Operational procedure
Decided on 08/09/2022
Replaces 08/09/2021

# Insider Policy

Procedures for insider information, insider lists and reporting of changes in NP3 Fastigheter AB (publ) managers' holdings

**Contents**

## 1 Background

1.1 The present insider policy, ("the Insider Policy"), for NP3 Fastigheter AB (publ) ("the Company" and its subsidiary "NP3") has been adopted by NP3's board to serve as guidance for persons who are considered as having insider information at NP3. The present Insider Policy with insider list instructions applies together with applicable legislation. The present Insider Policy does not claim to be exhaustive.

## 2 General

2.1 All company employees including board members or anyone else who can be considered to have, or probably have or to be able to access insider information, must take note of the present Insider Policy, and follow the rules therein as well as applicable insider legislation. The main legal texts that the present Insider Policy refers to are:

- Regulation (EU) No. 596/2014 of the European Parliament and of the Council dated 16 April 2014 on Market Abuse (Market Abuse Regulation), MAR

- The Swedish Act (2016:1306) with supplementary provisions to the EU's Market Abuse Regulation, SuppL

- The Swedish Penalties for Market Abuse in Securities Markets Trading Act (2016:1307)[1]

- The Swedish Notification Obligation for Certain Holdings of Financial Instruments Act (2000:1087)

2.2 If the present Insider Policy should be in conflict with applicable law, such law has precedence.

2.3 That which is said below about trading in financial instruments is applicable for all securities issued by NP3.

## 3 Market abuse

3.1 The concept of market abuse typically refers to such things as insider dealing, unlawful disclosure of insider information and market manipulation.

3.2 A person must not:

**a) engage or attempt to engage in insider dealing, or recommend that another person engage in insider dealing or induce another person to engage in insider dealing**

The main signs of insider dealing consist of an unauthorised advantage being acquired from insider information to the disadvantage of third parties who are unaware of any such information.

When a legal or natural person who has insider information acquires or disposes of, or tries to acquire or dispose of, financial instruments that are covered by any such information, whether for their own account or that of another, directly or indirectly, it is generally understood that the person has made use of this information.

**b) unlawfully disclose insider information**

[1] Replaced the Swedish Penalties for Market Abuse in Financial Instruments Trading Act (2005:377) as of 01/02/2017

NP3 is obliged to ensure that insider information is only made available to those persons who need it for their work, and that insider information is not given out to third parties. Unlawful disclosure of insider information occurs when a person disposes of insider information, and discloses such information to another person, except in those cases where the disclosure constitutes a normal step in the performance of a service, activity or responsibility.

**c) engage in, or attempt to engage in market manipulation.**

Entering a transaction, placing an order to trade or any other behaviour which gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of a financial instrument, is prohibited. Examples of this are buying and selling financial instruments when the market opens or just before it closes, in such a way that those investors who trade based on listed share prices, including opening and closing share prices, are or may be expected to be mislead.

Market manipulation attempts are also prohibited. Such an attempt can include, but is not limited to, situations where an operation is initiated but not completed, for example as a result of a technical problem or a trade order that is not executed.

Diffusing information through the media, including the Internet, or by any other means, which gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of a financial instrument. In the light of the increased use of websites, blogs and social media, it is important to clarify that the diffusion of false or misleading information via the Internet, including social media or anonymous blogs, is considered equivalent to the diffusion of information by more traditional communication channels.

## 4 Insider offences

4.1 Anyone who engages in insider dealing, unauthorised disclosure of insider information or market manipulation, has committed a market abuse, and is liable to sanctions. If you commit a market abuse, you can, among other things, be given an administrative sanction by the Swedish Financial Supervisory Authority,[2] or be convicted of an insider offence, or of a serious insider offence, as well as for unauthorised disclosure of insider information[3].

NP3 is obliged, without delay, to report any suspicion of insider dealing, unauthorised disclosure of insider information or market manipulation to the Swedish Financial Supervisory Authority. In order to report any suspected violation of the regulations concerning market abuse, you can use the following e-mail address: visselblasare.mar@fi.se[4].

## 5 Insider information

5.1 Information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to

[2] The Swedish Act (2016:1306) with supplementary provisions to the EU's Market Abuse Regulation chap. 5, §§ 6 – 8. Act 2016:1306 covers administrative sanctions (e.g. fines), which are decided by the Swedish Financial Supervisory Authority, and which can also be imposed on legal persons.

[3] The Swedish Penalties for Market Abuse in Securities Markets Trading Act (2016:1307) chap. 2, §§ 1.3 & 4. Act 2016:1307 covers criminal sanctions, and intent is required in order to be convicted in accordance with the criminal provisions.

[4] Read more in the Swedish Financial Supervisory Authority's memorandum: *How to report violations of the regulations*. 30/01/2017/

have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments.

5.2 Information shall be deemed to be of a precise nature if it indicates circumstances which exist or may reasonably be expected to come into existence or an event which has occurred or may reasonably be expected to do so, and if it is specific enough to enable a conclusion to be drawn as to the possible effect of the circumstances or event on the prices of financial instruments.

5.3 information which, if it were made public, would be likely to have a significant effect on the prices of financial instruments, refers to information a reasonable investor would be likely to use as part of the basis of their investment decision.

5.4 Any assessment of what constitutes insider information should be decided based on facts and circumstances, and made on a case-by-case basis. There may be several different ways of assessing whether an event or transaction constitutes insider information or not, depending on its financial or strategic importance.[5] The CEO is responsible for making any such assessment.

## 6 Notification obligation

6.1 The notification obligation to the Swedish Financial Supervisory Authority covers transactions conducted by managers and persons closely associated with them, as soon as a total transaction amount of EUR 5,000 is reached during the calendar year.[6] The reporting obligation also applies to any transaction that results in the EUR 5,000 threshold for reporting being reached or exceeded[7]. In order to calculate the amount, all transactions must be aggregated and not netted, which means that payment for the purchase and sale is not offset but added up to obtain a total amount.

6.2 Reporting includes both shares and debt instruments that are issued by the issuer or other financial instruments associated with them. It should also be noted that transactions conducted within the Rules and Regulations for capital redemption policies are covered by the notification obligation.

Reporting of transactions must be made to both the Swedish Financial Supervisory Authority and NP3. When reporting to the Swedish Financial Supervisory Authority's system, the person who registers the report receives an electronic receipt once the notification has been submitted. The reporter can then notify NP3 by sending an e-mail with the receipt attached to: markus.haggberg@np3fastigheter.se.

6.3 The notification to the Swedish Financial Supervisory Authority must be submitted without delay, and no later than three business days after the transaction has taken place.

## 7 Who does the notification obligation apply to?

The regulation on market abuse obliges managers of the issuer and persons closely associated with them to notify the issuer and the Swedish Financial Supervisory Authority of each and every transaction

[5] Nasdaq Stockholm: Rules and Regulations for Issuers, 3.1, 8 December 2016.

[6] MAR, article 19.8

[7] The Swedish Financial Supervisory Authority considers that the daily-updated conversion rate, which is available on the Swedish Riksbank's website, may constitute a suitable exchange rate. An alternative to Riksbanken is the European Central Bank's daily exchange reference rates.

conducted for their own account involving the issuer's stocks or debt instruments, derivatives or other financial instruments that the issuer is associated with.

### 7.1 NP3's responsibility

- NP3 is obliged to notify managers of the Company by e-mail, in writing, of their obligations in accordance with article 19 of the Market Abuse Regulation, which regulates transactions conducted by managers.

- In order to be able to prove, if necessary, that this obligation has been fulfilled, NP3 shall make sure that it receives a written confirmation that the notification in question has been received.

- NP3 must draw up a list of all the managers at the Company, along with persons closely associated with them.

### 7.2 Managers' responsibility

A manager is defined in the following way[8]: a person within an issuer who is:

a) a member of the administrative, management or supervisory body of that entity,

b) a senior executive who is not a member of the bodies referred to in point (a), who has regular access to insider information relating directly or indirectly to that entity and power to take managerial decisions affecting the future developments and business prospects of that entity.

The CEO and board members are considered to come under point (a) above. Other executive managers come under point (b). Such persons are obliged to notify, in writing, any persons closely associated with them, of the latter's obligations, and to conserve a written copy of the notification. The Swedish Financial Supervisory Authority considers that, in this respect, an email is enough to satisfy this condition. In addition, managers must inform the Company of the identity of persons closely associated with them, and if any changes in the circle of persons closely associated with them occur.

### 7.3 Responsibility of persons closely associated

Persons closely associated are responsible for reporting all transactions that are conducted for their own account in the Company as soon as the transaction amount of EUR 5,000 is reached during the calendar year[9].

Persons closely associated with managers can be either natural or legal persons, and are defined in MAR as follows[10]:

a) a spouse, or a partner considered to be equivalent to a spouse such as a co-habitant,

b) a dependent child,

c) a relative who has shared the same household for at least one year,

d) legal persons,

(i) the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a natural person closely associated with them or

[8] MAR, article 3.25
[9] MAR, article 19.5
[10] MAR, article 3.1.26

(ii) who is directly or indirectly controlled by such a person, or
(iii) which is set up for the benefit of such a person, or
(iv) the economic interests of which are substantially equivalent to those of such a person.

There is no longer any requirement that the manager in question must also have an ownership affiliation, or that such economic interests must overlap with any such persons. The requirement of a 10% holding has also ceased to apply.

## 8 Trading prohibition in connection with financial reports

8.1 Managers are prohibited to directly or indirectly conduct transactions, for their own account or for third parties, in shares or debt instruments that are issued by NP3, nor in derivatives or other financial instruments that are associated with these, during a strict period of 30 calendar days before public disclosure of the interim report, year-end report or Q1/Q3 report.[11] In addition to the 30 calendar days that precede the public disclosure date, dealing is prohibited before the public disclosure on the public disclosure date, but is allowed after public disclosure on the same day.

8.2 The trading prohibition applies to all managers at NP3 but not to persons closely associated with them.

8.3 NP3 can, in exceptional cases, grant an exception to the trading prohibition.[12] A manager must, before any trading during a closed dealing period, contact NP3 and submit a substantiated, written request to be granted permission to sell shares during the trading prohibition. In the substantiated, written request, the manager must show that the transaction in question cannot be conducted at any time other than during the closed dealing period, and why the sale of shares is the only reasonable option to obtain necessary funding.

## 9 Trading prohibition in connection with insider information

9.1 In addition to what has been set out in point 8.1 above, anyone who has access to insider information must not trade in financial instruments issued by the Company.

## 10 Public disclosure of insider information

10.1 In accordance with the Market Abuse Regulation, listed companies must, in general, publicly disclose insider information relating to the Company as soon as possible.[13] NP3 cannot delay publicly disclosing insider information until the next trading day if the marketplace has closed at the time of the event.[14]

10.2 NP3 cannot be exempted from the application of the information obligation by entering into a confidentiality agreement or by concluding any such agreements with another party. The information obligation thus has precedence in relation to the market over any contractual clauses under civil law.

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[11] MAR, article 19.11

[12] Article 19.12 in MAR stipulates when the issuer is allowed to grant an exception to this rule, and when managers are allowed to trade during the closed dealing period. A more detailed definition of such circumstances can be found in article 7–9 of the Commission Delegated Regulation (EU) 2016/522.

[13] MAR, article17

[14] Nasdaq, Market Abuse Regulation (MAR) and the obligation to publicly disclose insider information, 2.9

10.3 The obligation to publicly disclose insider information "as soon as possible" may however, in special circumstances, harm the Company's legitimate interests. In such circumstances, a delay of the public disclosure is allowed, provided that it is not likely that the delay will mislead the general public, and if the Company can ensure that the information shall remain confidential.

10.4 Delaying public disclosure occurs when NP3 decides not to publicly disclose insider information concerning a process which occurs in stages, and each stage of the process, as well as the overall process, could constitute inside information. An intermediate step in a protracted process may be considered as insider information if the step in itself fulfils the criteria for insider information.

Information which relates to an event or set of circumstances which is an intermediate step in a protracted process may relate, for example, to the state of contract negotiations, terms provisionally agreed in contract negotiations, the possibility of the placement of financial instruments, conditions under which financial instruments will be marketed, provisional terms for the placement of financial instruments.

10.5 NP3 may, under its own responsibility, delay a public disclosure of insider information in accordance with the above, provided that the following conditions are fulfilled:

a) Immediate public disclosure would probably harm the legitimate interests of the issuer or market participant.

b) It is not likely that delaying public disclosure would mislead the general public.

c) The issuer can ensure that the information remains confidential.

10.6 If in any doubt about point 10.4, NP3 shall consult the guidelines on legitimate interests when an issuer is allowed to delay a public disclosure that The European Securities and Markets Authority (ESMA) has made available,[15] together with the guidelines that Nasdaq Stockholm has published on delaying public disclosure.

**Examples of legitimate interests for delaying public disclosure of insider information:**

- Ongoing negotiations, the outcome or normal dynamics of which would probably be jeopardised by a public disclosure. This can, for example, involve agreements relating to a company acquisition.

  "The issuer is conducting negotiations, where the outcome of such negotiations would likely be jeopardised by immediate public disclosure. Examples of such negotiations may be those related to mergers, acquisitions, splits and spin-offs, purchases or disposals of major assets or branches of corporate activity, restructurings and reorganisations."[16]

- Decisions taken or contracts entered into by the management body which must be approved by a higher body, provided that immediate public disclosure would jeopardise the general public's ability to assess and evaluate the company's financial instruments.

[15] ESMA, Guidelines on MAR - Delaying disclosure of insider information, 20/10/2016 ESMA/2016/1478 SV

[16] ESMA, Guidelines on MAR: Delaying public disclosure of insider information

"Insider information relates to decisions taken or contracts entered into by the management body of an issuer which need, pursuant to national law or the issuer's bylaws, the approval of another body of the issuer, other than the shareholders' general assembly, in order to become effective, provided that:

i. immediate public disclosure of that information before such a definitive decision would jeopardise the correct assessment of the information by the public; and

ii. the issuer arranged for the definitive decision to be taken as soon as possible."[17]

- "The issuer is planning to buy or sell a major holding in another entity and the public disclosure of such information would likely jeopardise the implementation of such a plan."[18]

- NP3 establishes and makes public financial calendars for public disclosure of its financial reports. It is of value to market players to have knowledge of when such reports, in normal circumstances, are going to be made public. Public disclosure of a financial report is consequently a part of a planned process comprising several elements. In order to deal with the practicalities of the public disclosure of a financial report in an orderly way, in connection with a board meeting in which the report is presented and approved, NP3 may deem it necessary to make the report public the following morning in order to adhere to the company's financial calendar. It is the stock market's understanding that this type of public disclosure, where a financial report adopted by the board after the stock market has closed, and made public the following morning in good time before the trading day has started, can be considered to come under the term "as soon as possible".

**Some examples are given below from ESMA's guidelines on when delaying probably misleads the general public and is therefore prohibited:**

- When the insider information is materially different from the company's previous public announcement on the matter to which the insider information refers.

- When the insider information concerns the fact that the company's financial objectives are not likely to be met, (where such objectives were previously publicly announced).

  The situations in which public disclosure of insider information concerning financial development may be delayed, without it being likely that the general public are misled, are very limited. When a divergence in financial development is observed, and such a divergence is substantial enough to constitute insider information, an obligation often exists to publicly disclose such information as soon as possible.

- When the insider information is contrary to the market's expectations, where such expectations are based on signals that the company has previously sent to the market, (such as interviews, investor meetings or any other type of communication organised or approved by the company). When the company considers the market's expectations, it should take into account consensus among financial analysts.

The requirement that delaying public disclosure must not mislead the general public is aimed at situations where the issuer, by his disclosure (in a broad sense), has induced the market to draw conclusions in a certain direction, and the new, undisclosed information, contradicts such conclusions. That the term public disclosure should be

[17] ESMA, Guidelines on MAR: Delaying public disclosure of insider information
[18] ESMA, Guidelines on MAR: Delaying public disclosure of insider information

interpreted in a broad sense means that not only direct public disclosure of insider information shall be considered, but also, e.g. information that is stated during interviews with the media or a presentation by a CEO on a "roadshow".

NP3 is obliged to have a ready-made delegation rule that specifies which individuals can make a decision to publicly disclose insider information. This decision must basically be an operational decision and not a boardroom decision. A board meeting, in which the board shall adopt a stance to the question, does not warrant grounds for delaying a public disclosure about any circumstances that have already occurred.

10.7 Information about delayed public disclosure of insider information must be submitted via email to the Swedish Financial Supervisory Authority at: finansinspektionen@fi.se. The email must include all the information that the Swedish Financial Supervisory Authority requires in the template they have produced for this purpose. The email's heading should read: "Article 17 - NP3 Fastigheter AB".

10.8 The CEO ensures that this information is sent to the Swedish Financial Supervisory Authority when public disclosure is made via a press release.

10.9 NP3 shall, at the request of the Swedish Financial Supervisory Authority, submit an explanation as to how the conditions for delaying have been met. The CEO ensures that this document is completed, and available in the event that the Swedish Financial Supervisory Authority requests it.

## 11 Event-driven insider list

11.1 For Swedish companies that are listed on a regulated market, it is mandatory to maintain an ongoing insider list of persons who have access to insider information.[19] In addition to employees, this list must contain the names of all persons who perform tasks, by means of which they have access to insider information, such as consultants, auditors or credit rating agencies.

11.2 NP3's board and CEO have, upon approval of these instructions, delegated the task of maintaining an insider list in connection with financial reports to the finance manager. The finance manager has been further delegated the task of maintaining other insider lists.

11.3 If the Company has decided to delay public disclosure of insider information, the Company shall open up an insider list, i.e. a list of those persons, employees and contractors, who have access to insider information about the Company.

11.4 The insider list shall be created in a digital format, and stored securely such that unauthorised persons cannot access the list.

11.5 The list must be saved for at least five years after it was created or after the date when it was last updated.

11.6 An insider list must be maintained for every single event that results in an insider situation occurring. This means that several lists may need to be maintained in parallel, and that an individual can be listed in several of them.

11.7 The design of the insider list must comply with the requirements and the template that can be found in the Commission Implementing Regulation (EU) 2016/347.

[19] Regulations regarding insider lists can be found under article 18 of MAR.

Those persons whose names appear in an insider list must be informed in writing by email as to what this entails, and NP3 must take all reasonable measures to ensure that everyone who is listed confirms in writing that they are aware of the legal obligations that follow from this, and the sanctions that are applicable in the event of any violation of market abuse prohibitions.[20]

## 12 Permanent insider list

12.1 In accordance with article 2.2 of the Commission Implementing Regulation (EU) 2016/347, NP3 has the possibility to include an additional section in its insider lists, with details of those persons who always have access to all insider information, in other words persons with permanent access to insider information. The section should contain any persons who, on account of the nature of their function or position, always have access to all insider information within the Company. NP3 has not drawn up a permanent insider list.

12.2 This permanent insider list, if it is ever decided to draw up such a list, shall be attached to all drawn up event-driven lists in accordance with the template and its guidelines that can be found in the Commission Implementing Regulation (EU) 2016/347.

It is solely incumbent upon NP3 to decide which senior executives are listed in this list. Persons who are expected to always have access to insider information at NP3 on account of their position must be listed in this special additional section to the insider list.

[20] MAR, article 18.2