

The background of the entire page is a close-up photograph of several green daisies. The petals are a vibrant green, and the centers are a lighter, yellowish-green. The flowers are in various stages of bloom, creating a textured and layered effect. Overlaid on this image are two large, solid yellow geometric shapes. One is a triangle on the left side, pointing towards the center. The other is a larger, more complex shape on the right side, also pointing towards the center, creating a dynamic, abstract composition.

2022

Annual report green financing

As of 31 December 2022

19,805

million SEK in
property value

1,950

thousand square
metres lettable area

488

properties

Value-adding business model

By supplying accessible resources and assets to our operations, NP3 creates stable and long-term values for shareholders, staff, tenants, suppliers and northern Sweden.

What we do

By supplying accessible resources and assets to our operations, NP3 creates stable and long-term values for shareholders, staff and tenants as well as for the economy and society in the locations where the company is established.

Property management and letting

We rent out
commercial premises
and create value for
existing tenants

Transactions

We acquire and divest
properties

Development of the property portfolio

We perform new
construction projects
and add value to
existing properties

NP3 in brief

NP3 is a cash flow-oriented real estate company with a focus on commercial investment properties with high yields, primarily in North Sweden. The property portfolio is spread across eight business areas: Sundsvall, Gävle, Dalarna, Östersund, Umeå, Skellefteå, Luleå and Middle Sweden. The properties are divided into five property categories; industrial, retail, office, logistics and others. NP3-shares are listed at Nasdaq Stockholm, Large Cap. NP3 was founded in 2010 and has its registered office in Sundsvall.

This report is an in-house translation. In the event of discrepancies, the Swedish original will supersede the translation.

REPORT GREEN FINANCING 2022

Comments by the CEO

Sustainability is a word that is all too often used and is interpreted to suit one's own purpose. It is natural that the interpretation lies in external factors and constantly changes but I believe that successful sustainability initiatives also require a long-term and clear direction.

Many investments regarding sustainability and ESG have unfortunately failed and created paper products. On the positive side, for some, it has generated work for a large consulting industry, but unfortunately much of this consulting work has not made much difference to long-term sustainability.

NP3 owns almost 500 buildings and the vast majority were built 30 years ago, or more. I believe that our property holdings reflects what the general situation in Sweden looks like with regard to industrial and warehouse properties. A minority of these fall within the limits set for sustainable buildings according to the EU's Taxonomy (Top 15%) or are energy rated in the categories A and B. For NP3 it is also not doable to within a reasonable timeframe shift the absolute majority of our buildings to this category and certainly also not the best choice for our environment and future.

The most sustainable option is rarely to demolish in order to build something new or to slightly improve an already good property in terms of energy efficiency to make it seem as sustainable. Another way to phrase this is that the property that has the absolutely least environmental impact is the one that does not need to be built.

From a sustainability perspective with regard to the environment, economy and in relation to the company's tenants, the likely most sustainable option in practice is often to improve properties with a poor

energy rating to achieve a higher energy rating and thus elevate them from energy class F to D or from E to C. This can also be a matter of converting a building to eliminate its dependency on oil or replacing direct-acting electricity or even district heating with geothermal and/or solar heating. In other words, NP3's sustainability work aims to constantly make everything a little better, with the most effective solutions over time in each case and thus stick to our long-term direction in sustainability. Even if we consider the EU's Taxonomy as a good and positive initiative, it is not because of this that NP3 will make a great difference for our environment and our future. We believe in our long-term approach of working with sustainability, based on our experiences in Norrland and with common sense as a guiding star. We will continue with this. In this way sustainability and long-term return can go hand in hand.



Andreas Wahlén

Sustainability initiatives

NP3's sustainability initiatives are based on UN Global Compact and the need to take long-term responsibility for economic, environmental and social development. Matters of long-term value creation and sustainability are an integral part of the overall governance of the company, for which the board and CEO have the ultimate responsibility. The strategic governance of the company's sustainability initiatives shall ensure target achievement and continued development of the same. Governance takes place via the company's policies, guidelines and overall measurable detailed targets and action plans.

Focus on sustainability

In addition to external frameworks, sustainability initiatives are based on NP3's business concept and an annually updated materiality analysis with related stakeholder dialogue. Integrating sustainability work in all activities, reducing our environmental impact and increasing the number of sustainable properties is an overall objective for the company.

NP3 has evaluated and renewed the company's materiality analyses during the

year. This evaluation identified a number of important sustainability aspects and issues for the company, which were then further prioritised based on their effect on the outside world and the own organisation. Following this, the company selected the eight most significant issues for the company's sustainability initiatives. The materiality analysis was then verified with a selection of the company's stakeholders.

NP3 has elected to divide the most essential issues into three main areas:

Responsible business

- Long-term economic result
- Good business ethics and anticorruption

Responsibility for the future

- Energy use
- Emissions
- The properties' environmental and climate risks

Health and well-being

- Health and safety
- Diversity and equal opportunity
- Tenants and suppliers

More information on our comprehensive sustainability initiatives can be found in the sustainability section of the annual report.

Responsibility for the future

NP3 manages and develops properties and thus has responsibility to do this in an environmentally sustainable way, for our and coming generations' future. Our success in this work affects the well-being and work environments of a large number of people through our staff, tenants and suppliers. Environmental issues are integrated into day-to-day work and the operations shall be run resource-efficiently. This means, among other things, that NP3 always tries to choose products and services with minimal impact on the environment.

NP3 has worked long and continuously on reducing the company's environmental impact.

In practice this is manifested by, among other things, NP3 committing to:

- Integrate environmental issues into the operations so that the company meets the requirements of authorities and customers.
- Work proactively to, together with tenants and suppliers, ensure a sustainable future.
- Show respect for natural resources by using raw materials sparingly and achieving a high level of recycling and reuse in, for example, construction projects.
- Work to continuously reduce the operations' environmental impact, primarily by evaluating alternative energy sources and reducing energy consumption in our properties.
- Setting environmental requirements when procuring products and services.

Energy use

The properties' energy consumption is, as for most real estate companies, the main factor affecting the climate and is thus one of NP3's most important environmental issue. Increasing the number of energy-saving and sustainable properties is one of NP3's overall environmental targets and is based in the company's sustainability policy. Follow-up takes place quarterly in NP3's sustainability committee.

NP3 measures and follows the energy used for the properties where the company has right of disposition over the supply of electricity and/or heating. A large part of this consumption is charged by preliminary debit and settled annually which means that tenants pay for their own energy consumption. In properties where tenants have their own contracts for energy supply, the company does not have access to the property's energy use, these are thus not included in the company's report. In cooperation with our tenants the company tries to find new solutions for saving energy. Even if tenants are charged for their own energy consumption, NP3 considers it its obligation to support tenants in finding sustainable solutions, both with regard to energy-saving measures and more environmentally friendly energy sources.

The company measures overall energy consumption but also in comparable holdings (like for like). Comparable holdings may vary between the years with different parameters, how long a property has been owned by the company, major changes to the property and how long the company has had access to statistics from measuring energy consumption. In order to include a new property 24 months of non-stop energy statistics are needed. This means that previously reported consumption for preceding

CLIMATE-IMPACT

NP3's total carbon dioxide emissions shall be reduced by 75% by the year 2025

ENERGY

NP3's total energy consumption shall be reduced by 20 % by the year 2025

GREEN PROPERTIES

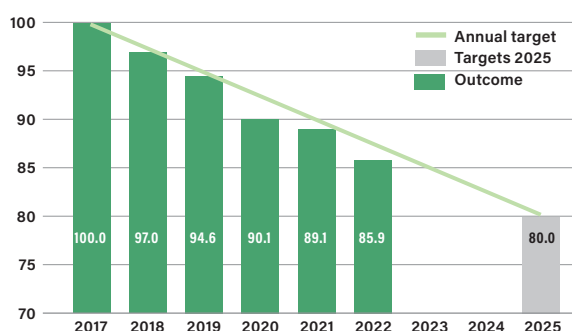
NP3's green property portfolio shall grow by 25 % per year

years can change at the next reporting occasion. Reduced weather-normalised consumption is thus reported annually and compared only with the preceding year. NP3 has a long-term target to reduce its energy consumption by 20 percent between 2017-2025 which means annual savings of 2.5 percent. When comparing between the years, accumulated energy savings at the end of 2022 amount to just under 14 percent. Weather-normalised average consumption within comparable holdings for 2021 amounted to 159 kWh/sqm LOA and for 2022 to 154 kWh/sqm LOA, which means a reduction of 3 percent. Consumption also includes tenants' consumption where these are included in the company's totals. Weather-normalised total average consumption for the properties where the company has right of disposition over the supply of electricity and/or heating amounted to 91 kWh/sqm for heating and 58 kWh/sqm for electricity. (GRI 302-3 Energy intensity)

Produced energy

During 2022 an additional two large solar PV systems were built in the company's property portfolio with a total area of 3725 square metres and with estimated production of 635 MWh. The company does not have any statistics for produced energy for 2022 but intends to introduce measuring of self-produced energy during 2023.

Annual reduced energy consumption, %



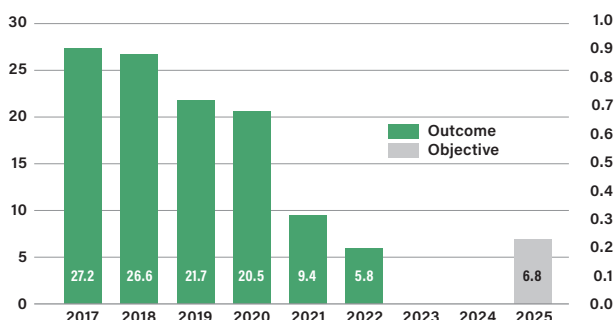
Emissions

NP3 measures and follows carbon dioxide emissions from the energy consumption the company has right of disposition over regarding electricity and heating, which also includes parts of tenants' consumption. In order to reduce the company's total climate impact, work is ongoing to evaluate alternative energy sources and phase out fossil fuels. As of 2021, a gradual transition is underway to 100 percent origin labelled electricity for the properties' energy consumption NP3 also works actively to reduce energy use and thus emissions by optimising operations and investing in energy-efficiency projects. Increasing the number of sustainable properties is one of NP3's overall environmental objectives. Follow-up takes place quarterly in NP3's sustainability committee.

For 2022, the emissions of carbon dioxide amounted to 5.8 kg CO₂/sqm LOA. The company calculates emissions for purchased electricity, for the part that does not consist

of 100 percent origin labelled electricity, based on residual mix with information from the Swedish Energy Market Inspectorate. The emissions data is made available with a lag of one year, which means that the data for 2022 is not available until 2023. Statistics for heating are based on data from the respective district heating supplier, here also with a one-year lag.

Carbon dioxide emissions, kg CO₂/sqm



The long-term target is to reduce the company's carbon dioxide emissions by 75 percent compared to the base year 2017 before the end of 2025. At the end of 2022, NP3 had reduced the company's carbon dioxide emissions by just under 79 percent compared to the base year 2017, which means that the company's long-term goal for 2025 was achieved in 2022. NP3 will evaluate a new long-term target in 2023 concerning emissions and at the same time consider linking this to Science Based Targets (SBTi).

Investment in energy-saving measures

NP3 continuously invests in more efficient systems for electricity, heating and ventilation in the properties, thus reducing consumption and environmental impact. Some examples of investments of this type that have been implemented during 2022 are shown here.

- Norrlungång 2:144 Installation of Örnsköldsvik's largest solar PV system with estimated production of 415 MWh.
- Sköns Prästbord 1:65 Sundsvall, project in cooperation with a neighbouring property newly built by NP3 of 4,200 sqm, where a cooling/heat pump supplies surplus heat from a freezing plant to the newly built property. Estimated savings 1,000 MWh/year.
- Vråken 8 in Söderhamn, change to new energy-efficient ventilation with associated control, total energy savings estimated at 30 percent.
- Buskåker 4:13 Borlänge, Installation of solar PV system with estimated production of 220 MWh.
- Continuous replacement of existing lighting to LED lighting in a number of properties in the portfolio with estimated energy savings of between 20 to 30 percent on electricity.



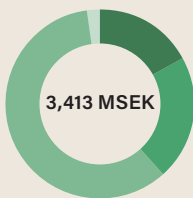
Örnsköldsvik's largest solar PV system was installed in Hägglundsområdet in Gullänget. An investment of more than 4.5 MSEK. The maximum effect is 499kwp and is estimated to produce 415 Mwh annually, which in turn reduces the climate impact by 195 tonnes of carbon dioxide per year.

Green framework

In 2020, NP3 established a framework for green financing. The green framework has been developed in line with the Green Bond Principles established by the ICMA (International Capital Market Association) and has been assessed by an independent third party, CICERO Shades of Green. The framework, along with related regulatory documents and reporting standards, has received a "Medium Green" rating from CICERO Shades of Green. The company's green framework will be updated and evaluated once more, independently of third parties during 2023.

The conditions of our green framework govern how assets from issued bonds may be used. Over the course of the year NP3 issued 400 MSEK in green bonds within this framework. NP3's green framework is available on the company website, www.np3fastigheter.se.

Distribution of green assets based on property value



- Certified properties 16% (17)
- Energy class A 21% (25)
- Energy class B 61% (56)
- Energy project (savings >30%) 2% (2)

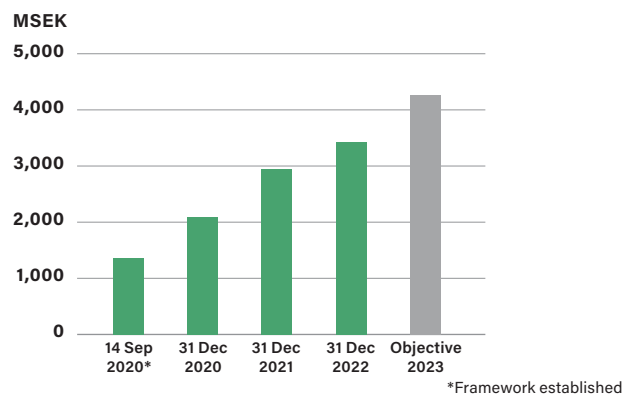
	MSEK
Total market value/Green loan facility	3,413
Existing external debt (financial framework 1,800 MSEK)	2,100
Facility for Green capital market financing	1,313

After year-end, additional 500 MSEK of unsecured green bonds have been issued under the Green Bond Framework and 698 MSEK have been repurchased as part of a tender offer.

Properties financed with liquid assets according to the green framework must meet one of the following criteria:

- Green Building, Miljöbyggnad (Swedish Green Building Council) minimum level Silver or energy performance with energy class A or B.
- BREEAM Very Good, BREEAM In Use Very Good, LEED Gold if energy consumption is at least 25% lower than the requirements in BBR (building regulations issued by the Swedish National Board of Housing, Building and Planning).
- Equivalent level from another recognised certification system.
- Via energy projects achieve energy savings of more than 30 percent of the property's total consumption.

Total market value Green Framework



Green bonds

The funds from NP3's green bonds issued up until 31 December 2022 have been used for the following categories:

- Financing of certified properties
- Financing of properties with energy class A and B
- Financing of properties that through energy projects have total energy savings of more than 30 percent.

Environmentally certified properties

Property	Municipality	Category	Certification	Area, sqm
Part of the Ödla 6	Luleå	Retail	Green Building	2,114
Cementgjuteriet 5	Umeå	Retail	Green Building	4,635
Part of Släpavagnen 6	Östersund	Retail	Green Building	1,700
Baggen 3	Sundsvall	Industrial	Green Building	2,715
Öjebyn 3:496 & 3:497	Piteå	Other	Green Building	3,219
Målås 4:3	Sundsvall	Industrial	Green Building	2,768
Vivstamon 1:63	Timrå	Retail	Green Building	2,088
Sköns Prästbord 2:6	Sundsvall	Logistics	Green Building	1,153
Part of Stadsön 8:9	Piteå	Retail	Green Building	1,534
Grepén 1	Borlänge	Logistics	Green Building	3,925
Sköns Prästbord 1:65	Sundsvall	Industrial	Green Building	4,286

Energy class A and B

Type of energy class	Average primary energy efficiency	Average CO2	sqm	Number of properties
Energy class A	51	4.3	40,706	10
Energy class B	63	4.6	170,183	49

Energy projects

Energy efficiency	Property	Reduction kWh/sqm	Reduction CO2 kg/sqm
Energy project (Savings >30%)	Vandringsmannen 1	109	29



Report on Factual Findings

To NP3 Fastigheter AB, corporate ID: 556749–1963

Purpose of this Agreed-Upon Procedures Report

Our report is solely for the purpose of assisting NP3 Fastigheter AB ("NP3 Fastigheter") in presenting to investors that NP3 Fastigheter as of 2022-12-31 tracks net proceeds from green bonds and that the portfolio of green assets/projects follows the categories and criteria in NP3 Fastigheter's Green Bond Framework and may not be suitable for another purpose.

Responsibilities of the Engaging Party

NP3 Fastigheter (responsible party) has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

NP3 Fastigheter is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*.

An agreed-upon procedures engagement performed involves our performing the procedures that have been agreed with NP3 Fastigheter, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements as stated in International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBAs Code of Ethics) and independence requirements in section 4A of IESBAs Code of Ethics.

The firm applies International Standard on Quality Control Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with NP3 Fastigheter AB in the terms of engagement dated February 17, 2023, regarding that net proceeds from Green Bonds issued as of 2022-12-31 have been used exclusively for projects/assets which comply with the categories and criteria set out in NP3 Fastigheter's Green Bond Framework. The procedures performed are summarized as follows:

- 1) We have for each Green Bond issued agreed that an amount equal to the net proceeds is tracked by NP3 Fastigheter in accordance with NP3 Fastigheter's Green Bond Framework as of 31st December 2022.
- 2) We have for each Green Bond issued agreed that an amount equal to the net proceeds is used exclusively on projects/assets that comply with the categories and criteria set out in NP3 Fastigheter's Green Bond Framework as of 31st December 2022.



Translation from the Swedish original

We have made the following findings:

With respect to procedure 1) we found no deviations.

With respect to procedure 2) we found no deviations.

Stockholm 13th April 2022

KPMG AB

Peter Dahllöf
Authorized Public Accountant

Torbjörn Westman
Head of KPMG Assurance Services