency projects are under way and the portfolio is also being connected for for more efficient operation, improved customer solutions and more sustainable property management. With a large number of older properties in the portfolio, ongoing maintenance is also an important part of the day-to-day activities to ensure properties that are sustainable in the long term and where customers are happy.



76
 (index 100)
 score for perceived
 safety in Rikshem's
 neighborhoods

Safe and attractive neighborhoods

Refurbished playgrounds and outdoor environments, increased customer dialog, systematic lease checks and expanded resources for safety work – just some of the initiatives within the property management organization in 2021.

More than half of Rikshem's apartments are in neighborhoods built in the 1960s and -70s. By looking after and developing these areas, we – as the property owner – can make a difference to people's safety and well-being.

Inviting outdoor environments

Around 30 outdoor environment projects were carried out during the year, such as adding, replacing and refurbishing playgrounds, furniture and lighting. Many of the projects were carried out in dialog with tenants, giving them chance to provide input.

Over the year a total of 34 safety and well-being patrols were also conducted with tenants and other participants. These involve discussing together which places feel safe and which need some work, culminating in an action plan. Safety patrols are to be conducted in all large neighborhoods at least once a year.

Expanded customer contact

Being a customer of Rikshem must be straightforward. A new case management system was implemented during the year. The customer communication function has been developed to include

more information and closer dialog with customers. Another customer dialog tool is Boskolan (2,258 views in 2021), a digital introduction to living in a rental apartment for new customers.

Customer inclusiveness

The Customer Satisfaction Index is an important tool for planning the right measures in our neighborhoods. Our customer survey measures perceived safety and an attractiveness index, which shows what our customers think of their neighborhood. The attractiveness index is a weighting of the responses concerning the availability of neighborhood services, meeting places, schools and preschools, and whether tenants want to stay in the neighborhood or would recommend others to move there.

Rikshem has been on a positive customer journey in recent years, and the 2021 results are on par with previous years, which is good given the challenges created by Covid, for example in terms of opportunities for customer contact during the year. In 2022 we will continue to improve, including with the help of new possibilities for customer

surveys that will provide greater insight into what our customers think.

Focus on Gränby

Gränby in Uppsala is a neighborhood where steps need to be taken to increase social sustainability. In 2021 Rikshem decided the area required a long-term focus, with increased resources for property management and opportunities to work more proactively on customer dialog and living environments. At the same time, we are reviewing how new apartments can add value to the neighborhood. The initiative is a collaboration with the municipality, police and other local property owners.

Social-housing contracts

In several locations we offer social-housing contracts via the municipality, for people who are unable to get an apartment themselves. At year-end 2021, Rikshem had 333 social-housing contracts. These contracts have become fewer in number in recent years, as residents have been able to take over the contract from the municipality, which shows that the concept has produced the desired result.

Summer jobs: an insight into working life

Every summer, Rikshem offers jobs to young people aged 16 to 19, giving them an insight into working life and a sense of pride in their own neighborhood. In 2021 we had summer workers in all our major locations and simultaneously developed our collaboration with municipalities on summer jobs in Uppsala, Upplands Väsby and Sigtuna.

156

summer jobs provided for young people in 2021



Rikshem Direkt

During the year 119 apartments were rented out through Rikshem Direkt, which was launched in the spring to complement the standard rental process. Thanks to the system automatically randomizing the order of priority of customers who have registered an interest, apartments are rented and tenants are able to move in quickly. The usual points-based system is not used. This initiative offers a helping hand to young people and others a long way from the housing market to get an apartment. The benefit for Rikshem is that the customer register is widened at the same time as vacancy costs arising from gaps between two tenants can be avoided.

Connected properties

Connected properties deliver benefits both in terms of sustainable property management and for the tenants. Rikshem will connect the residential properties in its portfolio by the end of 2022. By the end of 2021, around 15,000 apartments had been connected to Open network, offering customers a free choice of broadband, TV and telephony providers. In addition, 10,000 sensors have been installed, generating continuous technical information on the properties.



115

students received homework assistance via Rikshem in 2021.

Digital homework assistance

Research shows a strong link between not completing high school and socio-economic vulnerability later in life. Since 2015 Rikshem has been supporting the Låxhjälp foundation, which helps seventh- to ninth-graders who are at risk of not making the grade to gain entry to an upper-secondary school. Thanks to a digital homework assistance program, this activity was able to continue despite the pandemic. Rikshem supports schools close to its neighborhoods. A total of 615 young people have received homework assistance via Rikshem since 2015.

7,000 checks

For Rikshem, it is important to ensure that the person named on the lease is the person actually living in the apartment. We have stepped up the work on systematic lease checks and disturbance reports with the aim of reducing illegal subletting and helping to increase the feeling of safety in our neighborhoods.

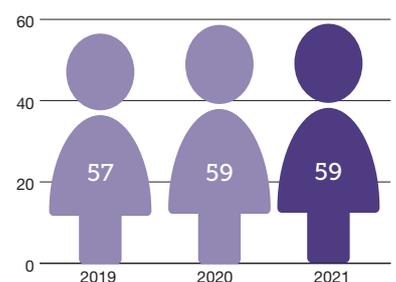
Just over 7,000 checks were carried out during the year in Stockholm, Västerås, Uppsala and Helsingborg, and a further 7,000 apartments in the portfolio will be subject to checks in 2022.



59/100

for customer satisfaction*

Customer Satisfaction Index – residential properties



*Rikshem's annual customer survey for the residential segment was sent to 7,213 households, around 3,800 of which responded.

Climate-neutral property management

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 remainder is made up of fossil-free property electricity.

Energy-smart properties

In recent years, Rikshem has expanded its organization for energy efforts, strengthened its coordination functions internally and launched several new energy-saving projects, including for lighting, operations and ventilation systems.

A raft of measures were adopted in 2021, the majority in Q4 because of the pandemic. One element of the enhanced energy efforts is the Energy-smart properties project. This aims to come up with

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.



holistic solutions for implementing the most important key measures relating to energy and climate. Work is also under way on a platform and structure to develop the results, which will be living documents and methods, to enable Rikshem to keep pace with the rapid developments within energy and climate in society. Among other things, during 2021 the project:

- Drew up a recommendation on how Rikshem shall work with IMD (individual metering and debiting). This initiative is a response to new requirements that came into force during the year. These types of solutions will be integrated in all new construction projects. Equivalent measures for the existing portfolio are still under development.
- Conducted preliminary studies on solar panels for 15 properties.
- Linked energy efforts to the climate roadmap.

The table below shows Rikshem's total energy use and greenhouse gas emissions for the like-for-like portfolio³. As the property portfolio changes over time, it is difficult to make year-on-year comparisons, which affects the key figures. The normal year-adjusted figures used to follow up against Rikshem's targets (2021 compared with 2020) show a small reduction in both energy use and greenhouse gas emissions (-0.3% kWh/m² and -0.1 kg CO₂e/m²). The targets are 2.5% kWh/m² and -2.0 kg CO₂e/m².

2020 was a warm year with low energy use, as shown by the unadjusted figures in the table. This is one of the reasons why 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.

Annual reported total energy^{1,2} and CO₂ (market method)

	2021	2020 ⁴	2019
Energy use, actual (kWh/m ² Atemp)	129.6	120.9	132.5
Energy use, normal year-adjusted (kWh/m ² Atemp)	130.8	131.1	138.9
Emissions, actual (kg CO ₂ e/m ² Atemp)	7.8	7.3	9.0
Emissions, normal year-adjusted (kg CO ₂ e/m ² Atemp)	7.9	8.0	9.6

¹ Atemp data is retrieved from energy declarations and follows the rules regarding measured or standardized values, depending on when the declaration was made.

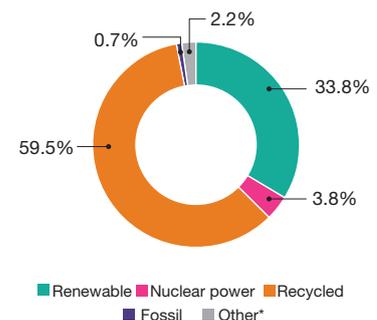
² Emission factors have been obtained from the respective supplier. Calculated using the previous year's emission factors for district heating. The emission factors for the current year are obtained from the suppliers no earlier than the second quarter of each year.

³ Like-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) year on year. The like-for-like portfolio includes 365 of Rikshem's total of 514 properties.

⁴ Target follow-up between the current and previous year. In order to obtain correct comparables, the portfolio needs to be the same in both years. The previous year's values are therefore adjusted in line with the like-for-like portfolio for the current year.

Origin of purchased energy

Rikshem purchases fossil-free electricity from renewable sources (hydro power, solar power, wind power) and nuclear power. Rikshem chooses to report nuclear power separately. Heating is mainly purchased from district-heating companies, which report their emissions by source: fossil, recycled, renewable and other. The graphic below shows the breakdown of energy in the like-for-like portfolio³, normal year-adjusted energy use, using the market-based method.



* For example peat and peat briquettes, electricity from nuclear power for electric boilers, heat pumps and auxiliary electricity for distribution.

Smart solar panels in Östersund

When the ventilation system needed to be replaced in a property in Östersund, Rikshem took the opportunity to install solar panels on the roof at the same time. The result was an energy solution that is climate-smart – and new in its way – where several buildings use the energy from the solar panels via an interconnected network.

During the spring, Rikshem completed a unique energy project in which solar panels were installed on the Pastorn residential property in Östersund. The solar panels not only generate electricity for the building they are installed on but can also transmit electricity to other buildings.

The energy project, which Rikshem carried out together with Nordins El, means that power can be moved between buildings thanks to energy hubs in a shared network installed on site. This is a new technology that is not yet widespread in Sweden. For Rikshem, it is also the first time that solar panels have been installed on an existing older building; solar panels had previously only been fitted in connection with new construction projects.

“This is a climate-smart way of making best use of the energy where it is actually needed, without being restricted to one particular building. The initiative came from the property management organization here in Östersund. A tech-minded employee looked into the possibilities together with our contractor, Nordins El,” explains Niklas Strandberg, property manager in Östersund.

Pastorn comprises four buildings, two of which have been fitted with solar panels. Not all the roofs are suitable for solar panels because of the direction they face, gradients and the fact that two of them also accommodate large ventilation systems. But because it is possible to move electricity be-

tween buildings, the energy is continuously distributed in the optimal way between all four of Pastorn’s buildings.

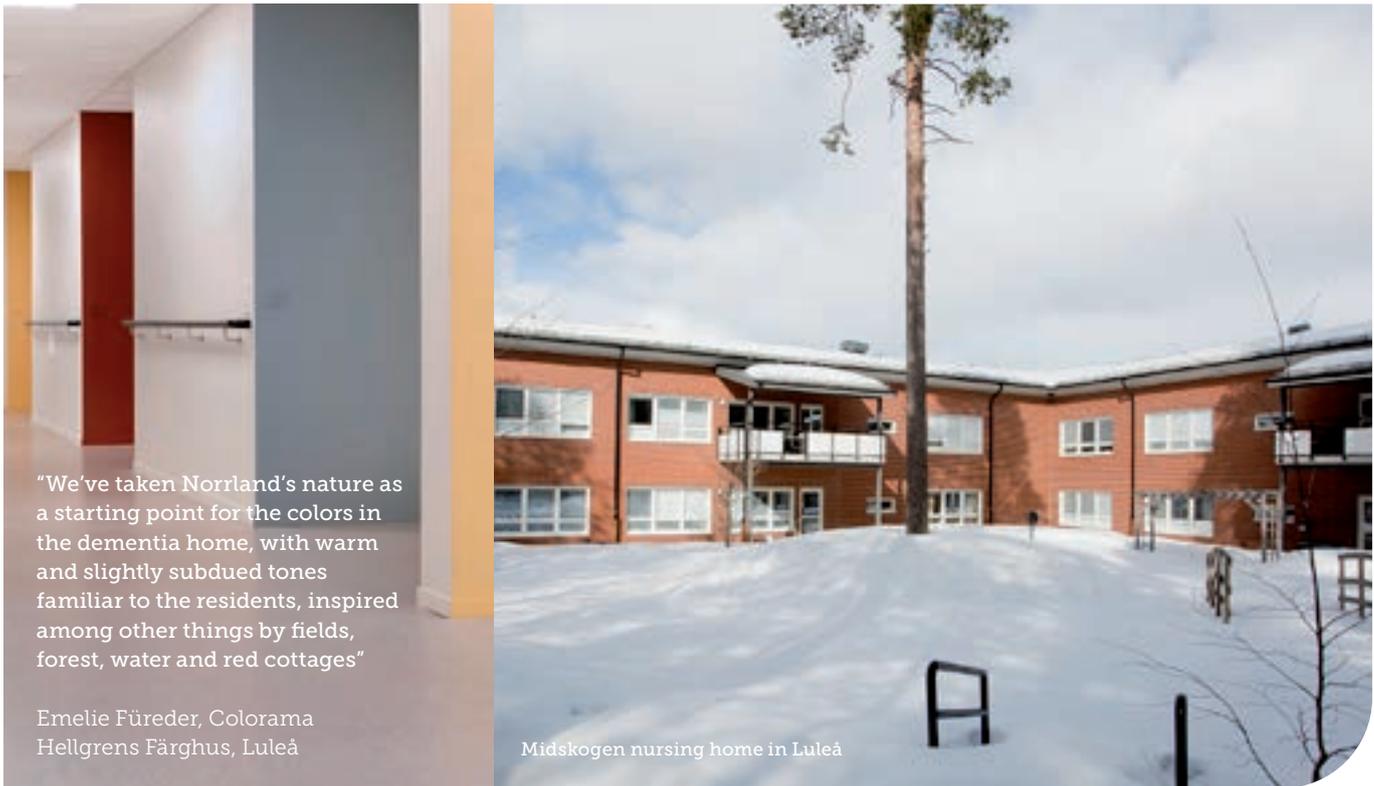
“This project is in line with Rikshem’s ambition to become climate-neutral. Today, we’re supplying the buildings with all the property energy they require from the solar panels and, in the long term, we’ll extend the system to give the tenants the chance to buy electricity for their own requirements,” finishes Niklas Strandberg.

Rikshem is planning further solar panel installations, and a solar panel concept is being developed to build on the positive experiences and solutions in more locations in the portfolio.

”

This is a climate-smart way of making best use of the energy where it is actually needed.





“We’ve taken Norrland’s nature as a starting point for the colors in the dementia home, with warm and slightly subdued tones familiar to the residents, inspired among other things by fields, forest, water and red cottages”

Emelie Füreder, Colorama
Hellgrens Färghus, Luleå

Midskogen nursing home in Luleå

Listening to the customer

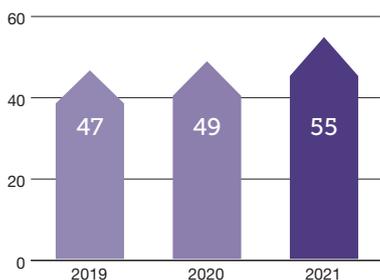
Managing properties for public use is different than managing residential properties. There are special procedures regarding safety, and an extra measure of responsiveness is required to ensure all needs are met.



55/100

The Customer Satisfaction Index for properties for public use increased by six points in 2021.*

Customer Satisfaction Index – properties for public use



* Rikshem’s annual customer survey for the properties for public use segment was sent to representatives of 272 premises, with 153 responses received.

When it comes to properties for public use, Rikshem’s customers are often municipalities or private companies that run preschools or nursing homes, for example. We have increased our focus on the end customer, i.e., the people running and using the facilities. By means of three-way meetings between our real estate manager, the customer whose name is on the contract and the operator using the property, we can stay up to date with needs and requirements for the individual properties.

Rikshem conducts monthly inspections of its properties for public use to test sprinkler systems and fire safety and check for any vandalism or other minor faults. The technical aspects of managing properties for public use also differ in that there is usually more and different technology in these properties than in the residential properties, which requires specific knowledge.

Residents in properties for public use may have special needs such that the property management needs to be aligned accordingly. An example of a

successful project in 2021 was choosing paint for the dementia section at Midskogen nursing home in Luleå. To meet the residents’ needs, Rikshem chose colors for the interior paintwork based on research into dementia and color. This concerns everything from creating clear contrasts, so that residents can more easily find the door to their room, concealing objects that are not for the residents’ use by painting them in the same color as the surrounding surface, and using colors that create a feeling of safety and calm rather than stimuli that may stress the residents. The project was carried out in partnership with Alcro, Sandå Luleå and Colorama Hellgrens Färghus. Based on the positive results achieved, Rikshem is looking at how the concept can be rolled out to other properties for public use.

Our suppliers

Rikshem is a major purchaser of goods and services. Our work with suppliers is defined by responsibility, respect and sound ethics. Audits of new suppliers were conducted in 2021. The Purchasing department was strengthened during the year and implemented a method for digital signing.

Since Rikshem is owned by two pension funds, it is essential that it 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

Rikshem's Supplier code of conduct

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

in Rikshem's contract database to have approved the code.* The database currently includes 566 suppliers, 436 of which have accepted the Supplier code of conduct. This is equivalent to 77 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 2021 have approved the code of conduct. During the year, we also strengthened our contract process, among other things by introducing digital signatures, to make our contract work even more systematic.

Audits and meetings

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. Meetings with suppliers and self-assessments are two commonly used methods.

The Supplier code of conduct is, however, only one element of Rikshem's 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.

Supplier analysis

We review new suppliers with which Rikshem enters into a contract on an ongoing basis, concentrating on financial aspects and compliance with sector standards. We have also taken on more purchasers, appointed a coordinator for quality, environment and working environment (QE&WE), and revised our procedures for systematic follow-up of contractors. Among other things, the revisions involve requiring the contractor to use digital QE&WE systems for effective and uniform follow-up and reporting during the contract period, as well as amended procedures for ongoing follow-up during the warranty period. The changes will be implemented during 2022.

77%

of Rikshem's suppliers have approved the Supplier code of conduct.



* Contracts that have not been registered in the database by the contract signatory can not be included in the statistics.

Long-term sustainable development

Rikshem has an extensive property portfolio with significant potential to be developed and complemented with new building. We also grow our portfolio by establishing a presence in new neighborhoods.



Development rights
portfolio of approx.

700,000
sqm gross area

Approx.
500
renovated
apartments

Approx.
450
new apartments

Focus on neighborhoods

Rikshem continued to increase its investment rate in 2021. We create value by developing the properties in our portfolio. This includes identifying opportunities for new construction projects, drawing up local plans, and development rights to build more, as well as renovating, uprating and redeveloping existing buildings.

Development is increasingly multidisciplinary in nature. By creating attractive neighborhoods where many people want to live and work, we are contributing to development that is sustainable in the long term. If we integrate sustainability aspects right from the planning stage, we can also create resource-efficient homes.

Full speed ahead

Carrying out renovations without tenants moving out, expanded environmental certification and approximately 450 new apartments – just some of the achievements within Rikshem's project and property development in 2021.

Developing our neighborhoods is based on specific local needs. To create opportunities for growth, we identify properties with development needs and potential. Exploiting existing areas and development rights is one way of increasing value, as is progressing development rights in new local plans that allow expansion. By taking the current sustainability, safety and attractiveness status into consideration at an early stage, we can use new local plans and development rights to enhance existing neighborhoods.

New construction projects offer variety

In recent years, Rikshem has increased its new construction projects year on year, and 2021 was no exception. Construction started on around 700 apartments, including in Södertälje, Halmstad, Västerås and Umeå. We seek to complement neighborhoods with apartment types that are lacking in order to provide a diverse housing offer. We also focus on providing premises for facilities such as

preschools, nursing homes and sports halls. Positive dialog with municipalities, building contractors, and private-sector school and care operators is key to identifying current needs. Rikshem's large areas in established neighborhoods offer opportunities to develop spaces for activities and social interaction to make them more attractive.

Smoother renovations

By renovating properties, we extend buildings' service lives and can offer an up-to-date standard of accommodation at the same time as increasing property values. Renovations also make the properties more efficient to run, reduce energy use, and improve their environmental performance. The Covid pandemic meant that fewer renovations were carried out than planned. In total, approximately 500 apartments were renovated during the year. Rikshem is increasingly moving from its previous model of total renovations, which involved tenants moving out, to one where

renovations are carried out stepwise. The new renovation model provides a smoother and more predictable renovation process, both for Rikshem, which can get started on projects more quickly, and for the tenants, who can stay in their home while the work is done.

Partnerships and contractors

Rikshem is a major purchaser and is continually engaging contractors in the many phases of a construction project. At present, there are established framework agreements for renovation and new construction projects for different geographical areas. When calling off from a framework agreement, a tailored specification of requirements is drawn up for the individual order, taking into account quality factors in production, working environment and sustainability aspects. Framework agreements are a way of creating optimal opportunities for long-term business relationships and achieving effective outcomes defined by predictability and high quality. Read



Development rights

At year-end, Rikshem had a portfolio of development rights covering approximately **700,000 sqm gross area**. **130,000 sqm gross area** of this is **in local plans with legal force** and the remaining **570,000 sqm** in property development projects already in progress.

Of the total portfolio of development rights, **60,000 sqm gross area relates**

to properties for public use, such as nursing homes and preschools, and **640,000 sqm gross area to residential properties**, comprising approximately **10,200 apartments**.

Rikshem's property development projects for residential properties include approximately **6,500 rental apartments** and approximately **3,700 condominiums**.

more about how we work with suppliers on page 39.

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. This is why Rikshem continuously tweaks its operations in line with our own strategy and more stringent market requirements. A number of climate-related initiatives were adopted in 2021.¹

When building new residential properties, Rikshem uses industrial production in both timber and concrete. All 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. During the year, 99 timber-framed apartments were completed at Planen in Norrköping. Rikshem is planning for a gradual transition to green concrete, as concrete production itself has a significant climate impact. In addition, cement shortages during the year made the issue of alternative solutions even more pressing.

Climate change will play an ever greater role in environmental impact as-

essments and risk analyses. During 2022 Rikshem’s climate risks will therefore be reviewed as part of a comprehensive review of all risks.²

Sustainable forms of transport

To achieve our target of being climate-neutral by 2045, we at Rikshem are prepared to work both on our own climate impact and on our customers’ climate emissions. Town planning is an important consideration at the planning stage of a project, in order to promote sustainable forms of transport. Footpaths and bike paths are prioritized in the planning work to make it easier for people to choose sustainable forms of transport. Rikshem uses a methodology that aims to make it easier for the customers to make choices that are also, in turn, the most climate-smart solutions. These include walking, cycling, using public transport or being part of a car pool rather than using your own car. Tenants’ carbon dioxide emissions from transport were mapped during the year, providing a sound basis for offering even better mobility solutions.

Rikshem also started its second car pool in 2021, this time an electric-car pool in Snurrom, Kalmar. Membership of the car pool is free, with tenants paying only for use of the car.

1) Read more about Rikshem’s climate initiative and roadmap for climate neutrality on page 16.
2) Read more about sustainability risks on page 64.



Climate aspects of the construction phase

Biggest climate impact in the construction phase As a result of the gradual decrease in impact from the management phase, **the biggest climate impact** in a property’s life cycle now comes in the construction phase. Carbon dioxide emissions are caused mainly by the manufacturing processes for building materials, but also by machinery and transport in connection with the construction work.

Reducing climate impact **To reduce climate impact** in the construction phase, the most important thing is to start with the most material impact. Studies show that building materials have the greatest climate impact. Changing the composition and use of concrete or choosing other materials such as timber frames is a positive step.

What has Rikshem done? **During 2021** we raised our level of ambition regarding climate and the environment in the construction phase. Rikshem has joined LFM30*, a local forum that focuses on new construction projects and targets to reduce climate impact set higher than the statutory requirements.

Future climate steps **During 2022** Rikshem will work on the detail in the roadmap for climate neutrality, and will then implement measures to achieve the target. Effective January 1, 2022, Rikshem will also submit a climate declaration for new construction projects in accordance with new statutory requirements issued by the Swedish National Board of Housing, Building and Planning.

*Read more about LFM30 on page 17.

Certify more!

During the year Rikshem decided that all new construction will be certified in accordance with Miljöbyggnad Silver from the Swedish Green Building Council (SGBC). Rikshem chose this as the standard certification for all new construction projects in 2021, unless there are particular project-specific reasons for choosing different certification.



Number of projects completed in 2021 with SGBC silver certification: **3**

Miljöbyggnad is a Swedish scheme for environmental building certification. Environmental building certification entails environmental efforts and the building’s environmental performance being audited by a third party. The system is owned and developed by the Swedish Green Building Council, Sweden’s largest organization for sustainable social building, which also carries out the certifications.



Number of projects completed in 2021 that used the Byggsvaru-bedömningen scheme: **6 out of 12**

Rikshem uses the nonprofit organization Byggsvarubedömningen’s database when choosing products and materials for projects in order to reduce the risk of substances that are harmful to the environment and health adversely affecting the surroundings and people. Byggsvarubedömningen assesses and provides information on building materials that have undergone environmental assessment and works to influence product development in the direction of a toxin-free and well-built environment.

Byggsvarubedömningen’s environmental assessment is based on criteria that assess the properties of the substances used and the products’ life cycle impact (environmental impact from manufacture, use and disposal as waste). The product is graded “Recommended”, “Acceptable” or “Avoid”.

Local plans under development

At year-end, the portfolio of development rights comprised approximately 700,000 sqm gross area: 130,000 sqm gross area in local plans with legal force and the remaining 570,000 sqm gross area in property development projects already in progress. Work is also under way on a large number of interesting project ideas at different stages and of different scopes. Here are some examples of ongoing local-planning processes that are expected to generate completed development rights in the next few years.

Mjölkudden 3:51, Radiomasten, Luleå

Approximately 140 new apartments and a redevelopment of existing group-living facilities covering a gross area of approximately 9,000 sqm are planned in a densification of the Radiomasten neighborhood at Mjölkudden. The densification is planned to take place with regard to existing buildings, and the existing courtyard will be developed at the same time. The local plan is expected to be approved in 2022.

Rördrommen 1, Brännbo, Sigtuna

Rikshem plans to build approximately 150 new apartments in a new local plan expected to be approved in 2023. The development is beautifully situated on a hill with views over Lake Mälaren and Sigtuna's old town. The aim is to create an attractive and pleasant urban environment, inspired and influenced by the character of old Sigtuna.



Rördrommen 1, Sigtuna



Tuppen 15, Malmö

Svartbäcken 36:45, Svartbäcken, Uppsala

Local-planning work is ongoing for approximately 200 apartments, beautifully situated by the River Fyris. The plan includes new buildings with different numbers of floors and an underground garage. The local plan is expected to be approved in 2023.

Tuppen 15, Limhamn, Malmö

Rikshem is planning to add new apartments to an existing neighborhood centrally located in Malmö's Limhamn district. The property includes apartments, offices, a restaurant school, healthcare center, and unused space in the form of a swimming pool and large hall. The planning proposal makes it possible to demolish local spaces that are no longer being used and replace them with two new apartment buildings of three to four

floors. The local plan was approved by the city planning committee in December 2021 and will add approximately 60 new apartments.

Skälby 1:312, Carlslund, Upplands Väsby

The project involves densifying the Carlslund neighborhood. Rikshem wants to develop the area by adding modern residential buildings as well as different sizes and types of apartments that are currently lacking. A positive planning notice with a schedule for the local-planning work was issued in November 2021. The local plan is expected to gain legal force in 2028. The planning work will trial densification by constructing apartment buildings of four to five floors, primarily on existing parking lots. The development covers a gross area of approximately 15,000 sqm.



Svartbäcken 36:45, Uppsala

More local plans in progress

Municipality	Property/neighborhood	Primary purpose	Number of apartments + properties for public use	Living area of apartments, sqm	Estimated approval
Helsingborg	Elineberg 5/Elineberg	Apartments	120	7,700	2022
Kalmar	Kalkstenen 1/Norrliden	Apartments	350 + preschool	23,000	2024
Norrköping	Linjen 2/Ekorp	Apartments	120	7,700	2024
Norrköping	Motormannen 1/Närheten	Apartments	900 + preschool and nursing home	68,000	2026
Stockholm	Jordbruksministern 3/Bagarmossen	Apartments	70	6,400	2022
Uppsala	Valsätra 54:6/Rosendal	Apartments	180	11,400	2024
Östersund	Väghyveln 5 etc./Körfältet	Apartments	160	10,200	2023

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 involve creating additional apartments at the same time. Here are some of the projects.

Orrspelet 1 & 2, Mariehem, Umeå

103 apartments of one to three rooms and kitchen are being built in Mariehem, one of Umeå's most attractive areas. The apartments are split between two buildings of seven and eight floors respectively. The apartment buildings are being constructed on what are currently parking lots. These will be moved and modernized. The project includes creating more green spaces, a communal workshop, indoor cycle parking and a separate laundry room. The project is expected to be completed at the end of 2022.

Gottsunda 34:3, Gottsunda, Uppsala

A major renovation project is being carried out at Gottsunda, involving overhaul of the plumbing and bathroom refurbishments in 271 apartments and 26 terraced houses. Safety measures are being implemented in parallel with the renovation, which is being carried out without tenants moving out. These measures include new safety doors and installation of an access control system. The project started in Q2 2021 and is expected to be finished at the end of 2023.

Nåden 1, Fyllinge, Halmstad

We are building 92 modern rental apartments at Fyllinge outside Halmstad.

Most are two or three rooms with kitchen, but there are also some with one or four rooms. Each apartment has facilities for washing and drying laundry. The property has geothermal heating and solar panels. Parking places will be available with and without charging points. Tenants are expected to move in in summer 2022.

Brigaden 1, Fredriksdal, Helsingborg

Fredriksdal is undergoing extensive renovation work on apartments of two to four rooms with kitchen. Once the first stages are finished, the project will continue in several parallel stages to increase the renovation rate.



Orrspelet 1 & 2, Umeå



Brigaden 1, Helsingborg



Nåden 1, Halmstad

More projects in progress

Municipality	Property/neighborhood	Project category	Number of apartments	Estimated completion date
Halmstad	Bonden 7/Centrum	NEW apartments	175	Q4 22
Helsingborg	Elineberg 7/Elineberg	RM&U apartments	269	Q2 24
Luleå	Porsön 1:240 /Porsön	RM&U apartments	426	Q4 24
Södertälje	Repet 4/Blombacka	NEW apartments	130	Q4 22
Umeå	Flyttfågeln 2/Mariehem	RM&U apartments	170	Q2 23
Uppsala	Kvarngärdet 4:3/Kantorn	RM&U apartments	231	Q2 22
Västerås	Vedbo 99/Eriksborg	NEW apartments	252	Q2 23

NEW – New construction projects

RM&U – Renovation, modernization and uprating



Gottsunda 34:3, Uppsala

Completed projects

Renovations help to make our existing properties last for many years to come, and we also develop our properties with new apartments and properties for public use to increase the attractiveness of the area as a whole. Several major 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 completed in 2021.

Enheten 1, Galgberget, Halmstad

The first phase of Kadettbyn was completed during the year and handed over to our tenant, the Swedish Fortifications Agency. The project involved 87 new-build apartments, which were officially opened in November. At the same time, there was a groundbreaking ceremony for the final phase, involving a further 50 apartments. Read more on page 31.

Kvarngärdet 56:13, Kapellgärdet, Uppsala

The Vård Södra nursing home just outside the center of Uppsala was completed in 2021. The facility comprises 96 apartments and, uniquely, also incorporates a preschool on the ground floor. The nursing home has been awarded preliminary silver certification from the Swedish Green Building Council and, together

with Vård Norra, which was completed in 2020, is one of Scandinavia's largest nursing homes. Read more on page 28.

Kardusen 7, Ljura, Norrköping

Renovation of 138 apartments, immediately south of the center of Norrköping, was completed in 2021. The 1950s buildings are an important part of the cityscape and boast fantastic views. Among other things, the apartments now have new kitchens and bathrooms, new safety doors and new electricity. The common areas have also been reviewed and the laundry rooms modernized.

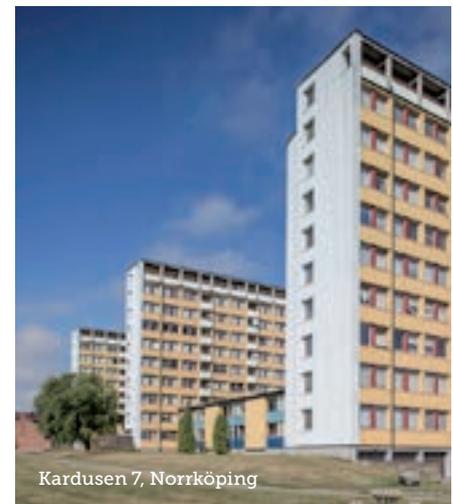
Sandtaget 2, Sandbacka, Umeå

A total of 97 new apartments were completed among existing buildings at Sandtaget 2 in Umeå. The properties were built with a concrete frame and timber fa-

cade. The outdoor environment, recycling facilities and facades of existing buildings were renovated at the same time. Additions included a new playground and an activity hut for residents.

Planen 4, Ektorp, Norrköping

Our 167 apartments at Planen 4 have been expanded to a total of 326. Existing apartments were renovated, including new safety doors, new tiled bathrooms with clinker floors, a new ventilation system and new kitchens. A total of 60 new apartments were added by building an additional floor and changing the layout of the existing apartments. In parallel with this, around 100 new apartments were built in a new construction project at the property.

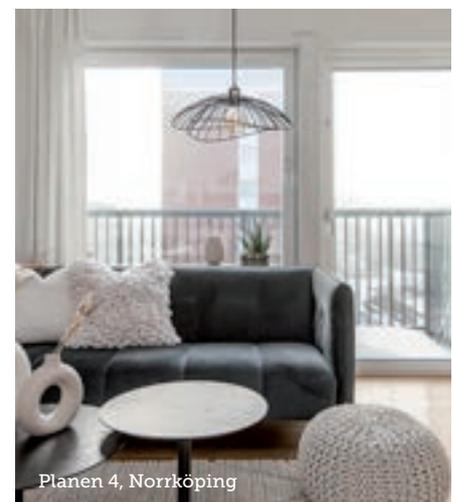


All completed projects

Municipality	Property/neighborhood	Project category	Number of apartments	Completed
Halmstad	Enheten 1/Galgberget	NEW apartments	87	Q4 21
Helsingborg	Brigaden 1/Fredriksdal (phase 1)	RM&U apartments	72	Q2 21
Norrköping	Planen 4/Ektorp	NEW/RM&U apartments	326	Q2/Q3 21
Norrköping	Kardusen 7/Ljura	RM&U apartments	140	Q3 21
Södertälje	Repet 4/Blombacka	RM&U apartments	131	Q1 21
Umeå	Sandtaget 2/Sandbacka	NEW apartments	97	Q1 21
Umeå	Jägaren 5/Väst på stan	RM&U apartments	4	Q2 21
Uppsala	Kvarngärdet 56:13/Kapellgärdet	NEW Property for public use	102	Q2 21

NEW – New construction projects

RM&U – Renovation, modernization and uprating



Breathing new life into old neighborhoods

To create attractive neighborhoods, Rikshem takes a holistic view when developing its properties, something that often entails collaborating across property boundaries. Rather than individual constructions and property owners, it is more a question of what a neighborhood has to offer as a whole. Here are some of Rikshem’s current development projects.

Kronan: a creative hub amidst nature

The former regimental area in Luleå, with its listed buildings of cultural interest, is popularly known as Kronan. New construction projects will develop the area into a new district for 7,000 local residents. Rikshem is playing an important role in the project, not least via its existing properties there. The company’s premises in the area currently accommodate a cluster of artists and other creative enterprises. Rikshem is building 92 modern apartments, which will blend in among the listed buildings of cultural interest, and is also planning a further 340. When finished, Kronan will be a mixture of rental apartments, condominiums, pre-

school, nursing home and other activities. Small and large companies alike are showing an interest in basing themselves in the new Kronan district.

“It’s not like coming into an ordinary neighborhood where the buildings are all alike. You step out into nature between the buildings, and the creativity in the area is fantastic. Our commercial tenants also have many ideas for making the entire area more vibrant.”

Peter Fjällblad,
Property Manager



“We’re building 92 modern apartments, which will blend in among the listed buildings of cultural interest.”



New sports hall and preschool in Fredriksdal

Helsingborg’s Fredriksdal district is home to one of Rikshem’s largest neighborhoods with around 700 apartments, many of them built in the 1960s and -70s. Rikshem conducted a safety analysis of Fredriksdal back in 2019 and started a major project to develop the area in order to increase the feeling of safety and well-being. Since then, there have been ongoing refurbishments in the form of renovations and redevelopment of existing storage areas to create new apartments. In parallel with this, a major project is under way to draw up new local plans for ap-

proximately 400 apartments, a preschool and municipal sports hall. An important agreement on developing Fredriksdal was reached between Rikshem and City of Helsingborg in 2021, laying the ground for further development work in the area.

“Renovations have been ongoing in Fredriksdal for a few years now, but the progress made with the city council this year means work can finally start on larger-scale planning work. The sports hall was much longed-for and will give the area a real boost. It’s now expected to be ready in 2023 or 2024, which is fantastic.”

Sebastian Trygg,
Property Developer



“The sports hall was much longed-for and will give the area a real boost.”

7,000

Kronan – a new district for 7000 Luleå residents

“Small and large companies alike are showing an interest in basing themselves in Kronan”



700 + 400 = 1,100

Rikshem expects to have around 1,100 apartments in its Fredriksdal portfolio once this large-scale development is complete.

Stronger together

Rikshem owns stakes in joint ventures valued at MSEK 2,191. The value of Rikshem's share of the property holdings in these joint ventures is MSEK 3,332. Valuable partnerships enable us to enter new markets, develop both new and existing neighborhoods, and swap expertise.

Rikshem's two largest joint venture holdings are VärmdöBostäder and Telestaden (Farsta Stadsutveckling), with participations of MSEK 1,193 and MSEK 789 respectively. The value of Rikshem's share of the property holdings in the JV portfolio increased by a total of MSEK 597 compared with year-end 2020. This increase is explained mainly by changes in value and investments in Farsta Stadsutveckling and VärmdöBostäder.

“The aim of our joint ventures is to generate value growth, often in the form of new residential development rights and new apartments, both condominiums to sell and rental apartments that will be managed either by Rikshem or our JV partner VärmdöBostäder. Our strategic collaborations shall contribute to a higher total return for Rikshem, and enable us to develop the company and contribute to community development.

Petter Jurdell,
Head of JVs, Rikshem



Rutens väg, Värmdö

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 2,000 apartments in the growth 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.

Rikshem and VärmdöBostäder work together to achieve shared goals of operating more efficiently, reducing energy consumption, increasing customer focus and adding to the building stock in Värmdö. Construction on the Brunn project, comprising 133 apartments, started in spring 2021.

“The shared ownership is absolutely essential to our success and development.”

“VärmdöBostäder's ownership structure as a joint venture between Rikshem and Värmdö municipality gives us good opportunities for rapid development. 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. As I see it, we've got the best of both worlds. Rikshem contributes important energy, knowledge and experience. The shared ownership is absolutely essential to our success and development. I'm convinced that the partnership makes VärmdöBostäder better and sharper on all levels.”

Kenneth Claesson,
CEO VärmdöBostäder



Farsta Stadsutveckling AB/Telestaden
 Farsta Stadsutveckling/Telestaden is the second-largest joint venture holding, 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 2,000 new apartments. A vibrant district offering apartments, workplaces, neighborhood services, schools and preschools will be built in and around premises previously occupied by Televerket.

Telestaden is already home to housing company Familjebostäder, contemporary arts organization Konstverket, care provider Attendo and dance studio ccap. The Swedish Police Authority has started moving into converted premises, and the new police station will open next year. A nursing home opened in the district in 2021. Telestaden is divided into

two local plans. The first local plan is expected to be approved in Q1 2022 and the second during the summer of 2023.

“It’s great that Attendo Care moved in during the year and is now open for business. Tenant modifications regarding the police station continue apace, with 800 police officers scheduled to relocate in June 2022. Farsta Stadsutveckling is a project with a long time frame that has already been running for several years. This is why it is vital to have two stable partners like Rikshem and Ikano Bostad. The financial stability that this brings is absolutely vital to us realizing our goal of creating a brand new district.”

Per Högdin,
 CEO and project manager, Telestaden



More joint ventures

Boostad Bostad Sverige AB/Folkhem

The Boostad Bostad Sverige/Folkhem joint venture represents a small part of Rikshem’s portfolio in terms of value but has great potential for growth, with several exciting projects. 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 exclusively builds apartment buildings in wood.



Bergagårdshöjdens JV AB

Bergagårdshöjden in Kalmar is a joint venture between Rikshem and P&E Fastighetspartner, with the aim of developing new construction projects in Kalmar. The final property, built with investment support, was recently completed. The property comprises 95 rental apartments. To preserve the green spaces, the garage and waste-handling facilities were built underground. By building energy-efficient buildings, energy consumption will be at least 25 percent better than required by the Swedish National Board of Housing, Building and Planning’s regulations for new residential buildings.



JV Tidmätaren AB

Rikshem and Glommen & Lindberg AB each have a 50 percent stake in the joint venture JV Tidmätaren. The aim of the joint venture is to develop the properties Tidmätaren 1 and 2 in Sollentuna, which are currently home to offices and warehouses. The aim is to produce a new local plan for residential purposes and then develop the property in the best way possible, initially by building condominiums.



”
 Tenant modifications regarding the police station continue apace, with 800 police officers scheduled to relocate in 2022.

Farsta Stadsutveckling AB/Telestaden

Working together toward shared goals

Rikshem's employees are the hub of the company. Attracting new employees, recruiting, onboarding, developing and even offboarding are all important processes for building a strong company culture and making Rikshem an attractive employer.



Employee Satisfaction Index

68

73

new employees during the year

56%

women in management

Learning environment in development

Thanks to the rapid changes made in 2020 as the pandemic became reality, Rikshem was able to continue staff development in 2021 despite Covid restrictions. Efforts were focused on recruiting the right skills, providing leadership support, offering employees skills development, and promoting health and wellness within the company. Rikshem shall be a workplace in which employees feel a sense of pride and where they have what they need to do a good job and live the company's values: Active, Present and Responsible.

New and experienced talents

Newly established specialist roles and a major focus on training with the Rikshem Academy. Activities to promote health, and more frequent employee surveys. Another pandemic year meant special measures for our employees.

During 2021 Rikshem strengthened its organization within business development and communication. The property management organization also grew in terms of number of employees and functions, with new roles being created to raise skills by means of increased specialization.

A total of 73 new employees joined Rikshem in 2021. In addition, three trainees were recruited for the annual trainee program and 18 employees moved to new roles within the company. The recruitment process is key to achieving diversity and equality in the workplace, which is why Rikshem always strives to include candidates of different genders and backgrounds in its selection processes. One successful initiative has been the recruitment of female property technicians, with Rikshem achieving a 21 percent share of women in these roles in 2021 compared with 12 percent three years earlier.

Rikshem is also a major purchasing organization and engages contractors

for construction contracts and to run properties. Read more about how we work with suppliers and the scope of this work on page 39.

Always learning

Rikshem works hard to make learning a natural part of our employees' day-to-day work by means of exchanging experiences, mentoring, the intranet, nano learning and 'Rikshem days'.

The Rikshem Academy training concept, introduced in 2020, provides an important framework for training activities. It comprises several elements – introduction, values, leadership, basic training and individually tailored development – all imbued with day-to-day skills development. A total of 18 internal and 15 external training events took place during the year. The average grade for training within the Rikshem Academy in 2021 was 8.74 (on a scale of 1–10).

During the year Rikshem Academy conducted a leadership program that all

managers participated in, focusing on communication, group development and leading in change.

Rikshem also carried out training for more senior employees with project management or supervisory responsibilities. A training program in professionalism has been arranged. More similar programs for senior staff are planned for 2022.

The pandemic year 2021

A year of Covid restrictions has been challenging for everyone. Rikshem adopted remote working where possible. A short survey was conducted in May to gauge how employees were feeling during the pandemic. The results showed a high level of motivation but difficulties with rest and recovery, above all for managers. The company stepped in to provide guidance on smart digital working, and workshops were held to swap tips and experiences with establishing boundaries between work and home life. A large

Hans Vesterberg, Property Manager at Rikshem's Luleå office.



I studied real estate at university but, as a real estate manager at Rikshem, I've really grown into the role.

number of health-promoting wellness activities were implemented in the spring for all employees. Activity competitions, talks on health and group fitness sessions were offered digitally. Internal guidelines were developed on an ongoing basis. Among other things, these involved adapted customer meetings, digital apartment viewings, access to PPE such as masks and hand sanitizer, as well as distance markers in offices.

Employee rating

Rikshem measures employee satisfaction

each year via an employee survey. This is sent out to all employees at the company, and this year's response rate was 91 percent. The Employee Satisfaction Index fell from 71 to 68. However, the survey revealed that employees have a high level of confidence in their line manager, with an index of 77 (76). Confidence in Management also increased to 71 (70). Areas where scores dropped compared with 2020 are satisfaction with working conditions, where the index was 69 (72), and Rikshem's reputation, which fell by one point to 69 (70).



Hans Vesterberg joined Rikshem as a real estate manager in 2016 and was there when the company opened its Luleå office. He was attracted by the company's development opportunities and breadth. Over the last year, he has advanced to a position as property manager.

HANS VESTERBERG ON ...

Working at Rikshem:

"At other property companies, you tend to work on either the technical or financial aspects of property management, but at Rikshem we work across disciplines and there are lots of interesting roles. Whatever your role, you're involved in everything from big to small decisions, and I think that's good."

His career:

"I studied real estate at university but, as a real estate manager at Rikshem, I've really grown into the role. I'd flagged up to my manager that I

wanted to have more responsibility and now an opportunity has opened up. This was why I chose Rikshem as an employer. The company explicitly seeks to offer employees opportunities to progress within the company. It's been a big personal journey to where I am today, with the opportunity to make decisions and be involved in so much."

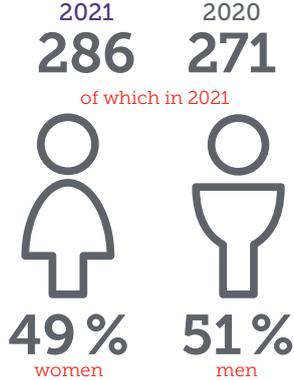


It gets better every year – more focus on customers, the whole package and how it all hangs together.

The Rikshem Academy:

"Right now I'm doing the course in professionalism and later in 2022 I'll be doing leadership training. I strongly encourage my employees to attend different internal training sessions. After all, there's lots to choose from!"

Total number of employees*



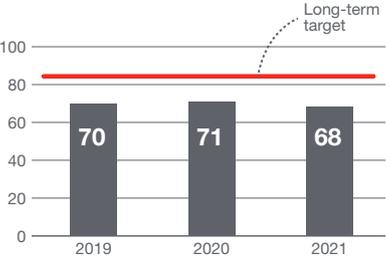
Rikshem's Employee Satisfaction Index 2021



Employee survey

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

Employee Satisfaction Index



71/100
enjoy their work

80/100
are loyal to their workplace

Share of employees who consider there are equal numbers of male and female role models

87/100

* Rikshem only has employees in Sweden.

Leasing agent, real estate manager, project manager and rental specialist – **Frida Sjögren** has worn many hats during her years at Rikshem. Her journey started at the Uppsala office and now she focuses on Norrköping.

FRIDA SJÖGREN ON ...

Her journey at Rikshem:

“Starting as a leasing agent was a really good way to learn the basics of the business. After a few years, I became a real estate manager and now, three years later, I’ve become a rental specialist. It was an active decision on my part to develop my skills, and my goal has always been to work my way up in the company. Many of my colleagues also started as leasing agents or trainees and have chosen to stay.”

Focus on the customer:

“Before studying real estate economics, law and marketing, I worked in the

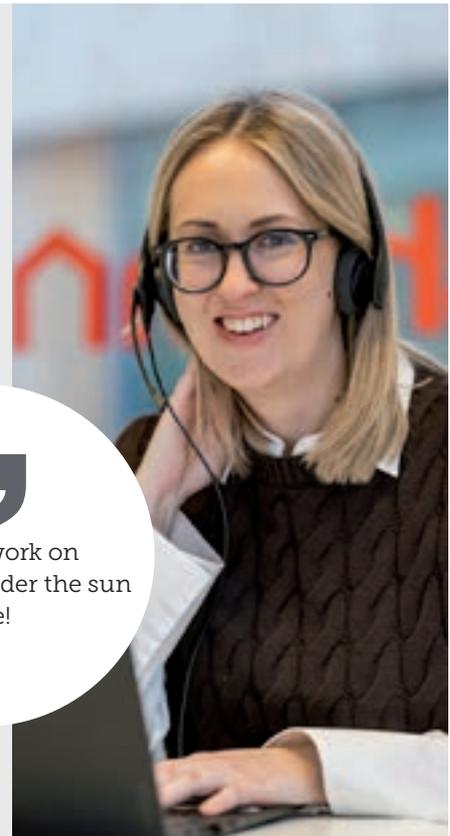
tourism sector, so I’ve always done customer-facing work. The customer is at the heart of everything Rikshem does, and I like the way we work with the Customer Satisfaction Index. Rikshem Direkt is an example of an initiative that came about as a result of suggestions in our customer survey.”

The job opportunities:

“As a result of the Covid pandemic, we’ve worked remotely even more, and now there’s nothing strange in my working for the Norrköping office from Uppsala. It’s positive that we can help one another in different areas, and another good thing about Rikshem is that we have a presence all over the country, should you want to relocate.”



You can work on everything under the sun here!



She has many years’ experience within the property sector, including ten years at Rikshem’s Helsingborg office. Having worked as both a leasing agent and rental manager, **Siv Persson Malm** has found her niche in the role of digitalization lead.

SIV PERSSON MALM ON ...

Her ten-year journey at Rikshem:

“Sometimes if a new colleague wonders why we do something in a certain way at Rikshem, my perspective means I can tell them there’s a reason for it. We had a growth phase when we kept expanding. We’re still a young company, but now we’re in a completely different phase. It’s we employees who shape what kind of company Rikshem shall be.”



I like finding solutions. Sometimes it’s the little details that make life easier for employees and customers alike.

Her role as digitalization lead:

“I started as a leasing agent. After a few years as a rental manager, I felt I didn’t want to have line management responsibilities but would rather do more tactical work. I’ve always been interested in systems development, and my current job lets me work on solutions that enable us to become ‘One Rikshem’, better able to utilize common functions and standard systems.”

Rikshem as employer:

“Given that I’ve stayed for ten years, you can tell I’m extremely happy both with the work I do and the way we work. I also like the fact that we’re a company with an ownership structure that means we can contribute something to society. Our vision is not only to manage our properties but also to develop our neighborhoods in a way that benefits the community, and I think that’s good.”

Sustainable working life

To continue to develop as a company and retain and attract committed employees, Rikshem must offer all employees a safe, secure and inclusive workplace. 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 maintain a high standard of working environment, Rikshem works in accordance with a Working-environment policy and procedures. There are systems in place to avoid dangers and risks but also for compliance with laws and regulations such as 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 crush injuries are the most frequent occupational injuries. A total of 14 occupational injuries were reported in 2021 (see table). There is no 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 clearer oversight in the next few years.

Our working-environment documentation addresses safety at work, establishing working methods that minimize accident risks, and dealing with threatening situations, covering both employees and staffing consultants.*

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

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.

Over the last two years, Rikshem's working-environment committee has made great strides 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 with Rikshem's various management groups. Focus on Rikshem's working-environment efforts has increased in light of the Covid pandemic.

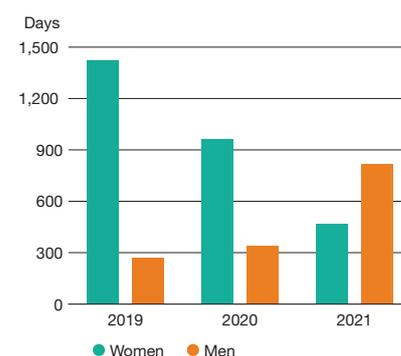
Rikshem strives to offer employees a healthy work-life balance. To promote a healthy lifestyle, employees are offered wellness grants, regular health checks, counseling and reimbursement of healthcare costs.

An inclusive workplace

Rikshem shall be an inclusive workplace. For Rikshem, this means taking care of one another, and emphasizing that there is zero tolerance of offensive behavior and harassment. Managers are given support with group development to achieve well-functioning teams. There is also a whistleblower function so employees can report irregularities or unsatisfactory conditions anonymously. Notifications are handled quickly, discreetly and in confidence. All Rikshem's employees shall have the same rights, obligations and opportunities in the workplace irrespective of gender, transgender identity or expression, ethnic background, religion, disability, age or sexual orientation.

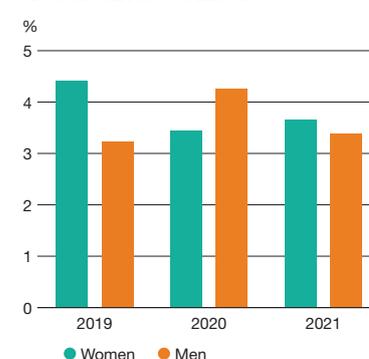
The work on equality is based on Rikshem's Equality and diversity policy and the Equality plan. The goal is for all employees to have the chance to develop, be well and have a working environment where everyone respects and is inspired by one another's differences.

Number of days' extra parental allowance¹



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.

Sickness absence as a percentage of total time worked



Gender distribution, %

Percentage	2021		2020		2019	
	F	M	F	M	F	M
All employees	49	51	46	54	46	54
Management	56	44	43	57	33	67
Board of Directors	33	67	43	57	50	50
Managers	47	53	51	49	40	60

Age distribution¹, number

	2021			2020		
	<30 yrs	30-50 yrs	>50 yrs	<30 yrs	30-50 yrs	>50 yrs
All employees	37	176	73	32	159	80
Management	-	5	4	-	3	4
Board of Directors	-	3	3	-	2	5

1) Permanent employees. Refers to actual number of persons.

Health and safety, number

	2021	2020	2019
Reported occupational injuries		14 ²	6
Reported near-accidents		19	18
Cases of perceived harassment or discrimination ¹	6	10	5

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

2) As reported occupational injuries have not led to sickness absence > 1 day, this is equivalent to an occupational injury frequency of 0 (number of occupational injuries with sickness absence > 1 day per million hours worked).

* Information on the requirements made of our suppliers can be found on page 39.



Financial stability

Overall, 2021 was characterized by a well-functioning capital market. Global economic conditions have been strong, despite the uncertainty brought by the Covid pandemic. Achieving Rikshem's goal of financial stability requires good access to financing in both the short and long term.

The Swedish bond market primarily offers financing with maturity of up to five years. In order to increase the debt duration and simultaneously broaden the investor base, bonds are also issued in other currencies. During the year Rikshem issued its longest bond to date: a 20-year bond in Australian dollars (AUD). Rikshem also repurchased almost EUR 130 million of an EUR 300 million bond that matures in 2024. The repurchase was carried out to reduce the refinancing risk.

The market

The capital markets functioned well in 2021, with good liquidity and relatively low credit margins. Inflation gathered pace in the second half of the year, and opinions are split as to whether this situ-

ation will be temporary or permanent. Rising raw material prices, particularly energy prices, are among the factors that have contributed to rising inflation, together with problems in the transport sector and shortages of many goods. Swap rates rose during the spring, only to fall back during the summer and then climb strongly again in the fall as the global inflation theme gathered momentum. Global economic conditions have been strong, with labor shortages in many countries. In Sweden, unemployment had returned to pre-crisis levels by October and at the end of the year the KI Economic Tendency barometer showed much stronger sentiment in the economy than normal. During the fall markets expected rate hikes from nearly all central banks. The year finished with

rapidly rising Covid cases and new lockdowns in Europe. The new Omicron variant increased volatility on the world's financial markets, reinforcing once again the feeling that the pandemic is not over.

Goals and strategy

The majority of Rikshem's financing is based on debt management, with the goal of 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 the Financial policy. To achieve these goals, the sources of financing need to be diversified and the strong A3 or equivalent credit rating maintained.

Rikshem strives 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's financial key figures improved during the year. The equity/assets ratio increased by five percentage points to 46 percent at year-end, while the loan-to-value ratio decreased by five percentage points to 46 percent. The interest-coverage ratio is 3.6x, which is 0.1 lower than at year-end 2020 and 0.3 lower than at the end of Q3 2021. The interest-coverage ratio was affected by the repurchase of EUR bonds in Q4 and, since this is calculated on a rolling 12-month basis, it will continue to be affected by the repurchase up to and including Q3 2022. The figure for interest-bearing liabilities minus cash and cash equivalents in relation to EBITDA was 15.9x, up from 15.2x in 2020.

Funding

Interest-bearing liabilities at year-end were MSEK 26,922 (26,315). Rikshem's interest-bearing liabilities were relatively stable during 2021, as the acquisition rate was low and a number of divestments were made. Liquid assets totaled MSEK 468 (830) at year-end.

Bonds represent Rikshem's primary source of financing, with bond loans totaling MSEK 18,892 at year-end. There were seven bond issues in 2021 amounting to SEK 3.2 billion. One bond was issued in AUD with a 20-year maturity. Other bonds were issued in SEK with maturity of 3–5 years. In October, Rikshem repurchased part of an EUR 300 million bond that matures in June 2024. The total amount repurchased was approximately EUR 130 million. The repurchase was carried out to reduce the refinancing risk.

Bank loans secured on properties amounted to MSEK 3,306. Secured bank loans fell by MSEK 1,508 during the year. Unsecured loans from the European Investment Bank totaled MSEK 999, an increase of MSEK 800 during the year. Funding through commercial paper increased by MSEK 1,411 during 2021, ending the year at MSEK 3,550. In addition, the company has MSEK 175 (175) in liabilities to related parties.

Loan program

Rikshem's commercial paper program enables the company to issue commercial paper with a term of up to 12 months within a SEK 10 billion framework. Rikshem has an EMTN program listed on the Irish Stock Exchange for issuing bonds. The program is subject to a framework amount of EUR 2 billion and allows borrowing in several different currencies. The commercial paper and bonds are unsecured. At year-end, Rikshem had bonds outstanding in EUR, NOK and AUD with a total value of SEK 8.8 billion. The remaining bonds are denominated in Swedish kronor.

At year-end, the average interest rate was 1.5 percent (1.7). In total, the secured financing amounted to 6 percent (9) of the fair value of the company's investment properties.

Backup facilities

The refinancing and liquidity risk inherent in the maturity structure is managed 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. In addition, there is an MSEK 500 short-term committed overdraft facility, which is renewed on an annual basis.

Committed credit facilities, MSEK

with remaining commitment >12 months

Owners	10,000
Banks	3,000
Total unutilized committed credit facilities	13,000

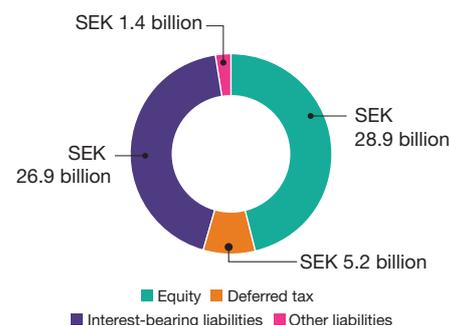
Interest duration

Approximately 21 percent of the financing is at variable interest rates based on STIBOR 3M. Interest-rate derivatives are used to reduce the interest-rate risk resulting from the short interest duration. Borrowing is hedged to limit the company's interest-rate risk in the medium term, which gives Rikshem time to adjust to interest-rate fluctuations. The Financial policy specifies a number of limits that restrict the interest-rate exposure; see below.

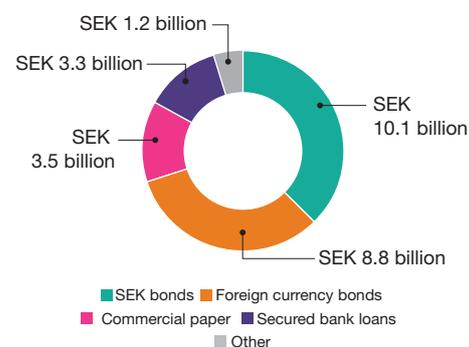
Debt duration

The debt duration has increased in recent years, and the policy for minimum average duration has also been raised twice. Average debt duration at year-end was 4.0 (4.0).

Capital structure at 12.31.2021



External loans at 12.31.2021



Currency exposure

All borrowing in foreign currencies must be hedged in accordance with the Financial policy. Exchange-rate hedging uses 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 be different 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.

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Derivative instruments

At year-end, interest-rate derivatives had a nominal net value of SEK 15.2 billion (17.8) and a fair value of MSEK -37 (-615). The company has combined interest-rate and currency swaps with a fair value of MSEK 96 (-72). The total fair value of the derivative instruments at year-end was MSEK 60 (-687).

Rating

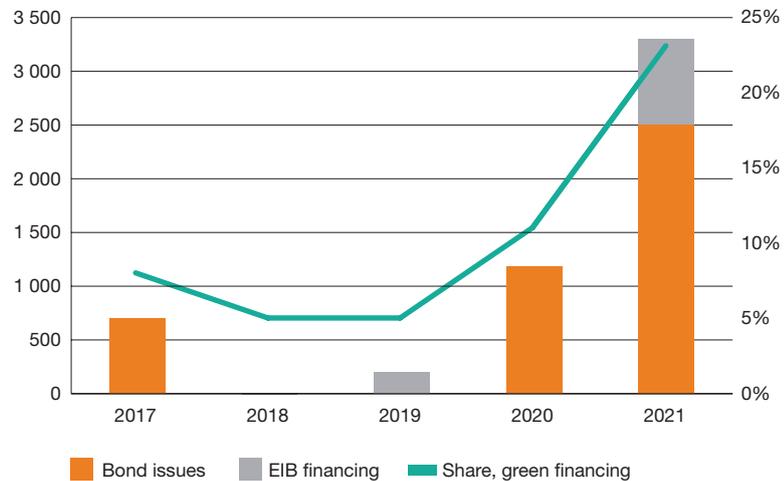
Rikshem has had an A3 credit rating from the ratings agency Moody's since 2020. This rating provides good access to capital on the financial markets, reduces the financing risk and keeps financing costs down. The credit rating was confirmed by Moody's in June 2021.

Green financing

Rikshem's framework for green bonds was updated at the start of 2020 and now covers buildings in certified timber, investments in energy-efficiency initiatives, residential properties with energy consumption at least 15 percent lower than specified in the Swedish National Board of Housing, Building and Planning's regulations, and investments in renewables such as solar energy. The framework is based on the ICMA Green Bond Principles (2018) and, as with Rikshem's previous green bond frameworks, Cicero, the Center for International Climate Research, has provided a second opinion on the framework. Cicero awarded the framework a Medium Green classification for its green credentials and rated it Excellent for governance. The complete framework and more information on green bonds issued can be found on rikshem.se. Green bonds worth a total of SEK 2.5 billion were issued during the year, and SEK 5.1 billion in green bonds was outstanding at year-end.

Rikshem also has green financing through 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 6.1 billion, equivalent to 23 percent of interest-bearing liabilities.



Financial policy

Rikshem's Financial policy defines objectives and sets forth guidelines and risk limits for financing activities. The policy is updated each year and, among other things, covers organization and allocation of responsibilities for financing activities; guidelines and risk limits for managing financial risks; and guidelines for monitoring and reporting. The Financial policy is updated at least once a year and approved by the Board of Directors. Reporting to the Board takes place on a quarterly basis. The information below covers some of the key limits in the Financial policy.

Financing and liquidity risk

Financing risk is the risk that financing cannot be obtained or is at very unfavorable terms at a certain time. Liquidity risk is the risk of suffering a loss as a result of insufficient liquidity in the mar-

ket or in the company. 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 changes in interest levels will have a negative impact on the income statement and statement of financial position. The Financial policy limits this risk by means of parameters for interest duration. The aim is to spread the interest duration over a ten-year period. 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 cannot meet their

commitments. 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 shall not be exposed to currency risk. Borrowings in currencies other than Swedish kronor are permitted but must be hedged. Exchange-rate hedging uses combined interest-rate and currency swaps – so-called cross currency swaps – to eliminate currency risks throughout the loan term.

Summary of Financial policy

Risk/key figure or indicator	Policy	Result
Financing risk		
Loan-to-value ratio	Max. 58%	46%
Average debt duration	Min. 3.5 years	4.0 years
Share of secured debt	Max. 25%	6%
Loan maturity	Max. 35% of net debt within 12 months	27%
Liquidity ratio	Min. 1.15x	2.05x
Interest-rate risk		
Average interest duration	In the range 3–6 years	4.2 years
Share of interest hedged > 1 year	75-95%	76%
Interest duration > 1 year	Max. 20% within 12 months	Achieved
Max. interest duration	10 years	Achieved
Interest-coverage ratio	Min. 2.2x	3.6x
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

Risks and opportunities

Rikshem's operations are impacted by a large number of external factors and 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 define, 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.

Rikshem divides its identified risks into five areas: strategic, operational, financial, brand, and sustainability. The risks are analyzed on an ongoing basis.

All defined risks 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.

Strategic risks

- Macro factors
- Fair value of properties
- Regulatory changes

Operational risks

- Rental income
- Property expenses
- Projects in development
- Property management
- Organization

Financial risks

- Investments
- Financing

Brand risks

- Reputation

Sustainability risks

- Sustainability risks



Strategic risks

	Description of risk	Opportunities	Risk management	Risk of likelihood and impact
Macro factors	The property sector is impacted by macro factors such as general economic developments, employment trends, and changes in society and the requirements for housing, enterprise, and medical and care services. Other macro factors include the issue of climate change and the possibility of far-reaching societal risks, for example pandemics.	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.	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, the company can adjust the portfolio, for example to benefit from favorable conditions within a geographical submarket or a market segment, which is why it is important to understand the drivers at both national and regional level.	Likelihood: Medium Impact: Medium
Fair value of properties	The fair value of the properties is based mainly on net operating income and the market's yield requirements. Net operating income is affected by factors such as rent level, vacancy rate, and operation and maintenance costs. The market's yield requirements are impacted by factors such as interest-rate levels and location-specific circumstances. Changes in net operating income or yield requirements may cause a fall in property values. Values may also fall if there is a decrease in the property sector's access to financing.	Being active in different segments with in part different drivers and different yield requirements means changes in requirements can be balanced to some extent. 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.	To safeguard and increase values in the 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.	Likelihood: Medium Impact: High
Regulatory changes	Changes in tax or property legislation, for example, can have a significant impact on opportunities in the sector and the company's results.	Residential properties and properties for public use are of great importance to the community and citizens. Policy and regulatory changes that promote opportunities in these areas are good news for Rikshem and the wider community.	In consultation with external experts, the company monitors changes in regulatory developments and industry practice. Rikshem is also active in industry associations to bring influence to bear on issues of interest to the company.	Likelihood: High Impact: Medium

Operational risks

	Description of risk	Opportunities	Risk management	Risk of likelihood and impact
Rental income	Rikshem's revenues comprise rental income for the apartments and other premises it rents. If vacancies increase or tenants fail to pay their rent, revenues fall. This can also have a negative impact on the value of the properties. Another risk is the outcome of the annual rent negotiations for apartments not following the general cost trend.	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.	Good property management and active safety efforts make Rikshem's neighborhoods attractive. Demand for apartments is high in many of Rikshem's submarkets. 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.	Likelihood: Low Impact: Low
Property expenses	The costs of managing the property portfolio depend partly on the general development in costs. Staff costs are affected to a certain degree by how Rikshem organizes. From time to time, the company can be affected by higher maintenance costs, for example for fire or water damage. Increased costs in the long term can have a negative impact on property values.	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 for 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.	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. The company takes a pro-active 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 insurance for damage caused by fire or water, for example.	Likelihood: Medium Impact: Medium

Operational risks, continued

	Description of risk	Opportunities	Risk management	Risk of likelihood and impact
Projects in development	Projects in development generally entail risks but also opportunities for good economic development. However, choosing the wrong contractors or other partners for new construction or renovation projects can have major consequences in the form of cost increases, quality defects and delays. Unforeseen events can delay projects or make them more expensive. Projects can also be associated with environmental and working-environment risks, for staff and partners as well as for tenants, customers and others who spend time in the vicinity of 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.	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.	The company 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.	Likelihood: Medium Impact: Low
Property management	Shortcomings in property management can lead to lower customer satisfaction and thus 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 property management and that the risks of damage to property and personal injury are minimized. Shortfalls in regulatory compliance can arise if there is a lack of competence or the regulations are unclear.	Professional and customer-focused property management can help Rikshem increase customer satisfaction, reduce the risk of vacancies and simultaneously deliver good returns.	The company 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.	Likelihood: Medium Impact: Medium
Organization	Rikshem depends on professional and skilled employees who have relevant experience and work in accordance with the company's values and processes. Skills also need to be developed to be relevant over time. Incompetence can lead to the wrong decisions, resulting in reduced rental income or increased costs, for example. Perceived shortcomings in the company's values or management and governance can increase staff turnover and make recruitment more difficult.	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.	By being a values-based company, Rikshem can attract the best employees. The company's values and management system are natural components of the ongoing skills development for staff within the framework of the Rikshem Academy. Working methods, guidelines and procedures are developed continuously.	Likelihood: Low Impact: High
IT security	Rikshem is dependent on the information stored in its systems being accessible to authorized persons and blocked to unauthorized persons. The information must also be reliable. Shortfalls in IT security can have severe negative consequences. For example, information can be destroyed or otherwise rendered inaccessible, be disclosed to unauthorized persons or compromised. Unauthorized access to the company's IT systems or networks can have other negative consequences, for example various forms of disruption to property operations. There is also a certain risk of breaches of the statutory provisions governing handling of personal data.	Good IT security ensures that Rikshem's IT systems are accessible to authorized persons and that the information in them is correct.	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.	Likelihood: Medium Impact: High



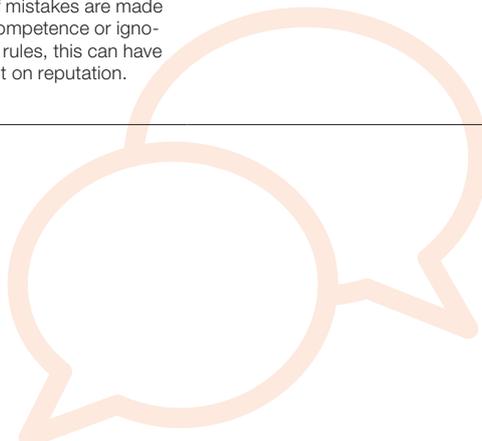
Financial risks

	Description of risk	Opportunities	Risk management	Risk of likelihood and impact
Investments	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.	By balancing different types of investments, the company can achieve good yields at the same time as keeping the property portfolio in good condition.	To contribute to continued value growth, the investments need to achieve or exceed the yield requirements set, which vary for different types of investments. 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.	Likelihood: Low Impact: Low
Financing	Rikshem is funded to a considerable degree by borrowed capital, mainly comprising bond loans, commercial paper and bank loans. These 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.	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.	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. The interest-rate risks are also limited by using interest-rate derivatives and the currency risks by using currency derivatives. Rikshem is continuously assessed by and has a rating from the ratings agency Moody's, and is working to increase the green financing of its operations.	Likelihood: Medium Impact: Low



Brand risks

	Description of risk	Opportunities	Risk management	Risk of likelihood and impact
Reputation	How Rikshem runs its business can have a long-term impact on the Company's reputation. If the work is carried out in line with applicable requirements, internal rules, relevant risk management, and society's expectations, the company's reputation is maintained or enhanced. On the other hand, if mistakes are made as a result of incompetence or ignorance of relevant rules, this can have a negative impact on reputation.	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.	Rikshem strives to comply with rules set and society's expectations. The company has adopted reporting procedures and a comprehensive set of steering documents that are revised and communicated to all employees on an ongoing basis. The documents are updated regularly. In addition, the Riksvägen quality management system includes processes and procedures for the various parts of the organization. The company has a whistleblower function that can be used to report more serious irregularities, and works actively on data protection.	Likelihood: Medium Impact: High



Sustainability risks

	Description of risk	Opportunities	Risk management	Risk of likelihood and impact
<p>Rikshem's climate impact</p> <p>Section of sustainability compass: Climate-neutral operations</p>	<p>Emissions of greenhouse gases have a negative impact on the climate. Rikshem needs to reduce its negative climate impact to help to reduce future climate change. Global climate change has a negative impact on people's living environments as well as leading to a deterioration in social and economic living conditions.</p>	<p>Rikshem's green financing gives us access to more beneficial and more secure loan terms. Systematic climate change mitigation strengthens our brand and our dealings with other market participants, and helps to meet climate targets.</p> <p>The company's efforts mean Rikshem can offer customers housing and premises with superior environmental performance, something that may increase customer satisfaction and employee engagement.</p>	<p>Rikshem's long-term target is to be climate-neutral by 2045. For heating and property electricity, the target is to reduce emissions by 2 kg CO₂/m² per year. Reducing climate impact is part of our work to develop our properties. A share of Rikshem's new properties are built of wood, which, compared with other building materials, leads to lower carbon dioxide emissions during both the construction phase and service life. Rikshem's ambition is to reduce customers' negative climate impact and make it easier for them to have a sustainable lifestyle or run a sustainable business.</p>	<p>Likelihood: High Impact: High</p>
<p>Use of substances harmful to the environment and health</p> <p>Section of sustainability compass: Climate-neutral operations</p>	<p>Use and emissions of chemicals can be harmful to health and the environment. Ecosystem services and biodiversity are affected to differing degrees along our value chain, primarily in connection with the choice of products and materials. The municipalities and society at large demand a good, green environment and high biodiversity.</p>	<p>Working actively to reduce the use of substances harmful to the environment and health is an important part of long-term, credible sustainability efforts. We can make active choices to increase ecological diversity and well-being with greener outdoor environments, making Rikshem's neighborhoods and properties more attractive.</p>	<p>Rikshem's sustainability policy states that Rikshem shall work in accordance with applicable environmental legislation, including the precautionary principle, as well as other rules and requirements. The goal is for all material in new construction and redevelopment projects to be assessed by the nonprofit organization Byggarbeteckningen. Our way of working is in line with society's trend toward cyclical principles and a life cycle philosophy.</p>	<p>Likelihood: Low Impact: Medium</p>
<p>Increased social exclusion in Rikshem's neighborhoods</p> <p>Section of sustainability compass: Safe and attractive neighborhoods</p>	<p>Increasing segregation in society combined with large, unvarying neighborhoods of rental apartments with a narrow range of apartment sizes may entail risks in some of Rikshem's neighborhoods. For example, tenants may move away from the neighborhood as their families grow or their household finances improve. The risk of under-performing schools, higher unemployment, higher crime, inferior amenities, absence of positive neighborhood effects and narrower social networks increases in socio-economically weaker neighborhoods.</p>	<p>Reduced social exclusion leads to more socially sustainable, healthy and attractive neighborhoods, which generate increased rental income potential, higher property values and better finances for projects in development. If Rikshem can create positive change in neighborhoods and is perceived as a good property owner and landlord, this strengthens the company's brand and relationships with municipalities.</p>	<p>Within the framework of its work on neighborhood development, Rikshem will effect a mixture of rental options, types of building, and sizes and standards of apartments by densifying and renovating the existing portfolio. Rikshem's rental policy shall facilitate existing tenants moving apartments within their current neighborhood or within Rikshem's portfolio as a whole. The company engages in various partnerships to increase training and employment and provide meaningful leisure time for those living in Rikshem's neighborhoods. Examples include summer jobs, homework assistance and partnerships with local clubs and societies.</p> <p>Increased customer dialog where tenants can be involved, express their views and influence their neighborhood on all kinds of matters is another important element in increasing participation and reducing social exclusion.</p>	<p>Likelihood: Medium Impact: High</p>
<p>Increased feeling of not being safe in Rikshem's neighborhoods</p> <p>Section of sustainability compass: Safe and attractive neighborhoods</p>	<p>The prevailing social climate with people feeling less safe, combined with neighborhoods that do not live up to today's social planning ideal of vibrant districts, increases the risk of people not feeling safe in Rikshem's neighborhoods. The physical environment can contribute to not feeling safe, for example through lack of social control as a result of functional separation and traffic separation and too low a floor-area ratio, all of which contribute to there being too few people in too large an area.</p>	<p>An increased feeling of safety leads to greater stability, which results in lower property management costs, for example relating to vandalism and tenants moving. An increased feeling of safety leads to more satisfied customers and also creates opportunities to make neighborhoods more pleasant and attractive, resulting in higher values for Rikshem's properties.</p>	<p>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. Rikshem aims to have vibrant ground floors in its properties and to provide more jobs in properties for public use in neighborhoods so as to increase the daytime population. The feeling of safety and security measures are taken into consideration in the planning stage of new construction projects and redevelopments, and we work with municipalities, the police, property owners and other players to help people feel safer. Work to counter illegal subletting also leads to an increased feeling of safety and stability.</p>	<p>Likelihood: Medium Impact: High</p>

Description of risk	Opportunities	Risk management	Risk of likelihood and impact	
<p>Occupational injuries, accidents and health problems</p> <p>Section of sustainability compass: Employee satisfaction</p>	<p>Employees, subcontractors and others working on behalf of Rikshem run the risk of being exposed to workplace accidents and dangerous situations. An unhealthy working environment can lead to health problems and a deterioration in the company culture.</p>	<p>Healthy employees lead to increased productivity, 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>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. Measures to prevent ill health include training, wellness grants and employee surveys, etc. By means of the Supplier code of conduct, Rikshem sets requirements for suppliers regarding human rights, working conditions, the environment and anti-corruption, etc.</p>	<p>Likelihood: Medium Impact: High</p>
<p>Discrimination or other offensive treatment of employees</p> <p>Section of sustainability compass: Employee satisfaction</p>	<p>Employees and others working on behalf of Rikshem risk being exposed to discriminatory or offensive treatment.</p> <p>There is also a risk of improper behavior by employees and others leading to discriminatory or offensive treatment of individuals outside the company.</p>	<p>A company culture in which employees feel well 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 having satisfied customers and better business relationships.</p>	<p>Rikshem's Equality and diversity policy has been drawn up in collaboration with unions and is based on national legislation to tackle discrimination. Monitoring and training are by means of the annual employee survey, e-training and conversations about values and dilemmas at workplace meetings. Rikshem also has an Equality plan and has had a whistleblowing function in place for several years.</p>	<p>Likelihood: Medium Impact: Medium</p>
<p>Human rights violations</p> <p>Section of sustainability compass: Good total return</p>	<p>There is a risk of individuals' human rights being violated in connection with Rikshem's operations and those of its suppliers and sub-suppliers. This risk also entails business risks such as reputational damage and legal and financial consequences for Rikshem.</p>	<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 requirements set out in Rikshem's Supplier code of conduct facilitates positive, long-term relationships with our suppliers and partners, something that is crucial for Rikshem's commercial success.</p>	<p>Rikshem's Code of conduct sets out how the company and employees must behave with respect to human rights. Equivalent requirements are set out in Rikshem's Supplier code of conduct. The goal is for all Rikshem's major suppliers to sign Rikshem's Supplier code of conduct. This 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.</p>	<p>Likelihood: Medium Impact: High</p>
<p>Bribery and/or corruption</p> <p>Section of sustainability compass: Good total return</p>	<p>In any business there is a risk of individuals being involved in undue influence for their own gain. There is a risk of bribery and corruption, for example if employees fail to distinguish between private interests and Rikshem's interests, but also in connection with ordering and procurement. Corruption and bribes risk having a negative impact on Rikshem but also on society as a whole. Moreover, corruption risks eroding trust in Rikshem, and its reputation.</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>Rikshem's Code of conduct is based in part on its values and serves as guidance for employees on issues of business ethics. Employees are able to report breaches of the Code of conduct anonymously via Rikshem's whistleblower function.</p> <p>The company also has an established policy for countering conflicts of interest and a Rental policy that provides guidance on how employees should act.</p>	<p>Likelihood: Low Impact: Medium</p>
<p>Climate impact on Rikshem's business</p>	<p>Climate change may lead to damage to Rikshem's properties and neighborhoods.</p>	<p>By keeping a check on risk areas, Rikshem can make better decisions on procurements, new construction projects and property management.</p>	<p>Rikshem has mapped the portfolio based on potential consequences of climate change within each region, using scenarios RCP 4.5 and 8.5.</p>	<p>Likelihood: Low Impact: Medium</p>

Board of Directors



Per Uhlén (1948)

Chair of the Board
Chair of the remuneration committee

Elected to the Board: 2020

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

Previous positions: Positions including Acting CEO of Rikshem, CEO of Diligentia, Deputy CEO of Skanska Sverige, and board member of companies including Vasakronan and Bonnier Fastigheter.



Pernilla Arrrud 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, and board member of Antilooppi Management Oy, Antilooppi GP OY and Mercada OY.
Education: Master's degree in Engineering
Previous positions: Head of Nordic Client Consultants Real Estate at MSCI, Head of Research at CBRE Sweden and Chief Analyst at Strateg Fastighetskonsult.



Liselotte Hjorth (1957)

Board member
Chair of the audit committee

Elected to the Board: 2016

Other positions: Chair of White arkitekter, Eastnine and Brunswick Real Estate Capital Advisory. Board member of Fastighetsbolaget Emilshus.
Education: Bachelor's degree in Economics
Previous positions: Positions including Deputy CEO, Head of Group Credit and Global Head of Commercial Real Estate at SEB, and member of SEB AG management in Frankfurt, Germany.



Andreas Jensen (1981)

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

Elected to the Board: 2019

Other positions: Senior Portfolio Manager, alternative investments, at the Fourth Swedish National Pension Fund, specializing in infrastructure and real estate.

Education: Master's degree in Engineering

Previous positions: Head of business development at MTR Nordic, Senior Investment Manager at Skandia Liv, political adviser at the Swedish Ministry of the Environment and management consultant at McKinsey & Company.



Per-Gunnar Persson (1965)

Board member
Chair of the investment committee
Member of the audit committee

Elected to the Board: 2016

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

Education: Master's degree in Engineering

Previous positions: Board member of Norrporten.



Peter Strand (1971)

Board member
Member of the audit 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 the property companies Victoria Park, Annehem Fastigheter and Tribona.

Bo Magnusson (Chairman) and Ulrica Messing (member) were on the Board of Directors in 2021 but left during the year at their own request.

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: Vasakronan, 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 JVs

Employed since: 2017

Member since: 2017

Education: KTH Royal Institute of Technology, BScEng, Swedish Institute of Management.

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.



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.

Catharina Kandel was Head of HR during 2021 but left the company in February 2022.

Sustainability governance

Rikshem AB (publ), with operations in Sweden and its head office in Stockholm, manages sustainability work 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 work and then delegates the work to the line operations. Rikshem’s Sustainability Manager and the Sustainability unit provide support and governance to the business. The overall goal of sustainability work is to contribute to developing healthy communities. The sustainability compass is Rikshem’s framework for sustainability and clarifies the links between Rikshem’s goals, materiality issues and the UN’s global goals. The strategy aims to support employees in integrating sustainability issues in a concrete way in their operations. Read more about Rikshem’s strategic sustainability activities on page 11. The table shows the results of Rikshem’s most important KPIs (Key Performance Indicators) by material issue and the trend compared with the previous year. Other key figures can be found in the GRI index on page 73.

Changes compared to previous reports

During 2021, Rikshem conducted a climate survey of the entire value chain for the business, our three scopes 1, 2 and 3, based on data from the base year 2020 and calculations according to the GHG protocol. Furthermore, the first objectives

of the European Commission Taxonomy Regulation were adopted in 2021. During the year, Rikshem began mapping its operations based on taxonomy requirements, with a focus on existing properties. The main focus is on the taxonomy’s requirements, with a focus on energy and climate risk analyses.

Materiality analysis

Rikshem’s ten materiality issues constitute the core of sustainability activities, see page 11. Prioritization of the materiality issues is based on where Rikshem’s operations have the greatest positive or negative impact on the environment and society. During 2019, Rikshem implemented a major update of its materiality analysis with a view to ramping up and streamlining its sustainability activities in light of the global challenges the world is facing. The basis for the materiality analysis includes continuous business intelligence, ongoing and targeted stakeholder dialogues and an analysis of the sustainability impact of our operations. In view of the fact that Rikshem’s target management model was updated in 2020, Rikshem’s materiality issues were also reviewed during the year, and some areas were then merged and others clarified. There have since been no major changes to the content of the materiality issues.

Stakeholder dialog

Rikshem engages in ongoing dialog with our stakeholders on sustainability. The most important stakeholders are the people

Rikshem’s stakeholders

Stakeholder group	Dialog	Key questions and expectations	Rikshem’s risk management
Customers	Conversations with residents, daily contact, CSI (Customer Satisfaction Index) survey, case management system, in-depth interview prior to the development of significant issues.	<ul style="list-style-type: none"> Waste management Communication to and from the home Feeling of safety Communal areas 	Read how Rikshem manages customer expectations on pages 23, 28, 31, 33-36 and 38.
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 10-17, 33-39, 42-43, 48-49 and 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 50-55.
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 	Read how Rikshem manages suppliers’ expectations on page 39.
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 Feeling of safety Sustainable material choices Social inclusion and integration 	Read how Rikshem manages municipality expectations on pages 12-15, 33-36, 38-39 and 41-46.
The Swedish Union of Tenants	Ongoing dialog with local offices and at central level between the Swedish Union of Tenants 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, 16-17, 23, 33-36 and 42-43.

or activities that are affected by or affect Rikshem's activities, see the table on page 68. During 2019, targeted dialog on sustainability issues was conducted 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. The results of the stakeholder dialog were used to prioritize sustainability issues within the materiality analysis, which still form the basis of the company's strategic sustainability work.

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 whistleblowing policy describes the opportunities employees have to report irregularities, what can be reported, to whom and how cases are handled by Rikshem's whistleblowing function. Notifications may be made anonymously. No reports to the whistleblower program were received in 2021. No confirmed cases of corruption were noted in 2021.

1) Read more about pandemic-related measures for employees on page 52.

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 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 experiences. 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. Those working in the field in Rikshem's areas are also offered hepatitis and tetanus vaccines, as there is a risk of minor injury to those working out in Rikshem's areas. During the 2021 pandemic year, Rikshem has also continued to support employees in teleworking through various workshops and wellness activities.¹

Robust governance for a high standard of business ethics

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 conflicts of interest
- Policy for business travel and expenses for representation

- Financial policy
- Insider policy
- Equality and diversity policy
- Rental policy
- Working-environment policy
- CEO instructions
- Decision-making and authorization arrangement

KPIs by material issue

The table shows the results of Rikshem's most important KPIs (Key Performance Indicators) by material issue 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	Material issue	KPI (indicator)	Target	2021 result	2020 result	Page
Good total return	Sustainable business	Confirmed incidents of corruption	0	0	0	69
	Sustainable supply chain	Share of Rikshem's suppliers who have accepted the supplier code of conduct.	100%	77% (436 of 566)	66% (297 of 453)	39
Customer satisfaction	Customer dialog	Customer Satisfaction Index (CSI) for residential properties	62	59	59	10, 33, 35
		Customer Satisfaction Index (CSI) for properties for public use	(Target to be formulated in 2022)	55	49	33, 38
	Easy to live sustainably	Number of summer jobs provided	150	156	148	6.35
Employee satisfaction	Sustainable working life	Employee Satisfaction Index (ESI)	82	68	71	10, 51, 53
	Equality and diversity	Share of employees who consider there are equal numbers of male and female role models	90%	87%	84%	53
Climate-neutral operations	Reduction in CO ₂ emissions ¹	Reduced energy consumption kWh/m ² /year in %, total energy revised to a normal year	2.5%/year	-0.3%	-8.0%	36
		Reduced CO ₂ in kg/m ² /year, based on total energy revised to a normal year	2 kg/m ² /year	-0.1 kg	-0.7 kg	36
	Resource efficiency & environment	Proportion of completed projects that use Byggarubedömningen	100%	6 out of 12, 50% ^{2,3}	13 out of 18, 70%	43
Safe and attractive neighborhoods	The feeling of safety & well-being	Perceived feeling of safety for tenants (index 100)	85	76	77	10.34
	Diverse offer	Attractiveness index	Target to be formulated in 2022	78	78	33-34

1) Note that energy consumption and carbon dioxide emissions are measured in different units. Normal-year-adjusted figures that constitute the follow-up to Rikshem's targets (2021 vs 2020) show a low reduction from 2020 both for energy consumption and greenhouse gas emissions.

2) KPI changed to include completed projects instead of the proportion of projects in the production phase measured in 2020. KPI also changed to only include Byggarubedömningen as a system and does not include other equivalent systems.

3) All construction projects now have an agreement to report used materials in Byggarubedömningen. The projects completed in 2021 are presented here. However, not all completed projects had the requirement to use Byggarubedömningen, as an agreement has been signed much earlier.

Rikshem's emissions are calculated using IVL, the Swedish Environmental Research Institute. The climate survey with base year 2020 includes scopes 1, 2 and 3, divided into different climate areas, and is presented in detail on pages 16–17. Rikshem's climate survey and data calculations were completed late in 2021, and the figures have therefore not been able to go through the extended review process applied by Rikshem.

Scope 1 and 2 are reported for 2021, as shown in the table on the right. Calculation of Scope 3 will be developed and reported in the future.

Climate impact 2021 Scope 1 and 2 (tonnes CO₂eq)

Scope 1

Energy: Natural gas and oil	240
Transportation: Service vehicle	81
Total Scope 1	321

Scope 2

Energy: District heating	17,952
Energy: Electricity (site-based)	5,084
Energy: Electricity (market-based)	0
Total Scope 2 (site-based)	23,036
Total Scope 2 (market-based)	17,952

About the Sustainability Report

The report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards at Core level. The Sustainability Report, which includes Rikshem AB (publ) and wholly-owned subsidiaries, is prepared annually and summarizes Rikshem's sustainability activities in 2021. 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 72 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 – December 31, 2021, unless stated otherwise. The latest Annual Report and Sustainability Report were published on March 26, 2021, for the 2020 fiscal year. The contact person for the report is Sustainability Manager, Elisabeth Schylander, elisabeth.schylander@rikshem.se.

Index to the statutory Sustainability Report

Index to content constituting the statutory Sustainability Report

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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 71, has been approved for issue by the Board of Directors.

Stockholm 24 March 2022

Per Uhlén
Chairman of the Board

Pernilla Amrud Melin
Board member

Liselotte Hjorth
Board member

Andreas Jensen
Board member

Per-Gunnar Persson
Board member

Peter Strand
Board member

Anette Frumerie
CEO

Auditor's statement on the Sustainability Report

The auditor's report on the review of Rikshem AB (publ)'s Sustainability Report and statement on the statutory Sustainability Report.

To Rikshem AB (publ), corporate registration number 556709-9667

We have been engaged by the Board of Directors of Rikshem AB (publ) (Rikshem) to review Rikshem's Sustainability Report for 2021. The Company has defined the scope of the Sustainability Report on page 71 of this document, and the statutory Sustainability Report is defined on page 71.

Responsibilities of the Board and Management

The Board and Management are responsible for preparing the Sustainability Report, including the statutory Sustainability Report, in accordance with applicable criteria and the Swedish Annual Accounts Act. The criteria are set out on page 71 of the Sustainability Report and comprise those parts of the framework for sustainability reporting issued by GRI (Global Reporting Initiative) that are applicable to the Sustainability Report, as well as the Company's own accounting and calculation policies. This responsibility also covers the internal controls deemed necessary to prepare a Sustainability Report that is free from material misstatement, whether due to irregularities or errors.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the Sustainability Report based on our review and to provide a statement concerning the statutory Sustainability Report. Our task is limited to the information in this document and the historical information that is reported and, as such, does not cover future-oriented figures.

We have performed our review in accordance with ISAE 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information". A review consists of making enquiries, in the first instance of persons responsible for preparing the Sustainability Report, conducting an analytical review and carrying out other review procedures. Our review of the statutory Sustainability Report has been conducted in accordance with FAR's recommendation RevR 12 "The auditor's statement regarding the statutory Sustainability Report". A review, and a review in accordance with RevR 12, are different and substantially smaller in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The audit firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive quality control system, including documented guidelines and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. In accordance with generally accepted auditing standards in Sweden, we are independent of Rikshem and have otherwise fully discharged our ethical responsibilities according to these requirements.

The review procedures carried out in a review and a review in accordance with RevR 12 do not allow us to be certain that we are aware of all the important circumstances that could have been identified if an audit had been carried out. As such, the conclusion provided on a review, and a review in accordance with RevR 12, does not provide the certainty of a conclusion based on an audit.

Our review of the Sustainability Report is based on the criteria selected by the Board and Management, as defined above. We consider these criteria to be appropriate to the preparation of the Sustainability Report.

We consider that the evidence we have obtained during our review provides a sufficient and appropriate basis for our opinions below.

Opinions

Based on our review, nothing has come to our attention that causes us to believe that the Sustainability Report has not, in all material respects, been prepared in accordance with the criteria specified above by the Board and Management.

A statutory Sustainability Report has been prepared.

Stockholm 24 March 2022

Ernst & Young AB

Mikael Ikonen
Authorized Public Accountant

Marianne Förander
Specialist member of FAR

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102-7	Scale of the organization		53
102-8	Information about employees and others working for the organization	To guarantee anonymity, the number of employees per type of employment and gender distribution per full-time and part-time is not reported (due to low number of employees).	53
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102-11	Precautionary principle	Rikshem applies the precautionary principle in accordance with Swedish environmental legislation	
102-12	External initiatives	FN:s Global Compact, Global Reporting Initiative	
102-13	Active membership of organizations	The Swedish Property owners' association, Sweden Green Building Council, Byggvarubedömningen	
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Sustainable working life			
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Own indicator:		Number of residential properties (apartments) built using timber	43
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Own indicator:		Proportion of completed projects that use Byggvarubedömningen or equivalent system	43, 70
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GRI 103: Management approach	103-1	Materiality and definition		34
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	103-3	Follow-up on management		34
Own indicator:		CSI for residential properties		10, 33, 35, 70
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Easy to live sustainably				
GRI 103: Management approach	103-1	Materiality and definition		34
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Own indicator:		Number of tenants who have received advice from Boskolan		34
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GRI 103: Management approach	103-1	Materiality and definition		34-35
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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 2021 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 has, through investments and acquisitions, 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.

Through joint ventures, Rikshem operates in new markets, develops new and existing areas and exchanges expertise.

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, of which 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 finan-

cially 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 finance policy is a tool for defining objectives and guidelines and specifying risk limits for financing activities, which contribute to the overall objective of good total return.

Rikshem's measurable financial key performance indicators for 2021 were:

- To deliver a total return exceeding 5% in real terms on the property capital in the long term.*
- Targets include:
 - Loan-to-value ratio
 - Equity/assets ratio
 - Interest coverage ratio
 - Debt duration
 - Interest rate duration
 - Net debt/EBITDA

* Real total return calculated from MSCI figures.

Significant events during the fiscal year

- Q1:**
- Rikshem acquired three development properties in Dingtuna, Västerås.
 - Rikshem issued green bonds for SEK 700 million.

- Q2:**
- The credit rating agency Moody's confirmed Rikshem's long-term credit rating, A3.
 - During the summer months, Rikshem was able to offer 156 young people summer jobs.
 - Per Uhlén was elected Chairman of the Board at an Extraordinary General Meeting and succeeded Bo Magnusson, who announced that he wished to resign. Peter Strand was elected as a new ordinary member at the same time.

- Q3:**
- Construction of 252 new apartments in Västerås, 130 new apartments in Södertälje and 103 apartments in Umeå started.
 - Rikshem started a new electric car pool in Kalmar to make it easier for tenants to live sustainably.
 - Several initiatives were introduced during the year, which together contributed to improved customer service.
 - Acquisition of the Bergskvadraten property in Norrköping containing residential properties and nursing homes.
 - Sale of approximately 25 properties divided between the locations of Västerås and Helsingborg.
 - Rikshem decided to become climate-neutral in 2045.
 - Rikshem joined LFM30 which is a Local Roadmap to achieve a climate Neutral Building & Construction Industry in Malmö 2030 (LFM30)

- Q4:**
- By the end of the year, 80 per cent of the housing stock had been connected to the Open Fibre Network, which means that tenants will have a free choice of supplier for broadband, TV and telephony.
 - At an extraordinary general meeting, Ulrica Messing left her position as a member of the Board at her own request.
 - Rikshem was granted funding by the Swedish National Board of Housing, Building and Planning to develop 17 green outdoor environments.
 - Rikshem decided that all new construction will be certified in accordance with Miljöbyggnad Silver.
 - Building work started on 541 residential properties in Luleå, Halmstad and Malmö.
 - Rikshem repurchased almost EUR 130 million in bond maturing in 2024.
 - Rikshem started a new Joint Venture together with Huseriet.

Rikshem has continued to actively work to improve the key performance indicators and has created a strong financial position during the year. This has resulted in the following outcomes:

	2021	2020
Real total return, incl. joint ventures (based on figures from MSCI), %	10.3	6.7
Equity/assets ratio, %	46	41
Loan-to-value ratio, %	46	51
Loan-to-value ratio, secured loans, %	6	9
Share of short-term net debt, %	25	21
Interest-coverage ratio, multiple	3.6	3.7
Interest duration, years	4.2	4.7
Debt duration, years	4.0	4.0

Organization and employees

The business is mainly run using its own staff. At year-end, December 31, 2021, the number of employees at Rikshem was 286 (271). A reorganization was carried out in June 2020 in order to strengthen the organization in line with the ongoing process of change in the Company and to achieve more effective governance and better utilize the opportunities for economies of scale and synergies that come from Rikshem's size. The biggest change was that the operations that were previously organized in three regions: Region Norra, Region Mälardalen, Region Södra became a Management Organization. In addition, the Business and Sustainability Development unit was divided into two, Business Development and Operations Development, for more effective governance and shorter decision-making paths. In 2021, Rikshem further strengthened its organization in areas such as Business Development and Communication. The management organization has also grown in the number of employees and functions, where new roles have been created to increase competence through increased specialization. Thanks to the rapid transition in 2020, when the covid pandemic was a reality, Rikshem was able to continue its development work in 2021 in spite of coronavirus restrictions. During the year, the focus was on recruitment, providing leadership support, offering employees skills development and working to promote good health and well-being within the company.

Significant events during the fiscal year

The pandemic has created great economic uncertainty in the world. Real estate is, not least in times of uncertainty, an interesting investment object and the interest from investors, above all in the rental housing and properties for public use segments, has been high during the year. Rikshem's Balance Sheet has strengthened, primarily in light of the increase in the value of the portfolio, and at year-end was SEK 62 billion, including the Company's share of properties owned in joint ventures. Rikshem has reported a strong result. With a property portfolio mainly comprising rental apartments and properties for public use, exposure to the sectors that have been most vulnerable to the pandemic is extremely low. Almost two percent of rental income comes from the renting of commercial premises, and a very limited number of Rikshem's tenants have applied for deferral or support for rent payments.

During the year, Rikshem made a number of decisions to reduce its climate impact. These include a prepared roadmap for climate neutrality in 2045, a connection to the Science Based Targets Initiative and membership of the local Local Roadmap Malmö initiative, LFM30.

Comments on the Group's performance

Net operating income

The Group's rental income for the year increased by SEK 30 million (116) to SEK 3,062 million (3,032). Rental income for like-for-like portfolio increased by SEK 71 million (98) or 2.4 percent (3.5). The relatively small increase is explained by property sales in 2020 and 2021 and vacancies. At year-end, the vacancy rate for residential properties was 5.1 percent (4.0). Adjusted for apartments that have been vacated in preparation for renovation, the market vacancy rate was 1.5 percent (1.4). The average remaining lease term for properties for public use was 8.3 years (8.8).

Property expenses increased by SEK 22 million to SEK 1,294 million (1,272). Expenses for the like-for-like properties increased by SEK 52 million or 4.3 percent, mainly due to public utility heating and electricity costs. Operating costs also increased, while costs for repairs and maintenance decreased compared with the previous year. Overall, total net

operating income increased year-on-year and amounted to SEK 1,768 million (1,760). Net operating income for the like-for-like portfolio increased by SEK 19 million or 1.1 percent.

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

Central administration

The year's costs for central administration amounted to SEK 100 million (78). The increase relative to the previous year can partly be explained by costs for digitalization and new appointments. Central administration includes group-wide costs.

Net financial items

Net financial items for the year totaled SEK -472 million (-463). Net financial items mainly comprise the Company's external interest costs. Net financial items have increased as a result of the bond repurchase carried out in the fourth quarter. The average interest rate on interest-bearing liabilities was 1.5 percent (1.7). Fees for unused backup facilities are included in the average interest rate.

Earnings from joint ventures

Earnings from joint ventures amounted to SEK 330 million (60). This increase can mainly be attributed to higher net operating income and change in value of the properties.

Income from management operations

Compared with the preceding year, income from management operations increased by SEK 247 million to SEK 1,526 million (1,279), which is mainly due to changes in joint ventures' property portfolio.

Change in value of investment properties

The change in value for directly owned investment properties for the year was SEK 5,509 million (1,825), equivalent to an increase in value of 10.6 percent (3.7).

The average yield requirement decreased by 0.35 percentage points relative to the value at year-end 2020 to 3.65 percent. Just over 70 percent of the change in value for the year can be attributed to change in cost of capital and yield requirement for the unchanged part of the portfolio. The remainder is a result of improved cash flows in properties, partly as a result of value-developing projects.

Change in value of financial derivative instruments

The Company's financial derivative instruments are interest rate swaps, which extend interest duration, and combined currency and interest rate swaps, which have been entered into to eliminate currency risk on interest payments and repayments of loans raised in EUR, NOK and AUD. Sweden's long-term interest rates rose during the year, positively impacting the change in value of interest rate derivatives. The change in value during the period was SEK 575 million (-232). The change in value of foreign exchange derivatives amounted to SEK 168 million (-535). The foreign exchange effects on financial liabilities in EUR, NOK and AUD totaled SEK -432 million (670) 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 SEK 5,931 million (2,481). Profit for the year is charged with a tax expense amounting to SEK -1,416 million (-526), SEK -95 million (-66) of which was current tax and SEK -1,321 million (-460) 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.

Financial position

Investment properties

At year-end, Rikshem's property portfolio comprised 514 properties (540) with a fair value of SEK 58,780 million (51,750). SEK 41,024 million of this pertained to residential properties, SEK 13,903 million to nursing homes, SEK 2,977 million to schools and SEK 876 million to commercial properties. The property portfolio includes development rights valued at SEK 666 million. Properties corresponding to 46 percent of the fair value are located along the Greater Stockholm-Uppsala axis. Altogether, the property portfolio comprises 29,000 apartments (29,000) and lettable area of approximately 2,216,000 sqm (2,232,000).

During the year, Rikshem acquired properties for SEK 532 million (285). Most of this relates to a new-build property in Norrköping comprising residential properties and a nursing home. Rikshem divested properties worth SEK

862 million (1,259) during the year. These primarily concerned 25 properties in Västerås and Helsingborg, mainly homes for people with disabilities and apartments, as well as a property for public use in Kalmar.

Investments in existing properties during the year amounted to SEK 1,851 million (1,592), SEK 956 million (976) of which pertained to redevelopment and renovation of residential properties, SEK 705 million (271) to new construction of residential properties, and SEK 190 million (345) to investments in properties for public use.

Participations in joint ventures

Rikshem owns stakes in joint ventures with a total value of SEK 2,191 million (1,768). The largest holding of SEK 1,193 million pertains to 49 percent of Värmdö-Bostäder. The remainder of Värmdö-Bostäder is owned by Värmdö Municipality. The second-largest holding of SEK 789 million pertains to Farsta Stadsutveckling (Telestaden), with Rikshem and Ikano Bostad each owning 50 percent. Farsta Stadsutveckling owns the property Burmanstorp 1 in Farsta. 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 SEK 209 million pertain to development projects owned and operated jointly with Nordr (formerly Veidekke Bostad), P&E Fastighetspartner, Glommen & Lindberg and Huseriet.

Receivables

Non-current receivables amounted to SEK 227 million (281) and mainly consisted of loans to joint ventures. Current receivables amounted to SEK 198 million (214), of which SEK 81 million (96) relates to prepaid expenses and accrued income. Accounts receivable amounted to SEK 27 million (24).

Cash and cash equivalents

Cash and cash equivalents amounted to SEK 468 million (830). On the closing date, pledged assets received under Credit Support Annexes (CSAs) for combined interest rate and currency swaps amounted to SEK 48 million (192). These pledged assets are settled on a monthly basis.

Financial derivative instruments

At December 31, 2021, the Company had an interest rate derivative portfolio that

hedged SEK 15.2 billion on a net basis. 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 SEK 403 million (281), while that of instruments with a negative fair value was SEK -343 million (-968). The net fair value of the derivative portfolio was SEK 60 million (-687).

Interest-bearing liabilities

At year-end, interest-bearing liabilities amounted to SEK 26,922 million (26,315). Of these, SEK 3,306 million (4,814) pertained to secured bank loans, SEK 999 million (199) to liabilities to the EIB, SEK 3,550 million (2,139) to funding through commercial paper and SEK 18,892 million (18,988) to bond loans. In addition, the Company had SEK 175 million (175) in interest-bearing liabilities to related parties. All bank loans are secured by collateral in properties.

In total, secured financing accounted for 6 percent (9) of the fair value of the investment properties. Of Rikshem's outstanding bonds, bonds corresponding to SEK 2.8 billion have been issued in EUR, SEK 5.5 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 2.9 billion (EUR), SEK 5.4 billion (NOK), and SEK 0.5 billion (AUD).

The average debt duration is 4.0 years (4.0), and the average interest duration is 4.2 years (4.7).

Equity

During the year, the Group's equity increased by SEK 5,934 million to SEK 28,855 million (22,921). The profit for the year in combination with the lower rate of acquisition has led to an increase in equity/assets ratio to 46 percent (41).

Parent Company

The operations of the Parent Company Rikshem AB (publ) comprise Group-wide functions as well as the organization for managing properties owned by the subsidiaries. No properties are owned directly by the Parent Company. Revenue for the year amounted to SEK 248 million (243) and profit after financial items to SEK 550 million (188). The Parent Company's equity amounted to SEK 8,085 million (7,662) at year-end.

Sustainability

As one of Sweden's largest real estate companies, our actions have a major impact on society and on many people's living environments, in their homes, workplaces or schools. Rikshem's operations must be sustainable from an environmental, social and economic perspective. For Rikshem, sustainability is the basis for long-term profitability. We strive to set an example and contribute to the UN's Sustainable Development Goals, both as an individual company and together with other stakeholders, in order to achieve the goals that are most relevant to Rikshem's operations. During 2019, the Company strengthened its control on how key sustainability issues are integrated into projects and neighbourhood development, work that has had continued focus since then. The materiality analysis conducted in 2019 resulted in the company's material issues being revised. The work was specified in Rikshem's sustainability compass and has since been applied to all sustainability issues. The sustainability compass shows the connection between our material sustainability issues, Rikshem's five overall goals and the global goals. The sustainability compass will help employees to integrate sustainability issues in a tangible way in any decision-making relating to projects and neighbourhood development. The aim is to create the greatest possible benefit for Rikshem's customers and help 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 integrated into 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 77 with page references to each sustainability disclosure 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 integral parts of Rikshem's business plan. Rikshem has defined risks and uncertainties in the areas of strategic, operational, financial, brand and sustainability risks. Each risk area is analyzed on an ongoing basis.

Strategic risks

The property sector is impacted by macroeconomic factors such as general economic trends, growth rate, employment trends, the rate of building 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 funds and/or to equity. To guarantee 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.

Changes in tax legislation regarding, for example, VAT, corporate tax or property tax could have a significant impact on the Company's earnings. Material risks are managed by carefully monitoring changes in practice and the development of new regulations.

Operational risks

The Company'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 payment capacity of the Company's tenants is reduced and they therefore fail to pay their rent. Revenue risk is primarily managed through 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 heat-

ing costs. Rikshem is working on an ongoing basis to enhance its energy efficiency to lower its costs and also because reducing energy consumption is important in terms of the environment and sustainability. 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 making it unavailable to unauthorized persons. Deficiencies in IT security can have major negative consequences, where information, for example, can be destroyed or unavailable in some other way, be disclosed to unauthorized persons or be altered inappropriately. Unauthorized access to the company's IT systems or networks may have other negative consequences, such as various forms of disruption to property operations. Systematic IT security work is constantly ongoing and is adapted based on the current situation and the technical development that the company is pursuing or benefits from.

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 expense. This can have adverse consequences on 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. For example, the liquidity risks are managed using updated cash flow forecasts and access to adequate backup facilities. The refinancing risk is limited primarily by using different sources of financing and a long capital tie-up period with a spread of maturities on loans. The interest rate risks are also limited by using interest rate derivatives and the currency risks by using currency derivatives.

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, which vary for different types of investments, there is a risk of the value of the properties being eroded. 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. Acquisitions are only made in selected locations.

Brand risks

How Rikshem runs its business can 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. Rikshem strives to comply with rules set and society's expectations. The Company has adopted reporting routines and a comprehensive set of governing documents that are communicated to all employees on an ongoing basis.

Sustainability risks

Sustainability risks describe how Rikshem's operations can in turn impact people, the environment and society. The risk survey includes risks that directly affect the environment through emissions to the air or use of chemicals in operations. Wood construction and energy-smart properties are two methods of managing our environmental risks, together with our roadmap to climate-neutral operations in 2045, developed in 2021. During the year, we also joined the Science Based Targets Initiative and the Local Roadmap Malmö, in order to work pro-actively to reduce the company's climate impact. Other risks include those that affect people and society through work-related injuries and accidents, discrimination, violations, bribery and corruption or exclusion in our residential areas, not least with regard to increased insecurity and segregation. The latter is addressed, for example, by creating inviting outdoor environments with good lighting, as well as ongoing neighborhood development for a diverse offer of housing in our neighborhoods. Rikshem also runs various security-related collaborative projects with the municipality, police, property owners and other local stakeholders, and conducts customer dialogs where tenants are given the oppor-

tunity to respond. Sustainability risks are integrated in projects, neighborhood development and in operating activities and are specified in Rikshem's sustainability compass. Rikshem's operations must be sustainable from an environmental, social and economic perspective. For Rikshem, sustainability is the basis for long-term profitability.

Expected future development

Rikshem's continued strategy is to develop its property portfolio in a sustainable way. The long-term goals that will be achieved in 2022 will continue to be relevant, as will the business' strategies for achieving the goals. A lot is pointing in the right direction for Rikshem and the Company is equipped to achieve its ambitious goals in the coming years.

The property industry has been reporting increased property values for a long period of time. However, uncertainty during the pandemic has defined the year and there have been clearer differences in the valuation of properties with different risk profiles. From an investor perspective, equities and credits linked to low-risk properties, such as residential properties and properties for public use, have been seen as more stable than those linked to commercial properties. This has led to increased interest in these properties, yield requirements have fallen and property values have risen.

With its focus on rental apartments, developing 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 is in line with society's current and future needs for nursing homes, care facilities, preschools and schools. Demand for rental apartments is expected to remain good and the market for properties for public use is stable even at times when the outside world is changing at an ever faster rate.

Sweden's property market continues to be defined by a housing shortage, while the addition of new rental apartments is expected to decline in the future. For the first time in several years, it was seen in 2018 that residential construction declined, which has continued in subsequent years, although the rate of construction decreased less than expected in 2020. However, the need for residential properties has not decreased. This is particularly noticeable for young people, students, newly arrived immigrants and the elderly. The housing market is also

affected by continued urbanization, which means that demand for residential properties in urban areas is high.

Demand for properties for public use is largely driven by demographic factors. Urbanization and a growing and aging population are leading to an increased need for municipalities and regions to expand social services. The rental market for properties for public use is stable and shows no significant upturns or downturns for rent levels or vacancies. Interest from investors has increased in view of the need for investments in healthcare, nursing and other properties of benefit to society.

The Company has a portfolio of rental apartments and properties for public use in growth areas and will continue to develop those areas where Rikshem is established. Focusing on growth areas helps to secure the demand for the Company's residential properties and properties for public use over time. The large need for investments in both new and old properties for public use means that many municipalities are considering the option of selling properties with or without investment needs to private property owners. Rikshem may be a possible partner for these municipalities. Thanks to the Company's ownership structure, Rikshem also has the opportunity to secure financing on good terms.

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	6,578,930,015
Profit for the year, SEK	422,207,265
Total, SEK	7,841,909,380

The Board of Directors proposes that SEK 7,841,909,380 be carried forward.

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

Corporate Governance Report 2021

Rikshem AB (publ) ("Rikshem" or "the Company") is a Swedish limited company. Rikshem's Corporate Governance Report was prepared in accordance with the Swedish Annual Accounts Act for the 2021 fiscal year. The report is included as part of Rikshem's Annual Report and Sustainability Report for 2021.

In addition to legislation, the Articles of Association also constitute a key document in respect of the governance of the Company. Rikshem's Articles of Association state, among other things, the name of the Company to be Rikshem AB (publ) and that the Company is a public company and is headquartered in Stockholm. The object of the Company's business is to directly or indirectly, through wholly or jointly owned companies or via contracted 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 directive, the Code shall serve as a guide for corporate governance. The Company therefore mainly applies the Code but deviates from certain provisions as a result of the Company's ownership structure and the fact that the Company's shares are not listed. 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 trading venue's regulations for issuers. For the internal and external disclosure of information, the Company has adopted a communication policy that regulates, among other things, how, and what type of information the Company is to provide to the market.

Shareholders and owner directives

As of December 31, 2021, 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 2021 Annual General Meeting, it was stated that the revised ownership directive adopted at the Extraordinary General Meeting on February 14, 2020, would continue to apply.

General meetings of shareholders

Shareholders have the right to make decisions about Rikshem's affairs at general meetings of shareholders. At general meetings, 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 26, 2021, in Stockholm. All 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 Arrnrud Melin, Liselotte Hjorth, Andreas Jensen, Bo Magnusson, Ulrica Messing, Per-Gunnar Persson and Per Uhlén to the Board. Bo Magnusson was 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 2022 AGM and decided to adopt instructions for the Nomination Committee.

During 2021, two extraordinary general meetings were held on April 20, 2021, and October 26, 2021, both of which concerned the retirement of

members (in one case the election of a new member) who wanted to leave his/her post on his/her own initiative.

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 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 remuneration for committee work. The Chairman of the Board shall be the Chairman of the Nomination Committee, but shall not have the right to vote on matters concerning proposals concerning the Chairman of the Board and the Chairman's fees.

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, which were adopted at the Annual General Meeting, state that Rikshem's Diversity and Equality Policy must be taken into account when nominating Board members. Since the 2021 AGM, the Board of Directors has consisted of three women and four men. Since the Extraordinary General Meeting held on October 26, 2021, the Board has consisted of two women and four men.

The Nomination Committee shall also, following a recommendation from the Audit Committee, propose auditors and auditors' remuneration. Remuneration shall not be 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 of Directors consisted of seven members elected by the Annual General Meeting. The Company's CEO is not a member of the Board of Directors but attends all Board meetings. Board members provide expertise in both property and finance. Rikshem's chief legal officer serves as Board secretary.

At an extraordinary general meeting on April 20, 2021, Bo Magnusson, on his own initiative, stepped down as a member and as Chairman of the Board. Per Uhlén was elected Chairman of the Board and Peter Strand was elected as a new member of the Board.

At an extraordinary general meeting held on October 26, 2021, Ulrica Messing left the Board of Directors of the Company, at her own request, and it was also decided that the Board of Directors should have six instead of seven Board members.

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 employees in executive positions are to be

determined. The Board of Directors is adopting 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. The Chairman of the Board is responsible for evaluating the work of the Board and the CEO.

The Board's work in 2021

The work of the Board of Directors included the Company's strategic development as well as customary processing of proposals concerning interim reports, the year-end report and Annual Report, adopting the budget and business plan, making decisions on financing matters, the purchase and sale of and investments in properties, and amending central governing documents.

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 through a digital tool from an external operator and was reviewed by the Board and reported to the Nomination Committee.

Remuneration for the Board of Directors

The Annual General Meeting decides on remuneration for the Board. The AGM resolved that, until the Annual General Meeting 2022, remuneration amounting to SEK 600,000 would be paid to the Chairman of the Board of Directors and SEK 207,000 to other

members, that the annual remuneration for work in established committees may not exceed SEK 300,000 per year to be distributed according to decisions by the Board of Directors, and that the total remuneration to the Board of Directors including committee remuneration may not exceed SEK 1,700,000 per year. The AGM resolved that remuneration for Board and committee work would not be paid to members of the Board who are employees of the Fourth Swedish National Pension Fund (AP4) or AMF Tjänstepension AB. The Board of Directors then decided that an annual remuneration of SEK 90,000 would be paid to the Chairman of the Audit Committee and SEK 30,000 to each member of the Audit Committee, that an annual remuneration of SEK 75,000 would be paid to the Chairman of the Investment Committee and SEK 30,000 to each member of the Investment Committee, and that an annual remuneration 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

	Board remuneration, etc.			Attendance at meetings		
	Elected	Total annual fees, SEK thousands ¹	Board meetings ³	Remuneration Committee	Audit Committee	Investment Committee
Pernilla Arnrud Melin ⁴	2018	No remuneration	11 (11)	2 (2)	–	6(7)
Liselotte Hjorth	2016	291	11 (11)	–	6 (6)	–
Andreas Jensen ⁵	2019	No remuneration	11 (11)	2 (2)	–	7 (7)
Bo Magnusson ⁶	2016	191	3 (3)	1(1)	2 (2)	–
Ulrica Messing ⁷	2020	193	9 (9)	–	4(5)	–
Per-Gunnar Persson ⁸	2016	293	11 (11)	2(2)	1(1)	7 (7)
Peter Strand ⁹	2021	165	8(8)	–	4 (4)	–
Per Uhlén ¹⁰	2020	493	11 (11)	2 (2)	–	–

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) Joined the Remuneration Committee in March 2021.

5) Resigned from the Remuneration Committee in March 2021 and re-entered the Remuneration Committee in October 2021.

6) Resigned from the Board in April 2021.

7) Left the Board of Directors in October 2021.

8) Resigned from the Remuneration Committee and joined the Audit Committee in October 2021.

9) Elected to the Board in April 2021.

10) Appointed Chairman in April 2021.

task is to prepare the Board's decisions in each area. The CEO is a regular reporter 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 decides on an area for special review to ensure, for example, that adequate procedures and processes are in place. The Audit Committee comprised committee Chairman Liselotte Hjorth, Bo Magnusson and Ulrica Messing. In connection with Bo Magnusson leaving the Board in April 2021, he was replaced by Peter Strand as a member of the Committee. At the Board meeting on October 27, 2021, Ulrica Messing was replaced by Per-Gunnar Persson.

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. In 2021, the Investment Committee consisted of Per-Gunnar Persson, Chairman, Pernilla Arnrud Melin and Andreas Jensen.

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. During the year, the Remuneration Committee consisted of Bo Magnusson, Chairman, Andreas Jensen and Per-Gunnar Persson. In March 2021, Andreas Jensen was replaced by Pernilla Arnrud Melin and in connection with the extraordinary general meeting in April 2021, Bo Magnusson was replaced by Per Uhlén as chairman of the

Committee. At the Board meeting on October 27, 2021, Per-Gunnar Persson was replaced by Andreas Jensen.

CEO and management group etc.

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 example, the CEO's instructions which is adopted annually by the Board of Directors. The CEO has established a management group, which reports directly to the CEO. The management group holds regular meetings to address Group-wide and strategic issues. Rikshem's management group initially consisted of Anette Frumerie, CEO, Carl Conradi, General Counsel, Fredrik Edlund, Head of Property Management, Petter Jurdell, JV officer, Catharina Kandel, Head of HR, Anders Lilja, CFO and Jennie Wolmestad, Head of Communications. In 2021, Sandra Isberg, Business Development Manager, and Andrea Cedwall, Head of Portfolio Strategy and Transaction, joined the management team. The CEO assistant is secretary to the management group.

Auditor

At the AGM on March 26, 2021, 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 of 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 five Board meetings and five Audit Committee meetings in 2021.

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 in which estimates and assumptions have a major impact on the carrying amounts of assets and liabilities is the process for the valuation of investment properties. Accordingly, special attention is paid to ensuring that financial reporting in this regard does not contain material errors. To quality-assure the internal valuations and internal valuation process, all properties are valued at year-end by external authorized property appraisers with relevant and recognized qualifications. A minimum of two independent valuation institutions are engaged to establish the fair value of the properties. However, individual properties are only valued by one valuation institution. At midyear, the assumptions regarding cost of capital and yield requirement for investment properties are checked with external appraisers. The property valuation is carried out in accordance with the Company's policy for valuation of investment properties. Each year, the Company's auditor reports his or her 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 group. 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. Rikshem shall annually consider whether a special function for internal auditing is to be established and has decided during the year not to establish such a function.

Consolidated statement of comprehensive income

Amounts in SEK millions	Note	2021	2020
Rental income	3	3,062	3,032
Operating expenses		-783	-736
Repairs and maintenance		-249	-278
Property administration		-220	-216
Property tax		-42	-42
Total property expenses		-1,294	-1,272
Net operating income	4	1,768	1,760
Central administration	3, 5	-100	-78
Earnings from joint ventures	14	330	60
Financial income	7	8	5
Financial expenses	7	-480	-468
Income from management operations		1,526	1,279
Change in value of investment properties	10	5,509	1,825
Change in value of interest rate derivatives		575	-232
Change in value of foreign exchange derivatives		168	-535
Foreign exchange effects on financial liabilities		-432	670
Profit before tax		7,347	3,007
Tax	8	-1,416	-526
Profit for the year		5,931	2,481
Other comprehensive income not for reclassification			
Revaluation of pensions	5	4	-1
Tax, pensions		-1	-
Other comprehensive income for the year, net after tax		3	-1
Total comprehensive income for the year		5,934	2,480

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

Consolidated statement of financial position

Amounts in SEK millions	Note	Dec 31, 2021	Dec 31, 2020
ASSETS			
Fixed assets			
Intangible fixed assets			
Capitalized development expenditure	9	8	7
Total intangible fixed assets		8	7
Equipment			
Investment properties	10	58,780	51,750
Leaseholds and other right-of-use assets	11	134	137
Equipment	12	2	3
Total property, plant and equipment		58,916	51,890
Fixed assets			
Participations in joint ventures	14	2,191	1,768
Financial derivative instruments	17	403	281
Non-current receivables	18	227	281
Total financial fixed assets		2,821	2,330
Total non-current assets		61,745	54,227
Current assets			
Current receivables			
Accounts receivable	18	27	24
Other receivables		90	94
Prepaid expenses and accrued income	15	81	96
Total current receivables		198	214
Cash and cash equivalents		468	830
Total current assets		666	1,044
TOTAL ASSETS		62,411	55,271

Consolidated statement of financial position, cont.

Amounts in SEK millions	Note	Dec 31, 2021	Dec 31, 2020
EQUITY AND LIABILITIES			
Equity			
Share capital		100	100
Other paid-in capital		4,874	4,874
Retained earnings		23,881	17,947
Total equity		28,855	22,921
LIABILITIES			
Non-current liabilities			
Deferred tax liability	8	5,173	3,852
Interest-bearing liabilities	18	19,683	19,886
Liabilities to Group companies	18	175	175
Financial derivative instruments	17	343	968
Non-current liabilities, finance leases	11	117	120
Other provisions for pensions and similar obligations	5	6	9
Total non-current liabilities		25,497	25,011
Current liabilities			
Interest-bearing liabilities	18	7,064	6,254
Accounts payable		146	89
Tax liabilities		140	71
Current liabilities, finance leases	11	15	14
Other current liabilities	19	91	263
Accrued expenses and deferred income	20	603	648
Total current liabilities		8,059	7,339
Total liabilities		33,556	32,350
TOTAL EQUITY AND LIABILITIES		62,411	55,271

Consolidated statement of changes in equity

Amounts in SEK millions	Share capital	Other paid-in capital	Retained earnings including profit for the year	Total equity
Opening balance, Jan 1, 2020	100	4,874	15,467	20,441
Profit for the year			2,481	2,481
Other comprehensive income			-1	-1
Total comprehensive income			2,480	2,480
Closing balance, Dec 31, 2020	100	4,874	17,947	22,921
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

Classification of equity

Share capital

The item equity includes the registered equity for the Parent Company. As of December 31, 2021, 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 SEK millions	Note	2021	2020
Operating activities			
Income from management operations		1,526	1,279
Adjustment for items not included in cash flow	23	-328	-56
Reversal of net interest income		472	463
Interest paid		-489	-461
Interest received		6	3
Tax paid		-26	-2
Cash flow from operating activities before changes in working capital		1,162	1,226
Decrease (+)/increase (-) in operating receivables		25	0
Decrease (-)/increase (+) in operating liabilities		-16	-28
Cash flow from operating activities		1,171	1,198
Investing activities			
Investment in investment properties		-1,851	-1,592
Acquisition of investment properties		-533	-243
Divestment of investment properties		862	1,227
Investment in other fixed assets		-1	-8
Investment in financial assets		-67	-170
Dividend from financial assets		-	-
Divestment of financial assets		30	50
Cash flow from investing activities		-1,559	-736
Financing activities			
	24		
Loans raised		12,881	13,718
Repayment of loans		-12,710	-13,597
Change in collateral		-143	-316
Redemption of financial instruments		-3	-4
Repayment of leases		-	-1
Cash flow from financing activities		25	-200
Cash flow for the year		-362	262
Cash and cash equivalents at the start of the year		830	568
Cash and cash equivalents at the end of the year		468	830

Parent Company income statement

Amounts in SEK millions	Note	2021	2020
Operating income	3	248	243
Other operating expenses	3, 11	-123	-128
Personnel expenses	5	-232	-204
Depreciation		-2	-2
Operating profit/loss		-109	-91
Earnings from subsidiaries	6	96	108
Financial income	7	774	755
Financial expenses	7	-522	-487
Change in value of interest rate derivatives		575	-232
Change in value of foreign exchange derivatives		168	-535
Foreign exchange effects on financial liabilities		-432	670
Profit after financial items		550	188
Appropriations		-44	-
Tax	8	-84	29
Profit for the year¹⁾		422	217

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

Parent Company balance sheet

Amounts in SEK millions	Note	Dec 31, 2021	Dec 31, 2020
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized development expenditure	9	8	7
Total intangible fixed assets		8	7
<i>Equipment</i>			
Equipment	12	2	3
Total property, plant and equipment		2	3
<i>Financial fixed assets</i>			
Participations in subsidiaries	13	2,724	2,117
Receivables from Group companies		31,668	30,963
Financial derivative instruments	17	403	281
Non-current receivables	18	144	79
Total financial fixed assets		34,939	33,440
Total non-current assets		34,949	33,450
CURRENT ASSETS			
<i>Current receivables</i>			
Accounts receivable	18	0	0
Other receivables		74	55
Prepaid expenses and accrued income	15	45	45
Total current receivables		119	100
Cash and cash equivalents		465	826
Total current assets		584	926
TOTAL ASSETS		35,533	34,376

Parent Company balance sheet, cont.

Amounts in SEK millions	Note	Dec 31, 2021	Dec 31, 2020
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		100	100
Revaluation reserve		143	143
		243	243
Non-restricted equity			
Retained earnings		6,578	6,361
Share premium reserve		841	841
Profit for the year		422	217
		7,841	7,419
Total equity		8,085	7,662
Provisions			
Deferred tax liability	8	243	175
Other provisions for pensions and similar obligations	5	3	2
Total provisions		246	176
Non-current liabilities			
Interest-bearing liabilities	18	17,924	17,610
Liabilities to Group companies		175	175
Financial derivative instruments	17	343	968
Total non-current liabilities		18,442	18,753
Current liabilities			
Interest-bearing liabilities	18	6,550	5,774
Accounts payable		7	5
Liabilities to Group companies		1,974	1,646
Tax liability		46	30
Other liabilities	19	65	206
Accrued expenses and deferred income	20	118	123
Total current liabilities		8,760	7,784
Total liabilities		27,448	26,714
TOTAL EQUITY AND LIABILITIES		35,533	34,376

Parent Company statement of changes in equity

Amounts in SEK millions	Share capital	Revaluation reserve	Share premium reserve	Retained earnings including profit for the year	Total equity
Opening balance, Jan 1, 2020	100	143	841	6,361	7,445
Profit for the year				217	217
Closing balance, Dec 31, 2020	100	143	841	6,578	7,662
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

Parent Company statement of cash flows

Amounts in SEK millions	Note	2021	2020
Operating activities			
Operating profit/loss		-109	-91
Adjustment for items not included in cash flow	23	-13	4
Interest paid		-527	-480
Interest received		774	755
Tax paid		16	-3
Cash flow from operating activities before changes in working capital		141	185
Increase (+)/decrease (-) in operating receivables		-19	-36
Increase (+)/decrease (-) in operating liabilities		183	12
Cash flow from operating activities		305	161
Investing activities			
Shareholders' contributions paid		-607	-173
Divestment of subsidiaries		-	-
Investment in tangible and intangible fixed assets		-1	-8
Investment in receivables from Group companies		-378	894
Investment in non-current receivables		-65	-50
Divestment of non-current receivables		-	-
Cash flow from investing activities		-1,051	663
Financing activities			
	24		
Loans raised		12,881	11,164
Repayment of loans		-12,229	-11,511
Change in collateral		-316	-316
Redemption of financial instruments		-3	-4
Earnings from partnerships and limited partnerships		96	87
Group contributions received		-	21
Group contributions paid		-44	-
Cash flow from financing activities		386	-559
Cash flow for the year		-361	265
Cash and cash equivalents at the start of the year		826	561
Cash and cash equivalents at the end of the year		465	826

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 Vasagatan 52 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 24, 2022.

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 Committee (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 converted at 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 financial derivative instruments, right-of-use assets in the form of site leasehold rights 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 of January 1, 2021.

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, 2021, 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.

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 property management and leasing. Central administration includes group-wide costs. Costs are recognized in the period to which they relate.

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 2021	Number of con- tracts	Contracted revenues
<i>Housing and parking contracts</i>		
Annual rent	35,512	2,034
<i>Contracts in residential 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
Contracted revenues with payment later than 5 years	427	3,750
Total		8,029

The Group 2020	Number of con- tracts	Contracted revenues	
<i>Housing and parking contracts</i>			
Annual rent	35,042	1,998	
<i>Contracts in residential and properties for public use</i>			
Contracted revenues with payment 2021	3,272	1,011	13%
Contracted revenues with payment 2022	962	920	11%
Contracted revenues with payment 2023	702	844	10%
Contracted revenues with payment 2024	543	733	9%
Contracted revenues with payment 2025	422	660	8%
Contracted revenues with payment later than 5 years	389	4,013	49%
Total		8,181	

The average term of the rental agreements in the table above was 7.5 years for 2021 and 7.8 years for 2020. The average term of equivalent rental agreements exclusively in properties for public use was 8.3 years for 2021 and 8.8 years for 2020.

Operating income and expenses in the Parent Company

Of the Parent Company's operating income, SEK 247 million (242) pertains to sales of administrative and property management services to subsidiaries, corresponding to 99 percent (99) of sales. Of the Parent Company's operating expenses, SEK 12 million (12) pertains to purchases from subsidiaries, corresponding to 9 percent (10) of total purchases.

Auditors' fees and reimbursements

	The Group		Parent Company	
	2021	2020	2021	2020
Ernst & Young AB				
Audit assignment	3	3	3	3
Audit activities other than the audit assignment	1	1	1	1
Tax advice	0	0	0	0
Other services	–	–	–	–
Total	4	4	4	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".

Note 4

Segment reporting

The Group

Rikshem's division into segments is based on how management and the chief operating decision maker, Rikshem's CEO, monitor 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 operating income and changes in value 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	
	2021	2020	2021	2020	2021	2020
Rental income	2,148	2,121	914	911	3,062	3,032
Operating expenses	-596	-570	-187	-166	-783	-736
Maintenance	-182	-211	-67	-67	-249	-278
Administration	-165	-161	-55	-55	-220	-216
Property tax	-40	-40	-2	-2	-42	-42
Total property expenses	-982	-982	-311	-290	-1,294	-1,272
Net operating income	1,166	1,139	602	621	1,768	1,760
Change in value of investment properties	3,890	1,325	1,619	500	5,509	1,825
Total return	5,056	2,464	2,222	1,121	7,278	3,585

All revenue relates to Sweden. No single tenant accounted for 10 percent of revenue or more during 2020 and 2021.

Income Statement	By segment		Unallocated items		Total	
	2021	2020	2021	2020	2021	2020
Net operating income	1,768	1,760	-	-	1,768	1,760
Central administration	-	-	-100	-78	-100	-78
Interest income	-	-	8	5	8	5
Interest expense	-	-	-480	-468	-480	-468
Earnings from joint ventures	-	-	330	60	330	60
Change in value of properties	5,509	1,825	-	-	5,509	1,825
Change in value of derivatives	-	-	743	-767	743	-767
Foreign exchange effects on financial liabilities	-	-	-432	670	-432	670
Profit before tax	7,278	3,585	69	-578	7,347	3,007

Balance Sheet	Residential properties		Properties for public use		Total	
	2021	2020	2021	2020	2021	2020
Investment properties ¹	41,591	36,243	17,189	15,507	58,780	51,750
1) of which investments for the year.	1,661	1,246	190	346	1,851	1,592

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 of the present value of the liability 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	
	2021	2020	2021	2020
Average number of employees				
Women	136	119	129	113
Men	143	146	126	132
Total	279	265	255	245
Gender distribution, Board of Directors				
Women	2	3	2	3
Men	4	4	4	4
Total	6	7	6	7
Gender distribution, Management				
Women	5	3	4	3
Men	4	4	5	4
Total	9	7	9	7

	The Group		Parent Company	
	2021	2020	2021	2020
Salaries, other remuneration and social security expenses				
Chairman of the Board Bo Magnusson (until April 19, 2021)	0.2	0.6	0.2	0.6
Chairman of the Board Per Uhlén (from April 20, 2021, prior to that Board member)	0.5	0.1	0.5	0.1
Board member, Pernilla Arnrud Melin	–	–	–	–
Board member, Lena Boberg	–	0.1	–	0.1
Board member, Liselotte Hjorth	0.3	0.3	0.3	0.3
Board member Andreas Jensen	–	–	–	–
Board member Ulrica Messing (until October 26, 2021)	0.2	0.2	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)	0.2	–	0.2	–
CEO Anette Frumerie (as of May 2020)				
Basic salary	4.6	2.8	4.6	2.8
Benefits	0.1	0.0	0.1	0.0
Other senior executives*				
Basic salary	12.1	10.9	12.1	10.9
Severance pay	1.8	–	1.8	–
Benefits	0.3	0.2	0.3	0.2
Performance-related pay	1.6	1.1	1.6	1.1
Other employees				
Basic salary	137.3	120.9	121.9	106.7
Benefits	1.1	0.9	0.5	0.4
Performance-related pay	9.0	11.4	8.0	10.0
Social security expenses	53.6	46.5	48.3	41.8
Total	223.2	196.3	200.9	175.5
Pension costs				
CEO	1.3	1.0	1.3	1.0
Other senior executives*	4.0	3.0	4.0	3.0
Other employees	21.2	19.4	18.4	16.5
Total	26.5	23.4	23.7	20.5
Total	249.7	219.7	224.6	196.0

*As of December 31, 2021, the number of senior executives was 8 (6).

Note 5

- continued

Board of Directors

According to an AGM resolution, an annual fee in the amount of SEK 600 thousand is to be paid to the Chairman of the Board and SEK 207 thousand to each Board member as of March 26, 2021. An annual fee of SEK 75 thousand is to be paid to the Chairman of the Investment Committee and SEK 30 thousand to each member of the Investment Committee, and an annual fee of SEK thousand 90 is to be paid to the Chairman of the Audit Committee and SEK 30 thousand to each member of the Audit Committee, and an annual fee of SEK 20 thousand is to be paid to the Chairman of the Remuneration Committee and SEK 10 thousand 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 2021, fees totaling SEK 684 thousand were paid to the Chairman of the Board and a total of SEK 1000 thousand to the other Board members. A new Chairman of the Board, Per Uhlén, was appointed on April 20, 2021, whereby the previous chairman Bo Magnusson resigned on the same day.

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 eight people whose roles are: CFO, General Counsel, Head of Property Management, JV officer, Head of Business Development, HR manager, Head of Communications and Head of Portfolio Strategy & Transaction, who became a member of the management group as of July 1, 2021. 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 three target areas for 2021: real total return should exceed 5 percent, the Company's total return equal to or higher than the benchmark MSCI* and "Customer Satisfaction Index" (CSI) of at least 60.6. The three 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. For other employees, variable remuneration is based on three target areas for 2021: real total return shall exceed 5 percent, the Company's total return SHALL BE equal to or higher than the benchmark MSCI * and the "Customer Satisfaction Index" (CSI) shall be at least 60.6. The three 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.

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 only includes paid-up policy holders and retirees and survivors' pensions.

Pension income/costs in other comprehensive income	Dec 31, 2021	Dec 31, 2020
Actuarial gains/losses	4	-1
Return on plan assets excluding interest income	0	0
Total pension income/costs in other comprehensive income	4	-1

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.

*Rikshem's total return for the Company shall exceed the Benchmark portfolio's total return for 2021. *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).

NOTES

Note 5

- continued

	Dec 31, 2021	Dec 31, 2020
Net debt, defined pension benefits		
Change in pension obligations		
Present value of pension obligations, opening balance	24	23
Interest on pension obligations ¹	0	0
Pension payments	0	0
Newly affiliated members of the pension plan	-	-
Actuarial gains (-)/losses (+) on pension commitments ²	-4	1
Reduction/Regulation §8 gains (-)/losses (+)	-	-
Present value of pension obligations, closing balance³	20	24
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	0	0
Fair value of plan assets, closing balance	-17	-17
Net debt, defined pension benefits	3	7
Other provisions pensions ⁴	3	2
Other provisions for pensions and similar obligations in the statement of financial position	6	9

1) Reported in the income statement.

2) Reported in other comprehensive income.

3) The expected weighted average duration of the present value of the pre-application is 17.32 (19.52).

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.

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

Actuarial assumptions	Dec 31, 2021	Dec 31, 2020
Discount rate	1.9	0.9
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 3. A change in the discount rate of -1 percentage point would result in an increased pension obligation of MSEK 4.

Note 6

Earnings from participations in subsidiaries

	Parent Company	
	2021	2020
Group contributions received	-	21
Impairment of participations in subsidiaries	-	0
Profit share from limited partnerships	96	87
Total	96	108

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 expense, 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	
	2021	2020	2021	2020
Interest income	2	1	0	0
Interest income from subsidiaries	-	0	771	754
Interest income, joint ventures / subsidiaries' joint ventures holdings	6	4	3	1
Other financial income	0	0	0	0
Total financial income	8	5	774	755

	The Group		Parent Company	
	2021	2020	2021	2020
Interest expense	-457	-447	-453	-434
Interest expenses to subsidiaries	0	-1	-41	-30
Interest expenses, joint ventures	-	0	-	-
Interest expenses, lease liabilities	-3	-3	-	-
Other financial expenses	-19	-17	-28	-23
Other financial expenses	-480	-468	-522	-487
Financial income and expenses	-472	-463	252	268

In 2021, interest of SEK 20 million (21) 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

Tax expense for the year comprises current 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 income tax is calculated on the taxable profit for the period and is recognized in the statement of comprehensive income as income or an expense. Current tax reported in the income statement corresponds to the tax the Company is liable to pay based on the taxable profit for the year, adjusted for any current income tax relating to previous periods. Taxable profit refers to recognized profit adjusted for non-taxable revenue and non-deductible expenses.

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 as of the closing date. For 2021, the current tax rate was 20.6 per cent and for 2020 it was 21.4 per cent.

Furthermore, management regularly evaluates any claims made in tax returns relating to situations where applicable tax rules are subject to interpretation. Provisions are made for amounts that are likely to be paid to the Swedish Tax Agency.

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. The tax rates and tax laws used to calculate the amount are those in force or announced as of the closing date. 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.

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. Deferred tax assets are recognized for all deductible temporary differences, including loss carryforwards, insofar as it is probable that a taxable profit will be available against which the deductible temporary differences 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.

Deferred tax assets and deferred tax liabilities are recorded net.

	The Group		Parent Company	
	2021	2020	2021	2020
Tax on profit for the year				
Current tax	-95	-66	-16	-33
Deferred tax	-1,321	-460	-68	62
	-1,416	-526	-84	29
Reconciliation of effective tax				
Recognized profit before tax	7,347	3,007	506	188
Tax according to current tax rate	-1,513	-643	-104	-40
Recalculation of change in deferred tax for the period according to new tax rate	-	21	-	2
Loss carryforwards	-	0	-	-
Change in value of properties	6	3	-	-
Earnings from holdings according to the equity method	68	12	-	-
Divestment of properties	59	55	-	-
Untaxed reserves	-	50	-	-
Non-taxable revenue/non-deductible expenses	-35	-44	39	58
Tax attributable to previous fiscal years	-5	11	-16	10
Other adjustments	4	9	-3	-1
Recognized effective tax	-1,416	-526	-84	29
Effective tax rate	19.3%	17.5%	16.7%	-15.3%

Deferred tax in statement of comprehensive income

Investment properties/Investment properties in limited partnerships	-1,254	-579	-4	-3
interest rate and foreign exchange derivatives	-65	64	-65	63
Untaxed reserves	1	52	-	-
Loss carryforwards	-3	4	-	-
Other	-	-1	1	2
Recognized deferred tax	-1,321	-460	-68	62

Current tax for 2021 was calculated on the basis of a nominal tax rate of 20.6 per cent, and in 2020 the current tax was calculated on the basis of a nominal tax rate of 21.4 per cent. Current tax has been calculated for both years on the basis of a lower corporate tax rate of 20.6 percent in accordance with the government's decision on changed corporate tax, which began to apply from January 1, 2019.

	The Group		Parent Company	
	2021	2020	2021	2020
Deferred tax				
Deferred tax attributable to loss carryforwards	-1	-4	-	-
Deferred tax attributable to properties	5,160	3,907	229	225
Deferred tax attributable to financial instruments	17	-48	15	-48
Deferred tax attributable to other items	-3	-3	-1	-2
Total	5,173	3,852	243	175

Deferred tax on differences arising between the carrying amount of an asset or liability and its taxable value, known as a temporary difference, is recognized according to the Balance Sheet method. This means that there is a tax liability or tax asset that is realized on the day the asset or liability is divested. When calculating the temporary difference for an asset or liability, which is the basis for calculating the deferred tax liability or tax receivable, only the temporary differences that have arisen after the Group has acquired the asset or liability are taken into consideration. This may mean that the difference between an asset or liability's carry-

Note 8

- continued

ing amount and tax residual value differs from the temporary difference for an asset or liability which is the basis for the deferred tax liability or tax asset reported in the Group.

In a direct sale of the Group's properties, the tax-related outcome in the Group is estimated at SEK 38,340 million (32,270) by offsetting the carrying amount of SEK 58,780 million (51,750) for properties recognized by the Group against the total taxable residual value in legal entities of SEK 20,440 million (19,480). Accordingly, the calculated taxable net profit exceeds the temporary difference for properties which form the basis for recognizing deferred tax liability for Group properties in the amount of SEK 13,292 million (13,305).

Income tax that is realized in connection with property sales is usually significantly lower, as there is an opportunity to sell the properties via Company sales, which therefore does not trigger full tax. With regard to accounting rules, deferred tax is reported at nominal value without discounting.

The Company has loss carryforwards measured at a total of SEK 6 million, of which SEK 4 million is blocked until the end of 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. 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	
	2021	2020	2021	2020
Amortized cost				
At the start of the year	7	–	7	–
Investments for the year	1	7	1	7
Closing accumulated acquisition values	8	7	8	7
Depreciation				
At the start of the year	–	–	–	–
Depreciation for the year	0	–	0	–
Closing accumulated amortization	0	–	0	–
Carrying amount at year-end	8	7	8	7

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 changes in value are calculated based on the difference between the fair value on the Balance Sheet date and the fair value at the time of the previous reporting, taking into account 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.

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.

Note 10

- continued

The Group

Changes in the property portfolio for the year

The fair value of investment properties increased to SEK 58,780 million (51,750) during the year, corresponding to SEK 26,522 (23,181) per square meter. The increase in value relates to investments in existing properties and value increases.

The total increase in value amounted to SEK 5,509 million (1,825), corresponding to growth of 10 percent (3.6). Most of the change in value for the year can be attributed to change in cost of capital and yield requirement for the unchanged part of the portfolio.

Investments in existing properties during the year amounted to SEK 1,851 million (1,592), of which SEK 956 million (976) pertained to redevelopment and renovation of residential properties, SEK 705 million (271) to new construction of residential properties and SEK 190 million (345) to investments in properties for public use. Rikshem acquired properties for a total of SEK 532 million (285) during the year. Most of this relates to a new-build property in Norrköping comprising apartments and a nursing home. Two properties were sold during the year for a total of SEK 862 million (1,259). These primarily concerned 25 properties in Västerås and Helsingborg, mainly homes for people with disabilities and apartments, as well as a property for public use in Kalmar.

	Dec 31, 2021	Dec 31, 2020
The Group		
Fair value at the start of the year	51,750	49,307
Investments	1,851	1,592
Acquisitions	532	285
Change in value	5,509	1,825
Divestments	-862	-1,259
Fair value at the end of the year	58,780	51,750

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, 2021	Dec 31, 2020
The Group		
Acquisitions	402	823
New construction	1,595	709
Redevelopment	769	450
Total	2,766	1,982

Property valuations

In accordance with the Company's valuation policy, the fair value of investment properties is determined through internal valuations. In the evaluation model, fair value is calculated based on generally accepted valuation principles and the analysis of each property's earnings capacity and the market's yield requirement. As a general rule, the analysis period covers ten years. In the case of properties for public use rented to municipalities on long rental agreements, the analysis period corresponds to the remaining contract term. Rental income is based on the existing rental agreement and existing rent levels. Agreed future changes to the rental agreement term, rent levels, etc., are taken into account. Property-related costs for the respective property are based on estimated costs. Assumptions regarding cost of capital and property

yield requirement are checked in yearly and half-yearly valuations by external appraisers. Fair value has therefore been assessed according to IFRS 13 level 3.

Renovation projects and new builds, extensions and redevelopments were valued in a corresponding manner less the remaining investment cost. The value of development rights is based on the future field of application and comparative market analyses.

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

Rent in SEK/sqm

Property type	min.	average	max.
Residential properties	825	1,341	2,603
Properties for public use – nursing homes	770	1,547	2,826
Properties for public use – schools	730	1,516	2,356
Commercial	932	1,184	1,938
Average		1,403	

Property yield requirement, %

Property type	min.	average	max.
Residential properties	2.09%	3.39%	5.00%
Properties for public use – nursing homes	2.50%	3.98%	6.70%
Properties for public use – schools	4.00%	4.35%	6.30%
Commercial	3.90%	5.56%	6.15%
Average		3.65%	

Of the assessed fair value of SEK 58,780 million (51,750), SEK 666 million pertains to development rights which, on average, have been valued at SEK 1,700 per square meter. The average property yield requirement is 3.7 (4.0) percent, a reduction of 0.35 percentage points compared with the average property yield requirement at the beginning of the year.

Fair value per property type	Dec 31, 2021	Dec 31, 2020
Residential properties	41,024	35,709
Properties for public use – nursing homes	13,903	12,512
Properties for public use – schools	2,977	2,670
Commercial ¹⁾	876	859
Total	58,780	51,750

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 +/- SEK 2,939 million.

A change of +/-0.25 percentage points in the average property yield requirement of 4.0 percent would entail a change in value of SEK -3,836 million or SEK +4,417 million, respectively.

The table on the following page 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.

NOTES

Note 10

- continued

Changed property yield requirement	+0.25	-0.25
Residential properties	-2,814	3,262
Properties for public use – nursing homes	-822	933
Properties for public use – schools	-162	181
Commercial	-38	41
Total	-3,836	4,417

Change in net operating income	+5.0%	-5.0%
Residential properties	1,924	-1,924
Properties for public use – nursing homes	674	-674
Properties for public use – schools	138	-138
Commercial	30	-30
Total	2,766	-2,766

Change in rental income	+1.0%	-1.0%
Residential properties	621	-621
Properties for public use – nursing homes	176	-176
Properties for public use – schools	39	-39
Commercial	10	-10
Total	846	-846

External valuation

To ensure accurate valuations, Newsec and Cushman & Wakefield have together valued properties equivalent to 99.8 percent of the property portfolio in terms of value. Rikshem's valuation of these properties amounted to SEK 58,639 million, while the external valuations together totaled SEK 58,816 million closing date which corresponds to a deviation of SEK 177 million or 0.3 percent. The deviation between the values assessed internally and externally are well within the uncertainty range of +/- 5 percent.

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 site leasehold rights. Site leasehold rights are deemed to have perpetual contracts and are reported at fair value. Site leasehold rights are not amortized, but the value remains until the rent is renegotiated. As site leasehold rights 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 administration 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	
	2021	2020	2021	2020
Maturity within 1 year	14	14	11	10
Maturing within 2-5 years	28	30	16	19
Maturity later than 5 years	107	110	-	-
Total	149	154	27	29

The Group	2021 Site leasehold rights	2021 Other agreements	2021 Total	2020 Site leasehold rights	2020 Other agreements	2020 Total
Assets						
Opening balance	105	31	137	101	30	131
Newly signed agreements and renewed agreements	-	10	10	3	11	14
Indexation	-	-	-	1	-	1
Depreciation	-	-11	-11	-	-11	-11
Other items	-	-1	-1	-	2	2
Carrying amount at year-end	105	29	134	105	31	137
Liabilities, financial leases						
Accumulated costs						
Non-current liability	101	16	117	101	19	120
Current liability	3	12	15	4	10	14
Carrying amount at year-end	105	28	132	105	29	134

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	
	2021	2020	2021	2020
Amortized cost				
At the start of the year	20	20	17	17
Acquisitions and new purchases	0	1	0	1
Divestments and disposals	-2	-1	-1	-1
Closing amortized cost	19	20	16	17
Depreciation				
At the start of the year	-17	-15	-14	-13
Divestments and disposals	1	0	1	1
Depreciation for the year according to plan	-1	-2	-1	-2
Closing depreciation	-17	-17	-14	-14
Carrying amount at year-end	2	3	2	3

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	Dec 31, 2021	Dec 31, 2020
Amortized cost		
At the start of the year	2,117	1,945
Divestments	–	–
Shareholder contributions	607	172
Impairment of shares in subsidiaries	–	0
Share of profit in limited partnerships	96	87
Withdrawal of share of profit in limited partnerships	–96	–87
Carrying amount at year-end	2,724	2,117

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 Cityfastigheter AB	556761-8029	Stockholm	1,000	100	35
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	143
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
					2,724

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

Note 14

Participations in joint ventures



Accounting policies

The term joint ventures refers to companies in which Rikshem, through collaboration agreements with one or more partners, 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	
	2021	2020
At the start of the year	1,768	1,658
Acquisitions	0	–
Contribution	92	50
Share of profit	330	60
Carrying amount at year-end	2,191	1,768

NOTES

Note 14

- continued

Company	2021		2020	
	Profit for the year	Rikshem's share	Profit for the year	Rikshem's share
Farsta Stadsutveckling KB	0	0	-	-
Farsta Intressenter AB	-	-	-	-
Farsta Fastighetsintressenter AB	308	154	27	14
Boostad Bostad Sverige AB	14	7	0	0
VärmdöBostäder AB	344	169	94	46
Bergagårdshöjdens JV AB	-	-	-	-
Bergagårdshöjdens BR JV AB	-	-	0	0
JV Tidmätaren AB	1	0	1	0
Huseriet RiKS AB	-	-	-	-
Profit for the year	667	330	122	60
Total comprehensive income	667	330	122	60

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

Joint ventures	Corporate registration number	Domicile	Partner	Capital share, %	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	784
Boostad Bostad Sverige AB	559021-1313	Stockholm	Northern Sweden	50	250	185
VärmdöBostäder AB	556476-2176	Värmdö	Värmdö municipality	49	12,250	1,193
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
JV Tidmätaren AB	559098-6088	Stockholm	Glommen & Lindberg	50	250	12
Huseriet RiKS AB	559343-7980	Stockholm	Huseriet	50	125	2

2,191

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		Farsta Fastighets-intressenter AB		Värmdö-Bostäder AB		
	2021	2020	2021	2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	
Income	54	35	192	183	2,460	1,948	3,706	3,097	
Income from management operations	25	12	68	61	4	3	9	21	
Change in value of properties	372	29	374	71	67	41	27	19	
Change in value of derivatives	-	-	4	-2	Assets	2,531	1,992	3,742	3,137
Net financial items	-9	-8	-8	-9	Equity	1,568	1,260	2,435	2,091
Tax	-80	-7	-93	-28	Non-current financial liabilities	735	580	989	828
Profit for the year	308	27	344	93	Other non-current liabilities	196	117	261	173
Comprehensive income for the year	308	27	344	93	Current financial liabilities	-	-	-	3
					Other current liabilities	32	35	56	42
					Equity and liabilities	2,531	1,992	3,741	3,137

Note 15

Prepaid expenses and accrued income

	The Group		Parent Company	
	2021	2020	2021	2020
Accrued income	60	48	40	41
Accrued income interest	–	–	–	–
Accrued insurance compensation	2	27	–	–
Prepaid insurance premiums	13	12	1	1
Prepaid operating expenses	1	2	–	–
Other prepaid income and accrued income	5	7	4	3
Total	81	96	45	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.

Financing 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. The following guidelines shall be followed to limit financing 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 capital tied up must be at least 3.5 years.
- An even maturity structure of 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 a maximum maturity of 12 months within a framework of SEK 10,000 million (10,000). On the closing date, SEK 3,550 million (2,139) had been utilized. Rikshem also has an EMTN program of EUR 2,000 million (2,000), or an equivalent amount in foreign currency. As of the closing date, bonds for SEK 18,892 million (18,988) were issued. Of these, SEK 2,903 million (4,148) related to EUR, SEK 5,373 million (5,408) to NOK and SEK 523 million (312) to AUD. The remaining part was issued in SEK.

There is also a credit facility with the European Investment Bank (EIB). The facility may be used to finance energy-efficient investments. Net operating income totaled SEK 999 million (199). Rikshem has also taken out back-up facilities with two banks totaling SEK 3,000 million and back-up facilities and subscription commitments for commercial paper with owners AMF Tjänstepension AB and Fourth Swedish National Pension Fund (AP4) totaling SEK 10,000 million. The Company also has an overdraft facility of SEK 500 million.

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 af-

fects 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.
- A maximum of 20 percent of the total amount of the loan portfolio must be traded within a 12-month period.
- The proportion of interest-hedged parts of the loan portfolio that exceed 12 months must be 75 to 95 percent.
- Interest rate duration over 10 years is not permitted.

Rikshem uses interest rate derivatives to manage interest rate risk.

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 activities. When borrowing in another currency, all cash flows are swapped to SEK, eliminating currency risk over time.

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 shall be disseminated and only counterparties approved in accordance with the policy may be used. Rikshem's collateral with counterparties is regulated monthly for combined currency and interest rate swaps.

In addition to the above, the finance policy also stipulates that the equity/assets ratio must not be less than 35 per cent, the interest coverage ratio must be at least 2.2 times, the loan-to-value ratio must not exceed 58 per cent of the properties' market value and that net debt/EBITDA must be less than 16 times. All guidelines presented above have been complied with and presented in the Directors' Report and in the section on financing on pages 56–59.

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	
	2021	2020	2021	2020
Recognized as financial assets				
interest rate swaps	104	5	104	5
Currency swaps	299	276	299	276
	403	281	403	281
Recognized as financial liabilities				
interest rate swaps	-140	-620	-140	-620
Currency swaps	-203	-348	-203	-348
Total liabilities	-343	-968	-343	-968

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. For all interest rate derivatives, STIBOR is received for 3 months and a fixed interest rate is paid to the counterparties.

Interest rate derivatives	Dec 31, 2021		Dec 31, 2020	
	Nominal amount, SEK billion (year-end)	Average interest rate, % (year-end)	Nominal amount, SEK billion (year-end)	Average interest rate, % (year-end)
2021			17.3	0.8
2022	15.2	0.8	16.3	0.8
2023	15.2	0.8	14.8	0.8
2024	15.5	0.8	14.3	0.8
2025	13.5	0.8	11.8	0.8
2026	10.3	0.8	8.8	0.8
2027	8.3	0.8	6.8	0.8
2028	5.3	0.8	4.3	0.7
2029	2.9	1.0	1.9	0.9
2030	1.0	1.1		

At year-end, the Company had an interest rate derivative portfolio that hedged SEK 15.2 billion. 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 market value of SEK 96 million and the net fair value of the derivative portfolio was SEK 60 million (-687). The year's change in value of interest rate and currency derivatives amounted to SEK 743 million (-767). Interest rate derivatives with a nominal value of SEK 0 million (4) were redeemed early in the year.

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.

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.

NOTES

Note 18

- continued

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, 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
December 31, 2020				
Assets				
Non-current receivables	281	–	281	281
Financial derivative instruments	–	281	281	281
Accounts receivable and other receivables	177	–	177	177
Cash and cash equivalents	830	–	830	830
Total assets	1,286	281	1,567	1,567
Liabilities				
Interest-bearing liabilities	26,315	–	26,315	27,271
Financial derivative instruments	–	968	968	968
Accounts payable and other liabilities	620	–	620	620
Total liabilities	26,935	968	27,903	28,859

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, 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
December 31, 2020				
Assets				
Receivables from Group companies	30,962	–	30,962	30,962
Non-current receivables	79	–	79	79
Financial derivative instruments	–	281	281	281
Accounts receivable and other receivables	80	–	80	80
Cash and cash equivalents	826	–	826	826
Total assets	31,947	281	32,228	32,228
Liabilities				
Interest-bearing liabilities	23,559	–	23,559	24,497
Interest-bearing liabilities to Group companies	1,646	–	1,646	1,646
Financial derivative instruments	–	968	968	968
Accounts payable and other liabilities	300	–	300	300
Total liabilities	25,505	968	26,473	27,411

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 rate discounted to the current market rate. This has been carried out in accordance with level 3 of the valuation hierarchy in IFRS 13. Recognition at fair value would increase the Group's liabilities by MSEK 489 and reduce equity by MSEK 388.

NOTES

Note 18

- continued

Non-current receivables	The Group		Parent Company	
	2021	2020	2121	2020
Opening book value	281	179	79	29
Additional receivables	69	152	65	50
Deductible receivables	-122	-50	-	-
Impairment	-	-	-	-
Provision for expected losses according to IFRS 9	0	0	0	-
Closing book value	228	281	144	79

Of the Group's receivables, SEK 224 million (248) relates to receivables from joint ventures. Of the Parent Company's receivables, SEK 144 million (79) relates to receivables from subsidiaries' joint venture holdings.

Accounts receivable	The Group		Parent Company	
	2021	2020	2021	2020
Tenant receivables	27	24	-	-
Other accounts receivable	-	-	0	0
Provision for expected credit losses	0	0	-	-
Total	27	24	0	0

Aging analysis, accounts receivable	The Group		Parent Company	
	2021	2020	2021	2020
Non-overdue accounts receivable	10	9	0	-
Past due <30 days	2	1	-	-
Past due 31> days	15	14	0	0
Total accounts receivable	27	24	0	0

Interest-bearing liabilities

Interest-bearing liabilities are shown in the table below. Of Rikshem's outstanding bonds, bonds corresponding to SEK 2.8 billion have been issued in EUR, SEK 5.5 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 2.9 billion (EUR), SEK 5.4 billion (NOK), and SEK 0.5 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 6 percent (9) of the fair value of the investment properties.

Interest-bearing liabilities	The Group		Parent Company	
	2021	2020	2021	2020
Bonds	18,892	18,988	18,892	18,988
Bank loans	4,305	5,013	2,032	2,257
Liabilities to Group companies	175	175	175	175
Commercial paper	3,550	2,139	3,550	2,139
Liabilities to joint ventures	-	-	-	-
Total	26,922	26,315	24,649	23,559

At year-end, the Group's average interest rate was 1.5 percent (1.7), taking into account fees for unutilized back-up facilities. If the average interest rate were to change by 1 percentage point, the profit for the year

in the coming year would be affected by +/- SEK 45 million net.

The Group's average fixed interest period was 4.2 years (4.7) and the capital duration was 4.0 years (4.0) at year-end. Capital and interest rate duration yield the following maturity structure:

Maturity structure interest-bearing liabilities

2021 Years	Interest rate duration		Debt duration	
	MSEK	share, %	MSEK	share, %
<1 year	6,585	24.5	7,064	26.2
1-2 years	-	-	3,294	12.2
2-3 years	2,649	9.8	3,842	14.3
3-4 years	3,888	14.5	3,378	12.6
4-5 years	3,500	13.0	2,423	9.0
5-6 years	2,000	7.4	512	1.9
6-7 years	3,000	11.1	1,021	3.8
7-8 years	2,400	8.9	874	3.2
8-9 years	1,900	7.1	1,066	4.0
>9 years	1,000	3.7	3,448	12.8
Total	26,922	100	26,922	100

2020 Years	Interest rate duration		Debt duration	
	MSEK	share, %	MSEK	share, %
<1 year	3,516	13.3	6,254	23.8
1-2 years	2,226	8.5	3,867	14.7
2-3 years	1,500	5.7	3,293	12.5
3-4 years	3,888	14.8	4,137	15.7
4-5 years	3,385	12.9	1,959	7.4
5-6 years	3,000	11.4	1,192	4.5
6-7 years	2,000	7.6	477	1.8
7-8 years	2,500	9.5	949	3.6
8-9 years	2,400	9.1	835	3.2
>9 years	1,900	7.2	3,352	12.7
Total	26,315	100	26,315	100

Maturity analysis, interest rate derivatives

Year	Amortized cost	Nominal amount	Future interest payments
2022	7,064	7,078	343
2023	3,294	3,295	321
2024	3,842	3,790	282
2025	3,378	3,391	236
2026	2,423	2,391	190
after 2026	6,921	7,014	528

The table presents the remaining contractual term for the Group's interest-bearing liabilities. The flows are not discounted and STIBOR has been adopted as of the Balance Sheet date in cases where the future floating rate is unknown.

Note 18

- continued

Other financial liabilities	The Group		Parent Company	
	2021	2020	2021	2020
Financial derivative instruments	343	968	343	968
Security basis swap	48	192	48	192
Liabilities to Group companies	–	–	1,975	1,646
Accounts payable	146	89	7	5
Total	538	1,249	2,373	2,811
Maturity analysis of other financial liabilities	The Group		Parent Company	
2022		208		2,044
2023		–		–
2024		32		32
2025		24		24
after 2026		274		274
Total		538		2,373

Note 19**Other liabilities**

	The Group		Parent Company	
	2021	2020	2021	2020
Personnel-related liabilities	8	7	7	7
Value added tax	17	26	8	6
Tax liabilities	–8	2	–	–
Security basis swap	48	192	48	192
Other liabilities	26	36	2	1
Total	91	263	65	206

Note 20**Accrued expenses and deferred income**

	The Group		Parent Company	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Prepaid rental income	263	321	–	–
Accrued operating expenses	37	51	–	–
Accrued interest expense	50	61	49	60
Accrued personnel expenses	53	46	48	42
Accrued project expenses	159	131	–	–
Other items	41	38	21	21
Total	603	648	118	123

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, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Mortgages	3,865	5,736	–	–
Shares in subsidiaries	248	161	–	–
Total	4,113	5,897	–	–
	The Group		Parent Company	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Guarantees on behalf of Group companies	–	–	2,368	3,460
Guarantees on behalf of joint ventures/joint ventures owned by subsidiaries	1,092	967	969	843
Responsibility for limited partnership liabilities	–	–	389	392
Total	1,092	967	3,725	4,695

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.
Group companies	Shown in Note 3, 7 and 13. Rikshem AB has a liability to Rikshem Intressenter AB of MSEK 175. The loan is expensed with interest and is due for payment in 2025.
Joint ventures	Presented in Note 14.

Note 23

Adjustment for items not included in cash flow

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	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Share of profit in joint ventures	-330	-60	-	-
Depreciation	2	2	2	2
Capital gain on sale of equipment	0	0	0	-
Pension costs	1	2	1	2
Impairment of shares in subsidiaries	-	-	-	0
Other	-	-	-16	0
Total	-328	-56	-13	4

Note 24

Summary of liabilities attributable to financing activities

	The Group		Parent Company	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Interest-bearing liabilities				
Opening carrying amount	26,315	26,868	23,559	24,579
Changes affecting cash flow	172	121	653	-348
Changes not affecting cash flow				
Currency fluctuations	432	-670	432	-670
Accrual of borrowing costs and issues at premium/discount rate	3	-4	5	-2
Closing carrying amount	26,922	26,315	24,650	23,559

Note 25

Events after the closing date

Changes in the management team. On January 1, 2022, Elin Sjöstrand moved to the newly-established position of Head of Project Development and is now part of the management team. Catharina Kandel left her position as HR Manager in February 2022 and was replaced by Maria André Ahlgren, who started on 9 March 2022. Rikshem has recruited Catrin Viksten for a newly-established position as Head of Properties for Public Use. Catrin Viksten will take up the role in April 2022 and will be part of the management team.

Rikshem is establishing itself in Lund by acquiring a project in the district of Västerbro. New construction of an initial stage of around 210 apartments is expected to start in 2022.

Russia's armed attack on Ukraine at the end of February 2022 has created concern and uncertainty in the world. Rikshem has no property holdings in Russia or Ukraine, but is indirectly affected by the unrest in financial markets and increased inflation, which is being driven by external sanctions against Russia resulting from its armed attack on Ukraine. Rikshem is closely monitoring developments in Ukraine.

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	6,578,930,015
Profit for the year, SEK	422,207,265
Total, SEK	7,841,909,380

The Board of Directors proposes that SEK 7,841,909,380 be carried forward.

Rikshem's dividend policy means 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 on the date shown in our electronic signature

Per Uhlén
Chairman of the Board

Pernilla Arnrud Melin
Board member

Liselotte Hjorth
Board member

Andreas Jensen
Board member

Per-Gunnar Persson
Board member

Peter Strand
Board member

Anette Frumerie
CEO

Stockholm 24 March 2022

Ernst & Young AB

Mikael Ikonen
Authorized Public Accountant

Auditor's report

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 2021 with exception of the corporate governance report on pages 81-83. The annual accounts and consolidated accounts of the company are included on pages 76-117 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 2021 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 2021 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 81-83. 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 as a whole, 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 2021 was 58 780 MSEK. The Group has a policy of valuing the properties internally.

As of the closing day 31 December 2021, almost all of the property portfolio has had its value appraised externally. The external evaluation has been used as quality control and for comparison purposes. 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.

Because 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 page 102-104.

How our audit addressed this key audit matter

In our audit, we evaluated and tested the management process for real estate valuation. We have audited the input data and calculations in the internal valuations at the property level for a sample of investment properties to evaluate the Groups compliance to its valuation policy and valuation models.

We have evaluated the external valuator's competence and objectivity and evaluated the internal valuator's competence.

We have audited the input data and calculations in the internal valuations at the property level for a sample of investment properties.

We have assessed and evaluated the company's internal valuation in comparison to the external valuation and addressed the differences in the valuations. Our sample have comprised of the largest properties in the portfolio in terms of fair value, as well as the properties with the largest variances in comparison to prior quarters and prior year.

We have discussed significant assessments and assumptions made by the personnel responsible for the valuation in the Group and management. We have benchmarked the assumptions and inputs against observable market data.

Our internal valuation specialists have reviewed the company's valuation model and assessed the reasonableness of the assumptions for a sample of properties regarding yield, vacancy rates, rental income, and operating costs.

We have reviewed the information disclosed 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 2-67 and 122-134. 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 take into account 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 inter-

nal 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 company's and 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 intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole 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

AUDITOR'S REPORT

influence the economic decisions of users taken on the basis of 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 in order 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 2021 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 81-83 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 26 March 2018 and has been the company's auditor since 2011. Rikshem has been a public interest entity since 2014.

Stockholm 24 March 2022

Ernst & Young AB

Mikael Ikonen
Authorized Public Accountant

List of properties

Properties	Location	Address	Purpose
Häljered 2:75	Ale	Vallmovägen 3	Nursing homes
Ledet 1:4	Ale	Ledetvägen 9	Nursing homes
Nödinge 2:45	Ale	Fyrklövergatan 26	Nursing homes
Nödinge 38:50	Ale	Södra Klöverstigen 31-32	Retirement homes/care homes/ sheltered housing
Skeplanda 3:62	Ale	Odalvägen 2	Nursing homes
Skárdal 1:68	Ale	Göteborgsvägen 217	Retirement homes/care homes/ sheltered housing
Starrkärr 4:10	Ale	Garverigränd 2, Garverivägen 3	Nursing homes
Utby 3:63	Ale	Änggatan 4	Nursing homes
Blåregnet 9	Halmstad	Barnhemsgatan 30, Skepparegatan 21, Skånegatan 9-11	Nursing homes
Bonden 7	Halmstad	Boreliusgatan 2, and others	Land/Parking
Enheten 1	Halmstad	Flottiljvägen 1-24	Residential properties
Krusbäret 19	Halmstad	Snöstorp svägen 54	Nursing homes
Lyngåkra 3:22	Halmstad	Pålsgårdsvägen 8	Nursing homes
Nåden 2	Halmstad	Fyllingevägen	Residential properties
Talet 1	Halmstad	Pålsbovägen 18	Nursing homes
Termometern 1	Halmstad	Bäckagårdsvägen 47	Nursing homes
Vivan 1	Halmstad	Parkvägen 4	Nursing homes
Vokalen 3	Halmstad	Ålderstigen 4	Nursing homes
Volontären 4	Halmstad	Agestigen 1-5	Nursing homes
Amerika Norra 50	Helsingborg	Hantverkaregatan 24-26	Residential properties
Amerika Södra 21	Helsingborg	Furutorp sgatan 34, Södergatan 95	Residential properties
Ask 1	Helsingborg	Kurirgatan 51-59, Kullavägen	Residential properties
Balgripen 1	Helsingborg	Spannmålgatan 6-8	Residential properties
Barriaden 2	Helsingborg	Fyrverkaregatan	Land/Parking
Batteriet 1	Helsingborg	Fyrverkaregatan 2-10, Minörgatan 3-5	Residential properties
Batteriet 3	Helsingborg	Minörgatan 7-17	Residential properties
Batteriet 8	Helsingborg	Fyrverkargatan 4-6	Residential properties
Batteriet 9	Helsingborg	Fyrverkargatan 8-10	Residential properties
Bollbro 19	Helsingborg	Södergatan 20	Residential properties
Brigaden 1	Helsingborg	Trångsgatan 1-6/Revärgatan 1-6	Residential properties
Böhmen 19	Helsingborg	Hantverkaregatan 11, 17	Residential properties
Carnot 8	Helsingborg	Öresundsgatan 25	Residential properties
Elineberg 5	Helsingborg	Elinebergsplatsen 3,5,7,12	Commercial properties
Elineberg 7	Helsingborg	Elinebergsplatsen 2,4,6,8,10	Residential properties
Eneborg 10	Helsingborg	Övre Eneborgsvägen 24	Residential properties
Eneborg 11	Helsingborg	Övre Eneborgsvägen 26	Residential properties
Eneborg 7	Helsingborg	Bjäreg. 8, Ö. Eneborgsv. 28, Ö. Holländareg. 35	Residential properties
Filen 8	Helsingborg	Hälsövägen 25-27, Kopparmöllegatan 22	Residential properties
Frigg 1	Helsingborg	Kullavägen 57-69, Majorsgatan 4-16	Residential properties
Getingen 6	Helsingborg	Siöcronaplatsen 4 - 6	Residential properties
Getingen 19	Helsingborg	Siöcronaplatsen 8 - 10	Residential properties
Guldsmeden 15	Helsingborg	Gullandersgatan 4 A-C, O D Krooks g. 39	Residential properties
Gärdet 1	Helsingborg	Plutogatan 9-11	Retirement homes/care homes/shel- tered housing
Hammaren 23	Helsingborg	Stampgatan 15	Residential properties
Hantverkaren 13	Helsingborg	O D Krooks gata 38	Residential properties
Herden 16	Helsingborg	Elinebergsvägen	Land/Parking
Huslyckan 6	Helsingborg	Elinebergsvägen 18A-D, 20 A-B, Häradsgatan 1, 3A-C, 5, 7A-C, 9, 11A-C	Residential properties
Kapellet 17	Helsingborg	Hälsövägen 26-30, Kopparmöllegatan 20	Residential properties
Kapellet 18	Helsingborg	Hälsövägen 32-38	Residential properties
Kapellet 21	Helsingborg	Lilla Möllevångsgatan 9 A-C	Residential properties
Kaplanen 10	Helsingborg	Krabbegatan 3 A-C	Residential properties
Karl XI Norra 19	Helsingborg	Karls gatan 9	Residential properties
Karl XI Södra 20	Helsingborg	Karls gatan 12, Södra Storgatan 16	Residential properties

Properties	Location	Address	Purpose
Karl XI Södra 4	Helsingborg	Karlgatan 10	Residential properties
Köpingelyckan 5	Helsingborg	Elinebergsvägen 10A-B, 12A-B, Lugguddegatan 1, 3A-C, 5, 7A-D, 9, 11A-C	Residential properties
Köpingelyckan 6	Helsingborg	Elinebergsvägen 14A-B, 16A-C, Häradsgatan 2A-D, 4A-B, 6 A-D, 8A-C	Residential properties
Ljuset 5	Helsingborg	Rusthållsg. 10-18, Norrehedsg. 9-17	Residential properties
Malen 41	Helsingborg	Sadelmakareg. 7 A-B, Övre Eneborgsv. 36 A-B	Residential properties
Maria 1	Helsingborg	Traktörsgatan 42-52	Residential properties
Norge 10	Helsingborg	Nedre Holländaregatan 4-6	Residential properties
Norge 2	Helsingborg	Södergatan 58	Residential properties
Norge 9	Helsingborg	Södergatan 56, Nedre Holländaregatan 8	Residential properties
Nunnan 1	Helsingborg	Södra Stenbocksgatan 106	Residential properties
Nunnan 2	Helsingborg	Södra Stenbocksgatan 108	Residential properties
Nunnan 3	Helsingborg	Södra Stenbocksgatan 110	Residential properties
Nunnan 5	Helsingborg	Visitörsgatan 13	Residential properties
Nunnan 6	Helsingborg	Visitörsgatan 11	Residential properties
Nunnan 7	Helsingborg	Visitörsgatan 9	Residential properties
Nunnan 8	Helsingborg	Sämsmakaregatan 2 A-B	Residential properties
Nyckelpigan 2	Helsingborg	Sadelmakaregatan 2 A-B	Residential properties
Nyckelpigan 26	Helsingborg	Sadelmakaregatan 4-14	Residential properties
Nässlan 12	Helsingborg	Industrigatan 22-24, Wienergatan 17	Residential properties
Nässlan 13	Helsingborg	Norra Ljunggatan 13	Residential properties
Nässlan 4	Helsingborg	Industrigatan 28	Residential properties
Ollonborren 11	Helsingborg	Siöcronangatan 5	Residential properties
Ollonborren 14	Helsingborg	Övre Holländaregatan 34 A-B	Residential properties
Ollonborren 9	Helsingborg	Bjäregratan 14	Residential properties
Pinjen 5	Helsingborg	Fredsgatan 2-4 A-B, Planteringsvägen 42 A-E	Residential properties
Pinjen 8	Helsingborg	Östra Fridhemsgatan 3 A-D	Residential properties
Rovan 13	Helsingborg	Södra Stenbocksgatan 83	Residential properties
Rovan 14	Helsingborg	Munkavägen 14-28, Skånegatan 13	Residential properties
Ruuth 17	Helsingborg	Trädgårdsgatan 15 A-C	Residential properties
Samson 7	Helsingborg	Erik Dahlbergsgata 57, Helmfeltsgatan 13	Residential properties
Samson 8	Helsingborg	Helmfeltsgatan 11	Residential properties
Skepparlyckan 3	Helsingborg	Elinebergsvägen 4A-B, 6A-C, 8; Lugguddegatan 2A-C, 4A-C, 6A-C	Residential properties
Sköldenborg 12	Helsingborg	Hebsackersgatan 14	Residential properties
Sköldenborg 16	Helsingborg	Hebsackersgatan 16-18	Residential properties
Sköldenborg 18	Helsingborg	Hebsackersgatan 24	Nursing homes
Spindeln 7	Helsingborg	Apotekaregatan 16-22, Eneborgsplatsen 4-6	Residential properties
Stiftelsen Norra 2	Helsingborg	O D Krooks gata 23	Residential properties
Stiftelsen Norra 3	Helsingborg	O D Krooks gata 21	Residential properties
Stiftelsen Norra 4	Helsingborg	O D Krooks gata 19	Residential properties
Stiftelsen Norra 2-5, 7-8	Helsingborg	Norra Stenbocksgatan 10 A-B	Residential properties
Stiftelsen Norra 7	Helsingborg	Norra Stenbocksgatan 14	Residential properties
Stiftelsen Norra 8	Helsingborg	Norra Stenbocksgatan 16, Grubbagatan 2	Residential properties
Städet 15	Helsingborg	Föreningsgatan 37	Residential properties
Städet 17	Helsingborg	Stampgatan 17-19	Residential properties
Städet 9	Helsingborg	Föreningsgatan 35	Residential properties
Träsket 8	Helsingborg	Flogatan 12	Retirement homes/care homes/ sheltered housing
Ugglan 15	Helsingborg	Fredriksdalsplatsen 1 A-B, Lilla Möllevångsgatan 2	Residential properties
Ugglan 4	Helsingborg	Mellersta Stenbocksgatan 41	Residential properties
Ugglan 9	Helsingborg	Lilla Möllevångsgatan 4	Residential properties
Uven 5	Helsingborg	Lilla Möllevångsgatan 6 A-B	Residential properties
Valhall 17	Helsingborg	Fredsgatan 1, Planteringsvägen 48-50 A-C	Residential properties
Valhall 18	Helsingborg	Fredsgatan 3 A-F, Tryckerigatan 25-27 A-B	Residential properties
Württemberg 7	Helsingborg	Carl Krooksgatan 49, Gustav Adolfs torg 2	Residential properties
Württemberg 8	Helsingborg	Carl Krooks gata 55/Furutorpsgatan 25	Residential properties
Württemberg 9	Helsingborg	Carl Krooks gata 53	Residential properties
Württemberg 13	Helsingborg	Carl Krooks gata 51	Residential properties
Värnet 2	Helsingborg	Minörgatan 19	Residential properties
Värnet 3	Helsingborg	Minörgatan 18	Residential properties

LIST OF PROPERTIES

Properties	Location	Address	Purpose
Beckasinen 9 (site leasehold)	Huddinge	Sjöstigen 14-16	Retirement homes/care homes/ sheltered housing
Strandpiparen 1 (site leasehold)	Huddinge	Tranvågen 42	Retirement homes/care homes/ sheltered housing
Lärlingen 9	Jönköping	Västerliiden 16-18, Wilhelm Thams v.	Nursing homes
Apotekaren 22	Kalmar	Kaggensgatan 16-18, Storgatan 16	Commercial properties
Beckasinen 34	Kalmar	Tullslätten 17-31, Unionsgatan 16-18	Residential properties
Beckasinen 43	Kalmar	Unionsgatan 10-14	Residential properties
Braxen 15	Kalmar	Esplanaden 26-28, Postgatan 5	Residential properties
Bärnstenen 1	Kalmar	S:t Kristoffers väg 3	Nursing homes
Duvan 22	Kalmar	Norra Vägen 37	Commercial
Flintan 2	Kalmar	Två Systrars väg 2-24	Residential properties
Gnejsen 1	Kalmar	Två Systrars väg 1-21	Residential properties
Hagby 12:42	Kalmar	Möregårdsvägen 10	Nursing homes
Kalkstenen 1	Kalmar	Vänskapens väg 4	Nursing homes
Kalkstenen 22	Kalmar	Björkenäsvägen 4-20	Nursing homes
Karlslanda-Fagerhult 1:25	Kalmar	Bäverdalsvägen 13	Nursing homes
Korpen 16	Kalmar	Nygatan 36	Commercial properties
Kroppkakan 2	Kalmar	Kastrullvägen 2-108, Lassevägen 37-105, Förlösavägen 7-135	Residential properties
Ljungby 16:126	Kalmar	Backsippvägen 13	Nursing homes
Måbäret 1	Kalmar	Malörtsvägen 7 A-B, Värnsnävägen 15 A-B	Residential properties
Rapsen 10	Kalmar	Bergagårdsvägen 6	Residential properties
Rapsen 11	Kalmar	Bergagårdsvägen 8	Residential properties
Rapsen 14	Kalmar	Bergagårdsvägen 12	Residential properties
Rapsen 15	Kalmar	Bergagårdsvägen 10	Residential properties
Rapsen 9	Kalmar	Bergagårdsvägen 4	Residential properties
Rodret 4	Kalmar	Sparregatan 34	Residential properties
Rönnbäret 1	Kalmar	Malörtsvägen 1,3 Skvatramsvägen 35	Residential properties
Smedbacken 1	Kalmar	Ingelstorpavägen 1 A-D	Nursing homes
Smedhagen 1	Kalmar	Klappervägen 1-35	Residential properties
Stenmuren 1	Kalmar	Smedhagsvägen 1-65, Stenmursvägen 1-43	Residential properties
Vallmon 19	Kalmar	Sjöbrings väg 4, Ståthållaregatan 50 A-B	School/pre-school
Videt 13	Kalmar	Gasverksgatan 4-6 A-B	Residential properties
Gredelby 7:91	Knivsta	Disponentg 3, Mejerskansg. 18 A-B, 26, Sågverkstorget 4-12, Staffansv 7, Faktorns gata 2 - 6, Ostmästargatan 22-24	Nursing home, Residential
Särsta 3:25	Knivsta	Forsbyvägen 3-7, Häradsvägen 3	Residential properties
Idrottsplatsen 1	Linköping	Korpralsgatan 6-10	Nursing homes
Balder 1	Luleå	Baldersvägen 2 A-B, Furumövägen 5	Nursing homes
Bergviken 5:40	Luleå	Klintvägen 81-83	Residential properties
Kalkkällan 9	Luleå	Lingonstigen 33, 36, 36 A, 147-233	Residential properties
Kristallen 12	Luleå	Tunastigen 1-91	Residential properties
Kronan 1:221	Luleå	Kronadalsvägen 1, Kaserngatan 1-7, Kronan A, B, H	Commercial properties
Maskinisten 2	Luleå	Storstigen 20-28	Nursing homes
Midskogen 13	Luleå	Gymnasievägen 6-8	Nursing homes
Mjölkudden 3:51	Luleå	Radiomasten 3-21	Residential properties
Mjölkudden 3:54	Luleå	Mjölkuddsvägen 79 A-C	Nursing homes
Porsön 1:240	Luleå	Assistentvägen 8-370, Docentvägen 1-555	Residential properties
Porsön 1:406	Luleå	Kårhusgränd 1-9, 3 A	Housing for students and young people
Sundsgården 4	Luleå	Lulsundsgatan 40-44, 42 A-B, 44 A-B, Sundsbacken 9	Nursing homes
Brönnestad 1	Malmö	Industrigatan, Nobelvägen	Land/Parking
Brönnestad 2	Malmö	Industrigatan, Nobelvägen	Land/Parking
Cellon 2	Malmö	Mellanhedsgatan 26 A-C	Residential properties
Handskfacket 3	Malmö	Sommarvagnsgatan 22	Nursing homes
Insjön 3	Malmö	58 A-D, Karlskronaplan 4 A-B	Residential properties
Jagten 7	Malmö	Ystadsgatan 8 A-D	Residential properties
Kungsfågeln 5	Malmö	Älggatan 29	Residential properties
Månstrålen 6	Malmö	Råkrittegatan 10	Nursing homes
Protokollet 1	Malmö	Industrigatan, Nobelvägen	Land/Parking
Puffen 1	Malmö	Axel Danielssons väg 117	Nursing homes
Rönnen 2	Malmö	Nobelvägen 137, Rönnbladsgatan 2 A-B	Housing for students and young people

Properties	Location	Address	Purpose
Skansen 1 (site leasehold)	Malmö	Lilla Varvsgatan 6-10, Kompassgatan 40	Housing for students and young people
Tavlan 5	Malmö	Amiralsgatan 54, Skanörsgatan 2	Residential properties
Tuppen 15	Malmö	Hyllie Kyrkoväg 56-58, Idrottsgatan 47	Residential properties
Undret 1	Malmö	Lantmannagatan 46 A-D, Lindgatan 2 A-D	Residential properties
Värmereglaget 1	Malmö	Landålettgatan 42	Nursing homes
Åkermyntan 3 (site leasehold)	Malmö	Norra Bulltoftavägen 8	Nursing homes
Björknäs 1:34	Nacka	Eklundavägen 9	School/pre-school
Björknäs 1:4	Nacka	Talluddsvägen 12	Nursing homes
Björknäs 1:442	Nacka	Häckvägen 2 B	School/pre-school
Bo 12:7	Nacka	Norrstigen 23, Liljekonvaljens väg 42	School/pre-school
Bo 8:5	Nacka	Bragevägen 36	School/pre-school
Part of Orminge 46:1 Residential housing, Nursing home	Nacka	Edövägen	Land/Parking
Erstavik 26:245	Nacka	Ostronvägen 2, Fidravägen 1	School/pre-school
Igelboda 46:5	Nacka	Odenvägen 10	School/pre-school
Igelboda 54:1	Nacka	Vinterbrinksvägen 2	School/pre-school
Kummelnäs 27:1	Nacka	John Wibergs Väg 5-7	School/pre-school
Lännersta 1:148	Nacka	Liljekonvaljens väg 2	School/pre-school
Mensättra 17:1	Nacka	Stiltjev 5	School/pre-school
Neglinge 13:5	Nacka	Neglingevägen 21	Nursing homes
Orminge 34:1	Nacka	Bockögränd 1	School/pre-school
Orminge 59:1	Nacka	Sandövägen 1, 2, 4 & 8	School/pre-school
Rösunda 45:1	Nacka	Karl Gerhards väg 23B	School/pre-school
Rösunda 9:11	Nacka	Ringvägen 50	School/pre-school
Sicklaön 123:1	Nacka	Helgesons väg 5	Nursing homes
Sicklaön 127:1	Nacka	Helgesons väg 4	School/pre-school
Sicklaön 226:8	Nacka	Duvnåsvägen 30-38	School/pre-school
Sicklaön 343:1	Nacka	Hägervägen 33	School/pre-school
Sicklaön 352:1	Nacka	Ektorpsvägen 17-19	Nursing homes
Sicklaön 369:1	Nacka	Jarlbergsvägen 5	School/pre-school
Sicklaön 375:2	Nacka	Gamla Landsvägen 22	School/pre-school
Sicklaön 73:48	Nacka	Skuru Skolväg 2	School/pre-school
Solsidan 12:22	Nacka	Skyttevägen 17-19	School/pre-school
Tollare 2:48	Nacka	Skyrningsv 2, Sockenv 38	School/pre-school
Äta 100:2	Nacka	Såvsångarv 42 A & B	School/pre-school
Äta 47:7	Nacka	Erstaviksv 4, Evalundsv 2, Ältavägen 183-185	School/pre-school
Äta 61:1	Nacka	Bäckalidsvägen 8	School/pre-school
Bergskvadragen 1	Norrköping	Kvarngatan 43-73, Källvindsgatan 8	Residential properties
Bärnstenen 1 (site leasehold)	Norrköping	Kalkstensgatan 5	Nursing homes
Djäkneberget 10	Norrköping	Skepparegatan 33, Skolgatan 31	Residential properties
Dörren 16	Norrköping	Armeraregatan 1-11	Residential properties
Fönstret 7	Norrköping	Hagebygatan 180	Commercial properties
Godvän 16	Norrköping	Källvindsgatan 16, S:t Persgatan 38-40	Residential properties
Godvän 21	Norrköping	Sankt Persgatan 34-36	Residential properties
Godvän 28	Norrköping	Korsgatan 19, Nygatan 19	Residential properties
Hålet 1 (site leasehold)	Norrköping	Dragaregatan 1	Land/Parking
Karbinen 9	Norrköping	Bråddgatan 57 A-C	Residential properties
Kardusen 7	Norrköping	Dagbergsvägen 136-140	Residential properties
Kolonien 11	Norrköping	Lagergrensgatan 7, 11-13	Residential properties
Kolonien 12	Norrköping	Dagsbergsvägen 4, 4 A	Residential properties
Kopparkypen 30	Norrköping	Sankt Persgatan 43 A-G	Residential properties
Krukan 16	Norrköping	Garvaregatan 15	Residential properties
Krusmyntan 4	Norrköping	Stensgatan 1-3, Hagagatan 29	Residential properties
Lejongapet 10	Norrköping	Norrallundsgatan 23 A-C	Residential properties
Linjen 2 (site leasehold)	Norrköping	Idrottsgatan 32-74	Residential properties
Niten 1	Norrköping	Hagebyg. 160-174, Hyvlareg. 17-21, Mamreg. 2-16, Murareg. 107-129	Residential properties
Planen 4	Norrköping	Ektorpsgatan 22-46	Residential properties
Pokalen 21	Norrköping	Bråddg. 47-49, Luntg. 23-25, Smedjeg. 40	Residential properties
Pokalen 27	Norrköping	Luntgatan 19-21, Smedjegatan 36, Vattengatan 30-32	Residential properties

LIST OF PROPERTIES

Properties	Location	Address	Purpose
Pokalen 29	Norrköping	Smedjegatan 38 A-B	Residential properties
Spärren 2	Norrköping	Formareg.3-21, Hyvlareg. 2-20, Limmareg. 2-21, Snickareg. 3-21, Svarvareg. 2-21, Murareg. 9	Residential properties
Stadsvakten 2	Norrköping	Torggatan 7-9, Trädgårdsg 15-17, Olai Kyrkogata 6	Residential properties
Stopet 11	Norrköping	Sankt Persgatan 125-131, Hantverkaregatan 48-50	Residential properties
Strömbacken 4	Norrköping	Linköpingsvägen 12	Residential properties
Topasen 1	Norrköping	Urbergsgatan 41-47, 91-97	Residential properties
Topasen 2	Norrköping	Urbergsgatan 11-37, 51-87	Residential properties
Tornet 11	Norrköping	Styrmansgatan 21-25, Östra Promenaden 18	Residential properties
Tornet 8	Norrköping	Hospitalsgatan 58, Östra Promenaden 14	Residential properties
Tornet 9	Norrköping	Östra Promenaden 16	Residential properties
Tuvan 1 (site leasehold)	Norrköping	De Geersgatan 57-63, Ängsvaktaregatan 27	Residential properties
Vattnet 7	Norrköping	Trädgårdsgatan 27-29	Residential properties
Vesslan 5	Norrköping	Norra Promenaden 110 A-B, Åbygatan 1	Residential properties
Vesslan 6	Norrköping	Norra Promenaden 112, 112 A-B	Residential properties
Vesslan 7	Norrköping	Norra Promenaden 114, Tjustgatan 2 A-B	Residential properties
Motormannen 1	Norrköping	Stockholmsvägen 53-59	Nursing homes
Brandstoden 7	Nyköping	Järnvägsgatan 26-28 A-C	Residential properties
Brudslöjan 3	Nyköping	Hemgårdsvägen 18 A-B, 20 A-B, 22 A-B	Residential properties
Garvaren 1	Nyköping	Östra Kvarngatan 11-13, 17	Residential properties
Kaveldunet 2	Nyköping	Skolörtsgången 1-87	Residential properties
Brännbo 1:29	Sigtuna	Lilla Brännbovägen 18	Nursing homes
Ekilla 4:19	Sigtuna	Solbrinken 5	Nursing homes
Ekilla 6:125	Sigtuna	Solbrinken 12	Nursing homes
Fiskgjusen 1	Sigtuna	Ormsbergsvägen 28, 30, 32, 34	Residential properties
Havsörnen 2	Sigtuna	Ormsbergsvägen 17, 19, 21, 23	Residential properties
Humlegården 17	Sigtuna	Prästgatan 21	Nursing homes
Hällsboskolan 2	Sigtuna	Prästängsvägen 1	School/pre-school
Höken 2	Sigtuna	Trollbergsvägen 1	Nursing homes
Märsta 1:186	Sigtuna	Idrottsvägen 21	Nursing homes
Märsta 1:19	Sigtuna	Bollbacken 9	Nursing homes
Norrbacka 1:39	Sigtuna	Odensalavägen 1-3	School/pre-school
Norrbacka 1:48	Sigtuna	Norrbackavägen 1-17, Odensalavägen 2-58	Residential properties
Ormvården 1	Sigtuna	Falkvägen 1-5G	Residential properties
Ragvaldsbo 1:119	Sigtuna	Rosendalsvägen 34	Nursing homes
Ragvaldsbo 1:186	Sigtuna	Hagtornsvägen 12	Nursing homes
Ragvaldsbo 1:189	Sigtuna	Ragvaldsbo gårdsväg 14 A	Residential properties
Rävsta 5:386	Sigtuna	Solursg 3 A-D, Solursst 4 A-G, Spaljeväg 23 A	Residential properties
Rördrommen 1	Sigtuna	Ormsbergsvägen 1-32	Residential properties
Sigtuna 2:171	Sigtuna	Väringavägen 11	Nursing homes
Sigtuna 2:247	Sigtuna	Skolbacken 58	School/pre-school
Sjudargården 1:17	Sigtuna	Karin Hansdottersväg 2 / Hertigvägen 3	Nursing homes
Sätuna 3:12	Sigtuna	Dragonvägen 10	School/pre-school
Sätuna 3:201	Sigtuna	Södergatan 33	School/pre-school
Sätuna 3:266	Sigtuna	Södergatan 57-59	School/pre-school
Valsta 3:170	Sigtuna	Vikingavägen 2	School/pre-school
Valsta 3:172	Sigtuna	Ragnagatan 5A-C	School/pre-school
Valsta 3:179	Sigtuna	Ragnagatan 7 & 9	Nursing homes
Valsta 3:182	Sigtuna	Steninge Backe 1-6	Residential properties
Valsta 3:184	Sigtuna	Valsta gårdsväg 10, Valsta gårdsväg 14	Residential properties
Valsta 3:38	Sigtuna	Sleipnargatan 40-86	Residential properties
Valsta 3:53	Sigtuna	Ragnagatan 38	School/pre-school
Nordan 21 (site leasehold)	Solna	Hagalundsgatan 19	Commercial properties
Nordan 23	Solna	Hagalundsgatan 23 - 31	Residential properties
Nordan 25	Solna	Hagalundsgatan 35 - 41	Residential properties
Brågarp 6:879	Staffanstorps	Amarantgatan 12	Nursing homes
Fader Bergström 1	Stockholm	Selmedalsvägen 90 & 92	Nursing homes
Jordbruksministern 3	Stockholm	Byälvsvägen 35 B	Nursing homes
Lagern 6	Stockholm	Vasagatan 52	Commercial properties
Skrinnaren 1	Sundbyberg	Rissneleden	Land/Parking
Daldockan 1	Södertälje	Ågårdevägen 1-9	Residential properties

Properties	Location	Address	Purpose
Elefanten 19	Södertälje	Björklundsgatan 4 D-L	Nursing homes
Fasanen 1	Södertälje	Karlväsvägen 7-17	Residential properties
Glasberga 1:133	Södertälje	Glasbygatan 1, Ljustergatan 1	Nursing homes
Hasseln 4	Södertälje	Övre Torekällgatan 21 A-B	Residential properties
Karlberga 2	Södertälje	Karlbergavägen 1	Nursing homes
Ljungbacken 2	Södertälje	Rönnavägen 9 A	Nursing homes
Lönnen 3	Södertälje	Parkgatan 8	Nursing homes
Ollonborren 7	Södertälje	Kringelvägen 1	Nursing homes
Pumpen 1	Södertälje	Prästgårdsvägen 48	School/pre-school
Påfågeln 1	Södertälje	Karlväsvägen 1-5, Törnrosavägen 14-18	Residential properties
Repet 4	Södertälje	Myrstigen, Fjärilsstigen	Residential properties
Segelbåten 1	Södertälje	Hertig Carls väg 24 A-C	Residential properties
Segelbåten 2	Södertälje	Hertig Carls väg 26 A-C	Residential properties
Skorpionen 6	Södertälje	Oxbacksgatan 14, Sankta Ragnhildsg 30	Residential properties
Spettet 2	Södertälje	Täppgatan 14	Residential properties
Spettet 3	Södertälje	Täppgatan 12 A-B	Residential properties
Spettet 4	Södertälje	Täppgatan 10 A-B	Residential properties
Vibacken 2	Södertälje	Wijbacksvägen 1	Nursing homes
Båtsmannen 1	Umeå	Bankgatan 16 A, 16 B	Residential properties
Duvhöken 2	Umeå	Länsmansvägen 4	Residential properties
Duvhöken 3	Umeå	Länsmansvägen 6 A-B	Residential properties
Fjälllämmeln 23	Umeå	Målargränd 11	Nursing homes
Flyttfågeln 1	Umeå	Mariehemsvägen 43 A-D, 39 A-K	Residential properties
Flyttfågeln 11	Umeå	Mariehemsvägen 41 A-Ö	Residential properties
Flyttfågeln 2	Umeå	Mariehemsvägen 35 A-H, 37 A-H	Residential properties
Gärdet 16	Umeå	Norra Ersmarksgatan 51	Residential properties
Gärdet 18	Umeå	Hagmarksvägen 26	Residential properties
Handlaren 20	Umeå	Bölevägen 9 A-B, 11 A-C, 13 A-B	Residential properties
Hygget 1	Umeå	Sandbackavägen 22-24 A-L	Residential properties
Hygget 75	Umeå	Sandbackavägen 22 M-N	Residential properties
Ingenjören 6	Umeå	Svedjebacken 4 A-H, 6 A-B	Residential properties
Jungmannen 1	Umeå	Centralgatan 25 A-B	Residential properties
Jägaren 4	Umeå	Skolgatan 40 A-B	Residential properties
Jägaren 5	Umeå	Kungsgatan 41-43 A-C	Residential properties
Järven 18	Umeå	Storgatan 72-74, Häradsövdingegatan 6, Östra Strandgatan 19	Residential properties
Järven 19	Umeå	Storgatan 76-78	Residential properties
Krukan 15	Umeå	Mjölkvägen 10-12 A-E, 14-22	Residential properties
Laxen 23	Umeå	Storgatan 98	Residential properties
Leoparden 2	Umeå	Hovrättsgatan 5, Kungsgatan 39	Residential properties
Leoparden 4	Umeå	Skolgatan 36 A-B, Slöjdgatan 8	Residential properties
Lövsågen 16	Umeå	Lagmansgatan 48 A-B	Residential properties
Lövsågen 37	Umeå	Lagmansgatan 44	Residential properties
Matrosen 4	Umeå	Nygatan 2 A-B	Residential properties
Matrosen 7	Umeå	Bankgatan 11, Nygatan 4 A-B	Residential properties
Nämndemannen 1	Umeå	Svedjebacken 5 A-K	Residential properties
Orrspelet 1	Umeå	Morkullevägen 16 A-H	Residential properties
Orrspelet 2	Umeå	Morkullevägen 18 A-M	Residential properties
Reparatören 3	Umeå	Odlarvägen 6 A-X, Yrkesvägen 6 A-K	Residential properties
Rubinen 2	Umeå	Kungsgatan 23, Skolgatan 22 A-B	Residential properties
Sandtaget 2	Umeå	Sandbackavägen 34 A-M, 36-38	Residential properties
Släggskafet 11	Umeå	Markvägen 3 A-M	Residential properties
Sofiehem 2:156	Umeå	Ålidbacken 23	School/pre-school
Stora Björnen 11	Umeå	Häradsövdingegatan 8, 10 A-C	Residential properties
Storjägaren 7	Umeå	Borgvägen 22 A-B	Residential properties
Svalan 6	Umeå	Holmsundsvägen 77 A-B	Residential properties
Tranan 2	Umeå	Skolgatan 95	Residential properties
Tranan 3	Umeå	Skolgatan 97, Fabriksgatan 9	Residential properties
Täfteå 10:202	Umeå	Maskvägen 2-8 A-F	Residential properties
Uven 11	Umeå	Träsnidargatan 4 A-B	Residential properties
Vaktposten 3	Umeå	Slöjdgatan 7 A-B	Residential properties

LIST OF PROPERTIES

Properties	Location	Address	Purpose
Vallen 4	Umeå	Grisbackav. 3-5, Hartvigsg.14, Lagmansg. 7-11	Residential properties
Vittran 1	Umeå	Vittervägen 172-290	Residential properties
Nedre Runby 1:58 (leased)	Upplands Väsby	Lilla Hagvägen 2	Housing for students and young people
Skälby 1:14	Upplands Väsby	Maria Krantzons väg 1-28	Residential properties
Skälby 1:312	Upplands Väsby	Lindhemsvägen 13-60	Residential properties
Vilunda 28:22	Upplands Väsby	Holmvägen 2-20	Residential properties
Vilunda 28:25	Upplands Väsby	Holmvägen 11, 13	Residential properties
Kungsängens-Tibble 1:653	Upplands-Bro	Lillsjö Badväg 10	Nursing homes
Kungsängens-Tibble 1:654	Upplands-Bro	Lillsjö Badväg 8	School/pre-school
Almunge Prästgård 1:59	Uppsala	Lillsjövägen 14 D	Nursing homes
Berthåga 38:5	Uppsala	Sandstensvägen 20	Assisted living
Berthåga 43:1	Uppsala	Stenkolsvägen 5	Assisted living
Berthåga 48:6	Uppsala	Stenhuggarvägen 12	Assisted living
Berthåga 60:2	Uppsala	Herrhagsvägen 16	Nursing homes
Björklinge-Tibble 2:8	Uppsala	Brudlåtsvägen 20	Assisted living
Björklinge-Tibble 2:9	Uppsala	Södra Tibblevägen 12	Assisted living
Björklinge-Tibble 5:52	Uppsala	Bror Hjorts väg, Spelmansvägen	Nursing homes
Bälinge-Ekeby 12:1	Uppsala	Lundgårdsvägen 2, Lundgården	Nursing homes
Bälinge-Ekeby 14:1	Uppsala	Kyrkvägen 2	Assisted living
Dalby 11:1	Uppsala	Dalby 17	Nursing homes
Ellsta 2:72	Uppsala	Knutbyvägen 4, Björkgården	Nursing homes
Eriksberg 11:5	Uppsala	Gnejsvägen 20-26	Retirement homes/care homes/ sheltered housing
Eriksberg 12:2	Uppsala	Gnejsvägen 1/Granitvägen 21	Residential properties
Eriksberg 15:2	Uppsala	Glimmervägen 3	Assisted living
Eriksberg 17:1	Uppsala	Glimmervägen 5 A-B, 7 A-B	Residential properties
Eriksberg 17:2	Uppsala	Glimmerv 9-11 A-B, Granitv 1 A-C	Residential properties
Eriksberg 4:1	Uppsala	Glimmervägen 6-10	Residential properties
Eriksberg 9:4	Uppsala	Gustavsbergsgatan 4	Residential properties
Flogsta 17:2	Uppsala	Tavastehusgatan 5	Assisted living
Flogsta 34:3	Uppsala	Helsingforsgatan 159	Assisted living
Fälhagen 6:3	Uppsala	Vaksalagatan 35-39	Residential properties
Fälhagen 6:4	Uppsala	Eskilsgatan 6 A-B	Residential properties
Gamla Uppsala 21:80	Uppsala	Arkeologvägen 15-27	Assisted living
Gamla Uppsala 47:7	Uppsala	Sköldmövägen 11-19	Nursing homes
Gamla Uppsala 94:4	Uppsala	Topeliusgatan 21	Assisted living
Gamla Uppsala 97:3	Uppsala	Huges väg 7	Assisted living
Gottsunda 32:6	Uppsala	Djurgårdsvägen 7	Assisted living
Gottsunda 34:3	Uppsala	Bröderna Berwalds väg	Residential properties
Gottsunda 48:2	Uppsala	Granelidsvägen 1C	Assisted living
Gottsunda 49:1	Uppsala	Vårdsättravägen 78	Assisted living
Gränby 19:1	Uppsala	Solskensgatan 4-10	Residential properties
Gränby 19:2	Uppsala	Tövädersgatan 3-13	Residential properties
Gränby 6:1	Uppsala	Br. Liljeforsg.43-49, Levertin 1-35	Residential properties
Gränby 6:3	Uppsala	Levertinsgatan 37	Garage
Gränby 6:2	Uppsala	Bruno Liljeforsgatan 1-41	Residential properties
Gränby 6:4	Uppsala	Bruno Liljeforsgatan	Land/Parking
Gränby 6:5	Uppsala	Bruno Liljeforsgatan	Land/Parking
Gränby 7:1	Uppsala	Br.Liljeforsg. 57-63, Atterbomsg 1-31	Residential properties
Gränby 7:3	Uppsala	Atterbomsgatan 33	Garage
Gränby 7:2	Uppsala	Br.Liljeforsg. 43-55, Levertin 2-34	Residential properties
Gränby 7:4	Uppsala	Bruno Liljeforsg. 52-58, Råbyvägen 61 A-C	Residential properties
Gränby 8:1	Uppsala	Br.Liljeforsg. 71-77, Almqvistsg 1-35	Residential properties
Gränby 8:3	Uppsala	Almqvistgatan 37	Garage
Gränby 8:2	Uppsala	Br.Liljeforsg. 65-69, Atterbom 2-32	Residential properties
Gränby 9:1	Uppsala	Br.Liljeforsg. 85-91, A Engströmg 1-31	Residential properties
Gränby 9:3	Uppsala	Bruno Liljeforsgatan	Land/Parking
Gränby 9:2	Uppsala	Br.Liljeforsg. 79-83, Almqvist 2-36	Residential properties
Gränby 9:4	Uppsala	Albert Engströmsgatan 2 A-G	Residential properties
Gävsta 2:36	Uppsala	Gävstavägen 17	Assisted living
Gävsta 2:37	Uppsala	Gävstavägen 19	Nursing homes

Properties	Location	Address	Purpose
Kronåsen 1:29	Uppsala	Eklundshovsvägen 13	Assisted living
Kronåsen 1:31	Uppsala	Eklundshovsvägen 4 A-D	Residential properties
Kvarngärdet 4:2	Uppsala	Kantorsgatan	Land/Parking
Kvarngärdet 4:3	Uppsala	Kantorsgatan 2-80	Housing for students and young people
Kvarngärdet 4:4	Uppsala	Kantorsgatan	Land/Parking
Kvarngärdet 45:1	Uppsala	Långjärnsg, Kvarnängsg	Residential properties
Kvarngärdet 46:1	Uppsala	Långjärnsg 1-7	Residential properties
Kvarngärdet 47:1	Uppsala	Långjärnsg 2-18, Kvarnängsg 46-52	Residential properties
Kvarngärdet 5:5	Uppsala	Djäknegatan	Land/Parking
Kvarngärdet 52:1	Uppsala	G.bilg, Kvarnängsg, Kvarnbacksg, Lurg.	Residential properties
Kvarngärdet 53:1	Uppsala	Kvarnängsg, Kvarnb.g, Gärdets Bilg,	Residential properties
Kvarngärdet 54:1	Uppsala	Kvarnängsg, Hjulg, Kvarnkamg, GBilg	Residential properties
Kvarngärdet 55:1	Uppsala	Kvarnängsg, Kvarnkam.g, GBilg	Residential properties
Kvarngärdet 56:13	Uppsala	Orgelgatan 1-5, Vattholmavägen 10 A-B	Land/Parking
Kvarngärdet 56:14	Uppsala	Orgelgatan 1-17, Vattholmavägen 10-12	Nursing homes
Librobäck 19:7	Uppsala	Ullforsgatan 5	Assisted living
Librobäck 4:7 (leased)	Uppsala	Söderforsgatan	Assisted living
Luthagen 24:1	Uppsala	Dalgatan 1-3, Norrlandsgatan 6, Wallingatan 25	Retirement homes/care homes/ sheltered housing
Luthagen 37:8	Uppsala	Börjegatan 25 A-E	Retirement homes/care homes/ sheltered housing
Löten 7:1	Uppsala	Lagerlöfsgatan 2-62	Residential properties
Löten 7:2	Uppsala	Lagerlöfsgatan 2-32	Residential properties
Löten 7:4	Uppsala	Lagerlöfsgatan 1-11	Residential properties
Norby 63:33	Uppsala	Tallbacksvägen 40, Norbyvägen 133	Assisted living
Norby 63:34	Uppsala	Norbyvägen 135	Assisted living
Norby 90:8	Uppsala	Fältvägen 10	Assisted living
Norrvisjö 1:22	Uppsala	Norrvisjö	Land/Parking
Sala Backe 13:3	Uppsala	Årstagatan 23 A-E	Nursing homes
Sala Backe 25:1	Uppsala	Verkmästargatan 16-20	Residential properties
Storvreta 1:214	Uppsala	Hasselvägen 11A	Assisted living
Storvreta 4:15	Uppsala	Vretalundsvägen 10 A-B, 12	Nursing homes
Storvreta 55:1	Uppsala	Vitsippsvägen 10	Assisted living
Storvreta 56:1	Uppsala	Bordtennisvägen 2	Assisted living
Sunnersta 155:7	Uppsala	Sunnerstavägen 28B	Assisted living
Sunnersta 193:1	Uppsala	Morkullevägen 76	Assisted living
Sunnersta 67:35	Uppsala	Backvägen 1	Assisted living
Sunnersta 79:31	Uppsala	Domherrevägen 12	Assisted living
Svartbäcken 14:3	Uppsala	Hallstensgatan 20, Styrbjörnsgratan 7	Nursing homes
Svartbäcken 29:4	Uppsala	Egilsgratan 8 - 12	Residential properties
Svartbäcken 36:45	Uppsala	Svartbäcksgatan	Nursing homes
Sävja 111:1	Uppsala	Stenbrohultsvägen 91-93	Nursing homes
Sävja 59:1	Uppsala	Carl von Linnés väg 4	Assisted living
Sävja 64:2	Uppsala	Linvägen 58	Assisted living
Trollbo 5:3	Uppsala	Konstnärsvägen 14	Assisted living
Tuna Backar 33:1	Uppsala	Tunagatan 31-37	Retirement homes/care homes/ sheltered housing
Vaksala-Lunda 4:14	Uppsala	Vaksala Lunda 200-202	Assisted living
Valsätra 54:6	Uppsala	Rosendalsvägen 3	Assisted living
Vattholma 5:320	Uppsala	Malmvågsvägen 11	Nursing homes
Vattholma 5:330	Uppsala	Järnmalmsvägen 1	Assisted living
Vänge-Täby 1:137	Uppsala	Täbyvägen 2	Assisted living
Vänge-Täby 1:138	Uppsala	Arkitektvägen 33B	Assisted living
Vänge-Täby 1:2	Uppsala	Arkitektvägen 1	Nursing homes
Årsta 106:3	Uppsala	Mariedalsgatan 1-3	Assisted living
Årsta 93:1	Uppsala	Hjortrongatan 5	Assisted living
Årsta 96:1	Uppsala	Fyrslundsgatan 62-66	Nursing homes
Bommen 1 (site leasehold)	Västerås	Genuag. 12-14, Målarparksv. 12 -16, Ö Målarstrands Allé 127	Residential properties
Dingtuna Kyrkby 1:15	Västerås	Ekebyvägen	Land/Parking
Dingtuna Kyrkby 1:16	Västerås	Ekebyvägen	Land/Parking
Dingtuna Kyrkby 1:19	Västerås	Ekebyvägen	Land/Parking

LIST OF PROPERTIES

Properties	Location	Address	Purpose
Fatburen 3	Västerås	Fatburgsgatan 17	Nursing homes
Fredriksberg 7	Västerås	Lövsångargatan 74-78	Nursing homes
Fyrtornet 1 (site leasehold)	Västerås	Fyrtornsg. 6, Kummelg. 5, Verksg. 9-13	Residential properties
Gippen 1	Västerås	Ankargatan 37	Nursing homes
Gulmåran 2	Västerås	Prästkragegatan 3 A-C, 5 A-D	Retirement homes/care homes/ sheltered housing
Gunnar 18	Västerås	Karlgatan 17 B, Knutsgatan 2 B-D	Retirement homes/care homes/ sheltered housing
Karlavagnen 1	Västerås	Karlavagnsgatan 8-10	Residential properties
Kronhjorten 5	Västerås	Karlfeldtsgatan 20-22	Retirement homes/care homes/ sheltered housing
Läkaren 125	Västerås	Hylvarg 9, Plåtslagarg 1 A-C, 2	Assisted living
Pinjen 2	Västerås	Cedergatan 11	Nursing homes
Resmilan 1	Västerås	Odensviplatsen 1 A-D, 2 A-B	Retirement homes/care homes/ sheltered housing
Rädisan 1	Västerås	Hammarbacksv 5 A-B, Narvav. 24	Nursing homes
Sjömärket 2 (site leasehold)	Västerås	Fyrtornsg. 7 A-B, Sjömärkesg. 8 A-B	Residential properties
Smugglaren 1	Västerås	Havsfrugatan 6-8, Poseidongatan 16	Residential properties
Svärdsliljan 5	Västerås	Svärdsliljeg. 1-3, Gulsporreg. 3-13	Residential properties
Tvättstugan 2 (site leasehold)	Västerås	Håkantorpsgatan 158	School/pre-school
Urberget 1	Västerås	Jakobsgatan 47-99	Residential properties
Vaktposten 2	Västerås	Kaserngatan 24	Nursing homes
Vedbo 99	Västerås	Hörntorpsvägen 3 A-F	Land/Parking
Vetterstorp 3	Västerås	Narvavägen 58-74	Residential properties
Vintergatan 1	Västerås	Karlavagnsgatan 4-6	Residential properties
Abc-Boken 10	Östersund	Rådhusgatan 31, Thoméegränd 22 A-B	Residential properties
Batteriet 1	Östersund	Divisionsgränd 2-20	Residential properties
Batteriet 2	Östersund	Batterigränd 1-19	Residential properties
Batteriet 3	Östersund	Batterigränd 2-20	Residential properties
Batteriet 4	Östersund	Trossgränd 1-19	Residential properties
Elritsan 4	Östersund	Rådhusgatan 85-91 A-B	Residential properties
Frigg 10	Östersund	Repslagarstigen 23, Skolgatan 76 A-D	Residential properties
Förskinnets 8	Östersund	Regementsg. 38-42, S.Gröng. 37-41, Thoméeegr. 26-28, Tullg.25-27	Residential properties
Harren 2	Östersund	Brunflovägen 22	Residential properties
Hyacinten 10	Östersund	Ångegatan 3A-B	Residential properties
Hyacinten 12	Östersund	Grundläggargränd 2-16, Brunflovägen 9A-B, Ångegatan 1, 1A-B	Residential properties
Hyacinten 13	Östersund	Ångegatan 1C, 5A-D, 7C, Grundläggargränd 18-32	Residential properties
Hyacinten 15	Östersund	Grundläggargränd 34-48	Residential properties
Hyacinten 16	Östersund	Ångegatan 7A-B, D, 9A-B, 11A-B	Residential properties
Härbärgat 3	Östersund	Storgatan 58 A-B & K	Residential properties
Kålhagen 6	Östersund	Kyrkg./Residensgr./Rådhusg./S Permansg.	Residential properties
Lussekatten 1	Östersund	Blåhammarvägen 2-160	Residential properties
Majsen 11	Östersund	Ringvägen 26-30	Residential properties
Motboken 7	Östersund	Rådhusgatan 41 A-D	Residential properties
Pastorn 12	Östersund	Brogr./Färjemansg./Kyrkg./Prästg.	Residential properties
Pionen 13	Östersund	Stuguvägen 20, Övre Hantverksgatan 23-25	Residential properties
Rektorn 9	Östersund	Köpman/Biblioteksg/Törnstens Gr/Storg	Residential properties
Stadspredikanten 2	Östersund	Pastorsgatan 4 A-B, Artillerigatan 7	Residential properties
Sädesskäppan 3	Östersund	Regementsgatan 32, Pastorsgatan 3	Residential properties
Trasmattan 1	Östersund	Skogsbruksvägen 1-17, Stöttingvägen 2-22	Residential properties
Trossen 1	Östersund	Trossgränd 2-20	Residential properties
Tröskan 11	Östersund	Odenskogsvägen 102-114, Slåttervägen 5-29	Residential properties
Väghyveln 5	Östersund	Stabsgränd 2-20	Residential properties
Väghyveln 6	Östersund	Divisionsgränd 1-19	Residential properties



Key performance indicators

Key performance indicators

Amounts in SEK millions	2021	2020	2019	2018	2017
Income Statement					
Rental income	3,062	3,032	2,916	2,792	2,665
Net operating income	1,768	1,760	1,586	1,524	1,555
Income from management operations	1,526	1,279	1,286	1,008	1,150
Change in value of properties	5,509	1,825	1,538	2,107	1,647
Profit for the period	5,931	2,481	2,244	2,489	2,430
Balance Sheet					
Equity	28,855	22,921	20,441	18,199	15,710
External liabilities	26,922	26,315	26,838	26,493	24,022
Fair value of properties	58,780	51,750	49,307	45,687	41,039
Total assets	62,411	55,271	52,612	48,734	43,501
Financial indicators					
Equity/assets ratio, %	46	41	39	37	36
Loan-to-value ratio, %	46	51	54	58	59
Interest-coverage ratio, multiple	3.6	3.7	3.5	3.2	3.5
Net debt/EBITDA, multiple	15.9	15.2	18.0	17.6	15.8
Loan-to-value ratio, secured loans, %	6	9	9	10	12
Average interest rate, %	1.5	1.7	1.6	1.7	2.0
Interest duration, years	4.2	4.7	4.5	5.1	5.3
Debt duration, years	4.0	4.0	3.8	4.1	3.0
Return on equity, %	22.9	11.4	11.6	14.7	16.8
Property yield, %*	3.2	3.5	3.3	3.5	3.9
Total return excl. joint ventures, %	13.9	7.2	6.7	8.6	8.3
Total return incl. joint ventures, %	13.9	7.0	7.2	7.8	8.3
Property-related indicators					
Number of properties	514	540	560	555	586
Lettable area, 1,000 sqm	2,216	2,232	2,292	2,274	2,219
Number of apartments	28,514	28,730	29,214	28,840	27,924
Share of properties for public use, %	29	30	30	29	29
Vacancy rate, residential properties, %	5.1	4.0	3.5	3.2	2.7
Market vacancy rate, residential properties, %	1.5	1.4	0.8	0.5	0.3
Remaining lease term for properties for public use, years	8.3	8.8	9.0	9.4	9.8
Fair value, SEK/sqm	26,522	23,181	21,512	20,090	18,494
Growth in income for the like-for-like portfolio, %	2.4	3.5	4.3	3.8	4.3
Growth in net operating income for the like-for-like portfolio, %	1.1	9.2	3.6	-3.9	6.7
Surplus ratio, %	58	58	54	55	58
Employees					
Number of employees	286	271	259	242	206

Key performance 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 SEK millions unless stated otherwise.

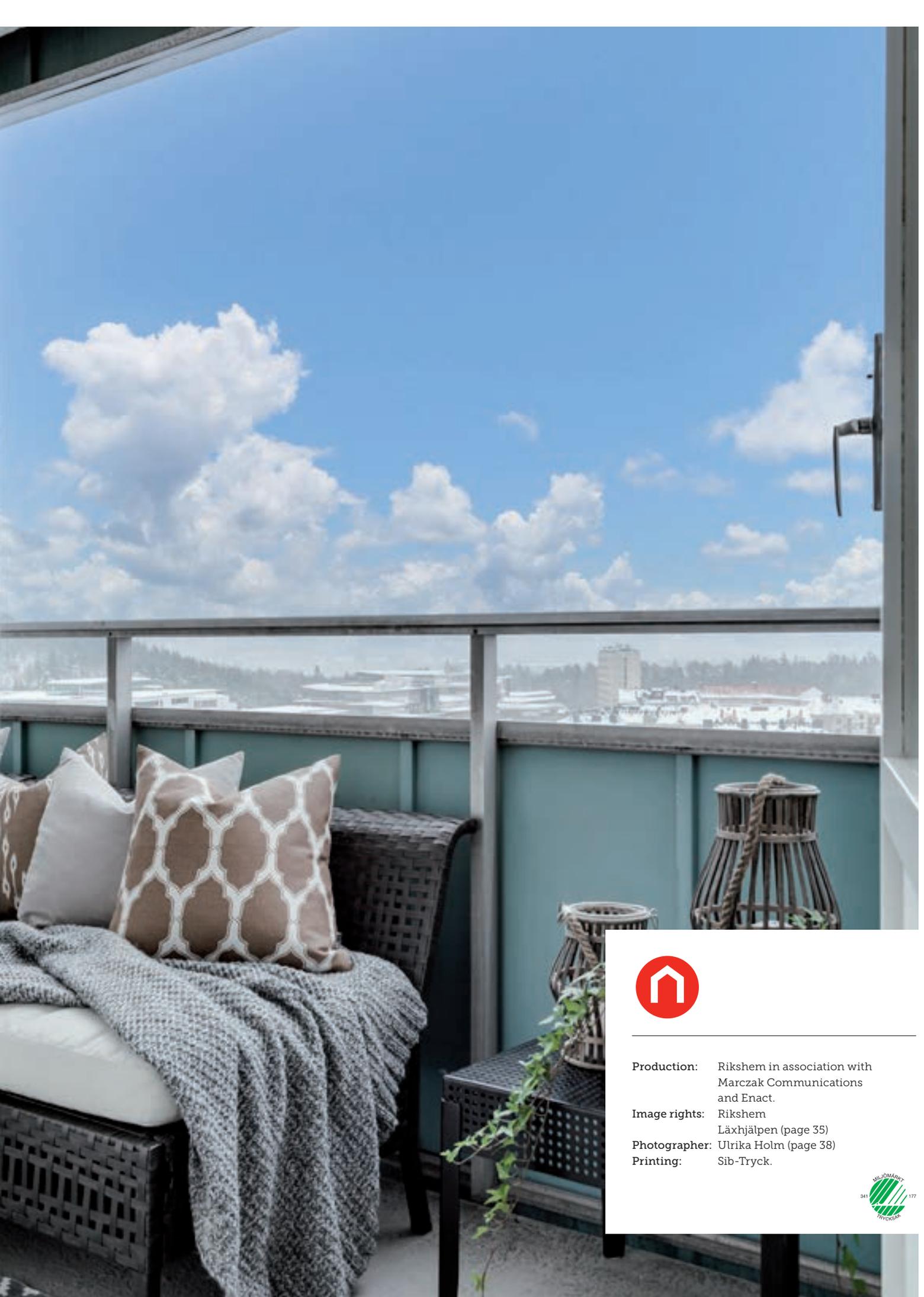
Key performance indicators – calculations

Amounts in SEK millions	Jan-Dec 2021	Jan-Dec 2020
Return on equity		
Profit for the year	5,931	2,481
Average equity	25,888	21,681
Return on equity, %	22.9	11.4
Net operating income		
Rental income	3,062	3,032
Property expenses	-1,294	-1,272
Net operating income	1,768	1,760
Surplus ratio		
Net operating income	1,768	1,760
Rental income	3,062	3,032
Surplus ratio, %	58	58
Property yield		
Net operating income	1,768	1,760
Opening property value	51,750	49,307
Closing property value	58,780	51,750
Average property value	55,265	50,529
Property yield, %	3.2	3.5
Total return		
Net operating income	1,768	1,760
Change in value of properties	5,509	1,825
Total	7,278	3,585
Opening property value	51,750	49,307
Closing property value	58,780	51,750
Minus unrealized change in value	-5,509	-1,825
Adjusted average property value	52,510	49,616
Total return, %	13.9	7.2
Interest-coverage ratio		
Profit before tax	7,347	3,007
<i>Reversal</i>		
Change in value of properties	-5,509	-1,825
Change in value of financial derivative instruments and loans	-311	97
Earnings from joint ventures	-330	-60
Other financial expenses	32	29
Interest expense	448	460
Operating profit/loss	1,676	1,708
External interest	-467	-460
Interest-coverage ratio, multiple	3.6	3.7

Amounts in SEK millions	Jan-Dec 2021	Jan-Dec 2020
Loan-to-value ratio		
External interest-bearing liabilities	26,922	26,315
Fair value of investment properties	58,780	51,750
Loan-to-value ratio, %	46	51
Loan-to-value ratio, secured loans		
Outstanding secured debt	3,306	4,814
Fair value of investment properties	58,780	51,750
Loan-to-value ratio, %	6	9
Net debt/EBITDA		
External interest-bearing liabilities	26,922	26,315
Cash and cash equivalents	-468	-830
Collateral relating to CSA agreements	48	192
Net debt	26,503	25,677
Net operating income	1,768	1,760
Central administration	-100	-78
Depreciation	2	2
EBITDA	1,670	1,684
Net debt/EBITDA, multiple	15.9	15.2

Definitions

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 end of the preceding year.	Net financial items	Net interest income, interest expense, ground rents and similar income and 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.	Net operating income	Rental income less property expenses.
Comparable portfolio	For financial follow-up, this refers to the properties that have been owned or, for new construction, that have been moved into during the last four quarters.	Property expenses	Costs for heating, electricity, water, operation, maintenance, property tax, rent losses and property administration.
Debt duration	The weighted remaining maturity of interest-bearing liabilities on the closing date.	Property yield	Net operating income on an annual basis in relation to the average fair value of properties.
Economic occupancy rate	Contract rent in relation to total rental value on the closing date less rent related to vacancies due to renovation.	Remaining lease term, properties for public use	The weighted remaining lease term in the rental value on the closing date in the properties for public use segment.
Equity/assets ratio	Equity in relation to total assets.	Rental income	Rental value less vacancies and rent discounts.
Income from management operations	Net operating income less administrative costs and net financial items plus earnings from joint ventures.	Return on equity	Profit for the year in relation to average equity.
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.	Secured loans	Loans raised against liens on properties.
Interest rate duration	The weighted remaining interest duration for interest-bearing liabilities and financial derivative instruments on the closing date.	Share of short-term net debt	Current interest-bearing liabilities less cash and cash equivalents in relation to total interest-bearing liabilities.
Loan-to-value ratio	External interest-bearing liabilities in relation to the fair value of properties.	Surplus ratio	Net operating income in relation to rental income.
Loan-to-value ratio, secured loans	Securing external interest-bearing liabilities in relation to the fair value of properties.	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.
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 debt/EBITDA	External interest-bearing liabilities minus cash and cash equivalents, adjusted for collateral relating to CSA agreements, in relation to EBIDTA. EBIDTA is calculated as net operating income excluding central administration plus reversal of depreciation included in central administration.		



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