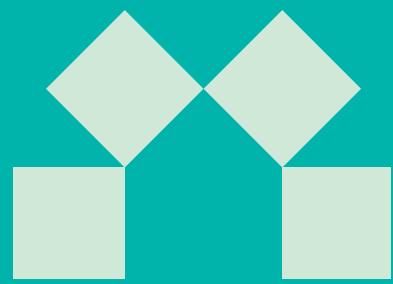


# Green Finance Framework 2025



**STENVALVET**  
Värden för välfärden





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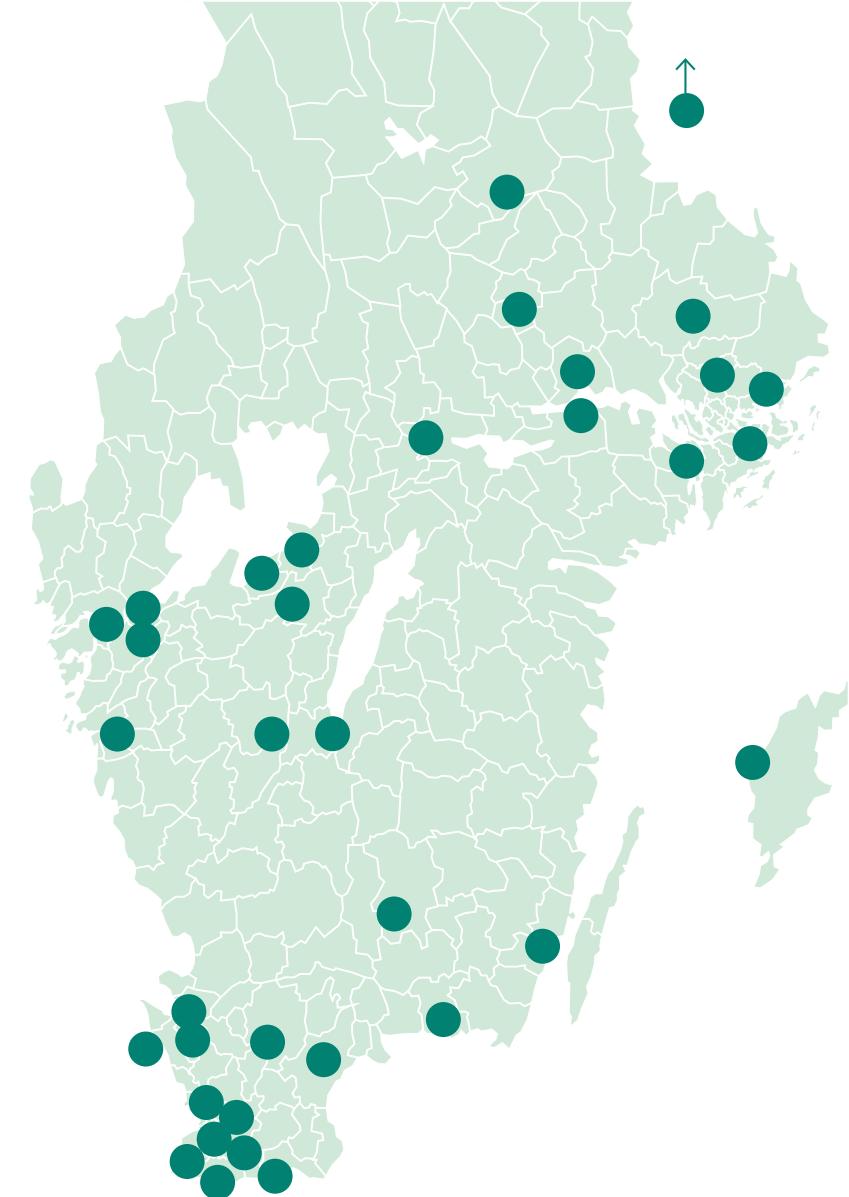
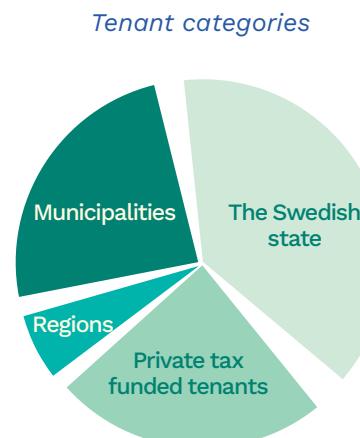
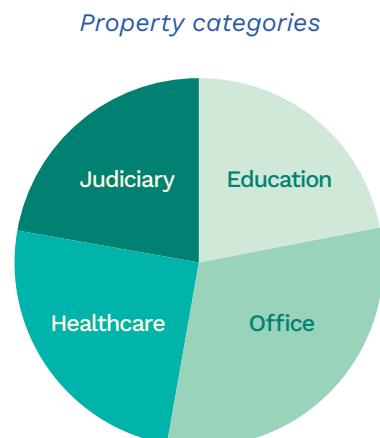


## About Stenvalvet

Stenvalvet, established in 2010, is one of the leading companies in Sweden when it comes to ownership, management, and development of public service properties. Our portfolio of attractive properties in prime locations in regional cities are used to provide public service by tenants within the judiciary system, education, health care, and other government and public service predominantly leased by the Swedish state, municipalities, and regions. Stenvalvet's owners, Kyrkans pension and Stiftelsen för Strategisk Forskning, are institutional owners with a long-term perspective.

Stenvalvet owns and manages over one hundred public service properties in Sweden, with a value of approximately SEK 15.9 billion, totaling approximately 593,000 square meters of leasable area. Public service properties are predominantly used by tax-financed activities and are specifically adapted for community service. It includes for example schools, health centers, retirement homes, police stations, courts, correctional facilities, and government offices. They cover different types of activities, but they all have one thing in common – they form the foundation of the Swedish welfare society.

Stenvalvet is one of the building blocks for the Swedish welfare society to function. Where there is welfare, there is Stenvalvet.



*Vision*  
The most distinct landlord for the welfare



## Our contribution to sustainable development

Our work within sustainability is integrated in our strategy as well as management and operations. Stenvalvet's overall long-term goal is to create 10 % growth in equity over time to our owners and maximize the contribution to our customers and the sustainable development of society. Our expertise within ownership, management, and development of public service properties, focuses on creating value for our stakeholders, especially the community services provided by our tenants. We take responsibility for the impact our operations have on both society and environment. Our management of material sustainability impacts contributes especially to five of the UN Sustainable Development Goals.



Our work is guided by our sustainability policy, which establishes our commitments and focus areas for environmental, social and governance performance. The sustainability policy and the Code of Conduct for suppliers are publicly available and results of our sustainability work are presented in the annual report.



### Clients and Governance

Through the board's policies and codes, the management team's guidelines and procedures, and our joint management system, we govern the business in accordance with legal and other requirements. Ongoing stakeholder dialogue contributes to well-informed decision-making, and our whistleblower channel provides an opportunity for anonymous feedback.

The Code of Conduct for suppliers is particularly important in our collaboration with suppliers, especially our operational contractors. Through planned and preventive maintenance, we reduce the number of fault reports and the time it takes to initiate corrective actions. We measure our results through a Customer Satisfaction Index and Service Index, and we are exceeding most industry averages. We have zero tolerance for corruption and a strong focus on information security.

### Employees and Society

Our core values – value-creating, long-term, and proactive – also encompass our workplaces and employees. Activities to ensure a good work environment, equal treatment, and competence development are yielding results both among staff and suppliers. Gender distribution is balanced in both the board and the organization, and sick leave is low. Stenvalvet's work environment efforts are described in our management system, which includes guidelines for systematic work environment management, an employee handbook, guidelines for crisis management, guidelines against abusive treatment, guidelines for equal treatment, and the Code of Conduct.

Essential societal activities are conducted in our properties, and the company's surplus is channeled through our owners to pensions and research grants, contributing to additional societal benefits. By working proactively with our properties, maintaining active community engagement, and collaborating with our suppliers, we make a difference.

### Longterm objective

10 % growth in equity over time to our owners while maximizing the contribution to our clients and society's sustainable development

#### Financial targets



#### Profitability and Growth

#### Non-financial targets



#### Clients and Governance



#### Employees and Society



#### Environment and Climate



## Human rights and anti-corruption

As a real estate company, we aim to contribute to a more transparent and fair industry where respect for human rights and the prevention of bribery and corruption is fundamental. We achieve this by ensuring that our Code of Conduct is actively maintained internally, by requiring confirmation that our suppliers adhere to our Code of Conduct for suppliers, and by fostering an open culture where employees feel safe to report risks and incidents. Internal training on corruption is conducted regularly for all employees.

## Safe and secure properties

To ensure a safe and secure work environment on our properties, we continuously work with planned maintenance, modern security systems, and close collaboration with operational contractors, suppliers, and local authorities. For example, we conduct regular property inspections together with primarily tenants and operational contractors to identify unsafe environments.

In addition to ongoing maintenance and close dialogue with our tenants, we have conducted an assessment of potential physical climate risks for the entire property portfolio. This assessment is part of our long-term work to climate-proof our properties. To contribute to increased crisis preparedness in society, we keep our inventory of shelters updated.

We contribute to our tenants' and other stakeholders' essential societal activities through several collaborative efforts. Stenvalvet continuously strive to improve outdoor environments and carry out various societal activities to enhance comfort and community. In our properties we continuously perform property walks together with operational contractors and tenants to ensure quality, safety, and security in and around the properties. We also award a scholarship, Stenvalvets' Lilla Extra. This is our contribution to adding a touch of gold to everyday life for residents, students, and staff in our properties within healthcare, education, and care services.

## Environment and Climate

Our ambition is to minimize environmental impact through collaboration with tenants and suppliers. Energy efficiency, reduced climate impact and climate adaptation are our focus. In our role as a long-term property owner and manager, our most important contribution to environmentally sustainable development is to enhance what has already been built. Our environmental work is governed by documented procedures in our management system and integrated into relevant parts of the value chain. Before acquiring new properties, we investigate, among other things, soil contamination, building materials, and energy performance. During both management and construction projects, we control energy efficiency, environmentally

adapted product choices, and waste management. Green leases, climate adaptation, and environmental certification of buildings are important parts of our environmental work.

All new buildings are environmentally certified according to at least "Miljöbyggnad Silver" or equivalent, and each year additional buildings are certified to at least "Miljöbyggnad iDrift Silver" or equivalent.

## Energy use

The goal is for the comparable portfolio to become at least 37 % more energy efficient by 2030 compared to 2018, and the need for purchased energy to decrease to below 93 kWh per square meter  $A_{temp}$  in the comparable portfolio.

## Climate impact

Our roadmap to achieve climate neutrality in scope 1, 2, and 3 by 2045 focus on energy efficiency, a steady increase of green district heating and solar electricity. All purchased electricity comes from certified hydropower, "Bra Miljöval". Emission tracking in carbon dioxide equivalents is conducted according to the Greenhouse Gas Protocol framework via an independent climate calculation provider. It includes all emissions from consumption originating from properties we have been responsible for. Our tracking also includes climate impact from major renovations and waste management.





## Climate adaptation

Stenvalvet's properties are affected by climate change, and we are working to strengthen our climate resilience. We have analyzed physical climate risks for all our properties based on two different climate scenarios. The results are used for the ongoing vulnerability analysis of our buildings and provide a basis for addressing transition risks and opportunities through measures in planned maintenance.

## Material choices, green spaces and water

We choose building materials in accordance with our environmentally adapted product selection procedure. Residual products in our construction projects are sorted at source. We also strive to reuse as much as possible during major renovations.

Our properties are primarily located in urban environments with limited opportunities for green spaces that can provide ecosystem services and biodiversity. However, with environmental certification of buildings, green leases, and joint property inspections, we highlight the importance of green spaces together with our tenants.

Water is a limited natural resource, and water usage also contributes to climate impact. Through an increased number of green leases and environmentally certified buildings, we collaborate with tenants on water savings.

## Framework structure

This Green Finance Framework (the 'Framework') has been developed to correspond to the developments in the Green Bond market and the evolved sustainability related regulation. Thus, this Framework replaces the previous Framework published in 2021. The updated Framework will continue to support Stenvalvet's sustainability work including achieving climate neutrality in scope 1, 2 and 3 by 2045. The Framework will be used to issue green instruments such as bonds and loans.

This Framework is defining Eligible Green Assets which are specified to provide investors transparency in how proceeds from any Green Finance Instrument will be used, and to allow investors and other stakeholders an opportunity to make targeted investment decisions. Depending on the type of issuance, the generic parts of the Framework can be read in combination with the corresponding Eligible Green Asset Criteria in the Use of proceeds section.

The Framework follows the Green Bond Principles (GBP) 2021 (with June 2022 Appendix 1) as well as the 2025 APLMA, LSTA and LMA Green Loan Principles (GLP). Stenvalvet will continue to follow market best practices, in relation to Green Bonds, as the market standards develop. Therefore, this Framework may be amended and/or updated to reflect changes in market practice, for instance with regards to the development of the EU classification of environmentally sustainable economic activities (the Taxonomy).

The Framework's structure is based on ICMAs key components, with the addition of their recommendation to appoint an external reviewer:

- ◆ Use of proceeds
- ◆ Process for asset evaluation and selection
- ◆ Management of proceeds
- ◆ Reporting
- ◆ External reviews

## Use of proceeds

Stenvalvet has established this Green Finance Framework to issue financial instruments where the proceeds will be exclusively allocated to finance or refinance, in whole or in part, Eligible Green Assets. Eligible Green Assets are both capital expenditures ("CapEx") and/or operational expenditures ("OpEx"). CapEx does not have any requirements for look-back period, while OpEx does have a requirement of maximum three-year look-back period from the time

of issuance. New financing refers to Eligible Green Assets that have been financed during the reporting year. Refinancing refers to Eligible Green Assets that have been financed prior the reporting year. Eligible Green Assets may be owned by Stenvalvet directly, or indirectly through subsidiaries. Stenvalvet will only finance Eligible Green Assets in its country of operation, Sweden.

Eligible Green Assets are determined by Stenvalvet as described in the use of proceeds tables on the next page. These Eligible Green Assets will adhere to applicable laws and regulations as well as Stenvalvet's policies, especially the sustainability policy, the internal Code of Conduct and the Code of Conduct for suppliers. Eligible Green Assets are broadly and on a best effort basis aligned with the Technical Screening Criteria (TSC), the Do No Significant Harm (DNSH) and minimum social safeguards of the EU Taxonomy.

## Exclusions

Proceeds from Stenvalvet's Green Finance Instruments will not be used to finance fossil fuel energy generation or any form of fossil fuel energy production. Eligible Green Assets will also exclude any direct fossil fuel heating.



ICMA Eligible Green Asset Category	Eligible Green Asset Criteria	Substantial Contribution to EU Environmental Objectives	UN SDG
Green Buildings	<p><b>Construction of new buildings</b></p> <p>Financing of new buildings that have or will receive:</p> <ul style="list-style-type: none"> <li>◆ A Primary Energy Demand (PED) at least 20 % lower than the threshold set for Nearly Zero-Energy Building (NZEB) requirements, and</li> <li>◆ A physical climate risk and vulnerability assessment with, if needed, a plan to make the asset more climate resilient, and</li> <li>◆ Environmental certification with minimum level “Miljöbyggnad Silver” or an equivalent environmental scheme, and</li> <li>◆ A climate impact, kg CO<sub>2</sub>/square meters BTA, not exceeding the level specified in level “Miljöbyggnad Silver” or an equivalent scheme.</li> </ul> <p><b>Existing buildings</b></p> <p>Financing of existing buildings that have:</p> <ul style="list-style-type: none"> <li>◆ An Energy Performance Certification (EPC) class A, or</li> <li>◆ Energy performance within the top 15 % most energy efficient of the national or regional building stock expressed as operational Primary Energy Demand (PED), valid at the time of the approval, and</li> <li>◆ Undergone a physical climate risks and vulnerability assessment with, if needed, a plan to make the asset more climate resilient, and</li> <li>◆ Environmental certifications with minimum level “Miljöbyggnad iDrift Silver” or an equivalent environmental scheme.</li> </ul> <p><b>Major renovations</b></p> <p>Financing of existing buildings that undergo major renovations, and that either</p> <ul style="list-style-type: none"> <li>◆ results in a reduced Primary Energy Demand (PED) of at least 30 % compared to pre-investment, or</li> <li>◆ achieves an environmental certification with minimum level “Miljöbyggnad Ombyggnad Silver” or an equivalent environmental scheme.</li> </ul> <p>Construction of new buildings, as well as existing buildings and major renovations, may include high security buildings and can in some cases prevent Stenvalvet from obtaining an official environmental certification of the building. In such cases Stenvalvet will provide a statement from an accredited Environmental Consultant that verifies that the building meets the requirements for the certification scheme.</p>	<p>Climate Change Mitigation and Climate Change Adaptation</p> <p>Main economic activities:</p>	 Target 7.3

<b>Energy Efficiency</b>	<p>Financing of individual renovation measures and installation of instruments and devices such as:</p> <ul style="list-style-type: none"> <li>◆ Measures consisting of the installation of energy efficiency equipment associated with insulation, energy efficient windows, doors or lights, low water and energy equipment as well as heating and ventilation.</li> <li>◆ Installation of instruments and devices for measuring, regulation and controlling energy performance of buildings associated with zoned and smart thermostats, sensing equipment, management and light control systems, smart meters as well as facade and roofing elements with solar shading.</li> </ul>	<p>Climate Change Mitigation and Climate Change Adaptation</p> <p>Main economic activities:</p> <p>7.3. Installation, maintenance, and repair of energy efficiency equipment</p> <p>7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings</p>	 Target 7.3  Target 13.1
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### *Process for asset evaluation and selection*

The evaluation and selection process for Eligible Green Assets is a key process in ensuring that the proceeds from Green Finance Instruments are indirectly allocated to assets and expenditures which meet the eligibility criteria in the Framework. Stenvalvet has established a Sustainable Development Finance Committee (SDFC) that meets on a regular basis or when needed. The SDFC consists of the Chief Executive Officer, Chief Financial Officer, Head of Property Management and the Sustainability Manager. The SDFC is responsible for evaluating the compliance of proposed Eligible Green Assets with the eligibility criteria outlined in the Use of proceeds section.

Potential Eligible Green Assets are identified on an ongoing basis within the scope of Stenvalvet's regular business activities as per the company's decision-making process for investments, maintenance and acquisitions. It will also replace investments that no longer meet the eligibility criteria (e.g., following divestment, liquidation, concerns regarding alignment of underlying activity with eligibility criteria etc.). The SDFC will also assess and report on the environmental impact and keep track of the distribution of new financing and refinancing. Decisions within the SDFC will be done consensus and keeps a record of meetings and decisions.

The SDFC will also ensure that Eligible Green Assets adhere to applicable laws and regulations as well as Stenvalvet's policies, especially the sustainability policy, the internal Code of Conduct and the Code of Conduct for suppliers. Further, Stenvalvet will also monitor internal processes to identify environmental and social risks associated with the Eligible Green Assets.

### *Management of proceeds*

An amount equal to the net proceeds of any Green Finance Instruments will be separately identified within Stenvalvet's treasury department, amounts identified will form an earmarked portfolio within Stenvalvet's internal systems. As long as Green Finance Instruments are outstanding, and the earmarked portfolio has a positive balance, funds may be deducted from the earmarked portfolio and added to Stenvalvet's lending pool in an amount up to all disbursements from that pool made in respect of Eligible Green Assets. The earmarked portfolio will ensure prudent monitoring and tracking of the Eligible Green Assets. Stenvalvet's Group Treasury team is responsible for tracking funds and allocation of proceeds. If, for any reason, an Eligible Green Asset ceases to comply with the requirements set out in this Framework, such project will be removed from the

portfolio of Eligible Green Assets. Proceeds not yet allocated towards Eligible Green Assets will be placed in the liquidity reserves and managed as such.

### *Reporting*

To enable investors, and the general public, to follow the development and to provide insight into prioritized areas Stenvalvet will provide a Green Finance Investor Report on an annual basis. The report will cover information both on the allocation of proceeds and on the output and impacts achieved, where feasible and relevant data information is available.

### *Allocation reporting*

- ◆ Allocated proceeds to each project or asset
- ◆ A summary of Green Finance developments
- ◆ The outstanding amount of Green Bonds
- ◆ The distribution of new financing and refinancing of approved Eligible Green Assets
- ◆ The total aggregated proportion of Green Bond net proceeds used per category

## Impact reporting

The Green Finance Investor Report aims to disclose the environmental impact of the Eligible Green Assets financed under this Framework. Stenvalvet will strive to report performance indicators at asset level, depending on data availability. For financed Eligible Green Assets that are not yet operational, Stenvalvet will strive to provide estimates of future performance levels. This can be a complex exercise and sometimes only feasible after a certain amount of time has passed. Therefore, the impact report will include qualitative and where feasible quantitative information as well as publicly available data.

## External reviews

### Second party opinion (pre-issuance)

To secure alignment with the Green Bond Principles and market practice, Stenvalvet has engaged S&P Global Ratings to act as an external reviewer of this Green Finance Framework and to provide a Second Party Opinion which will be made publicly available on Stenvalvet's website.

### Third party review (post-issuance)

Stenvalvet will appoint an external independent auditor to annually perform an assurance on the selection process for the financing of Eligible Green Assets and that the allocation of the net proceeds of the Green Finance Instruments is done in accordance with Stenvalvet's Green Finance Framework.

### Publicly available documents

The Green Finance Framework, the Second Party Opinion, and the Green Finance Investor Report will be publicly available on Stenvalvet's website.

Eligible Green Categories	Exemple indicators
Green Buildings	<ul style="list-style-type: none"><li>◆ Environmental certifications</li><li>◆ Energy Performance Certificate level</li><li>◆ If possible, taxonomy aligned buildings</li><li>◆ Primary Energy Demand disclosure by intensity (kWh per square meters per year)</li><li>◆ Building type (education, health care etc.)</li></ul>
Energy Efficiency	<ul style="list-style-type: none"><li>◆ Energy Savings (kWh per square meters <math>A_{temp}</math>)</li><li>◆ Examples of energy efficiency projects financed with proceeds from Green Finance Instruments</li></ul>



Vilunda 19:7, Upplands Väsby