

# Second-Party Opinion

## Bonnier Fastigheter Green Finance Framework



### Evaluation Summary

Sustainalytics is of the opinion that the Bonnier Fastigheter Green Finance Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2021 and the Green Loan Principles 2023. This assessment is based on the following:



**USE OF PROCEEDS** The eligible categories for the use of proceeds – Green Buildings, Energy Efficiency, Renewable Energy, and Clean Transportation – are aligned with those recognized by the Green Bond Principles and the Green Loan Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 7, 9, and 11.



**PROJECT EVALUATION AND SELECTION** Bonnier Fastigheter’s Green Finance Committee will be responsible for project or asset evaluation and selection in accordance with the eligibility criteria of the Framework. Bonnier Fastigheter has internal policies to identify and mitigate environmental and social risks associated with projects and activities that may be financed under the Framework. Sustainalytics considers these risk management systems and the processes for project selection to be in line with market practice.



**MANAGEMENT OF PROCEEDS** Bonnier Fastigheter’s Group Treasury will be responsible for the management and allocation of net proceeds and will track the proceeds according to a portfolio approach using a green register. Bonnier Fastigheter intends to fully allocate proceeds within 36 months from issuance. Pending full allocation, proceeds will be managed by the Group Treasury and temporarily placed in Bonnier Fastigheter’s liquidity reserves subject to the Framework’s exclusionary criteria. This is in line with market practice.



**REPORTING** Bonnier Fastigheter will report on allocation and impacts of proceeds publicly on its website on an annual basis until full allocation under its Green Finance Impact Report for green bonds and commercial papers, and report directly and non-publicly to the lenders for the green loans. Allocation reporting will include a summary of the portfolio of projects, outstanding amount of green debt issued, total proportion of net proceeds used to finance and refinance projects. Sustainalytics views Bonnier Fastigheter’s allocation and impact reporting as aligned with market practice.

<b>Evaluation date</b>	May 23, 2024
<b>Issuer Location</b>	Stockholm, Sweden

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## Introduction

Bonnier Fastigheter AB (“Bonnie Fastigheter” or the “Company”) is a Swedish property owner and community developer of commercial and residential properties mainly in Stockholm and Uppsala, Sweden. Founded in 1985 and headquartered in Stockholm, the company employs 77 people, has a property portfolio with 20 properties and owns 53 properties through joint ventures, as of December 2023.

Bonnier Fastigheter has developed the Bonnier Fastigheter Green Finance Framework dated May 2024 (the “Framework”) under which it intends to issue green bonds, commercial papers and green loans, and use the proceeds to finance or refinance, in whole or in part, existing and future projects that are expected to contribute to the decarbonization of building stock in Sweden. The Framework defines eligibility criteria in four areas:

1. Green Buildings
2. Energy Efficiency
3. Renewable Energy
4. Clean Transportation

Bonnier Fastigheter engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2021 (GBP)<sup>1</sup> and the Green Loan Principles 2023 (GLP).<sup>2</sup> The Framework has been published in a separate document.<sup>3</sup>

### Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent<sup>4</sup> opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Green Bond Principles 2021, as administered by ICMA, and the Green Loan Principles 2023, as administered by LMA, APLMA and LSTA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.16, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Bonnier Fastigheter’s management team to understand the sustainability impact of its business processes and planned use of proceeds, as well as the management of proceeds and reporting aspects of the Framework. Bonnier Fastigheter representatives have confirmed that: (1) they understand it is the sole responsibility of Bonnier Fastigheter to ensure that the information provided is complete, accurate and up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Bonnier Fastigheter.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market

<sup>1</sup> The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

<sup>2</sup> The Green Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association and are available at <https://www.lsta.org/content/green-loan-principles/>

<sup>3</sup> The Bonnier Fastigheter Green Finance Framework is available on Bonnier Fastigheter’s website at: <https://www.bonnierfastigheter.se/>

<sup>4</sup> When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond and loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realized allocation of the bond and loan proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Bonnier Fastigheter has made available to Sustainalytics for the purpose of this Second-Party Opinion.

## Sustainalytics' Opinion

### Section 1: Sustainalytics' Opinion on the Bonnier Fastigheter Green Finance Framework

Sustainalytics is of the opinion that the Bonnier Fastigheter Green Finance Framework is credible, impactful and aligned with the four core components of the GBP and GLP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
  - The eligible categories – Green Buildings, Energy Efficiency, Renewable Energy, Clean Transportation – are aligned with those recognized by the GBP and GLP.
  - Bonnier Fastigheter has defined a look-back period of three years for refinancing opex, which Sustainalytics considers to be in line with market practice.
  - Sustainalytics notes that the Framework excludes financing of fossil fuel-based energy generation, nuclear energy generation, research and development of weapons and defense, potentially environmentally negative resource extraction, gambling or tobacco. Sustainalytics positively views the presence of exclusionary criteria in the Framework.
  - Under the Green Buildings category, Bonnier Fastigheter may finance or refinance the construction, development, acquisition, refurbishment and upgrade of new or existing residential and commercial buildings<sup>5</sup> in Sweden in accordance with the following criteria.
    - New buildings built after 31 December 2020 that meet the following criteria:
      - Buildings whose primary energy demand (PED) is at least 20% lower than the local nearly zero-energy building (NZEB) requirements.<sup>6</sup>
      - Buildings that have achieved or are expected to achieve one of the following minimum green building certifications: i) Miljöbyggnad Silver;<sup>7</sup> ii) BREEAM Excellent;<sup>8</sup> iii) LEED Gold;<sup>9</sup> iv) Nordic Swan Ecolabel.<sup>10</sup> Sustainalytics considers these certification schemes to be credible and the levels selected as aligned with market practice.
      - Buildings that have or will receive a screening of material climate risks.
      - Sustainalytics considers these investments to be in line with market practice.
    - Existing buildings built before 31 December 2020 that meet the following criteria:
      - Buildings that have achieved or are expected to achieve one of the following minimum green building certifications: i) Miljöbyggnad Silver; ii) BREEAM Very Good; iii) LEED Gold; iv) Nordic Swan Ecolabel. Sustainalytics considers BREEAM Excellent to be aligned with market practice and encourages Bonnier Fastigheter to select BREEAM-certified buildings that score high enough in the energy category

<sup>5</sup> Commercial buildings include offices and shopping centres.

<sup>6</sup> European Commission, "Nearly Zero Energy Buildings", (2020), at: [https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficientbuildings/nearly-zero-energy-buildings\\_en](https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficientbuildings/nearly-zero-energy-buildings_en)

<sup>7</sup> Miljöbyggnad: <https://www.sgbc.se/certifiering/miljobyggnad/>

<sup>8</sup> BREEAM: <https://bregroup.com/products/breeam/>

<sup>9</sup> LEED: <https://www.usgbc.org/leed>

<sup>10</sup> Nordic Swan Ecolabel: <https://www.nordic-swan-ecolabel.org/>

- (which Sustainalytics regards as the most important category) to fulfil the requirements for BREEAM Excellent in that category.
- Buildings that have undergone a screening of material climate risks.
  - Buildings that have a PED not exceeding the targets below:
    - Buildings constructed after 2019: i) have an EPC A; or ii) are in the top 15% of the most energy-efficient buildings at the national or regional level based on PED.
    - Buildings constructed between 2010 and 2019 that have obtained an energy performance value (E-value) up to 80 kWh/m<sup>2</sup>.
    - Buildings constructed between 1970 and 2009 that have obtained an E-value up to 90 kWh/m<sup>2</sup>.
    - Buildings constructed before 1970 that have obtained an E-value up to 100 kWh/m<sup>2</sup>.
  - Sustainalytics considers these investments to be in line with market practice.
    - Refurbishment or renovation of existing buildings that leads to a minimum 30% primary energy savings over the pre-retrofit stage. The Company has confirmed to Sustainalytics that the asset value of buildings will be financed or refinanced only if the refurbishment or retrofit results in meeting all of the criteria for existing buildings in the Framework. In all other cases, only the cost of renovations or retrofits will be financed. Sustainalytics considers these investments to be in line with market practice.
  - Under the Energy Efficiency category, Bonnier Fastigheter may finance or refinance the installation of energy efficient systems that result in a minimum 25% improvement in energy savings. Investments may include: i) ventilation or heating systems; ii) lighting control systems; iii) artificial intelligence technology and digital solutions, such as AI-assisted heating, cooling and ventilation controlling systems; iv) building management systems; v) energy management systems; and vi) digital water management systems.
    - Bonnier Fastigheter has confirmed to Sustainalytics that it will exclude investments in energy efficient equipment primarily driven by fossil fuels or intended for carbon-intensive activities.
    - Sustainalytics considers expenditures under this category to be aligned with market practice and views positively the Company's inclusion of a defined threshold for the installation of energy-efficient equipment, devices and systems.
  - Under the Renewable Energy category, the Company may finance or refinance the development of renewable energy projects and associated facilities and infrastructure in accordance with the following criteria:
    - Installation of solar PV panels.
    - Geothermal projects with direct emissions below 100 gCO<sub>2</sub>/kWh.
    - Electrical and thermal battery storage such as borehole thermal energy storage, hydrogen storage and solar battery storage. The Company has confirmed to Sustainalytics that energy storage will be connected to renewable energy sources.
    - Related infrastructure will be wholly dedicated to renewables and may include expenses for installation, permits, warranty, maintenance, integration into existing systems, monitoring and control systems for renewable energy systems.
    - Sustainalytics considers expenditures under this category to be in line with market practice.
  - Under the Clean Transportation category, Bonnier Fastigheter may finance or refinance: i) EV charging points; ii) bicycle garages exclusively for bicycles and other self-propelled non-fossil fuel driven two wheelers; iii) bicycle lanes; and iv) active mobility solutions, such as pedestrian walkways, improving sidewalks and creating pedestrian-friendly zones to enhance walkability. The Company has confirmed to Sustainalytics that construction of parking facilities will be excluded from the Framework. Sustainalytics considers expenditures under this category to be in line with market practice.
  - Project Evaluation and Selection:
    - Bonnier Fastigheter has established a Green Finance Committee which is responsible for evaluating and selecting projects in line with the Framework's eligibility criteria. The committee comprises the Head of Sustainable Development, Energy Strategist, Head of Business area

- Commercial Properties, Head of Business area Residential, Head of Business area Investments, Chief Financial Officer and the Group Treasurer.
- The Company has internal policies and guidelines to identify and mitigate environmental and social risks potentially associated with the eligible green projects and activities that may be financed under the Framework. These policies and guidelines include the Company's Sustainability Policy and its Environment and Climate Action Plan. For additional details, refer to Section 2.
  - Based on the established process for project selection and risk management system, Sustainalytics considers this process to be in line with market practice.
  - Management of Proceeds:
    - The Group Treasury will be responsible for the management and allocation of proceeds and will track proceeds using a green register according to a portfolio approach.
    - The Company intends to allocate all proceeds within 36 months of issuance. Pending full allocation, proceeds will be temporarily placed in the Company's liquidity reserves in accordance with the Framework's exclusionary criteria.
    - Bonnier Fastigheter has communicated to Sustainalytics that instruments issued under the Framework may include multi-tranche loan facilities. The Company intends to label only those tranches of such facilities whose proceeds will be allocated according to the eligibility criteria in the Framework.
    - Based on the presence of a tracking system and the disclosure of the temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
  - Reporting:
    - Bonnier Fastigheter will report on the allocation of proceeds generated from green bonds and commercial papers, and the corresponding impacts on its website on an annual basis until full allocation. For the potential green loans issued under the Framework, the Company commits to report on the allocation of proceeds and the corresponding impacts, directly and non-publicly to the lenders.
    - Bonnier Fastigheter has communicated to Sustainalytics that if it obtains revolving credit facilities under the Framework, it will report on allocation until loan maturity.
    - Allocation reporting may include a summary of the portfolio of projects to which net proceeds have been allocated, outstanding amount of debt issued, total proportion of proceeds used to finance and refinance projects, total aggregated proportion of proceeds used per category, and balance of unallocated proceeds.
    - Impact reporting may include performance indicators such as type of scheme and certification level, carbon intensity annual emissions, GHG emissions avoided (tCO<sub>2</sub>e), annual energy savings (in MWh), annual renewable energy generation (in MWh), capacity of renewable energy (MW), capacity of energy storage (MW/MWh), number of electric vehicles charging stations installed, and capacity of bicycle garages.
    - The Company will appoint an independent external verifier to review the allocation report annually following issuance.
    - Based on the commitments to allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

### **Alignment with the Green Bond Principles 2021 and Green Loan Principles 2023**

Sustainalytics has determined that the Bonnier Fastigheter Green Finance Framework aligns with the four core components of the GBP and GLP.

## **Section 2: Sustainability Strategy of Bonnier Fastigheter**

### **Contribution to Bonnier Fastigheter's sustainability strategy**

Bonnier Fastigheter's sustainability strategy is underpinned by its approach of integrating sustainability into three main components: i) the neighbourhood; ii) relationships; and iii) the portfolio.<sup>11</sup> The Company's board is responsible for establishing the overall sustainability policy. In addition to this, all the department heads lead and formulate sustainability work and policies within their respective areas of responsibility.<sup>12</sup> The major

<sup>11</sup> Bonnier Fastigheter, "Sustainability Strategy", at: <https://www.bonnierfastigheter.se/hallbarhet/hallbarhetsstrategi/>

<sup>12</sup> Bonnier Fastigheter has shared its Sustainability Strategy with Sustainalytics confidentially.

themes of all sustainability-related projects revolve around the following: i) sustainable architecture and choice of materials; ii) effective use of resources; iii) reducing climate impact; iv) promoting conscious choices and sustainable behaviours; v) competent organization; vi) responsible business relationships; vii) sustainable city development; viii) sustainable property portfolio; and ix) systematic risk management.<sup>13</sup>

Bonnier Fastigheter has been measuring its scope 1, 2 and partial scope 3 GHG emissions since 2018. The Company aims to establish its own science-based emissions reduction targets by 2024<sup>14</sup> and has taken measures to account for all scope 3 emissions starting from 2022. As part of its Environment and Climate Action plan,<sup>15</sup> Bonnier Fastigheter prioritizes energy efficiency across its portfolio, with the aim to have all managed properties certified with green building certifications such as BREEAM, Miljöbyggnad and Nordic Swan Label. The Company is in the process of developing mechanisms to reduce emissions, waste and water consumption and collaborates with its stakeholders to reduce its indirect environmental impact.

Sustainalytics is of the opinion that the Bonnier Fastigheter Green Finance Framework is aligned with the Company's overall sustainability strategy and initiatives and will further the Company's action on its key environmental priorities. Furthermore, Sustainalytics encourages Bonnier Fastigheter to establish time-bound quantitative sustainability targets and monitor its progress towards them.

### Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the proceeds from the instruments issued under the Framework will be directed towards eligible projects that are expected to have positive environmental impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects may include issues involving occupational health and safety, effluents and waste generated in construction, land use and biodiversity issues associated with large-scale infrastructure development, and community relations.

Sustainalytics is of the opinion that Bonnier Fastigheter is able to mitigate potential risks through implementation of the following policies:

- Occupational health and safety is addressed through the Company's Work Environment Policy,<sup>16</sup> which focuses on the right to a safe and secure workplace. The workforce is periodically trained on safety practices and safety regulations and guidelines. The Company's Supplier Code of Conduct<sup>17</sup> requires suppliers or contractors to comply with all labour laws and regulations. The aforementioned policy has been developed based on: i) the UN Declaration of Human Rights;<sup>18</sup> ii) the UN Global Compact's 10 Principles;<sup>19</sup> iii) the Ethical Trading Initiative Base Code;<sup>20</sup> iv) the ILO Conventions.<sup>21</sup>
- Regarding emissions, effluents and waste generated in construction process, Bonnier Fastigheter has an Environment and Climate Action Plan to optimize and reduce waste generated. Additionally, the Company installs waste disposal logistics and recycling management procedures in all construction sites, which include waste collection, separation and disposal.<sup>22</sup>
- Regarding risks related to land use and biodiversity loss, projects financed in the EU are expected to comply with Directive 2014/52/EU, which requires projects that are likely to have significant environmental effects to be adequately assessed before approval. It also requires that adequate measures be undertaken to avoid, prevent, reduce and, if possible, offset significant adverse effects on the environment, in particular on species and habitats. For land-intensive projects, the directive requires land use-related impacts to be identified, described and assessed through an environmental impact assessment. For large-scale projects, this also includes limiting impacts on land and soil, including organic matter, erosion, compaction and sealing.<sup>23</sup> Additionally, the Company complies with Swedish laws and regulations, such as the Planning and Building Act<sup>24,25</sup> and the Planning and

<sup>13</sup> Ibid.

<sup>14</sup> Bonnier Fastigheter, "Activity Report Annual Report 2023", at: <https://www.bonnierfastigheter.se/finansiella-rapporter/>

<sup>15</sup> Bonnier Fastigheter has shared its Environment and Climate Action plan with Sustainalytics confidentially.

<sup>16</sup> Bonnier Fastigheter has shared its Environment and Climate Action plan with Sustainalytics confidentially.

<sup>17</sup> Bonnier Fastigheter has shared its Code of Conduct Policy with Sustainalytics confidentially.

<sup>18</sup> United Nation, "Universal Declaration of Human Rights", at: <https://www.un.org/en/about-us/universal-declaration-of-human-rights>

<sup>19</sup> United Nations Global Compact, "Ten Principles", at: <https://unglobalcompact.org/what-is-gc/mission/principles>

<sup>20</sup> Ethical Trading Initiative, "ETI Base Code", at: <https://www.ethicaltrade.org/eti-base-code>

<sup>21</sup> International Labour Organisation, "ILO Conventions", at: <https://www.ilo.org/resource/ilo-conventions>

<sup>22</sup> Ibid.

<sup>23</sup> European Commission, "Directive 2014/52/EU of the European Parliament and of the Council of 16 April 2014", (2014), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0052>

<sup>24</sup> Sveriges Riksdag, "Plan- och bygglag (2010:900)", (2010), at: [https://www.riksdagen.se/sv/dokument-och-lagar/dokument/svensk-forfattningssamling/plan-och-bygglag-2010900\\_sfs-2010-900/](https://www.riksdagen.se/sv/dokument-och-lagar/dokument/svensk-forfattningssamling/plan-och-bygglag-2010900_sfs-2010-900/)

<sup>25</sup> Boverket, "Ekosystemtjänster i den byggda miljön – vägledning & metod", (2020), at: <https://www.boverket.se/sv/PBL-kunskapsbanken/teman/ekosystemtjanster/>



Building Ordinance,<sup>26</sup> which require the Company to take into account land use and biodiversity issues during the planning, design and construction stages. Bonnier Fastigheter also intends to adopt the biodiversity guide that is being developed by the Swedish Property Federation.<sup>27</sup>

- With respect to community relations, Bonnier Fastigheter works with stakeholders such as tenants, communities, suppliers, contractors and others potentially affected by its operations, integrating their interests and safety into its decision-making, developments and property operations.<sup>28</sup>
- The Company's Code of Conduct,<sup>29</sup> Inclusion and Diversity policy,<sup>30</sup> and Anti-Bribery and Corruption policy<sup>31</sup> form the Company's framework on health and safety, working conditions, human rights and business ethics. All employees and relevant stakeholders (including contractors and third parties) are required to report any violation of these policies to the Company's supervisory body responsible for monitoring compliance.
- Sustainalytics notes that the eligible projects will be located in Sweden, which is recognized under as a Designated Country by the Equator Principles, indicating the presence of robust environmental and social governance systems, legislation and institutional capacity for protecting the environment and communities, including stakeholder engagement.<sup>32</sup>

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Bonnier Fastigheter has implemented adequate measures and is well positioned to manage and mitigate the environmental risks and social risks associated with the eligible projects.

### Section 3: Impact of Use of Proceeds

The use of proceeds categories are aligned with those recognized by the GBP and GLP. Sustainalytics has focused below on where the impact is specifically relevant in the local context.

#### Impact of financing green buildings in Sweden

The buildings sector is a key consumer of energy globally, accounting for approximately 30% of the total energy consumption and 26% of global energy-related emissions in 2023.<sup>33</sup> The sector contributed to 35% of the total GHG emissions in the EU in 2021.<sup>34</sup> As per the 2030 Climate Target Plan, the EU aims to reduce emissions by 55% by 2030 compared to 1990 levels, and achieve climate neutrality by 2050.<sup>35</sup> To achieve this, GHG emissions from buildings need to be reduced by 60% and energy consumption by 14% by 2030, compared to 2015.<sup>36</sup>

Despite reducing emissions by an average of 2.2% per year from 2019 to 2021, the buildings sector remains a significant emitter in Sweden, accounting for 34% of the energy use and 22% of GHG emissions in Sweden in 2021.<sup>37</sup> In accordance with the EU's Energy Performance of Buildings Directive, Sweden focuses on decarbonizing the buildings sector and promoting energy-efficient construction and retrofits.<sup>38</sup> To support these efforts, the Swedish government has allocated grants of EUR 60 million from the Next Generation EU recovery instrument to finance multi-dwelling buildings that achieve a 20% reduction in PED, in line with an annual renovation rate target of 3%.<sup>39,40</sup> In 2023, Boverket, the Swedish National Board of Housing, Building

<sup>26</sup> Sveriges Riksdag, "Plan- och byggförordning (2011:338)", (2011), at: [https://www.riksdagen.se/sv/dokument-och-lagar/dokument/svensk-forfattningssamling/plan-och-byggforordning-2011338\\_sfs-2011-338/](https://www.riksdagen.se/sv/dokument-och-lagar/dokument/svensk-forfattningssamling/plan-och-byggforordning-2011338_sfs-2011-338/)

<sup>27</sup> Swedish Property Federation, "About us", at: <https://www.fastighetsagarna.se/om-oss/we-are-the-swedish-property-federation/>

<sup>28</sup> Bonnier Properties, "Activity Report Annual Report 2023", at: <https://www.bonnierfastigheter.se/finansiella-rapporter/>

<sup>29</sup> Ibid.

<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

<sup>32</sup> Equator Principles, "About the Equator Principles", at: <https://equator-principles.com/about-the-equator-principles/>

<sup>33</sup> International Energy Agency, "Buildings", (2023), at: <https://www.iea.org/energy-system/buildings#tracking>

<sup>34</sup> European Environmental Agency, "Greenhouse gas emissions from energy use in buildings in Europe", (2023), at: <https://www.eea.europa.eu/en/analysis/indicators/greenhouse-gas-emissions-from-energy#:~:text=The%20buildings%20sector%20is%20a,related%20EU%20emissions%20in%202021>

<sup>35</sup> European Commission, "Stepping Up Europe's 2030 climate ambition", (2020), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0562>

<sup>36</sup> European Commission, "A Renovation Wave for Europe - greening our buildings, creating jobs, improving lives", (2020), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1603122220757&uri=CELEX:52020DC0662>

<sup>37</sup> Boverket, "Miljöindikatorer – aktuell status", (2024), at: <https://www.boverket.se/sv/byggande/hallbart-byggande-och-forvaltning/miljoindikatorer---aktuell-status/>

<sup>38</sup> European Parliament, "Directive (EU) 2018/844 of the European Parliament and of the Council of 30 May 2018 amending Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on energy efficiency", (2018), at: [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3A0J.L\\_2018.156.01.0075.01.ENG](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3A0J.L_2018.156.01.0075.01.ENG)

<sup>39</sup> International Energy Agency, "Sweden's Recovery Plan / energy efficiency of apartment buildings", (2022), at: <https://www.iea.org/policies/13703-swedens-recovery-plan-energy-efficiency-of-apartment-buildings>

<sup>40</sup> European Parliament, "Sweden's National Recovery and Resilience Plan", (2022), at: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2022/733581/EPRS\\_BRI\(2022\)733581\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2022/733581/EPRS_BRI(2022)733581_EN.pdf)

and Planning, released an energy guide for sustainable renovation to provide information on energy efficiency measures at different stages of the renovation.<sup>41</sup> Furthermore, as of January 2022, new buildings are required to obtain a climate declaration that reports on climate impact indicators, such as GHG emissions per gross floor area, operational energy use and waste disposal.<sup>42</sup> Boverket also plans to expand the climate declaration and introduce maximum values permitted on the climate impact of buildings by 2027.<sup>43</sup> These measures also complement Sweden's national targets to decrease GHG emissions by 50% by 2030 compared to 2005,<sup>44</sup> ultimately achieving net zero by 2045.<sup>45</sup>

In this context, Sustainalytics is of the opinion that the expenditures in green buildings under the Framework are expected to contribute to the decarbonization of the building stock in Sweden and more broadly to Sweden's and the EU's climate goals.

### Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the Bonnier Fastigheter Green Finance Framework are expected to help advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Energy Efficiency	7. Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Clean Transportation	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons

### Conclusion

Bonnier Fastigheter has developed the Bonnier Fastigheter Green Finance Framework under which it may issue green bonds, green loans, commercial papers and use the proceeds to finance or refinance, in whole or in part, existing and future projects that are expected to contribute to the decarbonization of building stock in Sweden and the reduction of GHG emissions. Sustainalytics considers that the eligible projects are expected to provide positive environmental impacts.

The Bonnier Fastigheter Green Finance Framework outlines a process for tracking, allocation and management of proceeds, and makes commitments for reporting on allocation and impact. Sustainalytics

<sup>41</sup> Boverket, "Miljöindikatorer – aktuell status", (2024), at: <https://www.boverket.se/sv/byggande/hallbart-byggande-och-forvaltning/miljoindikatorer---aktuell-status/>

<sup>42</sup> Boverket, "Climate declaration for new buildings", (2023), at: <https://www.boverket.se/en/start/building-in-sweden/developer/rfq-documentation/climate-declaration/>

<sup>43</sup> Boverket, "The assignment to investigate how the introduction of a limit value can be done earlier than 2027", (2023), at: <https://www.boverket.se/en/start/building-in-sweden/developer/rfq-documentation/climate-declaration/the-assignment-on-limit/>

<sup>44</sup> United Nations Framework Convention on Climate Change, "The update of the nationally determined contribution of the European Union and its Member States", (2023), at: <https://unfccc.int/sites/default/files/NDC/2023-10/ES-2023-10-17%20EU%20submission%20NDC%20update.pdf>

<sup>45</sup> Swedish Civil Contingencies Agency, "Sweden's climate goals", (2023), at: <https://www.krisinformation.se/en/hazards-and-risks/climate-change/swedens-climate-goals#:~:text=By%202045%20at%20the%20latest,than%20they%20were%20in%201990.>



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considers that the Bonnier Fastigheter Green Finance Framework is aligned with the overall sustainability strategy of Bonnier Fastigheter and that the use of proceeds will contribute to the advancement of the UN Sustainable Development Goals 7, 9 and 11. Additionally, Sustainalytics is of the opinion that Bonnier Fastigheter has measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that Bonnier Fastigheter is well positioned to issue green bonds, green loans, commercial papers and that the Bonnier Fastigheter Green Finance Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021 and Green Loan Principles 2023.

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