



A reliable landlord

Annual Report and Sustainability Report 2024

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The Annual Report and Sustainability Report 2024 integrates financial, sustainability and corporate governance information to provide a comprehensive description of Specialfastigheter's operations. The statutory Annual Report comprises the table of contents and pages 36–86. The statutory Sustainability Report pursuant to the Annual Accounts Act can be found in this Annual Report on pages 1, 13, 26–34, 92–104 and 111.

The Sustainability Report is issued for the Group and Parent Company, and its scope is presented in table of contents on page 106–110. Specialfastigheter Sverige Aktieföretag (Publ) – company registration number 556537-5945

Market leader in secure properties

Specialfastigheter owns, manages and develops secure facilities. Our property portfolio includes correctional facilities, juvenile care homes, courts of law and police stations. With our security expertise and developed concepts, we specialise in meeting customers' specific security requirements.

We maintain a strong local presence in the communities where we operate. With exceptional operational reliability around the clock and continuous enhancements to our property portfolio, we enable our customers to conduct their operations securely.

As a prominent public sector operator, we aim to lead by example in sustainability, acknowledging our responsibility as developer to minimise our climate footprint while overseeing an expanding project portfolio.

Our secure facilities play a vital role in fostering a safer society.

Number of employees

298

Properties in more than

60

municipalities

Owns and manages, number of properties

176

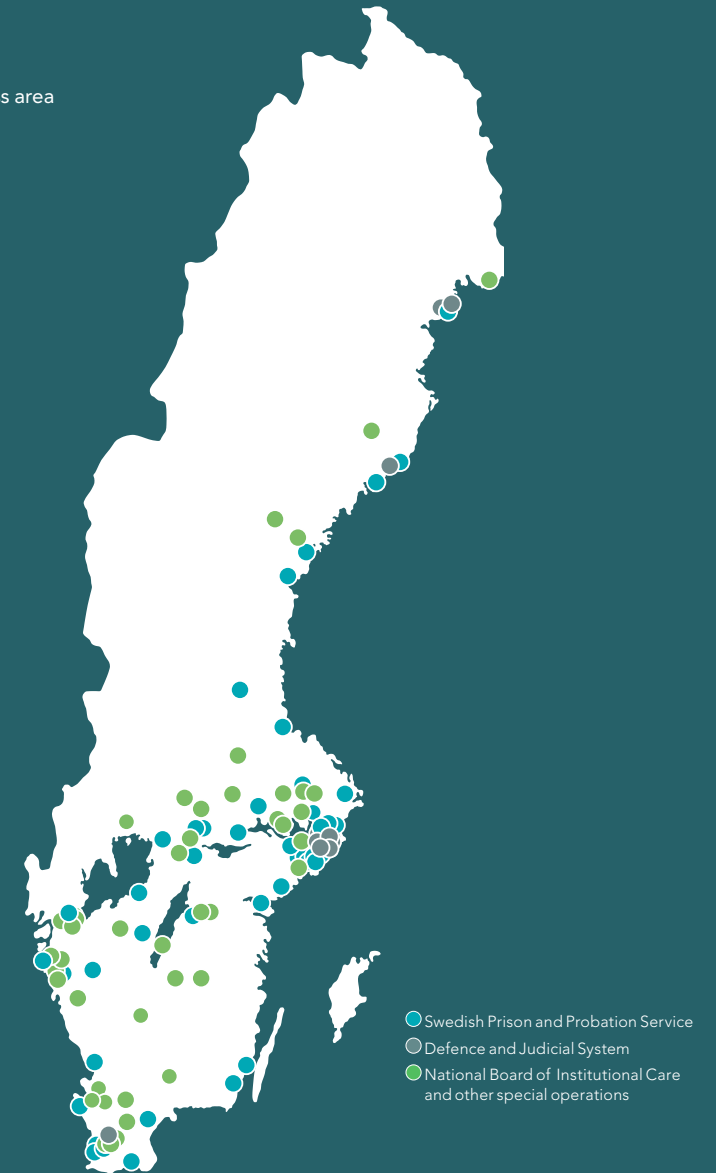
different properties

Market value

51.9

SEK billion

Properties by business area



Strategy

Specialfastigheter’s strategy demonstrates how we create value both for our customers and for our operations through clear direction and deliberate decision-making. It encapsulates our identity, aspirations and approach to achieving a competitive edge. Our strategy creates conditions conducive to development, collaboration and success, with an explicit ambition to engage in long-term value creation.



Our ambition

Our three strategic goals are:

Profitable

Market-based return

>5%

Return on adjusted operating capital

Exemplary

Climate journey, developer, employer

0

Net-zero emissions by 2045

Secure

Market leader in secure properties

#1

Market position secure facilities

Our arena

We meet customers’ needs for secure properties.

Customer needs

- Safe and long-term property owner
- Requirements for special security/strict confidentiality
- Nationally protected activities

Property types

- Correctional facilities and institutions
- Inventory and archive
- Management and monitoring
- Light industry
- Secure offices

Value chain

- Project development
- Lettings and transactions
- Property management

Location

- Selected growth cities

Our success factors

To realise our ambitions in our selected domain requires:

Capital

- Stable financing
- Low risk

Expertise

- Operation
- Security

Culture

- Commitment
- Stimulating
- Professional

Our business idea

A long-term owner dedicated to the development and management of sustainable secure facilities.

Our vision

Secure properties for a safer society.

Targets and outcomes

Specialfastigheter’s vision – secure properties for a safer society – is the basis of the company’s strategic target areas and benchmarking.

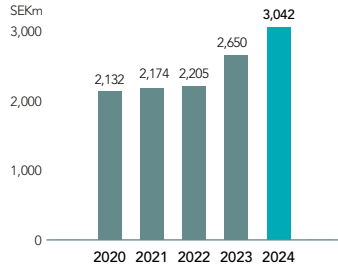


Strategic objectives	Overall targets	Target, 2024	Outcome 2024	
Profitable Long-term profitability	Commercially driven operations and market returns <ul style="list-style-type: none"> Return on adjusted operating capital. 	At least 5% over time	5.3%	✓
	<ul style="list-style-type: none"> Equity/Assets ratio. 	25–40%	34.5%	✓
Exemplary Exemplary sustainability standards	Reduced climate emissions in line with the Paris Agreement and achieving net-zero emissions by 2045 <ul style="list-style-type: none"> Absolute carbon emissions in scope 1 and scope 2. 	Must not exceed 2,580 tonnes CO ₂ e	2,833 tonnes CO ₂ e	✗
	Maintain a good work environment <ul style="list-style-type: none"> Motivated Employee Index (MMI). 	At least 4.0	MMI 4.1	✓
	Maintain zero tolerance policy on bribery and corruption <ul style="list-style-type: none"> Corruption cases. 	Zero	No known cases of corruption	✓
Secure Market leader in secure facilities	An established and sound security culture <ul style="list-style-type: none"> Security index¹. 	Above 4.5	4.5	✓

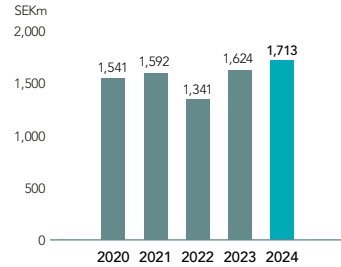
¹ The security index is developed internally by Specialfastigheter.

2024 in figures

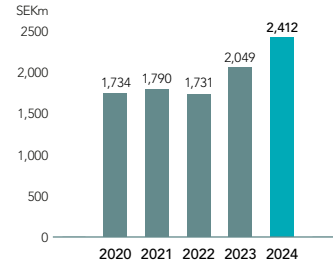
Rental income



Profit from property management



Net operating income



Surplus ratio
%

68.9

Remaining contract term
No. of years

13.4

Lettable Area
million square metres

1.2

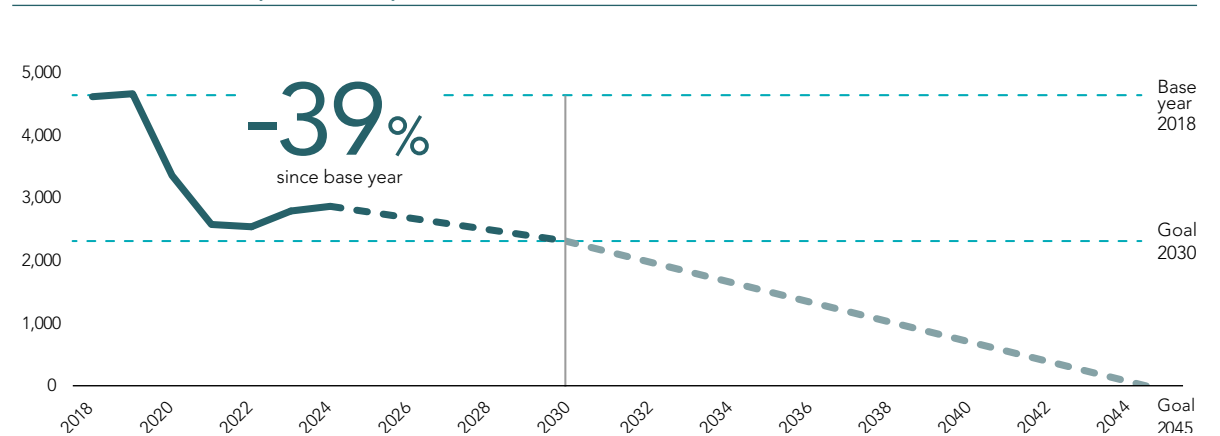
Approved investment volume
SEK billion

>32

Five-year summary

	2024	2023	2022	2021	2020
Total income, SEK million	3,502	3,063	2,456	2,464	2,393
Profit from property management, SEK million	1,713	1,624	1,341	1,592	1,541
EBT, SEK million	6,082	1,296	-172	3,771	1,138
Net profit/loss for the year, SEK million	4,822	1,020	-143	2,999	888
Return on adjusted operating capital	5.3	5.4	5.2	6.0	6.6
Yield, %	5.1	5.3	4.9	5.7	5.9
Rental income, SEK/sq m	2,570	2,359	1,999	1,976	1,953
Occupancy rate, %	98.1	97.3	97.5	97.6	98.5
Surplus ratio, %	68.9	66.9	70.5	72.7	72.5
Net floor area, sq m, thousand	1,184	1,158	1,102	1,099	1,093
Investments including property acquisitions, SEK million	5,824	5,733	4,173	1,996	1,044
Market value, investment properties, SEK million	51,915	41,740	36,210	33,761	29,618
Loan-to-value ratio, %	50.0	52.4	48.4	42.2	45.5
Equity/assets ratio, %	34.5	32.4	35.0	40.9	39.5
Share of green bonds, %	15.4	13.9	10.8	11.2	9.5

Carbon emissions in own operations (Scope 1 and 2), tonnes CO₂e



Significant events during the year



Updated framework for green bonds

In conjunction with the revised framework, Specialfastigheter issued two green bonds totalling SEK 1.75 billion in November. The proceeds from these bonds are financing the construction of a new building for the Swedish National Archives near Härnösand and an extension of the Tidaholm correctional facility for the Swedish Prison and Probation Service. Both projects comply with the environmental standards set forth in the green framework, requiring construction to meet at least Sweden Green Building Council Silver standards or the equivalent, and adhere to the energy requirements of the EU Taxonomy.

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Strengthened organisation and elevated eNPS

During the year, Specialfastigheter adapted and enhanced its operations through organisational restructuring and new recruitments. The management group was strengthened with the appointment of a Chief Operating Officer (COO), a Sustainability Manager and a new Project Development Manager. An employee survey conducted in the autumn has produced encouraging results, including an increase in the Employee Net Promoter Score (eNPS) from 16 (2023) to 24 (2024).

16

Numerous completed projects and new leases

Demand for secure facilities from Specialfastigheter's customers remains high. A selection of completed new construction, redevelopment and extension projects, as well as new leases were signed during the year:

- In March, we inaugurated the Berga remand centre in Helsingborg and the Sagsjön Women's Prison near Gothenburg, both featuring 25-year leases and a combined capacity of approximately 200 beds. At the Rödjan, Skogome, Kumla and Sörbyn correctional facilities, new activity and accommodation buildings were constructed, providing a total of 256 accommodation units for the Swedish Prison and Probation Service and subsequently handed over to our property organisation.
- We have signed large leases for a new correctional facility in Mariestad, further expansions at the Tidaholm and Rödjan correctional facilities, and new remand centres in Borås and Halmstad.
- A project involving security-enhancing measures was successfully completed in the spring for the National Board of Institutional Care's juvenile care homes in Tysslinge and Johannisberg, overseen by the Swedish National Board of Institutional Care. Additionally, we have completed premises for a new school in Nereby, near Kungälv, along with new accommodation and kitchen facilities at Fortunagården in Värnamo, which have been handed over to our operations and property management.



One of the many construction projects completed during the year was the new accommodation block at Rödjan correctional facility; read more on page 24.



The government has approved the Swedish Police's lease with Specialfastigheter for the Borås police station. Construction is scheduled for completion in 2028. (The image is an artist's rendition by AG arkitekter).

Major projects in new phases

During the year, several of Specialfastigheter's major construction projects progressed into the production phase. Work has commenced in earnest on the programme documents for the planned correctional facilities that will be completed in Kalmar and Trelleborg. Both facilities will be classified as security class 2 and are expected to add more than a thousand new remand and correctional facility spaces for the Prison and Probation Service upon completion.

The government has approved the Swedish Police's lease with Specialfastigheter for the forthcoming police station in Borås. The project encompasses approximately 17,600 square metres of lettable area and is expected to be finalised in 2028. The police station will be located adjacent to the new remand centre currently under construction.

The new central archive near Härnösand, designated to serve the Swedish National Archives and the Swedish Tax Agency, is taking shape. Construction of the more than 30,000 square metre archive is progressing rapidly, with a projected completion date by late 2025. It is set to become the largest archive in Northern Europe, and will prioritise both accessibility and security.

A growing company

The past year has been characterised by robust market demand, alongside the comprehensive nature of our project portfolio, even as we have successfully completed a number of projects. It is with pleasure that I reflect on 2024, feeling both proud and grateful for our company's transformative journey together, as well as the fruitful collaboration we enjoy with our customers. We remain committed to continuously developing our organisation, enhancing our skills, and refining our work methods, understanding that a more substantial transformation is necessary to accommodate our future growth.

We are evolving into a development and growth-oriented company in secure facilities, concentrating on the management of a growing property portfolio while also pursuing new developments through investments in construction projects. Concurrently, we are adapting properties to meet the expanding and evolving needs of our customers and are investing in sustainability measures to ensure long-term property value retention.

Specialfastigheter's business idea is centred on owning, developing and managing properties for customers with stringent security requirements. We provide premises for tenants such as the Prison and Probation Service, Swedish Police Authority, Swedish National Courts Administration, Swedish National Board of Institutional Care and the Swedish Armed Forces. Our operations are significantly influenced by our customers' growing and shifting needs, which are largely propelled by societal changes and global developments.

Large project portfolio

Specialfastigheter's project portfolio remains extensive, characterised by considerable investments in new construction and redevelopment. Over the past year, we have both launched and completed several new projects. Among our most significant investments are two correctional facilities for the Prison and Probation Service located in Kalmar and Trelleborg, currently in the planning and design phases. At year end Specialfastigheter had an approved project portfolio valued at SEK 32 billion, in various stages of completion. Effective project development allows for us to create and deliver efficient and functional premises for our customers, while fostering long-term growth in the company's rental income. Project development contributes significantly to the value of our property portfolio, which now stands at nearly SEK 52 billion, reflecting an increase of just over SEK 10 billion during the year.

A portrait of Alexandra Laurén, CEO, standing in a modern, brightly lit interior space. She is wearing a black turtleneck sweater and has her hands clasped in front of her. The background is blurred, showing architectural details and warm lighting.

Alexandra Laurén, CEO

As a forward-looking actor, we intend to manage and develop our properties for a long time to come. The company continues to experience robust growth in rental income and net operating income, which rose 15 per cent and 18 per cent respectively, year-on-year. This was primarily driven by the completion of new premises that have been taken over by our customers and has significantly improved profit from property management, which has risen from SEK 1,624 million to SEK 1,713 million, despite slight increases in administrative and interest expenses.

Retained and enhanced expertise for greater customer benefit

A key strength of the company lies in our ability to manage our properties proprietarily. By overseeing the entire process – from planning and construction to management – we can ensure both quality and cost efficiency while assisting our customers in utilising their premises more efficiently.

During the year, we bolstered our expertise in several areas, with a particular focus on project development. In tandem with our rapid growth, employee satisfaction has risen, as evidenced by the employee survey conducted this year, which also reflects a high level of commitment. Specialfastigheter has a relatively low employee turnover rate, and the company fosters a strong corporate culture where employees take pride in being part of the organisation and demonstrate an impressive willingness to adapt. I consider this a testament to our positive trajectory in navigating change and development within the company.

Climate focus in our strategy

Large property projects often carry a significant climate footprint, presenting both a responsibility and an opportunity to minimise emissions by leading change within the industry. We aspire to maintain efficient, sustainable property holdings and integrate sustainability

throughout their lifecycle, thus enhancing long-term value both for ourselves and for our customers. One crucial initiative involves setting requirements and monitoring our projects using climate budgets and assessments, thereby enabling us to map and mitigate emissions at each stage – from planning to completion. We have also introduced a new framework for green bonds, which can serve as a foundation for financing projects with ambitious sustainability targets. In 2024, we issued SEK 1.75 billion in green bonds. We combine innovative solutions, efficient resource usage and close collaboration with our customers and suppliers to create sustainable, climate-smart properties that fulfil the needs of society.

Specialfastigheter has been a member of the UN Global Compact since 2016 and remains committed to upholding its ten principles. In this report, we report our progress in accordance with these principles (Communication on Progress).

Security initiatives

– a core component of our offering

Specialfastigheter's extensive security expertise enables us to offer properties that meet the high standards demanded by our clients.

Our ambition is to be an exemplary employer and property developer. Everyone engaged in our projects and properties should work in a safe environment and return home unharmed at the end of the day. In 2024, we enhanced our security operations by recruiting additional personnel in the security sector, intensifying oversight of our suppliers and implementing training programmes for employees and partners – all aimed at improving expertise in critical aspects of security.

A new future-proofing strategy

The outlook for Specialfastigheter appears stable, underpinned by ongoing high demand for secure facilities. Concurrently, a strengthened bond market,



“Our employees take pride in being part of Specialfastigheter and demonstrate an impressive readiness to embrace change.”

featuring lower interest rates, opens up prospects for more efficient financing strategies. To effectively manage the company's substantial growth, we adopted a new strategy this year, which centres on three key objectives: achieving a minimum return of 5 per cent on operating capital; attaining net-zero emissions in our operations over time; and maintaining and enhancing our position as the leading provider of secure facilities in Sweden. The strategy is specifically designed to integrate financial profitability with sustainability and societal benefits.

I would like to extend my gratitude to all employees, customers, suppliers and partners. It is our collective commitment, collaboration and trust that enable our success, and I look forward to continuing this collaboration with you in 2025.

Alexandra Laurén
CEO, Specialfastigheter Sverige AB



Operating environment



Operating environment and market

In 2024, the demand for secure facilities continued to rise, driven by an uncertain global climate and political actions. Security concerns have become increasingly central both to property management and to project development, with customised requirements playing a pivotal role in addressing customer needs. Despite the challenging macroeconomic conditions of the past few years, investments in secure facilities have remained stable and oriented towards the long term.

Cautious recovery

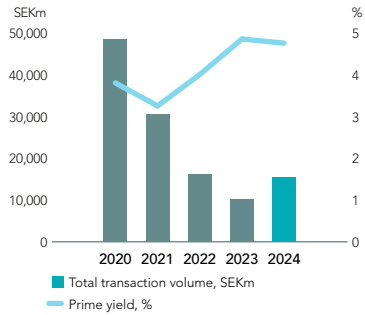
In 2024, the Swedish economy began to recover from the recession, in line with the ongoing stabilisation anticipated by numerous economic analysts. GDP grew approximately 0.6 per cent, signalling a positive change. Several factors have contributed to this economic turnaround: inflation has gradually declined to near the 2 per cent target, and the policy rate was reduced to 2.25 per cent in January 2025 to stimulate economic activity. However, unemployment has risen slightly from already elevated levels and housing costs remain substantial. In spite of this, household consumption has stabilised.

Normalised property market

In 2024, the property market showed signs of gradual stabilisation following several years of economic turbulence. Transaction volumes have been subdued, as the disparity between buyers and sellers remains significant. However, there are indications of increasing volumes going forward, particularly with the anticipated decline in financing costs. The bond market has also demonstrated signs of recovery, with foreign investors re-entering the Swedish market, signalling an improved financing environment. This has facilitated major operators in pursuing new projects and acquisitions.

The office segment is experiencing partial recovery, especially in central locations, while industrial properties are benefiting from increased demand, driven by re-industrialisation. Long-term demographic shifts, such as slowed population growth stemming from lowered birth rates and stricter migration policies, along with an ageing population, are reshaping the market landscape.

Transaction volume and prime yield for public sector properties



Source: CBRE Sweden AB

Public sector properties make attractive investments...

Public sector properties have remained attractive investments, accounting for approximately 11 per cent of the total transaction volume in the Swedish property market in 2024. This segment is influenced by the development of society in Sweden, particularly its recent demographic trends. The requirements of the state, regions and municipalities for suitable properties, coupled with demands for long-term sustainable solutions, are generating new investment opportunities. Despite a noted decline in new construction activity during the recession, the development of public sector properties in Sweden remained consistently high. Public or publicly funded tenants with long-term leases enhance the appeal of this segment.

... particularly secure facilities

The volatile geopolitical climate and rising crime rates have intensified the need for secure public sector properties. The Tidö Agreement has instituted reforms that have resulted in a historic expansion of secure facilities, necessitating substantial new construction and redevelopment to address the demand for additional remand and correctional facility spaces. Furthermore, demand continues to be driven by the need for secure, customised solutions for law enforcement authorities such as the Police and the Prison and Probation Service, as well as other public sector entities with specific security requirements.

Domination by specialised long-term operators

The market for secure facilities is defined by specific demands for security, sustainability and long-term leases with government tenants. The market com-

prises a number of major operators, some of whom are backed by pension funds and others who are listed on the stock exchange. It is also complemented by smaller operators.

Specialfastigheter has established itself as a leading provider of secure facilities. Through a dedicated focus on security, the company delivers customised solutions that meet society's evolving needs for sustainable and secure properties at a time of significant change.

“Societal needs and improved economic conditions reinforces the outlook for secure facilities as a sustainable and stable long-term investment.”

Promising outlook for secure facilities

According to economic analysts, the Swedish economy is anticipated to commence a recovery in 2025, characterised by gradually increasing growth and declining inflation in line with the Riksbank's target. This will create a more favourable environment for investment and consumption. The market for secure facilities is anticipated to sustain its expansion, propelled by political reforms and the growing demands of the Prison and Probation Service. Additionally, sustainability and energy efficiency will be crucial considerations in future investments, as a recovering bond market improves financing opportunities. The synergy between societal needs and improved economic conditions reinforces the outlook for secure facilities as a sustainable and stable long-term investment.



The expansion of the correctional facility in Skänninge, completed in 2023, is a noteworthy example of property development undertaken to satisfy society's demand for sustainable and secure properties.

No. of new remand centre spaces

3,300

by 2033

Source: Swedish Prison and Probation Service capacity report 2024–2033

No. of new prison spaces

12,300

by 2033

Source: Swedish Prison and Probation Service capacity report 2024–2033



The offering



A property offering with a focus on security

Specialfastigheter provides secure properties for a safer society. For more than 25 years, our company has cultivated a unique portfolio of secure facilities. We own, manage and develop many of Sweden's most secure buildings. Specialfastigheter offers customised premises for tenants whose operations necessitate special protection and security measures. We develop sustainable solutions in collaboration with our customers.

A stable and long-term property owner

With Specialfastigheter, customers benefit from a stable and long-term landlord, with the Swedish state as the owner. Specialfastigheter actively strives to ensure that its operations are sustainable both from an environmental and from a social perspective, and that our property holdings meet rigorous climate and environmental objectives.

In-house operations and property management

Specialfastigheter's operations and property management are designed to provide customers with optimal conditions for conducting their societally vital operations. Our foundational principle is to ensure high operational reliability, particularly as several properties require round-the-clock operations and must remain functional during heightened preparedness and crises. This imposes high demands on robust operating systems, good planning and conscientious employees – demands that Specialfastigheter meets by managing the properties with our own personnel.

Active property development

To address client needs, Specialfastigheter engages in proactive property and project development, estab-

lishing the groundwork for properties to be safe, sustainable and efficient from the planning phase onward. Whether we are renovating, expanding or constructing anew, Specialfastigheter develops solutions and completes projects based on customer requirements. As one of Sweden's largest property developers, we possess extensive experience in managing complex projects that involve stringent security standards. We maintain a stringent focus on our responsibilities as a developer and impose stringent requirements on our suppliers.

Comprehensive security expertise

Specialfastigheter possesses extensive knowledge and practical experience both concerning customer requirements and concerning expectations, as well as relevant laws and regulations. The safeguarding of our information assets and those of our customers is paramount. Therefore, Specialfastigheter's operations are certified in accordance with the ISO/IEC 27001 Information-Security Management System. Furthermore, Specialfastigheter employs security-vetted employees who receive continuous security training, and we promote a strong security culture within the organisation.

A positive security culture

Specialfastigheter is distinguished by a culture of accountability, ongoing development and professionalism in our approach – particularly in matters of security. We advocate for a robust security culture to maintain the heightened focus required of a landlord responsible for various activities that are vital to society.

A strong position within secure facilities

With stable customers and long leases, a solid financial position and thereby a high credit rating, and with its well-managed property holdings and unique position in secure facilities, Specialfastigheter is attractive to investors.

Stable and long-term customers

All of our customers are government agencies with important societal functions. They constitute a stable customer base with low credit risk that provides secure cash flows.

Long leases

Specialfastigheter's leases are signed with public-sector tenants, encompassing long-term contracts that may span up to 25 years for new production properties. Thanks to the large volume of new build projects, the average remaining contract term in the rental portfolio is increasing and totalled 13.4 years at year end.

Low vacancy rate

There remains a strong and growing demand for the company's premises. Specialfastigheter develops its property holdings into appropriate and efficient premises, and investment projects are implemented only after agreements have been signed with the customer. Thanks to our long leases and continuous work to develop our customers' premises, we have a low vacancy risk.

Stable owner

As one of the Swedish state's wholly owned companies, Specialfastigheter has a stable, long-term

owner. The company is administrated by the Government Offices of Sweden, which pursues active corporate governance.

Highest credit rating of all Swedish property companies

Since 2005, Specialfastigheter has had a credit rating of AA+ with a stable outlook in the long term, and A-1+ in the short term, as well as a credit rating of K-1 in accordance with Standard & Poor's Nordic regional scale for short-term borrowing. The company had this rating confirmed in December 2024. Specialfastigheter's highest credit rating among all Swedish property companies is based on the company's unique position as a landlord of secure facilities, our low business risk profile with a highly stable and predictable cash flow based on long-term leases to government agencies, as well as our strong liquidity and the fact that the Swedish state is our owner.

Credit rating since 2005

AA+

according to S&P, confirmed on 19 December 2024



Stable equity/assets ratio

The company's equity/assets ratio target is expressed as an interval between 25 per cent and 40 per cent. The outcome as of 31 December was 34.5 per cent. In spite of increased indebtedness linked to the high volume of investments, the loan-to-value ratio has declined due to the appreciation in property values. The loan-to-value ratio was 50.0 per cent on 31 December.

Greener funding

In autumn, Specialfastigheter updated its framework for green bonds. The framework incorporates

energy-performance requirements based on EU Taxonomy and climate risk assessments, and ensures that buildings are constructed pursuant to the SGBC certification system, achieving at least Silver level or an equivalent standard. Our commitment to continuous development, with a focus on sustainability, fosters an environment conducive to continued green financing. In conjunction with the revised framework, we issued two green bonds totalling SEK 1.75 billion. As a result, green financing now constitutes 15.4 per cent of the company's total debt.



Over a thousand new accommodation places created in the existing portfolio

In 2024, Specialfastigheter maintained a high pace of production, with a series of new construction, redevelopment and extension projects underway across the country. However, as Specialfastigheter’s property management staff have demonstrated during the year, there are other ways to create new accommodation places for the Prison and Probation Service.

The Prison and Probation Service’s substantial need for spaces has prompted Specialfastigheter to seek innovative ways to rapidly and cost-efficiently increase capacity, alongside ongoing construction efforts, thereby further enhancing its portfolio’s value. In late 2023, Specialfastigheter began collaborating with the Prison and Probation Service to rapidly create new spaces within existing remand centres and correctional facilities. The project has yielded positive results.

Inventory of premises and technical installations

This initiative has impacted nearly all of Specialfastigheter’s remand centres and correctional facilities, and has included the conversion of existing accommodation units and visiting rooms. The Property Department’s staff have conducted an inventory of the premises and technical installations to identify spaces that can be densified to accommodate two permanent accommodation places per room at a reasonable cost, commonly referred to as “double occupancy.” Considerable care has been taken to ensure that ventilation, fire safety and sewage systems are modified to accommodate a larger number of residents.

The Prison and Probation Service has equipped the double-occupancy rooms with furnishings produced

in-house, such as beds and bedside tables. As many rooms were converted from single to double occupancy, adjustments were necessary to maintain personal privacy as well as to provide additional storage space, lighting and televisions, which necessitated modifications to ventilation and electrical installations. Additional rent is paid to Specialfastigheter to compensate for increased operating and maintenance expenses.

“I believe that currently, there is not a single correctional facility within our portfolio that does not feature double occupancy,” Property Management Director Michaela Sköld explained. “The addition of more than one thousand beds is essentially the result of effective property management, and our team has excelled in



cataloguing and preparing these spaces to cater to our customer’s needs.”

Michaela Sköld,
Property Management
Director



The properties

Property holdings

Specialfastigheter's property holdings were valued at SEK 51.9 billion at year end. The lettable area has expanded more than 25,000 square metres since the preceding year, and now totals approximately 1.2 million square metres. Many of the company's customers and their operations fulfil vital societal functions.

Our properties are located across the country, from Trelleborg in the south to Haparanda in the north, and are operated and managed by an organisation that is divided into five property areas (FOs). The occupancy rate was 98.1 per cent, and the average remaining contract length of 13.4 years.

The ten municipalities in Sweden where we have the largest property holdings

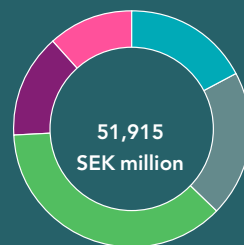
Municipality	Total net floor area (NFA) owned, sq m	No. of properties per municipality
Stockholm	332,692	6
Kumla	54,499	2
Södertälje	48,349	13
Lund	36,725	6
Solna	34,967	2
Gothenburg	33,615	4
Umeå	33,114	3
Luleå	32,044	4
Kramfors	30,936	3
Linköping	26,061	2

Rental income by business area

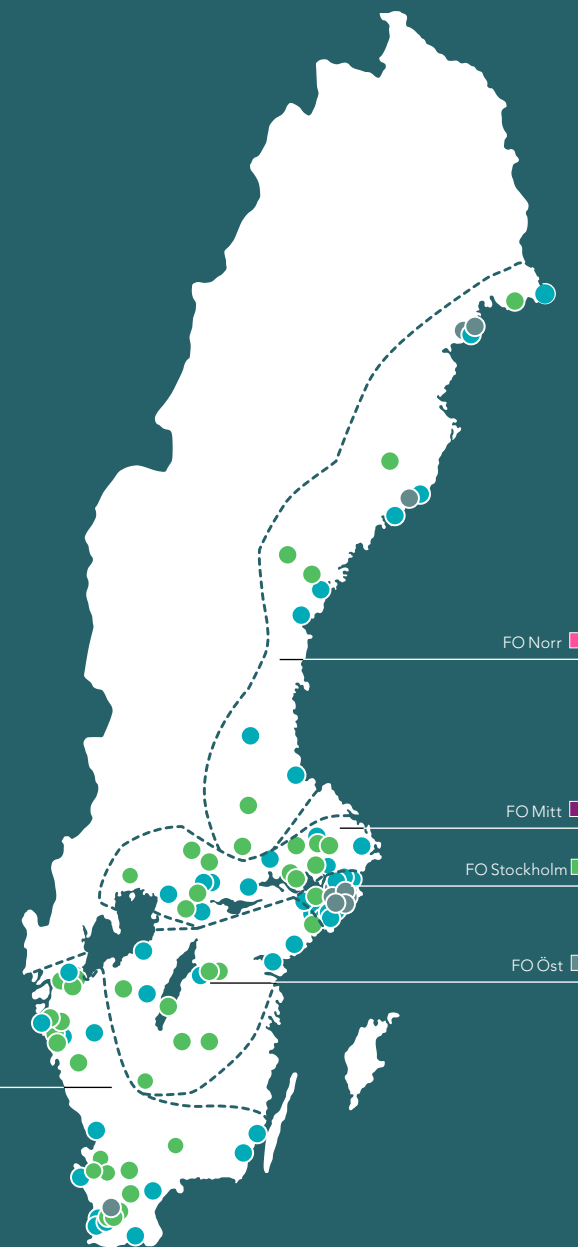


- Institutional care and other special operations, SEK 473 million
- Prison and Probation Service, SEK 1,462 million
- Defence and Judicial System, SEK 1,107 million

Property value by property area (FO)



- FO Syd, SEK 8,837 million
- FO Mitt, SEK 7,225 million
- FO Öst, SEK 10,285 million
- FO Norr, SEK 5,957 million
- FO Stockholm, SEK 19,611 million



Some of our secure facilities

Specialfastigheter owns and manages high-security properties throughout the country, including correctional facilities, juvenile care homes, courthouses and police stations. A selection of our property holdings is presented here.

District court – a landmark in Lund

Innovative architecture and functional solutions make the district court one of Sweden's most modern courts and an important landmark in Lund. The building was completed in 2018 and is spread on seven floors, of which one is underground. A court is a public institution that should be open and inviting, but also command respect and feel safe and secure. The district court's activities impose high demands, such as in terms of openness and access to natural light versus secrecy and perimeter protection. The building is made of sustainable materials that are durable, age beautifully and give the building authority and strength. Lund district court is certified in accordance with SGBC Gold.



Construction systems and concept solutions

To enhance efficiency and facilitate the potential for repeated efficiencies, Specialfastigheter is adapting its production strategy to offer more flexible security concepts and construction systems. As part of this new product strategy, we are currently developing project-specific enhancements for the standard buildings planned for construction in the coming years, optimised in accordance with established requirements and objectives. Solutions or partial solutions that we garner from these can then be utilised in other projects that go beyond standard buildings.

These concepts are customised to accommodate the increasing demand for variety, greater flexibility and adaptability to local conditions over time. The product strategy entails the development of building systems and conceptual solutions that can be applied across a larger segment of the portfolio, where standardised solutions are required, thereby maximising the potential for repeated efficiencies. By enabling and managing greater variation and flexibility, Specialfastigheter can maintain its focus on reducing the overall construction lead time, while taking on a greater number of projects by leveraging shared methodologies and standards. The key to success in this transition lies in fostering ongoing collaboration with customers and suppliers, ensuring we achieve our goals for optimised time, cost, quality and sustainability, and in particular, customer satisfaction.

New Malmö police station

In Vintrie, located in south-west Malmö, Specialfastigheter is constructing a police station that will cover a net floor area of approximately 15,500 square metres upon completion in 2026.

The building will include offices, changing rooms and training areas. The idea is for the police station to house two of the four local police districts that will exist in the city following the reorganisation of the Malmö police district in 2024. A total of 480 employees will be based in the building. Specialfastigheter has signed a 15-year lease with the Swedish Police for the premises. The police station is being built in accordance with the Gold level under SGBC's certification system, which entails good energy performance, controlled and approved materials, as well as conditions for good daylight access, thermal climate, sound environment and air quality.



Juvenile care homes that require a higher level of security

The Swedish National Board of Institutional Care (SiS) runs individually tailored compulsory care and institutional juvenile care. Specialfastigheter is the owner of some 30 properties where the Swedish National Board of Institutional Care (SiS) operates. More than 20 of these are juvenile care homes. In recent years, Specialfastigheter has built new residential sections at several of these properties, and as space capacity increases, there is also a need for additional places in

schools. Several standard schools have thus been developed and built in collaboration with SiS – standard buildings for school activities that can easily be built in many locations. Serious crime among inmates and an increased risk of escapes have led to a greater need for perimeter protection and other security measures at SiS homes. The highest security institutions are technically and physically equipped for SiS to operate safely.

Efficient and sustainable property management

For the past few years, Specialfastigheter's operations have been characterised by significant investments, though property management has consistently remained, and continues to be, a core business focus. To ensure that our property holdings are energy-efficient and that our portfolio meets future demands, the company actively engages in measures to reduce emissions and safeguard the long-term value of its properties.

Stable operations with a focus on security and quality

Since our establishment in 1997, Specialfastigheter's operations have been predominantly centred on the management of its owned properties.

A high level of operational reliability around the clock is a prerequisite since many of Specialfastigheter's properties fulfil vital societal functions. To fulfil these requirements, the company employs specialised staff who possess comprehensive knowledge of the properties and technical installations as well as an understanding of the customers' specific needs. A consistent framework is in place for oversight, maintenance, and systematic fire protection measures across all properties, which contributes to enhanced efficiency, safety and quality.

Demand for secure facilities – for additional and adaptable premises – rose sharply in 2022, mainly driven by the Prison and Probation Service's requirements. The demand has since grown further. The robust expansion of projects necessitated a restructuring of the company and resulted in various structural measures, such as the streamlining of work processes and the enhancement of skills and staffing, particularly within the property department. Work is also underway to optimise property operations, including through

monitoring, quality assurance and harmonising work methods between the different property areas.

Focus on costs and energy efficiency

Electricity, heating and water account for the majority of our operating expenses; therefore, the key to controlling costs is to collaborate with customers to enhance energy efficiency and optimise operations. The objective for 2024 has been to maintain, or ideally reduce, levels of electricity, heating, cooling and water consumption compared with the previous year.

Specialfastigheter adopts a systematic approach to energy consumption reduction. Measures aimed at enhancing energy efficiency and optimising usage are pivotal to decreasing carbon emissions, as is the phase-out of fossil fuels—particularly in relation to district heating suppliers. Property automation systems, which govern ventilation and heating, among other functions, are essential for ensuring comfort, lowering carbon emissions and reducing the operational costs of the buildings. Specialfastigheter's strategy for property automation includes the goal to create favourable conditions to efficiently control, monitor and follow up areas such as energy consumption and carbon emissions. Reliable digital technologies for managing



climate systems allow both for optimisation and for energy-efficient operations. Property automation enables much of the work to be managed remotely, which saves time and reduces transport needs while improving overall operational reliability.

Maintenance secures property values

The aim of Specialfastigheter's operations and property management is to provide customers with optimal conditions for conducting their societally vital operations, while simultaneously preserving or enhancing property values. As a property owner, Specialfastigheter must create a conducive environment for efficient, sustainable and long-term property ownership. Therefore, the maintenance and development of properties are of utmost importance. Specialfastigheter has a strong commitment to property maintenance, which is usually undertaken in connection

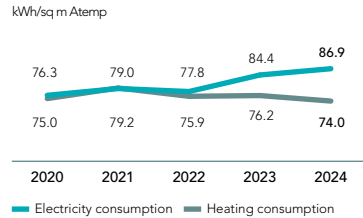
with adaptations to the customer's specific needs or significant development projects. Careful planning of maintenance activities is crucial to minimise disruption to customer operations, which is why various measures for a property are often coordinated.

Importance of operational and management expertise in project development

To ensure the sustainable and efficient management of the future portfolio, the property department is engaged at the initial stages of project development. This approach enables operational and management experience to be incorporated from the outset. Additionally, it is imperative that there are processes in place for warranty and liability periods as new buildings transition from the project phase to property management.

Efficient and sustainable property management in figures

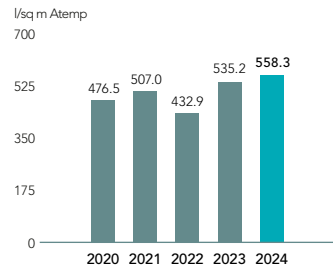
Electricity and heating consumption¹



Comments on electricity and heating consumption

Electricity use rose 3.0 per cent year-on-year and was largely attributable to more frequent meter readings and higher electricity use in projects. In 2024, Specialfastigheter prioritised quality improvement measures in the collection of statistics, transitioning from mainly manual meter readings to the direct collection of data from suppliers. Heating consumption has decreased by 3.0 per cent, partly due to an increase in the share of new buildings in the portfolio with higher environmental performance.

Water consumption¹

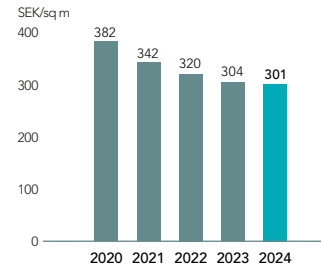


Comments on water consumption

Water consumption rose 4.3 per cent, mainly due to a greater project volume and double occupancy in many correctional facilities.

¹ As part of the initiative to enhance the quality of statistics, Specialfastigheter has devised clearer definitions and boundaries. Consequently, unlike the preceding year, media purchased by clients has been excluded from this year's report.

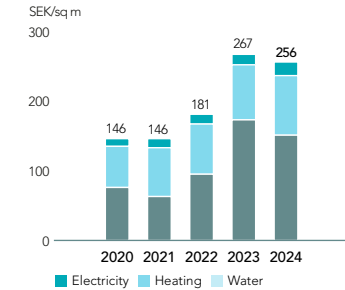
Maintenance expenses



Comments on maintenance expenses

For the past few years, substantial efforts have been made to elevate standards at our properties. Maintenance rates remain high, and numerous initiatives will be implemented concurrently with ongoing investment projects.

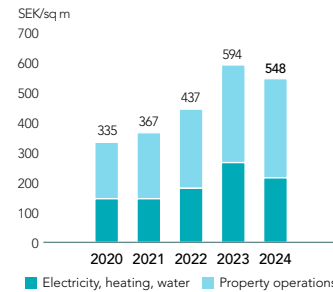
Media costs



Comments on media costs

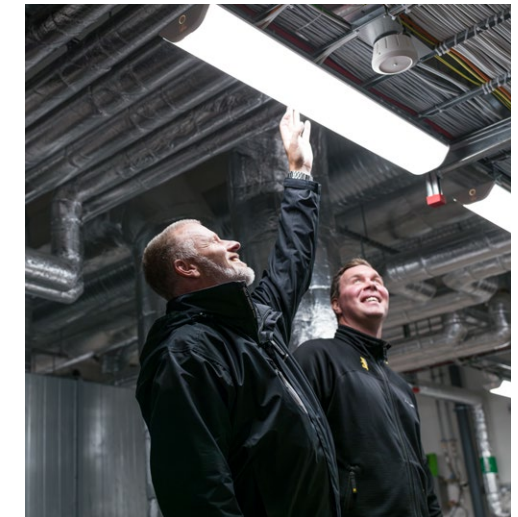
Media costs have risen in recent years due to increased electricity consumption, driven in part by surging energy prices. The lower costs in 2023 were primarily attributable to comparatively lower energy prices.

Operating expenses



Comments on operating expenses

Operating expenses are on the rise due to increased consumption and an expanding property portfolio. Nevertheless, operating expenses per square metre have been declining during the year, as completed projects add to the total lettable area.



Higher property values through project development

Effective project development enables Specialfastigheter to create and deliver efficient and functional premises for customers, while fostering long-term growth in the company's rental income. Project development has significantly contributed to the increase in value of the property portfolio during the year.

Active property and project development

Specialfastigheter's property holdings have a focus on secure facilities. The company is actively engaged in creating additional value by continuously identifying development opportunities within its property portfolio. For the past few years, Specialfastigheter's existing portfolio has been undergoing significant densification, involving the redevelopment of existing structures and construction of new buildings. The company also acquires land for entirely new construction, such as with our projects in Trelleborg and Kalmar.

The properties are developed in close collaboration with our customers. At an early stage, we collaborate to identify the requirements that will influence the design of the premises as well as the functions to be met. Specialfastigheter has an in-house team with expertise and experience in property and project development, security, technology and sustainability. As a market leader in secure facilities, the company leverages its collective security expertise to create safe buildings based on staff, informational, operational and physical perspectives.

Being a long-term owner, Specialfastigheter places significant emphasis on the future operation and

management of its properties. When engaging in project development, our expertise is instrumental to designing buildings that are secure, sustainable and efficient to manage. All new builds and major redevelopment projects comply with the SGBC Silver certification standard, and a climate budget must be established for projects exceeding SEK 40 million or 100 square metres of Gross Floor Area (GFA).

Projects completed

During the year, Specialfastigheter successfully completed several construction projects that add value to our property portfolio and provide premises to our customers, primarily the Swedish Prison and Probation Service. In March, the Berga remand centre in Helsingborg was inaugurated, designed according to one of the company's standard buildings, accommodating 96 inmates. Additionally, two buildings at the Sagsjön women's prison in Mölndal were completed: a main building comprising residential sections with 52 spaces in security class 2, along with facilities for employment, administration, main kitchen, and a building comprising 41 security class-3 accommodation spaces. Both Berga and Sagsjön have signed 25-year leases.



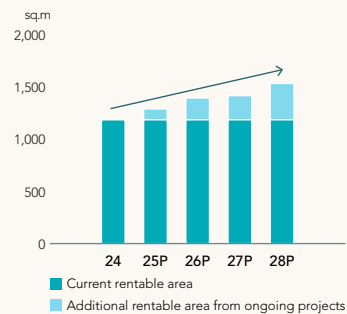
Major investment projects in progress per 31 December 2024

Project name	Location	Customer	Area, sq m ¹	Status	Estimated project completion
KV Trelleborg	Trelleborg	The Prison and Probation Service	53,500	Planning	Q2 2031 ²
				Project planning/ Production	Q4 2030 ²
KV Tidaholm	Tidaholm	The Prison and Probation Service	38,500	Production	Q2 2030 ²
KV Kalmar Syd	Kalmar	The Prison and Probation Service	36,000	Planning	Q2 2030 ²
KV Skogome	Gothenburg	The Prison and Probation Service	34,000	Production	Q4 2028 ²
Central Archive	Härnösand	Swedish National Archives	30,600	Production	Q4 2025
				Project planning/ Production	Q2 2027 ²
KV Österåker	Österåker	The Prison and Probation Service	24,400	Production	Q2 2027 ²
				Project planning/ Production	Q2 2026 ²
KV Rödjan	Mariestad	The Prison and Probation Service	22,800	Production	Q2 2026 ²
New Borås police station	Borås	Swedish Policy Authority	17,600	Planning	Q1 2028
New Malmö police station	Malmö	Swedish Policy Authority	15,500	Production	Q2 2026
				Project planning/ Production	Q3 2026 ²
KV Skenäs	Norrköping	The Prison and Probation Service	15,300	Production	Q3 2026 ²
				Project planning/ Production	Q2 2027
KV Mariestad	Mariestad	The Prison and Probation Service	14,900	Production	Q2 2027
KV Halmstad	Halmstad	The Prison and Probation Service	12,600	Production	Q2 2026
KV Häkte Borås	Borås	The Prison and Probation Service	11,300	Production	Q1 2026
				Project planning/ Production	Q3 2026 ²
KV Sörbyn	Umeå	The Prison and Probation Service	10,700	Production	Q3 2026 ²

¹ Area, excluding redevelopment

² Phased occupation during the production period

Estimated additional lettable area



New buildings for accommodation, employment and administration at Rödjan (read more on page 24), Kumla, Skogome and Sörbyn have also been completed and transferred to Specialfastigheter's property organisation.

Within the existing portfolio, Specialfastigheter has collaborated with the Prison and Probation Service to create additional spaces through densification, introducing two permanent accommodation places per room in several correctional facilities. Since the start of the year, nearly a thousand new correctional facility spaces have been added. Additional rent is paid to Specialfastigheter to compensate for increased operating and maintenance expenses. Read more about densification on page 14.

Specialfastigheter's property portfolio for institutions includes the completion of a new school in Nereby, near Kungälv, as well as new accommodation and kitchen facilities at Fortunagården in Värnamo. A project involving security-enhancing measures was successfully completed for juvenile care homes in Tysslinge and Johannisberg.

Newly launched and ongoing projects

At year end, Specialfastigheter had a committed investment volume of SEK 32 billion. Several large-scale billion-SEK projects are currently in production and are expected to continue for several years. These include correctional facility projects in Tidaholm, Skogome, Österåker, Rödjan, Mariestad and Sörbyn as well as police stations in Malmö and Härryda, and an archive building in Härnösand for the Swedish National Archives. The construction of a new remand centre in Halmstad was launched during the year.

Acquisitions

No acquisitions were made during the year.

Divestments

In the first quarter, we divested the Trosa Lövsta 1:33 property, which spans approximately 9,000 sq m. In the fourth quarter, an agreement was signed for the divestment of 7,000 sq m of the Kristianstad Vå 147:3 property, with a handover scheduled for the first quarter of 2025. This property is classified as a current asset.

Properties for nearly SEK 52 billion

At year end, the estimated value amounted to SEK 51,915 million, corresponding to an increase of SEK 10.2 billion. The growth in value was mainly due to investments of SEK 5,824 million (5,522). Unrealised changes in value for the period amounted to SEK 4,486 million (decline: 188) and mainly stemmed from new and renegotiated leases, as well as lower yield requirements and index adjustments against the CPI. The cost of capital for cash flows during the contract period remained unchanged. The estimated values of Specialfastigheter's investment properties are determined by means of an internal valuation based on actual data in respect of rents and operating expenses. The internal valuation was cross-checked against an external valuation of 22 (12) objects, equivalent to 72 per cent (56) of the total value as of 31 December 2024, to assure its quality. The average remaining contract term in the rental portfolio is 13.4 years (10.5). The vacancy rate is low, standing at 1.9 per cent (2.7) at year end.

A selection of projects in progress



Large correctional facility in Trelleborg

Status: Planning
 Estimated completion date: 2031
 Area: 53,500 sq m
 Tenant: The Prison and Probation Service

The facilities will be classified as security class 2 and are expected to add more than a thousand new remand and correctional facility spaces for the Prison and Probation Service upon completion. To mitigate the perception of the facility as a large institution, the architectural design prioritises a small-scale approach, utilising natural and sustainable materials.



Central Archive in Härnösand

Status: Production
 Estimated completion date: 2025
 Area: 30,600 sq m
 Tenant: Swedish National Archives

The premises of the Central Archives are designed to ensure accessibility and long-term security. The body of the building, with a net floor area of just over 30,000 square metres, will consist of two connected structures, with the archive section rendered in concrete and the administration section in wood. Upon completion, the building will be the largest archive in Northern Europe.



Malmö police station

Status: Production
 Estimated completion date: 2026
 Area: 15,500 sq m
 Tenant: The Swedish Police

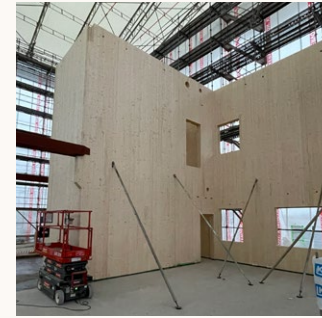
Specialfastigheter is in the process of constructing a new building for the Swedish Policy Authority in the Vintrie area of Malmö, which will accommodate some 480 employees. The aim is to establish a police building with purpose-built facilities that meet high standards for security and sustainability.



Large correctional facility in Kalmar

Status: Planning
 Estimated completion date: 2030
 Area: 36,000 sq m
 Tenant: The Prison and Probation Service

In May 2023, Specialfastigheter was awarded the contract to build a new correctional facility in Kalmar, making it one of the largest investments in our property portfolio. This construction will be implemented in phases, with operations set to begin gradually. Once completed, the facility will have the capacity for approximately 430 inmates.



Tidaholm correctional facility

Status: Project planning/Production
 Estimated completion date: 2030
 Area: 38,500 sq m
 Tenant: The Prison and Probation Service

In late 2021, the first turf was cut for the expansion of the Tidaholm class 1 correctional facility, which will more than double its current capacity, from 180 spaces to approximately 450. Within the scope of "projects in progress," 19 of the current buildings at the correctional facility will be demolished and 21 new buildings added. Most of the buildings are expected to achieve SGBC Gold certification.



Skogome correctional facility

Status: Production
 Estimated completion date: 2028
 Area: 34,000 sq m
 Tenant: The Prison and Probation Service

At the Skogome correctional facility, new construction is underway for accommodation blocks, administration buildings, ancillary buildings and infrastructure. Upon completion, the correctional facility will have the capacity to accommodate 730 inmates, an increase from the previous 202 spaces, provided that the rooms are designed for double occupancy.

Specialfastigheter's 14 largest customers

Specialfastigheter's customers conduct societally vital operations and have special security requirements for their properties.





Two correctional facilities at the same property

In the vicinity of Mariestad, one of Specialfastigheter’s numerous major property development projects is currently in progress. Two correctional facilities are under construction adjacent to one another: Rödjan, which dates back to the 1920s, and a brand new correctional facility in Mariestad.

When opened, Rödjan was one of the nation’s first open correctional facilities and the first “agricultural prison,” where inmates were employed in farming-related roles. It remains one of three agricultural correctional facilities in Sweden – alongside Sörbyn and Svartsjö – and the ongoing extensive redevelopment and expansion project includes the construction of a barn. The barn has enabled the Prison and Probation Service to train clients as qualified animal keepers, with milk production also taking place on-site.

A total of 260 new spaces at Rödjan
 Redevelopment commenced in 2018, and by the time the majority of the new premises were inaugurated in November 2024, four accommodation blocks, an administration building, a learning centre, two industrial buildings and the aforementioned barn had been constructed. In total, the construction project at Rödjan includes 260 new accommodation spaces, divided between the 212 spaces originally commissioned, and additional spaces added through double occupancy. Consequently, Rödjan has emerged as the country’s largest open correctional facility. Efforts are ongoing to finalise the project, with plans to hand over all but one of the buildings at Rödjan to the Prison and Probation Service in the second quarter of 2025.

Project manager Henrik Gustavsson underscores the significance of having a clear plan and a shared vision from inception, involving all stakeholders from contractors to tenants:
 “Effective communication is a cornerstone of construction projects. The wishes of the tenant are crucial, yet as

property owners, we also need to address our requirements to ensure manageable portfolios over time.”

Synergy effects with the same project organisation
 Concurrent with the Rödjan construction, another correctional-facility project – the Mariestad correctional facility – has been underway at the same property. This facility will have a higher security classification and will comprise three accommodation blocks, an administration building, an employment building and an industrial building. Approximately 144 clients will be housed at the new correctional facility. Handover to the tenant is scheduled for mid-2027.
 A virtually identical project organisation, comprising staff from both Specialfastigheter and the contractor, is engaged in the two construction projects, fostering beneficial synergies that result in collaboration and consensus on issues such as scheduling and procurement. Upon the completion of the new correctional facility in 2027, Specialfastigheter

will have delivered approximately 38,000 square metres NFA to the tenant, the Prison and Probation Service in Mariestad, through its property operations and property management functions.



Henrik Gustavsson, Project Manager

<p>Rödjan Security class 3 open correctional facility Tenant: The Prison and Probation Service Completion date: Q2 2026 Area: 22,800 sq m Total number of new places after redevelopment: 260 Environmental facts: Standard buildings are certified to a minimum level of SGBC Silver. An inventory of nature conservation values has led to initiatives for swallows, including the installation of birdhouses and sand beds.</p>	<p>Mariestad Security class 2 closed correctional facility Tenant: The Prison and Probation Service Completion date: Q2 2027 Area: 14,900 sq m Number of places after new construction: 144 Environmental facts: Standard buildings are certified to a minimum level of SGBC Silver. The inventory of nature conservation values has led to the removal of the tick and the lumpy/wavy silk moss from the area.</p>
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Sustainability

Sustainable properties

Specialfastigheter's operations affect, and are affected by, a range of sustainability areas throughout the properties' lifecycle, from planning and construction to management, redevelopment and demolition.



Material sustainability areas















The construction and property sector accounts for approximately 20 per cent of Sweden's GHG emissions, 34 per cent of energy consumption and 40 per cent of waste (source: Swedish National Board of Housing, Building and Planning). This highlights climate, energy and materials as priority sustainability areas. Furthermore, the sector utilises land, which impacts natural environments. Other sustainability aspects, such as the work environment, human rights in the supply chain and anti-corruption are included in Specialfastigheter's material sustainability areas. All of which are actively addressed by the company, but where focus is placed on climate, which comprises the area where the company has the largest impact.

Sustainable business

Specialfastigheter actively endeavours to reduce negative impacts while enhancing positive contributions, both within its own operations and throughout the value chain. By concentrating on areas where the company can achieve the greatest impact – those integral to its operations and customer services, and which exhibit optimal cost efficiency – the ideal conditions for scaling up sustainability solutions can be established, yielding the largest results and maximising profitability. The foundation of these sustainability initiatives is our collaborative business plan, which aims to achieve profitable, sustainable and market-leading objectives.

Specialfastigheter is a firm supporter of the UN's global development goals, particularly the 2030 Agenda for Sustainable Development, and is committed to interim targets that align with its primary sustainability areas. Since 2016, Specialfastigheter has proudly been a member of the UN Global Compact, adhering to its ten principles.

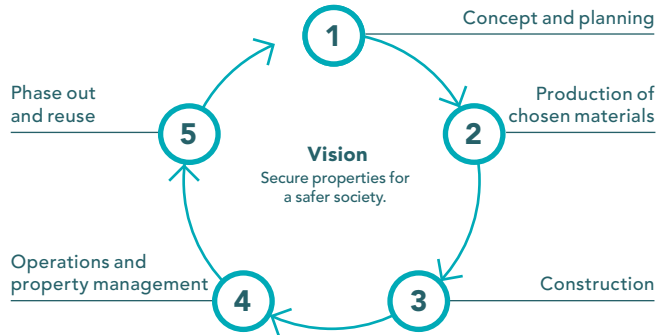
Our material sustainability areas

Climate and energy			
Materials and waste			
Biodiversity			
Water			
Work environment			
Human rights			
Anti-corruption			

Influence in our value chain

By setting clearer requirements and fostering deeper collaboration with suppliers and customers, Specialfastigheter can mitigate negative impacts throughout the supply chain. Many of the company's suppliers possess valuable knowledge and experience of processes, solutions and materials that contribute to the property's sustainability and lifecycle.

In line with due diligence and a responsible approach to supply chain management concerning environmental and human rights issues, it is important for Specialfastigheter to foster strategic partnerships and engage in dialogues with stakeholders throughout the value chain – both upstream and downstream. One major challenge is to increase our influence further down the supply chain. Collaboration with suppliers is vital in this regard.



Sustainability and influence in our value chain

1

Concept and planning

Requirements governing design, functionality and building materials are defined here.

Material sustainability matters

- GHG emissions
- Energy consumption
- Biodiversity
- Materials and chemicals
- Work environment
- Water

How we can make a difference

Collaboration with customers and suppliers, as well as setting requirements specifications at the early stage, to enable influence. Choice of materials.

● Degree of influence: High.

2

Production of materials

Extraction of raw materials, transportation, processing and manufacture in the supply chain.

- GHG emissions from extraction and production
- Resource usage
- Biodiversity when extracting raw materials
- Human rights
- Work environment
- Water

Requirements on and follow-up of the supply chain. Choice of materials and suppliers.

○ Degree of influence: Low.

3

Construction

Transportation to building sites, establishment, construction and waste.

- GHG emissions from transportation and establishment
- Waste and reuse of materials
- Biodiversity
- Human rights
- Work environment
- Anti-corruption

Project-specific sustainability targets and collaboration with other parties throughout the construction phase. Requirements on and follow-up of the supply chain.

◐ Degree of influence: Moderate.

4

Operations and property management

Use, maintenance, redevelopment and operation of the property.

- GHG emissions from energy consumption and redevelopment
- Energy optimisation
- Waste and reuse of materials
- Biodiversity
- Work environment

Collaboration with customers on green action plans and media dialogues. Requirements on and follow-up of the supply chain.

● Degree of influence: High.

5

Phase out and reuse

Dismantling, demolition and transportation of building elements for reuse, recycling or landfill.

- GHG emissions from transportation and waste product management
- Waste and reuse of materials
- Materials hazardous to health and the environment
- Human rights

Requirements for reuse and disassembly.

◐ Degree of influence: Moderate.

We have the opportunity to make a meaningful difference and serve as a role model

Emilia Hagberg took over as Specialfastigheter's Sustainability Manager in October 2024. With significant experience in sustainability projects, particularly in conjunction with urban development, land use and property issues, she is keen to play a role in furthering Specialfastigheter's progress in sustainability.

What motivated you to join Specialfastigheter as a Sustainability Manager?

"I have spent 25 years working with sustainability and urban planning from various perspectives, including commercial, municipal and at a national government level. As someone once remarked, 'we shape the buildings that shape us.' It underscores why this industry is so captivating. Specialfastigheter is currently navigating a transformative phase, with its substantial investment portfolio and ambitious sustainability targets. Incorporating the Sustainability Manager into the management group elevates the company's strategic profile. Who wouldn't want to be part of such an exciting journey?"

What are the most significant sustainability challenges faced by Specialfastigheter?

"The construction and property sectors stick out as the highest contributors to climate emissions. Emissions from materials are particularly challenging. Although we cannot resolve this issue instantaneously, we have the opportunity to effect significant change and serve as a role model for others.

As landowners, we have the opportunity to take proactive steps to enhance biodiversity, which is under threat, particularly from climate change."

"The risk of accidents at construction sites is inherent to our industry, as is workplace crime; hence, as developers, we must continually strive to address these challenges. Corporate responsibility for a sustainable supply chain has come under increasing scrutiny and, consequently, it is a key focus for us."

How do you perceive the relationship between sustainability and profitability?

"If we can merge sustainability solutions with cost efficiencies, it will yield benefits both for us and for our customers.

Enhancing material-use efficiency and energy efficiency are prime examples of this concept. The EU, and by extension Sweden, is expeditiously implementing new regulations concerning energy efficiency. By planning proactively, we can adopt these changes cost-effectively, safeguarding the value of our properties and preparing for increasingly stringent customer requirements and expectations.

Our most energy-efficient and sustainable projects can attract financing through green bonds, allowing us to secure more favourable loan conditions."

"If we can merge sustainability solutions with cost efficiencies, it will yield benefits both for us and for our customers."

The route to net-zero emissions

Given the large volume of our projects, it is critical to emphasise measures that are both cost-efficient and that result in substantial carbon savings. Sustainable construction is fundamental to achieving the company's overarching goal of net-zero emissions by 2045.

The production of materials, construction and energy consumption in the operation of properties results in considerable GHG emissions. The choice of design, materials, and the type and efficiency of the energy we select, whether related to suppliers, projects or our properties, has an impact on GHG emissions.

Specialfastigheter directly impacts the climate through GHG emissions from energy sources that the company controls, and the company engages in dialogue with energy providers regarding their climate impact while discussing energy-saving measures with customers. Specialfastigheter also has an indirect impact through emissions that occur in the supply chain, mainly linked to construction projects.

To direct our climate initiatives towards reducing carbon emissions in new construction projects, we conduct climate calculations and maintain climate budgets for all projects exceeding SEK 40 million. Specialfastigheter establishes clear environmental requirements during procurement processes and when drafting agreements, thereby creating incentives for suppliers to minimise their climate footprints. Moreover, Specialfastigheter is in the process of developing a climate roadmap, complete with targets and measures, which will be progressively implemented across the organisation.

Target, 2030

GHG emissions from scopes 1 and 2 halved¹
 GHG emissions from construction cut in half¹ per built square metre of GFA

50%

100% fossil-free purchased energy

100%

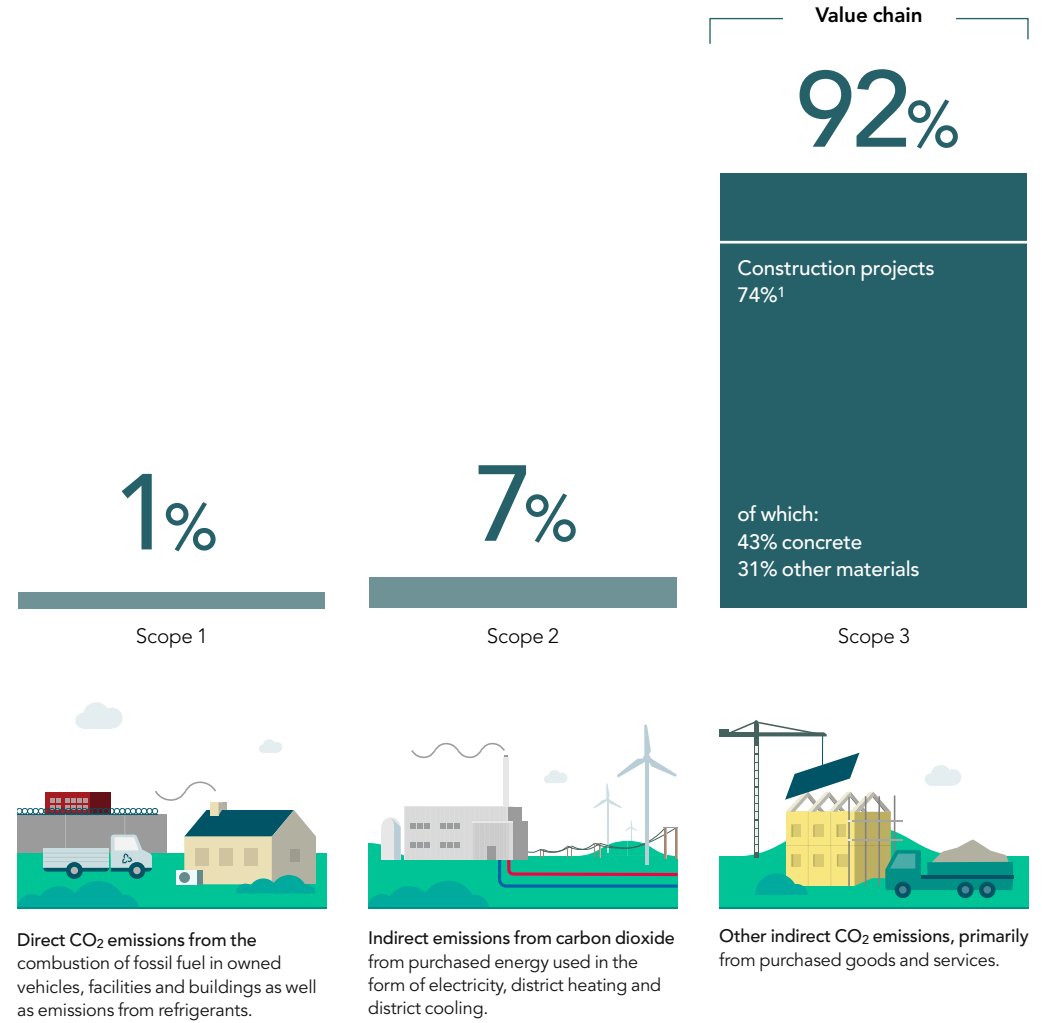
Target, 2045

Net-zero emissions throughout the value chain

0%

¹ Compared with base year 2018

Breakdown of GHG emissions



¹ Based on an analysis of Specialfastigheter's total GHG emissions performed by the consultancy Tricorona in 2020.

Sustainable construction

Specialfastigheter's climate calculations show that the materials used in construction account for most of the climate impact, with concrete and steel accounting for the highest emissions. The company's project volume has increased dramatically over the last few years with respect to redevelopment and new construction. Construction must be undertaken efficiently and customers' needs for high security, robustness and specific material choices can sometimes make it more challenging to find building solutions with a small climate footprint. In order to succeed, Specialfastigheter must develop innovative solutions jointly with customers and suppliers.

Reducing climate impact throughout the lifecycle

Specialfastigheter works methodically to reduce the negative impact on sustainability throughout the lifecycle of a building, from project development to property management. Achieving this requires climate-smart choices to be made on construction methods and materials at the early stages of projects. Significant climate improvements can be realised by influencing design and material selections, optimising energy solutions or by utilising existing premises more efficiently instead of constructing new ones. Jointly with architects, designers, planners and contractors, we explore opportunities for more space-efficient construction and design optimisation, using the right materials in the right places, ordering materials to measure and through using recycled materials.

Specialfastigheter actively engages in dialogue with external stakeholders and participates in initiatives such as the Vinnova-funded research project

BiInnovation, which investigates the feasibility of constructing secure facilities using wood.

Climate fund as a catalyst

Specialfastigheter allocates funds for sustainability initiatives primarily through the Climate Fund, which supports projects that, due to a lack of clearly defined climate criteria at their inception, encounter difficulties in achieving climate goals. Established in 2022, the Climate Fund has stimulated climate-mitigation measures in various projects. As of 31 December 2024, SEK 39 million has been disbursed from the fund.

It is estimated that these grants have contributed to a total reduction of approximately 5,626 tCO₂eq, at an average cost of around SEK 4,680 per tCO₂eq saved. Noteworthy examples of low-climate-impact materials funded include the replacement of steel frames with wooden frames, hollow decks constructed from climate-friendlier concrete, climate-friendlier asphalt, recycled steel ventilation ducts, and climate-friendlier plaster.

Climate-impact assessment of redevelopment and renovation projects

Assessing the climate impact of redevelopment and renovation projects presents challenges unlike those of new construction, due to the difficulty of comparison and the often incomplete information regarding the types and quantities of materials used. Over the past year, Specialfastigheter has enhanced a calculation tool originally developed by the City of Gothenburg and successfully completed a pilot project. The tool is now available for use.



Examples of climate initiatives in ongoing projects

- In Södertälje, the architect has planned various building functions, factoring in safety requirements and other influential elements such as vibrations and heavy loads, to maximise construction potential with a lighter frame.
- In Kalmar, the placement of buildings has been optimised to minimise the need for culverts, resulting in an estimated reduction of approximately 2.4 tCO₂eq per metre of culvert saved, and a reduction of 2.5 tCO₂eq per metre of wall saved.
- In Kalmar, building surfaces have been efficiently optimised, enabling the accommodation of functions in a smaller space than initially specified, with an emphasis on climate optimisation. This has resulted both in climate and in cost savings, with approximately 7,300 tCO₂eq saved by optimising the spaces in the original order at a correctional facility level.
- In Tidaholm, it has been feasible to design the load-bearing roof structure primarily using wood instead of steel, while maintaining the same estimated production costs. This has reduced the climate impact by approximately 26 tCO₂eq.
- Many contractors routinely utilise Stage 1 or 2 climate-friendly concrete as standard practice, which does not necessarily incur significant additional costs. Stage 1 represents a climate improvement of about 10 per cent compared with traditional concrete. For a Standard building B, this translates to a reduction of about 70 tCO₂eq, corresponding to about a 4.5 per cent decrease in the overall climate impact of the entire structure.
- In Tidaholm, the utilisation of climate-friendly rock wool in roofing elements has been achieved at no additional cost, contributing to a reduction of approximately 14 tCO₂eq in climate impact.



Most emissions occur during the construction process, underscoring the importance of climate-smart designs and material choices from the outset.

Sweden Green Building Council

All new construction and redevelopment must attain at least a Silver level certification in accordance with the SGBC's Miljöbyggnad 4.0 standard. In addition to achieving Silver at the building level, several indicators must meet Gold standards, including energy consumption, climate impact, the phasing out of hazardous substances, climate risks and ecosystem services.

By engaging in construction according to the requirements of the SGBC, Specialfastigheter can provide buildings with a good energy performance, controlled and approved materials, as well as conditions for good thermal climate, sound environment and air quality – simply put, buildings that are good to stay in, which are good for the environment. Specialfastigheter takes action to prevent, avoid and mitigate harm or other adverse effects on the environment or public health, leveraging the support of the ISO 14001 environmental management system.

Conscious choice of materials

Approximately 10 per cent of health-hazardous chemical products evaluated as (excluding cement) and about 6 per cent of environmentally hazardous chemical products in Sweden originate from the construction and property sector (source: The Swedish National Board of Housing, Building and Planning). These substances can affect both the people in the buildings and the external environment through, for example, emissions from the building materials. To ensure that Specialfastigheter creates the healthiest possible living environments and work environments, we utilise a digital environmental database, in which input materials are registered and classified. Material assessments are based on chemical properties and are organised in accordance with a rating system.

Reuse and waste reduction

To minimise waste, Specialfastigheter has established requirements limiting mixed waste to a maximum of 5 per cent, combustible waste to a maximum of 15 per cent, and landfill waste to a maximum of 5 per cent for its projects. Efforts to reduce the volume of waste in our projects include ordering materials to measure and reusing materials. Materials reuse is a crucial area of development for reducing waste, climate impact and resource utilisation. During the year, further progress was made towards achieving a more methodical approach to recycling; however, challenges persist, partly due to the still-maturing reuse market.

Biodiversity

Biodiversity is under threat throughout the world and is closely linked to climate change. As a major owner of land and forests, Specialfastigheter keeps biodiversity in mind when utilising land for new construction and redevelopment, and when managing the company's properties. Specialfastigheter is conducting inventories of nature conservation values at 57 properties deemed to be relevant, excluding city-centre properties and those without natural landscapes. All of these properties have been inventoried, and nature conservation plans are in place for 53 of them.

The nature conservation plans enable the company to preserve and enhance biodiversity across its properties. In 2024, Specialfastigheter utilised the Swedish-developed measurement tool CLIMB in a pilot project at the Hall property to evaluate its applicability in Specialfastigheter's operations. The tool is designed to calculate and produce key metrics both for positive and for negative impacts on biodiversity, particularly in connection with changes in land use. The pilot project demonstrated that CLIMB can be beneficial to the company's operations when utilised at the appropriate construction stage, and its usage is expected to expand in future construction projects.

Exemplary developer

As a developer, Specialfastigheter holds overall responsibility for ensuring that all construction, demolition, and ground works are executed in compliance with regulations, thus guaranteeing a safe work environment at the construction and operational phases.

At Specialfastigheter, our commitment to being an exemplary developer encompasses efforts to mitigate the risks of injury at construction sites and ensure the security of our supply chains.

Work environment

The construction and property sector is an accident-prone sector. This is partly because projects involve the simultaneous implementation of several different tasks by several different contractors, which requires considerable coordination. Furthermore, a large number of people are often carrying out their work at the same time, and the workforce is constantly being replaced, and the risk profile may change from day to day. The primary occupational health and safety risks we face include falls from heights, musculoskeletal injuries and accidents involving the use of various types of machinery as well as blasting and hazardous substances.

Specialfastigheter is part of the Håll nollan initiative, a membership association comprising organisations from the entire chain within construction and civil engineering, which work together to reduce the number of accidents in the industry. As a member, Specialfastigheter shares the vision that everyone who works at construction and civil engineering sites must get home safely at the end of each workday. The company proactively and methodically engages in

efforts to improve the work environment and regularly monitors project environments through, for example, worksite inspections.

Workplace crime

The deliberate violation of laws and regulations at the workplace is identified as workplace crime. This may involve contraventions related to the work environment, exploiting benefits to which one is not entitled, evading taxes and fees, or allowing individuals without work permits to be employed in Sweden.¹ There are regular reports about financial crime and illegal labour within the construction industry. Specialfastigheter works proactively to prevent the exploitation of individuals, ensuring that companies can compete on equitable terms, and safeguarding tax revenue from being allocated to ineligible enterprises. Specialfastigheter conducts specific checks of all contracted suppliers in terms of their finances and company structure, and whether there are any legal judgments linked to the company or to individuals in the company's management.

In 2024, we initiated an internal project aimed at establishing a more systematic approach to combatting workplace crime. This involved sharing experiences with framework-agreement contractors and other property companies as well as collaborating



¹ Source: <https://www.av.se/arbetsmiljoarbete-och-inspektioner/arbetslivskriminalitet>



with specialists focused on detecting workplace crime in the construction industry. In the next few years, our efforts to address workplace crime will be intensified through an improved understanding of the risks, clearer requirements for suppliers and subcontractors, industry collaborations, increased monitoring and follow-up by both the company and by third parties, and extensive training and information campaigns at construction sites.

Human rights

In the construction and property sector, there are risks of human rights breaches linked to complex global supply chains for building and construction materials, and to construction sites here in Sweden, where it can be difficult to check that these rights are respected. Specialfastigheter's Supplier Code of Conduct includes clear requirements related to collective

agreements, discrimination, freedom of association, child labour and forced labour. In 2024, compliance with this code was primarily evaluated through dialogues with suppliers.

The foundation for safety is laid at the construction phase

The greatest challenge in building secure facilities is the complexity of making all aspects of security work together in the properties, while trying to stay one step ahead of those who would want to exploit any security deficiencies. In many cases, construction is also conducted alongside ongoing operations at the property. The foundation is laid for a property to be secure as early as during the construction stage, which means that everyone who is involved in construction projects needs to understand the importance of adhering to existing plans and instructions. Consultants and con-

tractors who will be working with Specialfastigheter's projects are required to undergo various security assessments before they are engaged, and they are trained in the relevant security procedures. Fostering awareness, interest, and commitment to safety issues is a priority for Specialfastigheter, as is the necessity for protective measures aimed at minimising risks.

Focusing on anti-corruption

Preventing and counteracting corruption in all its forms is crucial for the trust of Specialfastigheter's customers, suppliers and other stakeholders. To manage corruption risks, Specialfastigheter has a series of governing documents, including a Code of Conduct for employees. The Code of Conduct stipulates that the company must adhere to the principles of the UN Global Compact, the 2030 Agenda for Sustainable Development, the UN Guiding Principles on Business and Human Rights, the ILO Core Conventions and the OECD Guidelines for Multinational Enterprises. Any suspected irregularities can be reported through Specialfastigheter's incident-reporting system or through an externally accessible whistle-blower function. In response to the increased project volume, Specialfastigheter has accelerated its anti-corruption work. The risk analysis, which was initiated in late 2023 and completed in 2024, has established a solid foundation for enhancing preventative measures and clarifying internal governance documents and processes. Significant deviations, critical incidents, and issues linked to sustainability efforts and the Code of Conduct are reported to the Board as they arise. Over the past year, no material non-conformities or critical incidents were presented to the Board.

Strategic purchasing is crucial to sustainability efforts

For the effective, qualitative and sustainable delivery of our large volume of projects, it is essential to have a well-organised and strategically aligned

purchasing programme in place. Specialfastigheter has a purchasing unit that is responsible for strategic purchasing and which supports other operations with procurement and the signing of agreements. Utilising framework-agreement suppliers within various purchasing areas, the company creates supplier structures for each category. This is conducive to efficient collaborations with experience feedback and skills development between the parties, which leads to improved continuity and quality in our deliveries. This also creates conditions conducive to efficient sustainability work in the supply chain. To minimise supplier-related risks, we maintain an ongoing dialogue with first line suppliers. Specialfastigheter checks, sets requirements for suppliers and follows up on them through a documented purchasing process. In addition to general and product-specific requirements regarding financials, environment, work environment and safety that are set when signing contracts, signing the Specialfastigheter's Code of Conduct is mandatory for all agreements.

Supply chain facts

- Highest purchasing volume (measured in SEK) in the areas of construction contracts, specialist skills and energy.
- About 1,052 suppliers in 2024 (1,170 suppliers in 2023, 950 suppliers in 2021, 1,600 suppliers in 2013 and 2,000 suppliers in 2008).
- Total purchasing value in 2024: SEK 6,674 million (SEK 6,959 million in 2023).
- The majority of suppliers are domiciled in Sweden
- Approximately 90 per cent of our purchasing is covered by our Supplier Code of Conduct.

Committed and motivated employees

Specialfastigheter is in the midst of a change journey. This affects the company as a whole and imposes new and changed requirements on skills, staffing, work methods and procedures.

Employees are our main ambassadors

The geographical distribution of our properties in more than 60 municipalities requires expertise and good leadership, a clear and unanimous vision, and committed employees with clearly demarcated responsibilities and assignments. This geography also entails extensive efforts to spread knowledge by drumming in our work method, values and positive examples. To ensure that all new employees understand the company as a whole and are well-equipped to succeed in their roles, we have implemented a comprehensive induction programme. The company's focus on security, as well as its long-term and strategic sustainability work, appeals to both existing and future employees.

Major growth requires additional resources

Specialfastigheter is constantly developing its operations and existing property holdings. Given the substantial volume of investments, there is a pressing need for additional resources and strengthened skills across several areas. The company has grown from 258 to 298 employees and a total of 63 new individuals commenced work during the year. This necessitates a significant recruitment effort.

Achieving our goals also hinges on effective leadership. All managers undergo a combination of customised programmes and career-development strategies. Specialfastigheter invests heavily in skills development and learning within the organisation.

It is also important to have the right employees in the right positions – individuals who contribute with their expertise, while having access to opportunities to develop together with the company. To attract the right talent, we prioritise diversity and equal treatment as essential areas that foster equal conditions for all employees regarding work, employment and working conditions, as well as opportunities for development within the company.

Attractive employer

The considerable investment volume has resulted in new career opportunities and interesting assignments. An annual employee survey is conducted to have a closer look at how employees experience their work from various perspectives and to gauge Specialfastigheter's attractiveness as an employer. The survey includes questions about job satisfaction, leadership, collaboration and health. The findings from the annual survey are integrated into the business plan. One of our objectives was to improve the Motivated Employee Index (MMI), which we successfully achieved this year, with the key metric increasing from 4.0 to 4.1 this year. We also surveyed the employee Net Promoter Score (eNPS), which indicates the company's attractiveness as an employer. In this year's survey, the eNPS rose from 16 to 24 – a commendable value in which the company takes pride. These surveys confirm that our initiatives to motivate and engage employees have been fruitful.

The construction and property sector has a relatively high proportion of injuries and accidents, and as a responsible company in the sector, the work environment is taken very seriously. Read more about the work environment and risks on page 101. All employees are offered extensive healthcare insurance and a benefits package that includes a wellness contribution, among other things. We conduct work environment inspections regularly, hold appraisals, and have a work environment committee that ensures we continuously maintain a dialogue and make improvements. In 2024, as mentioned on page 32, we intensified our focus on the work environment, particularly emphasising

our responsibilities as a developer. This includes the development of new processes and a digital training programme. Further details can be found on page 101.

Employee well-being has long been a key priority, and Specialfastigheter has an absenteeism rate that is relatively low historically, at 1.73 per cent (2.09). This can be attributed to our proactive approach to health promotion activities. It is gratifying that the area of health and work-life balance in this year's employee survey has improved slightly (from 3.6 to 3.7), but it remains an area that the company needs to work further on improving.

Employee facts

- During the year, the number of female managers increased to 49 per cent (47). On the Board, 58 per cent (50) were women, while in management that figure was 90 per cent (86). The total percentage of women in the company was 36.6 per cent (34.5) at year end.
- Employee turnover was 7.9 per cent (12.0).
- Specialfastigheter has 298 (258) employees distributed across six local offices in Linköping, Stockholm, Sundsvall, Örebro, Gothenburg and Lund.
- The geographical spread is large. Our properties are located in more than 60 municipalities and the company's service technicians work at these properties on a daily basis.
- The eNPS (employee Net Promoter Score) for 2024 rose to 24 (16).





Administration Report

Administration Report

The Board of Directors and the Chief Executive Officer of Specialfastigheter Sverige Aktiebolag, company registration number 556537-5945, hereby present the annual accounts for the Group and the Parent Company for 2024.

The Parent Company is called Specialfastigheter Sverige Aktiebolag (company registration number 556537-5945) and its registered office is in Linköping. Specialfastigheter has a joint head office with offices located in Linköping at the following visiting address: Gamla Tanneforsvägen 92, SE-582 54 Linköping and in Stockholm, with the visiting address: Torsgatan 21, SE-102 32 Stockholm.

The annual accounts and consolidated accounts were approved by the Board for publication on 13 March 2025 and will be submitted to the Annual General Meeting for adoption on 28 April 2025.

Activities and assignments

Specialfastigheter is to own, develop and manage functional properties in Sweden, with a focus on customers with special security requirements, and to pursue related business activities. Operations are to be conducted on a commercial basis and generate market returns by means of a rent setting that takes into account operational risks.

Market and market developments

The demand for secure facilities is high and is largely driven by the development of society, where the entire law enforcement chain has received increased resources to cope with increased criminality. Specialfastigheter's customers, such as the Swedish Prison and Probation Service and the Swedish National Board of Institutional Care (SIS), have a considerable need for spaces, which is resulting in major demand for new builds, redevelop-

ments and extensions throughout the country. Other customer groups, such as the Police, are also requesting secure facilities.

Operations during the year

Rental income amounted to SEK 3,042 million (2,650). The increase was primarily due to the completion of several projects during the year. Profit from property management totalled SEK 1,713 million (1,624). The target is for the equity/assets ratio to be 25–40 per cent; this year it landed at 34.5 per cent. Adjusted return on operating capital was 5.3 per cent – we thereby achieved the owner's target of at least 5.0 per cent over time. Specialfastigheter has a large number of new construction, redevelopment and extension projects in the planning and production phase, where the approved investment volume amounted to approximately SEK 32 billion at year end. The invested volume in 2024 was SEK 5,818 million (5,522). Several projects were during the year, including the remand centre in Berga (Helsingborg), the women's prison Sagsjön, and the correctional facilities in Rödjan, Kumla, Skogome, Sörbyn and Tidaholm, for the Prison and Probation Service as well as several new buildings for schools, accommodation and kitchens that were handed over to the Swedish National Board of Institutional Care. Looking ahead, the Swedish government has approved the Swedish Police's lease of the station in Borås, and the Prison and Probation Service's leases pertaining to capacity enhancements at several correctional facilities, such as Skogome, Österåker and

Sörbyn; alongside new and renegotiated leases for correctional facilities such as Saltvik and Kumla, and the remand centre in Huddinge. In 2024, Specialfastigheter's management group was reinforced with a Chief Operating Officer, Project Development Manager and Sustainability Manager. In conjunction with the company's revised green framework, we issued two green bonds totalling SEK 1.75 billion. For more information on activities during the year, see pages 55 and 56.

Property holdings

Specialfastigheter owns and manages property holdings comprising 176 (177) properties divided across 104 (103) management units (MUs). Our property holdings comprise approximately 1.2 million square metres of floor space. These properties are located in just over 60 municipalities across the country. The average remaining contract term in the rental portfolio is 13.4 years (10.5).

Notable events after the balance-sheet date

For an update on post-balance-sheet date events regarding the bankruptcy of Serneke Sverige AB and the divestment of seven properties to Fortifikationsverket for a purchase price of SEK 8,230 million, see Note 23, Group, and Note 26, Parent Company.

Property valuation

The market value of Specialfastigheter's investment properties increased during the year and amounted to SEK 51,915 million (41,740) at year end. The growth in value was mainly due to investments of SEK 5,818 million (5,522). The unrealised changes in value recognised for the period amounted to a SEK 4,486 million (negative: 188). The estimated values were determined by means of an internal valuation based on actual lease income and operating expenses data. Information concerning cost of capital, required yield and current market rents is cross-checked with external appraisers. To assure the quality of the internal evaluation, it was cross-checked against an external evaluation of 22 (12) objects,

equivalent to 72 per cent (56) of the total value on 31 December 2024. The difference between external and internal valuations was 0.6 per cent (0.3), where Specialfastigheter's valuation is the lower figure.

Financing

Information about Specialfastigheter's financing can be found in the next section, Financial Management. Refer to page 41 for a sensitivity analysis on earnings.

Sustainability Report

Specialfastigheter develops and manages properties that must be sustainable from a social, economic and environmental perspective, and the company is to be a role model in sustainability. Specialfastigheter creates safe and sustainable values for customers, investors, owners, suppliers, employees and society, and the company is aware that its properties and operations have an impact on society and the climate. The statutory Sustainability Report pursuant to the Annual Accounts Act can be found in this Annual Report on pages 1, 13, 26–34, 92–104 and 111.

The Sustainability Report is issued for the Group and Parent Company, and its scope is presented in the GRI list of contents on pages 106–110.

Reporting pursuant to the CSRD and Taxonomy reporting

The Corporate Sustainability Reporting Directive (CSRD) and the accompanying European Sustainability Reporting Standards (ESRS) will have a major impact on the company's annual and sustainability reporting. Specialfastigheter will be subject to the CSRD as of the 2025 financial year. The company has begun to adapt to the new regulations by conducting a double materiality assessment, among other measures.

Specialfastigheter will be subject to the EU Taxonomy Regulation as of the 2025 financial year; however, the company has chosen to report on its compliance within this report, as detailed on page 105.

Employees

With a large and growing project volume comes the need to ensure resource allocation, to ensure that the company has the competence and capacity to perform its assignment. Specialfastigheter works proactively with skills sourcing and on being an attractive employer. Special information about employees, salaries and remuneration are disclosed in Note 7.

Future

Specialfastigheter is in a strong growth phase that is expected to continue for several years. New establishments are under way in new and existing locations where we have operations. As the company expands, it remains dedicated to actively ensuring that it meets its sustainability goals, as well as its targets on yields and the equity/assets ratio, and that it delivers good quality to customers.

Dividend and profit distribution

To sustain its financial capacity and address the demands placed on the Group's and the Parent Company's equity by the nature, scope, investment requirements and risks of the business, the Board proposes that no dividend be distributed for 2024.

Available profits of SEK 1,257,626,726 will be carried forward. See page 58, Consolidated changes in equity.

Non-restricted equity, Parent Company:

Retained earnings	SEK 1,118,345,747
Net profit for the year	SEK 139,280,979
Total	SEK 1,257,626,726

The Board proposes that the earnings be appropriated as follows:

Dividend payable to the shareholder	SEK 0
To be carried forward	SEK 1,257,626,726
Total	SEK 1,257,626,726

Financial management

Growing property company with high credit ratings

Specialfastigheter is a company that operates in the property sector and enjoys a stable financial position and an extremely low credit risk. The company monitors economic trends carefully to safeguard its position moving forward.

Specialfastigheter is owned by the Swedish state and finances operations through borrowing, primarily in the Swedish capital market, through bond and commercial paper programmes. Borrowing is conducted without pledging properties as collateral. The loan agreements include ownership clauses that reinforce the lenders' position, by entitling them to call in a loan early if the state's ownership level falls below 100 per cent.

Specialfastigheter's financial operations

Trends in the financial market have a significant impact on the company's borrowing costs. Financial management must reflect and support the operations' business objectives. Specialfastigheter's financial risks are to be limited, while active financial management is to ensure access to requisite financing at reasonable costs. This is achieved by identifying risks and managing them within set frameworks. Financing risk is reduced by spreading loan-to-maturity periods over different years, and via loan commitments and investments in covered bonds, which include maturing commercial paper and bonds for the years immediately ahead. The volume of unutilised loan commitments and overdrafts as of 31 December amounted to SEK 8,750 million.

Commercial paper and bond programmes

Specialfastigheter has had a commercial paper programme in the Swedish market since 1999 with a limit of SEK 5 billion. A total of SEK 1.2 billion of the programme had been utilised on 31 December 2024.

The company issues bonds denominated in SEK in the Swedish capital market, or in EUR under an MTN programme with a maturity of one year or longer. The programme has a total limit of SEK 35 billion or equivalent value in EUR. A total of SEK 28 billion had been utilised at year end.

The past year

In 2024, interest-bearing liabilities rose SEK 4.9 billion, primarily due to a higher investment volume. At year end, the loan-to-maturity period was 5.4 years (5.7, taking into account unutilised loan commitments, and the fixed-interest period was 3.6 years (3.7). The level of corporate bond issues increased, while the volume in the commercial paper market has declined.

During the year, Specialfastigheter invested SEK 3,500 million in Swedish covered bonds and used these when needed, as collateral for bank loans in the repo market. Access to several facilities means we have the ability to utilise the most advantageous ones at any time.

The company issued 15 bonds during the year, including two green bonds. In the autumn, Specialfastigheter updated its green framework, facilitating the continued issuance of green bonds. In November, Specialfastigheter issued two green bonds totalling SEK 1,750 million to finance the construction of a new building for the Swedish National Archives near

Härnösand, and an extension of the Tidaholm correctional facility for the Prison and Probation Service.

One of the bonds has a volume of SEK 750 million, with a maturity of five years and a fixed annual interest rate of 2.743 per cent, while the other bond has a volume of SEK 1 billion, with a maturity of seven years and an interest rate of 2.91 per cent.

During the year, the proportion of bonds has increased due to the issue of corporate bonds with a maturity of approximately five years, whereas the proportion of commercial papers with a maturity of three months has decreased. This entails a somewhat reduced loan-to-maturity period compared with previous years. The fixed interest period remains unchanged from the preceding years.

Recognised net financial items amounted to an expense of SEK 578 million (expense: 328). Changes in derivative values and currency changes in investments amounted to negative SEK 117 million (negative: 140).

Outlook for 2025

Specialfastigheter's external debt financing is expected to increase over the coming years as a result of the planned increase in project volume. Most of this financing will take place through the issue of corporate bonds in Swedish and foreign capital markets. Our aim is to increase the volume of green bonds. During ongoing projects, the interest expense is capitalised to the investment, but due to increased liabilities and a higher average interest rate, the recognised net financial items will probably increase in the next few years.

Balanced risk-taking

All business operations entail risks that can impact the company’s activities, costs and earnings. Balanced risk-taking promotes long-term value creation that considers both the opportunities and the risks. Identifying, analysing, managing and following up on risks are therefore priority issues that are managed on a continuous basis in our operations.

Area	Risk	Risk level	Change
Operative risks	1. Loss of confidential information	● Moderate	↘
	2. Occupational health and safety	● Low	↘
	3. Inadequate preparedness in the event of a crisis or severe disruption	● Moderate	New
	4. Inadequate energy performance	● Moderate	New
Strategic risks	5. Inadequate or non-secure digital transformation	● Moderate	→
	6. Our credibility in question	● Moderate	↘
	7. Skills and staffing shortage	● Low	↘
	8. Changes in property values	● Moderate	→
	9. Climate impact	● Moderate	→
	10. Inadequate adaptation of the operations to the impacts of climate change	● Moderate	New
	11. Project delivery failure	● Moderate	↘
	12. Irregularities in the supply chain regarding labour conditions and the work environment, anticorruption, the environment or quality	● Moderate	↘
	13. Political risk – political decisions change the conditions of the business	● Moderate	→
Financial risks	14. Financing risk	● Moderate	→
	15. Interest-rate risk	● Low	↘
	16. Credit and counterparty risk	● Low	→
Compliance risks	17. Deficiencies in property owner responsibilities	● Moderate	→

Process for managing risks



Systematic and effective risk management can create new business opportunities for the company. However, there are also risks that, if not managed correctly, can jeopardise creditworthiness, credibility and competitiveness, and result in negative consequences for the company’s stakeholders and operating environment.

Systematic risk analysis is performed in all critical processes, guided by the international risk-management standard, ISO 31000:2018. Company-wide risks are determined on the basis of the company’s overall mission, objectives and business, as well as on the long and short-term development goals adopted by the business plan. In the company-wide risk analysis, risks are analysed in terms of the consequences they may have for Specialfastigheter, and the consequences the risks may cause to our stakeholders and the operating environment in general. The company-wide risk analyses, including mitigation measures, combined with the company’s other risk analyses, form the basis for annual action plans for internal control and operational audits. Risks are not static but variable. The Annual Report and Sustainability Report provide an account of the risks currently deemed to be of the greatest significance to our stakeholders.

For each identified risk, an assessment is made of the likelihood and consequence of the risk, which is then weighted together to produce an overall risk value. If necessary, mitigating measures are developed. The company-wide risks are categorised based on four risk areas (business-related, financial,

operative and compliance) and also based on a number of prioritised risk categories, including security, environment and work environment. The Board of Directors monitors the work on the main risks and the internal control plan on an annual basis. The Board of Directors also monitors incident management and any ongoing disputes. Specific risk analyses are conducted for larger projects.

Changes in risks, 2024

Specialfastigheter reports on a total of 17 enterprise-wide risks. As in the preceding year, the focus of the management’s risk work is on the considerable increases in project volume. Specialfastigheter needs to ensure that the organisation can deliver in accordance with signed and future agreements. Several of the identified risks are therefore connected to these deliveries. This includes risks connected to financing, skills and staffing, security, sustainability and risks linked to the company’s suppliers.

Specialfastigheter is reporting on three new risks. Two of these replace the previous risk, *Financial injury attributable to climate change: Inadequate adaptation of the operations to the impacts of climate change and Inadequate energy performance*. In light of heightened global and national security threats, along with the increasing digitalisation of society, we are also reporting a crisis preparedness risk: *Inadequate preparedness in the event of a crisis or severe disruption*.

Operative risks

These are risks that impact our operating activities.

Risk	Management and checks	Risk level
1 Loss of confidential information	To safeguard our information assets and those of our customers, we operate under a certified information-security management system in accordance with ISO/IEC 27001:2022. Information security training is mandatory for all staff. We analyse and assess threats and vulnerabilities, continuously enhancing protective measures for our IT environment. We work preventively to reduce the risk of insider crime through measures including diligent recruitment processes, procedures for employee security vetting and continuous improvement efforts.	 Moderate
2 Occupational health and safety	As a responsible employer, we work systematically and proactively to manage the work environment and health, guided by ISO 45001:2023. Our initiatives include conducting risk analyses and offering training for various staff members on an ongoing basis. We strive to foster an open working climate where our values are embedded in our activities. We often operate in risk environments and therefore work preventively with managing threats and violence, and we also collaborate with customers on numerous issues.	 Low
3 Inadequate preparedness in the event of a crisis or severe disruption	Risk analyses are conducted to identify critical assets both within core operations and within support activities. Planning to ensure redundancy, alternative work methods, or other preventive or corrective measures are developed based on the requirements and conditions of the relevant activities, adhering to our enterprise-wide guidelines on continuity planning. We are augmenting and strengthening staffing within our crisis management organisation, while ensuring engagement in training and exercises.	 Moderate
4 Inadequate energy performance	Work is ongoing to develop new and enhanced energy targets, along with action plans that align with the latest EU directives pertaining to energy efficiency and performance. We have also commenced an analysis and launched an activity plan aimed at improving energy efficiency in our existing buildings. The GreenView system, equipped with quality-assured media monitoring, allows us to obtain more accurate measurements of energy consumption within our properties.	 Moderate

Strategic risks

Strategic risks are attributable to events within our operating environment, among our customers and suppliers that impact the property market, and the company and its operations.

Risk	Management and checks	Risk level
5 Inadequate or non-secure digital transformation	Digitalisation strengthens our business through, for example, improved customer service, product development and resource optimisation. IT security is always a crucial parameter involved these efforts. Our digitalisation strategy is integrated with our overarching corporate strategy, and includes several activities designed to ensure that we are and will remain an attractive employer.	 Moderate
6 Our credibility in question	The property sector entails risks as it involves major investments and complex transactions with many parties involved. Our values and Code of Conduct guide our operations. We work proactively to develop employeeship. We have governing documents that include lifecycle management and a supplier code of conduct. Purchases are made through our purchasing system and we comply with the Swedish Public Procurement Act. We have an anti-corruption action plan in place that is supported by training programmes. A whistle-blower system and an incident reporting system are in place for detecting irregularities. We have guidelines in place for addressing insider and infiltration threats. We have established a legal monitoring system to ensure that new or revised regulations for property owners and developers are taken into account in our internal processes.	 Moderate
7 Skills and staffing shortage	Resource dimensioning is prioritised in our growing company. Skills and staffing are secured by developing our approach to recruiting, inducting, developing, engaging and retaining employees. This includes external resources. We have succession planning for critical resources. We develop our corporate culture within the framework of our core values. To enhance our appeal as an employer, we focus on developing our employer branding. Strategic partnerships with contractors and suppliers allow us to grow and benefit from shared expertise. We monitor the operating environment proactively in order to follow trends in the labour market and more.	 Low
8 Changes in property values	Specialfastigheter's property portfolio consists of critical public-sector properties, with government authorities as the main customers. Long-term leases provide stable cash flows and minimise vacancy risk. Our portfolio is spread across Sweden, predominantly concentrated in areas experiencing population and economic growth. The Board has adopted a valuation policy to guide the valuation efforts of Specialfastigheter. Ongoing market analyses and assessments of the property portfolio's value are conducted, with market valuations performed on a quarterly basis. Market values are determined through a combination of external valuations and our internal calculation models.	 Moderate
9 Climate impact	The company is committed to science-based emission targets for Scope 1 and Scope 2 emissions. Our work towards these targets is integrated within our business and operational planning framework, guided by our ISO-certified environmental management system. Climate calculations are based on defined baselines, and a climate budget is established for all projects exceeding SEK 40 million. We impose clear environmental requirements during procurement processes and when drafting agreements, creating incentives for our suppliers to minimise their climate footprints. A climate roadmap, outlining targets and actions, is currently being developed and will be progressively implemented across the organisation. We work with inventories of nature conservation values and nature conservation plans. Materials are selected based on their environmental and health implications, and an environmental database records all materials used in our buildings.	 Moderate

Strategic risks, Cont.

Risk	Management and checks	Risk level
10 Inadequate adaptation of the operations to the impacts of climate change	We have identified climate-related risks and opportunities throughout our property holdings and conducted climate-risk assessments of our priority properties and the financial impact on them. These climate risk assessments serve as a foundation for our vulnerability and cost-benefit analyses. Climate adaptation measures are planned and implemented within the property organisation. We are also exploring methods for financially calculating and managing potential costs associated with the introduction of climate taxes. Moving forward, climate risk analyses will be included as part of our investment decisions.	Moderate
11 Project delivery failure	We conduct our work methodically, based on our project process, which we also develop continuously. Risk assessment is conducted in all major projects. Project reviews within the framework of a clear interaction structure ensure good governance and follow-up of the projects, and solidly anchor our work with purchasers. Active project cost control limits production-cost risks in relation to the contractor and through contracts in relation to the tenant. We are clarifying our work methods and strengthening our resources in relation to faults and service during the warranty and liability period (aftermarket).	Moderate
12 Irregularities in the supply chain regarding labour conditions and the work environment, anticorruption, the environment or quality.	Human rights and anticorruption are material sustainability areas for the company. The company has established an internal Supplier Code of Conduct, as well as guidelines and processes for procurement. Work is ongoing to further advance our monitoring of the Code of Conduct. We also offer a whistle-blower function for use by the staff, suppliers and other external stakeholders. We maintain dialogues with our contracted suppliers and set requirements on procurements. If necessary, we develop compliance requirements and control mechanisms, including potential sanctions for non-compliance. New IT-support functions and updated processes ensure that procurement requirements are managed consistently throughout the company. We are creating a developer-responsibility function, focused on compiling issues related to requirements, control and follow-up. Additionally, we have initiated efforts to establish methodical procedures regarding due diligence.	Moderate
13 Political risk – political decisions change the conditions of the business	The company continuously monitors and analyses the operating environment to stay up-to-date on our understanding risks and opportunities. We also maintain an ongoing dialogue with our owner, tenants and other stakeholders to obtain their views on how policies and changes in laws and regulations affect us. Our legislative monitoring process, coupled with defined roles, ensures that we systematically address emerging and evolving laws, ordinances and regulations that require our attention.	Moderate

Financial risks

Specialfastigheter is exposed to different kinds of financial risk in its operations, including through fluctuations in profits and cash flow as a result of changes in interest rates, financing, credit and counterparty risks, market valuations, electricity prices and risks associated with reporting, taxes and fees.

Our financial policy for managing financial risks has been approved by the Board and forms a framework of guidelines and rules in the form of risk mandates and limits for financial operations. The overall objective is to provide cost-effective funding with minimal risk.

Risk	Management and checks	Risk level
14 Financing risk	Specialfastigheter benefits from a diversified funding structure, a well-balanced distribution of loan maturities, and extended loan-to-maturity periods. The majority of our financing takes place in the Swedish capital market. We work actively in green financing to ensure sustainable property holdings. The company adheres to a financial policy designed to delineate its risk limitations and clarify the division of responsibilities. Our AA+ rating ensures good access to financing.	Moderate
15 Interest-rate risk	To mitigate interest-rate risk, Specialfastigheter issues fixed-rate bonds or utilises interest-rate derivatives to extend floating-rate loans with varying maturities. The proportion of interest-rate maturities within 12 months is limited to a maximum of 70% of the net loan portfolio. The average term for fixed interest rates is required to be no less than one year, with long-term borrowings exceeding 12 years capped at 20% of gross debt. To mitigate the risk of exchange-rate losses associated with purchased covered bonds, the company has instituted a limited investment volume.	Low
16 Credit and counterparty risk	Specialfastigheter conducts financial transactions exclusively with counterparties that possess high credit ratings. Derivatives are exclusively traded with bank counterparties rated BBB+ or higher. Any surplus liquidity is strictly invested in covered bonds.	Low

Compliance risks

Compliance risks pertain to our adherence to statutes and regulations, and our responsiveness to their proposed amendments, particularly those affecting our responsibilities as a property owner and developer, such as the Work Environment Act, the Environmental Code, and the Planning and Building Act.

Risk	Management and checks	Risk level
17 Deficiencies in property owner responsibilities	We have developed our IT support for operational planning to ensure that all statutory controls and regulations can be effectively monitored, and to ensure that we meet our responsibilities as a property owner in other regards. We are assessing the need for measures to ensure that we fulfil our responsibilities as a property owner when planning changes in the use of our premises.	Moderate

Sensitivity analysis

When performing risk analyses, it is important to conduct sensitivity analyses based on various scenarios to see which of them have the greatest impact on income, should they occur. In our own sensitivity analysis, we noted that the cost of capital and the yield in terms of property valuations have the greatest impact on our earnings.

Variable	Change	Annualised earnings impact, SEK million	
		2024	2023
Rental income	+/-1%	24.3	22.3
Property operations and utilities excl. electricity	+/-1%	8.3	7.2
Maintenance expenses ¹	+/-1%	3.6	3.4
Interest	+/-1 percentage point	71.4	58.6
Market rates, derivative instruments ²	+/-1 percentage point	11.5	37.5
Price change, purchased covered bonds ³	+/-1 percentage point	97.2	87.1
Cost of capital ⁴	+0.5 percentage points	-1,335	-412
Cost of capital ⁴	-0.5 percentage points	1,437	425
Yield ⁴	+0.5 percentage points	-2,515	-990
Yield ⁴	-0.5 percentage points	3,172	1,106

¹ Includes capitalised maintenance expenses according to IFRS

² Impact on earnings relates to the change in value of derivative instruments.

³ The impact on earnings relates to momentary changes in deposited covered bonds as of 31 December 2024 with a nominal value of SEK 3,500 million.

⁴ Impact on earnings relates to change in value of investment properties. The change percentage has been adjusted upwards from 0.25% to 0.5% for 2024 due to higher volatility in the property market in recent years and a clearer comparison within the property sector.





Corporate governance

Message from the Chairman

Growth and stability

In an uncertain and turbulent market environment, the demand for robust, secure facilities has remained high. Specialfastigheter's vision – secure properties for a safer society – continues to hold significant relevance.



With its distinctive security expertise, Specialfastigheter has effectively addressed the evolving needs of its customers through the robust development of its property portfolio, thereby solidifying its position as a market leader in the secure facilities segment. The strategic initiatives undertaken during the past year will support the company's trajectory towards stable and long-term development.

Sustainable and efficient financing

Growth requires capital. One of the Board's paramount objectives over the past year has been to ensure that favourable conditions are in place to facilitate stable and efficient financing for the company. Historically, Specialfastigheter has always maintained a remarkably high credit rating, due to the limited risk of its operations. Sustained low financing costs are vital for preserving profitability, particularly given the significant and expanding loan volume. Therefore, we are pleased to note that the company remains an attractive proposition in the capital market; with a sustained high credit rating, Specialfastigheter continues to finance its operations through commercial paper and bonds.

Specialfastigheter should be exemplary in sustainability. With an extensive investment portfolio in construction projects – a sector that responsible for a substantial share of climate emissions – reducing GHG emissions is a formidable challenge. To tackle this issue, numerous initiatives and collaborations are underway within the company including climate assessments and monitoring in the context of projects, with the aim of minimising environmental impacts. Optimal results are achieved when sustainability solutions result in cost efficiencies, thereby facilitating access to green financing for our properties.

The Board is also actively overseeing Specialfastigheter's preparatory work for future CSRD reporting by ensuring that sustainability is embedded within the company's strategy, that regulatory compliance is upheld and that ESG risks and opportunities are duly considered. In the long term, CSRD will strengthen the company's competitiveness and foster greater trust among stakeholders.

Conditions for continued value creation

Specialfastigheter is a company that is undergoing transformation. Skills, resources, organisation and

“Good conditions are in place for ongoing successful and value-generating efforts that satisfy our owner and employees.”

work methods are subject to review and development. The number of employees has also increased during the year, and their effective onboarding is critical to the company's success. Specialfastigheter's annual employee survey indicates notable improvements in commitment, motivation and pride – good conditions are in place for ongoing successful and value-generating efforts that satisfy our owner and employees. The Board's governance is based on the State Ownership Policy and the Swedish Corporate Governance Code. A Board evaluation is carried out annually to evaluate and develop efficient ways of working. This year's evaluation indicates a well-functioning Board composed of committed and competent members.

Eva Landén
Chairman of the Board

Corporate Governance Report

Specialfastigheter Sverige AB (Specialfastigheter) is a Swedish limited liability company wholly owned by the Swedish state. The owner governs Specialfastigheter through the General Meeting of shareholders and the Board of Directors in accordance with the Swedish Companies Act, the Articles of Association (available in their entirety on Specialfastigheter’s website), the State Ownership Policy and principles for state-owned enterprises (the ownership policy) and other guidelines adopted by the government (www.regeringen.se).

As stipulated by the State Ownership Policy, Specialfastigheter follows the Swedish Corporate Governance Code, (the “Code”), (www.bolagsstyrning.se), and its “comply or explain” principle. Specialfastigheter deviates from the Code as follows:

- The owner’s guidelines mean that the Code rules concerning the preparation of decisions on the nomination of Board members and auditors are replaced by a special process for state-owned companies.
- The independence of the members of the Board in relation to the state as a major shareholder is only reported in relevant listed companies.
- According to the Code, the CEO may be a member of the Board but not its Chairman. The government considers it important to separate the Board’s and the CEO’s roles. Accordingly, the CEO may not be a member of the Board.
- Specialfastigheter has no internal audit function independent from management as described under rule 7.3 of the Code. When audit requirements are identified by the Board, these are procured externally from independent auditors.

The principal reason for these deviations from the Code is that Specialfastigheter has only one owner, while the Code is mainly aimed at listed companies with dispersed ownership.

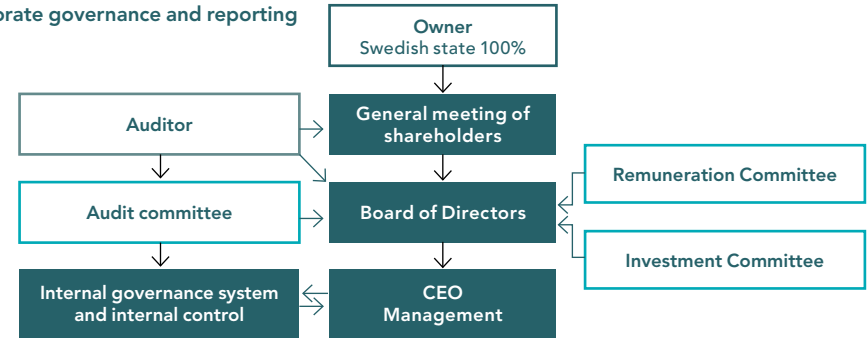
- Rule 1.1 of the Code includes provisions about publishing information about shareholders’ right of initiative. The goal of this regulation is to provide shareholders the opportunity to prepare for an annual general meeting in good time and to have matters taken up in the notice for the meeting. In wholly state-owned companies, there is no reason to apply this rule and information about shareholders’ right of initiative is therefore not published.

General meeting of shareholders

Specialfastigheter’s highest decision-making body is the general meeting of shareholders. The Annual General Meeting (AGM), which is held within four months of the end of the financial year, considers the progress of the company and passes resolutions on a number of central issues, such as the election of Board members and auditors, adoption of the company’s balance sheets and income statements, the distribution of profits, adoption of the Sustainability Report and discharge from liability of the members of the Board and the CEO. The Board is responsible for convening the general meeting of shareholders.

The 2024 AGM was held on 18 April. The CEO, Chairman of the Board, Board members, Deputy Director Henrik Vesterberg from the Government Offices of Sweden, the auditor and employees of Specialfastigheter were present. An extraordinary general meeting was held on 31 May 2024 to elect a new auditor. The CEO, Chairman of the Board, Deputy

Corporate governance and reporting



Director Henrik Vesterberg, the auditor and employees of Specialfastigheter were present.

The 2025 AGM will be held on 28 April.

Board nomination process

For wholly state-owned companies, the following principles replace the rules of the Code regarding the preparation of decisions on the appointment of Board members and auditors:

- Uniform and common principles for a structured Board nomination process are applied, in accordance with the State Ownership Policy and principles for state-owned enterprises.
- The nomination process is coordinated by the unit for company analysis and corporate governance at the Ministry of Finance. A working group analyses needs for skills and expertise on the basis of the company’s operations, current situation and future challenges as well as the composition of the Board. Any recruiting needs are then determined and recruitment process begins.
- Board members are selected based on a wide recruitment base and selection takes into account the owner’s expectations of diversity.

- Upon completion of the selection process, nominations are published in accordance with the Code.

Board composition

The owner’s point of departure when nominating each of the Board members is the Board’s skills requirement based on the relevant issues for the company. Board members must continuously acquire knowledge about the company that is necessary for the assignment. According to the Articles of Association, Specialfastigheter’s Board may comprise no fewer than three and not more than ten members elected by the general meeting. The employee organisations have the right to appoint a total of two full members and two alternate members. Board members are elected for one year at a time.

During 2024, Specialfastigheter’s Board consisted of eight members elected by the general meeting, and two full members and two alternates appointed by the employee organisations. Siv Malmgren was elected as a new Board member at the Annual General Meeting. Eva Landén was re-elected Chairman of the Board.

The work of the Board

The Board is responsible for managing the company within the confines of the law and in accordance with the owner's interests. Corporate governance is conducted from a social perspective and safeguards the company's value-creating abilities in the long term.

The Board bears the ultimate responsibility for the organisation and administration of the company. The most important policy documents are:

- Articles of Association
- Minutes from general meetings
- The State Ownership Policy and other guidelines
- Rules of procedure for the Board, including instructions for the allocation of work between the Board and the CEO, instructions for financial reporting and policies adopted by the Board.

In 2024, the Board held one statutory meeting, eight scheduled Board meetings and six extraordinary meetings. Board member attendance at Board meetings in 2024 is presented in the table on this page.

The rules of procedure for the Board are adopted annually at the statutory meeting of the new Board following the AGM. They govern the delegation arrangements within the company as well as the procedure for Board meetings, conflict of interest, reporting instructions and the work of the Board committees. The work of the Board focuses on strategic issues, such as the focus of operations, market, financing and economics, major investments, risks, employees and leadership, internal control and efficiency, and sustainability. The Board has approved policies, strategies and a business plan, including a budget. When the company is faced with especially important decisions, the Board, acting through its Chairman, must coordinate its view with representatives for the owner and present it in writing prior to a Board decision.

Audit and Finance Committee

The Audit and Finance Committee includes at least three members appointed by the Board of which one is

the Committee's Chairman. The CFO also participates in the Committee, along with the CEO and other company representatives when deemed necessary. The principal assignments according to the adopted rules of procedure include supervising the company's financial reporting, preparing quarterly reports for adoption by the Board, supervising the efficiency of the company's internal controls and risk management with regard to financial reporting including the sustainability report, supervising the company's work with capital structure and other financing issues including the management of financial risks and, together with company management, the preparation of financing matters, finance strategy and policies for adoption by the Board.

The Committee is obliged to prepare minutes of its meetings and make the minutes available to the Board. During 2024, the Committee held five scheduled meetings and ten extraordinary meetings.

Remuneration Committee

The Remuneration Committee comprises the Chairman of the Board and at least two other specially appointed members. Its primary responsibilities include preparing matters related to the remuneration and employment conditions of the CEO and other senior executives. The Remuneration Committee is also tasked with monitoring and evaluating the implementation of guidelines on the remuneration of senior executives, and presenting its findings to the Annual General Meeting. The meetings must be minuted and the minutes provided to the Board. The Committee held five scheduled meetings during 2024.

Investment Committee

The Board has appointed an independent Investment Committee, consisting of at least three members appointed by the Board, one of whom serves as the Committee's Chairman. The CEO is present and reports at the committee's meetings, as well as the company's CFO, Head of Marketing and Business

Board composition and attendance in 2024

	Elected, year	Board and committee fees, SEK thousand	Board meetings	Remuneration Committee	Audit and Finance Committee	Investment Committee
Eva Landén, Chairman ¹⁾	2014	359	15/15	5/5	15/15	
Peter Blomqvist	2021		15/15	5/5	15/15	
Britta Dalunde	2023	184	14/15		15/15	
Charlotte Hybinette ²⁾	2022	15	1/1	1/1		1/1
Mikael Lundström	2013	192	13/15	5/5		8/9
Siv Malmgren ³⁾	2024	123	10/10	2/2		
Lotta Niland	2023	178	15/15			9/9
Pierre Olofsson ⁴⁾	2019	193	12/15			9/9
Åsa Wirén ⁵⁾	2018	186	15/15		15/15	
Tomas Edström ⁶⁾	2013		15/15			
Erik Ydreborg ⁷⁾	2016		5/5			
Kajsa Marsk Rives ⁸⁾	2019		13/15			
Annica Blomqvist ⁹⁾	2024		10/10			
Roger Törngren ¹⁰⁾	2011		9/15			

¹⁾ Chairman of the Board and Chairman of the Remuneration Committee

²⁾ Stepped down from Board in February 2024

³⁾ Elected at the 2024 General Meeting

⁴⁾ Chairman of the Investment Committee

⁵⁾ Chairman of the Audit and Finance Committee

⁶⁾ Workers' representative

⁷⁾ Workers' representative, stepped down from the Board at the 2024 General Meeting

⁸⁾ Workers' representative, elected at 2024 General Meeting, stepped down from the Board in January 2025.

⁹⁾ Alternate for workers' representative from the 2024 General Meeting up to and including January 2025, workers' representative as of February 2025

¹⁰⁾ Alternate member for Workers' Representative

and Head of Project Development participates. In accordance with the adopted rules of procedure, the Investment Committee's principal tasks include preparing and analysing significant investment matters, as well as divestments or acquisitions of properties. The Investment Committee is also to stay abreast of major ongoing projects at the conceptual or planning stage, assist company management in the preparation of decision-making documentation and the continuous monitoring of major projects, and prepare and analyse final reports on major investments. The meetings must be minuted and the minutes provided to the Board. The Committee held eight scheduled meetings and one extraordinary meeting in 2024.

Remuneration of senior executives

Guidelines for the remuneration of senior executives have been adopted by the AGM. The guidelines are consistent with the Code, as well as the principles adopted by the government regarding remuneration and other terms of employment for senior executives in state-owned companies. Salaries and other benefits to employees in senior positions must be competitive and reasonable. Remuneration must follow, not lead, current market trends. This is achieved through comparisons with other relevant companies. Remuneration must be characterised by moderation, prudence, be well balanced and contribute to good ethics and corporate culture, and reflect the responsibility the work entails. Specialfastigheter does not offer variable remuneration or any form of incentive programmes.

The CEO has a defined-contribution pension plan. Pension terms for other senior executives follow an ITP (supplementary pension) plan; employees engaged after 2013 have a defined-contribution pension plan. For prepaid salaries and remuneration, see Note 7 to the consolidated financial statements.

Remuneration of the Board

Remuneration to Board members were approved by the 2024 AGM. Information regarding remuneration of Board members is available in the annual report under Note 7, Consolidated Financial Statements.

The Board's evaluation of its own work

The work of the Board is subject to annual evaluation. Work undertaken in 2024 was evaluated by means of an online questionnaire. The evaluation also includes a measurement of how effectively internal controls are perceived to function in the company. The results of the evaluation will be compiled, discussed and reported to the Board and the owner.

Chief Executive Officer

The CEO must ensure that the Board receives reports concerning the progress of Specialfastigheter's operations in respect of such matters as the company's earnings trend, financial position and liquidity, information on the status of major projects, the efficiency of internal controls and important events. Reports must be structured in such a way that the Board is able to make well-founded assessments. The CEO does not serve as a Board member. The CEO prepares the company's overall strategy and operational goals for approval by the Board.

Auditors

Auditors are elected by the owner at the AGM. The Board presents proposals for the election of auditors to the AGM based on a recommendation from the Board's Audit and Finance Committee.

The proposals for the appointment of auditors are drafted in accordance with the rules contained in the EU Audit Regulation and Directive and are published in accordance with Code's guidelines.

Öhrlings PricewaterhouseCoopers AB was re-elected as auditor on an interim basis at the 2024 AGM, and was elected as auditor at the Extraordinary General Meeting. Helena Ehrenborg was appointed as the auditor in charge. The election took place for the period until the next AGM. Presentation of auditor; refer to page 49.

The auditors perform an annual review of the internal control. The limited assurance examination of Specialfastigheter's Sustainability Report is conducted by the company's elected auditors who provide an assurance of the report. Moreover, the Group's Q3 interim report is subject to review by the company's auditor.

For information regarding auditors' fees, refer to Note 5, Consolidated Financial Statements.

Description of internal control and risk management regarding financial reporting

This description has been prepared in accordance with the Swedish Annual Accounts Act and the Code, and is therefore limited to how internal control over financial reporting is organised. The Board's statement regarding internal governance and control is based on the framework document COSO (The Committee of Sponsoring Organizations of the Treadway Commission). The framework's principles help the operations achieve financial objectives by systematically following up on the company's risk exposure.

Additionally, the internal controls are to ensure that both internal and external financial reporting is reliable and prepared according to current legislation, accounting principles and other guidelines for state-owned companies.

The Board considers Specialfastigheter to have well-structured accounting and financial management and good internal controls.

Control environment

During the year, the Audit and Finance Committee followed up and supervised the financial reporting and efficiency of the company's internal controls and risk management. The basis for internal control over financial reporting is the control environment comprising the organisation, its culture, and decision paths, powers and responsibilities documented and communicated in policy documents such as company policies, guidelines and instructions. Specialfastigheter's internal controls are aimed at identifying, measuring and minimising risks in the operation. Specialfastigheter has clear processes for following up on internal control, where roles and responsibilities are defined and where key controls and reporting are clarified.

The management system forms an important part of our control environment and aims for work to be carried out in line with the assignment and business model. The system controls working methods through clear processes and policy documents that are linked to each process. During the year, Specialfastigheter's management system is certified for information security according to the new ISO/IEC 27001:2022 standard. The company is also environmentally certified under ISO 14001 and a renewal audit was carried out in February.

Every year, a number of internal operational audits of the management system take place. These are not independent internal audits according to the Code, but audits that comply with ISO standards. The Specialfastigheter has a whistle-blower function to enable attention to be drawn anonymously to irregularities.

Risk assessment

Assessments regarding the risk of errors in the financial reporting are made by the Board, management and the external auditors. A risk analysis seeks to identify processes where the risk of substantial errors in financial reporting is greatest. Specialfastigheter's risks

are described on page 38. The risk analysis tool helps systematically identify, analyse, evaluate and follow up risks at every level on an ongoing basis. The risk analyses are reviewed and analysed in turn, and management assesses risks from a company perspective.

Control activities

Activities that are drawn up based on the risk analysis aim to manage material risks identified to eliminate and limit the occurrence or effects of said risks. The Board and management are informed about compliance with policy documents and processes, and the effectiveness of the control structures. The management system contains the processes that show how Specialfastigheter should proceed and the controls that must be performed. IT controls that support processes and influence internal controls are created in the computer systems.

Analyses and crosschecks are carried out by the internal auditors in order to ensure financial reporting regarding the company's income and expenses follow internal guidelines and instructions. Control activities are also implemented in the processes specified in the internal control plan, with the objective of developing the processes and preventing, detecting and correcting any errors or deviations. Control activities are manual and automated in nature and include approval procedures, control audits, process compliance and results follow-up.

Information and communication

The Board regularly receives reports and financial information from the company. Specialfastigheter complies with the guidelines for external reporting described in the State Ownership Policy. Reporting according to GRI Standards helps the company clearly communicate its sustainability.

The company's policy documents regarding financial reporting, are updated by process owners and management and made available and known to

employees via the company's internal information and communication channels.

Monitoring and development

Financial reporting follows an approved reporting structure. The operations' objectives and identified risks are monitored continuously and at different levels within the company. In the business plan and account closing processes, management regularly carries out reconciliations and follow-ups of operations.

The budget is approved annually by the Board, which receives financial reports and reconciliations from company management on a quarterly basis at a minimum.

The company's external auditors report their observations from reviews and their assessment of internal controls to the Audit and Finance Committee and the Board at the scheduled autumn meeting, the final audit and as necessary. This takes place in the presence of company management or not, as the case may be. Follow-ups of completed investment projects are presented to the Board on an ongoing

basis during the year. The company's external auditors continually report the results of reviews performed, actions to be taken and the status of the latter to company management. When necessary, Specialfastigheter engages external consultants to scrutinise and follow-up areas for the purpose of discovering opportunities for improvement, any discrepancies and/or irregularities. The results of audits, follow-ups and risk analyses carried out are reported to the CEO and company management.

Internal audit

Specialfastigheter has no internal audit function independent from management as described under rule 7.3 of the Code. The decision on the need for an internal audit is reviewed annually by the Board. The Board considers the follow-up reported by the CEO, internal controls and internal audits in the management system in accordance with this document combined with the review by the external auditors, to be sufficient to ensure that internal control over financial reporting is effective, and does not contain any significant errors.

● **December**

- Adoption of the 2025–2027 budget and business plan
- Preliminary capital structure and dividend for 2025
- Proposals for election of external auditors
- Decision on investments
- Review of risks and risk management
- Need for independent internal audit

● **October**

- Auditors' report on internal control and administration
- Adoption of the third quarter interim accounts and interim report
- Decision on investments
- Evaluation of the Board, the CEO and internal control

● **September**

- Follow-up of the 2024 business plan
- Follow-up of the internal control plan for 2024
- Decision on investments
- Decisions on Board and committee meetings, as well as AGM 2025
- Strategy and business plan 2025

● **July**

- Adoption of the second quarter interim accounts and interim report
- Decision on investments

● **February**

- Auditors' report on the year end accounts
- Decision on annual accounts for 2023 including proposed dividend
- Decision to refrain from a Group contribution and a shareholder contribution
- Internal control plan 2024
- Decision on investments
- Decision on 2024 annual plan

● **March**

- Adoption of guidelines for remuneration of senior executives
- Decision on the notice regarding the 2024 AGM for the 2023 financial year
- Decision on the Annual Report and Sustainability Report 2023
- Decision on investments

● **April**

- Adoption of the first quarter interim accounts and interim report
- Decision on investments
- Statutory Board meeting and adoption of the Board's rules of procedure including the CEO's instruction and instructions for financial reporting, rules of procedure for the Remuneration Committee, rules of procedure for the Audit and Finance Committee and approval of delegation arrangements.
- Adoption of company-wide policies and the Code of Conduct

● **June**

- Decision on investments
- Strategic initiatives



Board of Directors¹



Eva Landén

Chairman of the Board
Deputy CEO of Corem
Property Group AB
Elected in 2014

Other board appointments
None

Previous experience
CEO & CFO of Corem
Property Group AB, CFO
Bonnier Cityfastigheter,
Authorised Public
Accountant, PwC

Education
M.Sc. Business and
Economics, Uppsala
University

Born
1965



Britta Dalunde

Own business
Elected 2023
Other board appointments
Board member of Arlandabanan
Infrastructure AB, Arelion
Holding AB, Tyréns Group AB
and Walraven Group BV

Previous experience
CFO of SJ AB, Atea AB and Carl
Bro AB/Grontmij AB. Board
member of companies such as
Projektengagemang AB (publ),
Knightec AB, ForSea AB, Global
Ports Investments PLC, HANZA
Group AB (publ) and Boule
Diagnostics AB (publ).

Education
Executive MBA with Strategic
Planning specialism, Edinburgh
Business School

Born
1958



Mikael Lundström

CEO Svefa AB
Elected 2013
Other board appointments
Chairman of Värderingsdata
AB and Set Up AB

Previous experience
CEO, Akademiska Hus AB,
Deputy CEO, Jones Lang
LaSalle AB, head of Market
Area, Skandia Fastigheter AB,
Head of Administration, NCC
Fastigheter AB

Education
Graduate in engineering, KTH
Royal Institute of Technology

Born
1961



Siv Malmgren

Board appointments in
property sector
Elected in 2024
Other board appointments
Chairman of the Board of AB
Borudan Ett, Chairman of the
Board of Gatun Arkitekter
AB and Board member of
Rikshem AB.

Previous experience
CEO of John Mattson
Fastighetsföretagen AB,
Board member of Willhem
AB, Fastighetsägarna
Stockholm, the Swedish
Property Federation and
Handelsbanken, Regionbank
Stockholm

Education
BSc in Behavioural Sciences
and Executive MBA,
Stockholm University

Born
1959



Lotta Niland

Head of Business Development
Projects, Rikshem AB
Elected 2023

Other board appointments
None

Previous experience
Head of Project Development,
Regional Manager and Business
Manager at Besqab AB, Board
member of Wallin Bostad and
Raw Property, leadership roles
at Sweco, JM and Ramböll

Education
Graduate in engineering, KTH
Royal Institute of Technology

Born
1969



Pierre Olofsson

Founder and partner, Spira
företagsutveckling
Elected 2019

Other board appointments
Board member of COWI and
Chairman of the Board of Envix
Nord AB and Skånefrö AB

Previous experience
Skanska's Group management,
with responsibility for the Nordic
construction units, CEO Skanska
Sverige AB

Education
Graduate in engineering, Lund
University Faculty of Engineering

Born
1966



Åsa Wirén

Own business
Elected 2018
Other board appointments
Board member of View Group AS

Previous experience
CFO Scandic Hotels Group, CFO
Bonnier Group, CFO of SkiStar
AB, Partner and Authorised
Public Accountant at KPMG

Education
M.Sc. Business and Economics,
Uppsala University

Born
1968

¹ Owner representative in the Board of Directors, Peter Blomqvist, stepped down in February 2025. New owner representative elected at AGM in April.

Board of Directors, cont.

Workers' representative



Tomas Edström

Workers' representative
Appointed 2013

Other board appointments
Board member at Manomet
Rock AB

Previous experience
Head of Operations at AB
Tierpsbyggen,
Property manager at Sundsvall
Municipality

Education
Mechanical engineer

Born
1964



Annica Blomqvist

Workers' representative
Appointed in 2024

Other board appointments
None

Previous experience
Project Manager of construction
at Specialfastigheter, Senior
Scientist at Astra Zeneca

Education
Property manager 2.5 years,
Newton Vocational College

Born
1973



Martin Siljehult

Alternate workers' representative¹
Appointed 2024

Other board appointments
None

Previous experience
Project Manager of energy
projects at Schneider Electric,
Teknikkonsult Picon and
Teknikkonsult Carl Bro AB

Education
Master's degree in Energy and
Environmental Technologies,
Karlstad University

Born
1977



Roger Törngren

Alternate workers' representative
Appointed 2011

Other board appointments
None

Previous experience
Property Management Engineer,
Specialfastigheter, Service
Technician, Vasakronan,
Project Programmer, control
systems, TASAB

Education
Control systems/Operations
technology/Qualified property
management

Born
1965

Auditor



Helena Ehrenborg

Auditor in Charge,
Öhrlings Pricewaterhouse
Coopers AB

**Other significant
audit assignments**
Akademiska Hus AB,
Willhem AB,
Alecta Fastigheter AB and
Bonnier Fastigheter AB.

Born
1965

¹ Replaced Kajsa Marsk Rives in January 2025.

Management



Alexandra Laurén

CEO

Previous experience

Head of Business Unit at Bonava Sverige AB, Deputy CEO at Skanska Sverige AB

Board appointments

None

Education

B.Sc. in Engineering, Mälardalen University

Born

1975

Employed since

2023



Masoomeh Antonsson

CIO

Previous experience

Consultant, Ibitec; Consultant, Invid; Consultant, Qurius

Education

Systems analyst, Örebro University

Born

1975

Employed since

2008



Christina Burlin

HR Director

Previous experience

Personnel Director, Swedish Maritime Administration; Group Personnel Director, Östgöta Correspondenten; Personnel Director, SAAB Civil Aircraft

Education

Bachelor of Arts Bachelor of Arts Study programme in personnel management, Lund University

Born

1962

Employed since

2012



Eva Bång

CFO

Previous experience

CFO at Intea Fastigheter AB, Global CFO at Ingka Centres (Ikea) in the Netherlands, CFO and Deputy CEO of Hemsö AB, Finance Director at Unibail-Rodamco Nordic, CFO at GE Capital Equipment Finance

Education

Master's degree in economics, Uppsala University

Born

1968

Employed since

2024 (interim CFO since November 2023)



Susanne Essehorn

Head of Marketing and Business

Previous experience

Property Manager Revelop, Senior Consultant at Essehorn Fastighetsrådgivning AB, Property Manager/Regional Manager at Klöver AB, Property Manager at AB Sagax, CEO Söderport Fastigheter AB, Property Manager at GE Capital Real Estate, Property Manager at Fastighets AB Tornet, Property Management Director at Hufvudstaden AB

Education

M.Sc. Business and Economics, Stockholm University

Born

1964

Employed since

2022

Management, cont.



Emilia Hagberg

Sustainability Manager

Previous experience

Vice President Sustainability Development, Acting Head of Public Affairs at Skanska, Senior Consultant and Partner at New Republic, Chief of Staff at Ministry of Environment and Energy, Group Leader at Green Party

Education

Master's degree in Earth Sciences, Stockholm University

Born

1976

Employed since

2024



Hanna Janson

Communication Director

Previous experience

Communications Manager Akademiska Hus AB region Stockholm; Pro tem Communications Director Akademiska Hus AB; Consultant, JKL AB Gothenburg and Stockholm

Education

M.Sc. Business and Economics, SSE

Born

1975

Employed since

2015



Claes Magnusson

Project Development Manager

Previous experience

Development Director at Stockholms Stadshus AB, CEO of SISAB, Project Director at Locum AB, Department Manager at NCC Construction Sverige AB

Education

Graduate in engineering, KTH Royal Institute of Technology

Born

1968

Employed since

2025



Martin Nielsen

COO

Previous experience

Head of Production Support at Peab Anläggning, Group Procurement Director at Peab AB, Head of Purchasing at Imtech Nordic, Head of Purchasing at Skanska NPU

Education

Economics Master of Science in Technology Management, Lund University/LTH

Born

1975

Employed since

2024



Michaela Sköld

Property Management Director

Previous experience

Head of management support Fortifikationsverket, Property manager Swedavia AB, Property manager Akademiska Hus AB, Trainee Uppsalahem AB

Education

Graduate in engineering, Surveyor, Royal Institute of Technology

Born

1980

Employed since

2019

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Financial statements and notes

Consolidated five-year summary

The financial progress of the Group in summary. For definitions of key performance indicators, see page 116.

Property related	2024	2023	2022	2021	2020
Total income, SEK million	3,502	3,063	2,456	2,464	2,393
Profit from property management, SEK million	1,713	1,624	1,341	1,592	1,541
Occupancy rate, %	98.1	97.3	97.5	97.6	98.5
Investments including property acquisitions, SEK million	5,824	5,733	4,173	1,996	1,044
Market value, investment properties, SEK million	51,915	41,740	36,210	33,761	29,618
Net floor area, sq m, thousand	1,184	1,158	1,102	1,099	1,090
Yield, %	5.1	5.3	4.9	5.7	5.9
Total assets, SEK million	57,534	46,372	40,123	36,157	31,454
Equity, SEK million	19,869	15,047	14,027	14,804	12,409
Property management related					
Rental income, SEK/sq m	2,570	2,359	1,999	1,976	1,953
Property operations, SEK/sq m ¹	548	501	360	344	335
Maintenance expenses, SEK/sq m ¹	301	304	320	342	382
Net operating income, SEK/sq m	2,038	1,825	1,571	1,627	1,588
Administrative expenses, SEK/sq m	102	86	65	52	51
Finance related					
EBT, SEK million	6,082	1,296	-172	3,771	1,138
Net profit for the year, SEK million	4,822	1,020	-143	2,999	888
Cash flow before investments, SEK million	1,522	1,412	1,476	1,802	1,406
Surplus ratio, %	68.9	66.9	70.5	72.7	72.5
Interest coverage ratio, cash-flow based, multiple	2.7	3.2	6.1	11.6	7.6
Adjusted return on equity, %	7.8	8.8	7.3	9.3	9.9
Return on adjusted operating capital	5.3	5.4	5.2	6.0	6.6
Loan-to-value ratio, %	50.0	52.4	48.4	42.2	45.5
Equity/assets ratio, %	34.5	32.4	35.0	40.9	39.5
Dividend, SEK million ²	0	0	0	634	604

¹ Of which capitalised in the balance sheet: SEK 299/sq m for 2020, SEK 297/sq m for 2021, SEK 253/sq m for 2022, SEK 218/sq m for 2023 and SEK 244/sq m for 2024.

² Proposed dividend to be resolved at the AGM in April 2025.

Consolidated income statement

SEK million	Note	Full-year 2024	Full-year 2023
Rental income	9, 20	3,042	2,650
Other income	2	460	413
Income from property management		3,502	3,063
Operating expenses	3	-923	-864
Maintenance		-112	-97
Property tax		-55	-53
Net operating income		2,412	2,049
Central administration	4, 5	-121	-97
Net financial items	6	-578	-328
Profit from property management	7	1,713	1,624
Realised gain on property sales	8	0	-
Change in value of investment properties, unrealised	9, 20	4,486	-188
Change in value of financial instruments, unrealised	6	-117	-140
EBT		6,082	1,296
Tax	10	-1,260	-276
Net profit for the year		4,822	1,020
Of which attributable to the Parent Company's shareholder		4,822	1,020

Consolidated statement of comprehensive income

SEK million	Full-year 2024	Full-year 2023
Net profit for the year	4,822	1,020
Total comprehensive income for the year	4,822	1,020
Of which attributable to the Parent Company's shareholder	4,822	1,020

Comments to the income statement

Total income SEK 3,502 million (3,063)

Rental income increased 14.7 per cent to SEK 3,042 million (2,650), which was primarily attributable to completed projects with the Swedish Prison and Probation Service and higher rent levels as a result of index adjustment against the CPI. Other income increased to SEK 460 million (413) million due to a higher volume of modifications for customers.

Property expenses, SEK 1,090 million (expense: 1,014)

Property expenses increased SEK 76 million, due to a higher volume of modifications for customers and a growing property portfolio.

Net operating income SEK 2,412 million (2,049).

Higher rental income contributed to higher net operating income. Net operating income increased 17.7 per cent and the surplus ratio increased to 68.9 per cent (66.9).

Net financial items an expense of SEK 578 million (expense: 328)

The change in net financial items was attributable to increased interest-bearing liabilities and a higher average interest rate for the year. For further information, see page 72.

Profit from property management, SEK 1,713 million (1,624)

Profit from property management was up year-on-year as a result of an improved net operating income. A dampening effect came however from higher net financial items and slightly higher administrative expenses.

Changes in value, gain of SEK 4,369 million (loss: 328)

Unrealised changes in value amounted to an increase of SEK 4,486 million (decrease: 188) for investment properties and a loss of SEK 117 million (loss: 140) for financial instruments. The period's unrealised changes in value for investment properties mainly stemmed from new and renegotiated leases attributable to completed projects, and lowered yield requirements as well as index adjustments of rental income. Value changes for financial instruments resulted from lower electricity prices and market interest rates. For further information, see Note 9 and Note 20.

Net profit for the year SEK 4,822 million (1,020)

The increase in net profit for the year was primarily attributable to positive unrealised changes in value for investment properties. Tax comprised actual tax paid of SEK 83 million (expense: 131) and a deferred tax expense of SEK 1,177 million (expense: 145). The change in deferred tax is primarily attributable to unrealised change in value.

The income statement items above, as with the comparison amounts for the previous year, refer to the period from January to December unless otherwise stated.

Consolidated balance sheet

SEK million	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Investment properties	9	51,915	41,740
Right-of-use assets	11	42	33
Other property, plant and equipment	12	26	22
Derivatives	13, 20	94	138
Other financial investments	13	3,656	2,649
Other non-current receivables	14	436	139
Total non-current assets		56,169	44,721
Current assets			
Trade receivables		341	89
Derivatives	13	17	55
Other financial investments	13	–	296
Tax assets	10	33	26
Other receivables	14	465	768
Prepaid expenses and accrued income	15	80	57
Cash and cash equivalents ¹	16	293	345
Assets held for sale	9	135	15
Total current assets		1,364	1,651
Total assets		57,534	46,372

SEK million	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity			
Share capital		200	200
Other contributed capital		616	616
Retained earnings, including net profit for the year		19,053	14,231
Total equity		19,869	15,047
Liabilities			
Non-current liabilities			
Interest-bearing liability, right-of-use assets	11	42	33
Other non-current interest-bearing liabilities	17, 20	25,847	20,560
Derivatives		247	156
Deferred tax liabilities	10	5,436	4,259
Total non-current liabilities		31,572	25,008
Current liabilities			
Current interest-bearing liabilities	17, 20	3,896	4,318
Trade payables		955	906
Derivatives		2	8
Other liabilities	18	30	15
Accrued expenses and deferred income	19	1,209	1,070
Total current liabilities		6,092	6,317
Total liabilities		37,664	31,325
Total equity and liabilities		57,534	46,372

¹ On the balance-sheet date we had utilised SEK – million (–) of the total SEK 500 million (500) Group overdraft facility. In addition, guaranteed loan commitments of SEK 8,250 million (7,250) also remained unutilised.

Comments to the balance sheet

Investment properties SEK 51,915 million (41,740)

At the end of the period, the estimated value amounted to SEK 51,915 million, corresponding to an increase of SEK 10,175 million since the start of the year. This was primarily due to increased investment in new construction, renovation and extension projects of SEK 5,818 million and unrealised changes in value of SEK 4,486 million.

Investments, SEK 5,818 million (5,522)

Group investments in property projects totalled SEK 5,818 million for the period, up SEK 296 million year-on-year.

Acquisitions SEK 6 million (211)

Some small land parcels in Borås and Luleå were acquired during the period.

Divestments SEK – million (–)

No divestments of investment properties occurred during the period.

Unrealised changes in value, gain of SEK 4,486 million (loss: 188)

The period's unrealised changes in value for investment properties mainly stemmed from new and renegotiated leases attributable to completed projects, and lowered yield requirements as well as index adjustments of rental income. There was gradual recovery in the property market during the year driven by lower interest rates and reduced inflation. The average yield on the property portfolio was adjusted downward by 0.3 percentage points and amounted to 5.40 per cent (5.70) at year end, of which 0.1 percentage points was attributable to current market conditions and the remaining 0.2 percentage points to changed contract structures in new construction. The estimated cost of capital for cash flows during the contract period remained unchanged. Short-term assumed inflation has been adjusted down to 1.0 per cent and long-term assumed inflation remains unchanged at 2.0 per cent. The estimated values of Specialfastigheter's investment properties are determined by means of an internal valuation based on actual data in respect of rents and operating expenses. Informa-

tion concerning cost of capital, required yield and current market rents has been cross-checked with external appraisers. The internal valuation was cross-checked against an external valuation of 22 objects (12), equivalent to 72 per cent (56) of the total value as of 31 December 2024, to assure its quality. With regard to reliable rental income, the estimated cost of capital over the contract period was mainly between 5.00 per cent (5.00) and 5.25 per cent (5.25). The required yield ranges mostly from 4.65 per cent (4.85) to 9.50 per cent (9.75) depending on property location, standard and contract structure.

Other financial investments, SEK 3,656 million (2,649)

Other financial investments primarily comprised covered bonds of SEK 3,442 million (2,576) and cash deposits pursuant to CSAs of SEK 213 million (72). The total investment in covered bonds was SEK 3,442 million (2,576), of which SEK 0 million (296) was short term and recognised in the item Other financial investments.

Assets held for sale SEK 135 million (15)

Trosa Lövsta 1:33, a property of 9,000 square metres was vacated during the first quarter. In the fourth quarter, an agreement was signed for the divestment of 7,000 square metres of the Kristianstad VÄ 147:3 property, to be vacated during the first quarter of 2025.

Interest-bearing liabilities, SEK 29,785 million (24,911)

At the end of the period, the Group's non-current interest-bearing liabilities amounted to SEK 25,889 million (20,593). Non-current interest-bearing liabilities amounted to SEK 3,896 million (4,318). The item interest-bearing liabilities included SEK 4,010 million (3,047) pertaining to green bonds. It also included SEK 42 million (33) pertaining to lease liabilities according to IFRS 16. A corresponding amount is also recognised on the asset side under Right-of-use assets.

Closing balance on 31 December 2023 stated in parentheses.

Change in the value of investment properties, SEK million	2024	2023
Fair value at the beginning of the period	41,740	36,210
– Reclassification to assets held for sale	–135	–15
+ Investments incl. capitalised interest expenses	5,818	5,522
+ Acquisitions	6	211
– Sales	–	–
+ Unrealised change in value	4,486	–188
Fair value at the end of the period	51,915	41,740
Unrealised changes in value	4,486	–188
of which, change in cost of capital and yield	1,127	–2,177
of which other changes in net operating income	3,359	1,989

Consolidated changes in equity

SEK million	Share capital	Other contributed capital	Retained earnings	Total equity
Opening balance, 1 January 2024	200	616	14,231	15,047
Net profit for the year	–	–	4,822	4,822
Dividend	–	–	–	–
Closing balance, 31 December 2024	200	616	19,053	19,869

Comment: The share capital comprises 2,000,000 shares.

	Share capital	Other contributed capital	Retained earnings	Total equity
Opening balance, 1 January 2023	200	616	13,211	14,027
Net profit for the year	–	–	1,020	1,020
Dividend	–	–	–	–
Closing balance, 31 December 2023	200	616	14,231	15,047

Comment: The share capital comprises 2,000,000 shares.

Equity

Capital management

The Board's financial objective for the Group is to maintain a sound capital structure with financial stability, to thereby retain the capital market's confidence and form the basis for continued development of business operations. The target equity/assets ratio is 25–40 per cent and strategic planning includes adaptation to meet this target.

The Board aims to preserve a balance between high returns and the advantages offered by a high level of equity, which creates long-term value for customers and society. The Group's target for long-term profitability is a return on adjusted operating capital amounting to at least 5 per cent over time. The profitability target illustrates the company's profitability independent of financial assets and financing.

The return on adjusted operating capital for 2024 was 5.3 per cent (5.4). Specialfastigheter's dividend policy is to distribute 30–70 per cent of net profit

for the year after adding back changes in value and associated deferred tax.

The annual resolution on the dividend must also take into account the Group's future investment needs and financial circumstances. Over the last five years, the dividend has averaged 1.8 per cent (2.8) of the Group's equity. The Group will pay an extraordinary dividend when the capital structure and financial needs of the business so allow.

No change took place in the Group's capital management during the year. Neither the Parent Company nor any of its subsidiaries is subject to external capital requirements.

Share capital

The share capital is divided into 2,000,000 shares with a quotient value of SEK 100 and with one (1) vote per share, which applies to both the opening and closing number of shares in the above reporting periods.

Appropriation of profits

The Board proposes that the 2025 Annual General Meeting of Specialfastigheter Sverige AB resolves in favour of distributing a dividend of SEK 0 million, or SEK 0 per share, to the owner. The proposed dividend constitutes 0 per cent of the Parent Company's equity and 0 per cent of the Group's equity. Refer also to Note 11 for the Parent Company.

The company's holdings of financial instruments were measured at fair value in accordance with Chapter 4 Section 14a of the Annual Accounts Act. This entailed a decrease in equity of SEK 168 million excluding deferred tax, which represented approximately 11.2 per cent of the Parent Company's equity excluding deferred tax. The proposed dividend to the shareholder is proposed to amount to SEK 0.

Consolidated cash-flow statement

SEK million	Note	Full-year 2024	Full-year 2023
Operating activities			
Net operating income		2,412	2,049
Central administration		-121	-97
Net financial expense		-578	-328
Add back, change in prices		-45	-91
Add back of depreciation		10	6
Income tax paid		-90	-120
Cash flow from operating activities before changes in working capital		1,588	1,419
Change in working capital			
Change in receivables		-269	-396
Change in other current liabilities		203	389
Total change in working capital		-66	-7
Cash flow from operating activities		1,522	1,412
Investing activities			
	9		
Acquisition of investment properties		-6	-211
Investment in investment properties		-5,818	-5,522
Disposal of investment properties		15	-
Acquisition of property, plant and equipment		-15	-16
Disposal of property, plant and equipment		0	0
Cash flow from investing activities		-5,824	-5,749
Financing activities			
	20		
Investment, covered bonds		-829	-627
Investment, covered bonds, matured		309	308
Borrowings		20,856	20,958
Repayments of borrowings		-16,086	-16,341
Dividend paid to Parent Company's shareholder		-	-
Cash flow from financing activities		4,250	4,298
Cash flow for the period		-52	-39
Opening cash and cash equivalents		345	384
Closing cash and cash equivalents		293	345
Interest			
Interest received		61	40
Interest paid		-836	-629

Cash flow

Group cash flow from operating activities before investments totalled SEK 1,522 million (1,412) for the year. A cash outflow of SEK – million (–) was used for dividends.

Borrowings after repayments totalled an inflow of SEK 4,770 million (inflow: 4,617).

The change in covered bonds negatively impacted cash flow with an outflow of SEK 520 million (outflow: 319). The item, Investment, covered bonds, pertained solely to the investment of cash and cash equivalents and is part of long-term investments, where the company has chosen to retain liquidity instead of repaying borrowings and which comprises a liquidity buffer that can be utilised in a similar manner to loan commitments.

NOTE 1 | Group accounting policies

General information

The consolidated financial statements have been prepared in accordance with the Annual Accounts Act, the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and the interpretations of the IFRS Interpretations Committee (IFRIC), as adopted by the EU. The consolidated accounts were prepared according to the Swedish Corporate Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Corporate Groups.

The Group's six limited companies are registered in Linköping (Sweden). The Parent Company is called Specialfastigheter Sverige Aktiebolag (company registration number 556537-5945). Specialfastigheter has a joint head office and the offices are located in Linköping at the visiting address: Gamla Tanneforsvägen 92, SE-581 07 Linköping and in Stockholm, with the visiting address: Torsgatan 21, SE-102 32 Stockholm. The Group's subsidiaries own and manage real property, manage construction projects, own and manage movable property and pursue related business activities. Refer also to Note 15 for the Parent Company.

The annual accounts and consolidated accounts were approved by the Board for publication on 13 March 2025 and will be submitted to the Annual General Meeting for adoption on 28 April 2025.

Valuation principles applied in the preparation of the Parent Company's and the Group's financial statements

Assets and liabilities are recognised at cost, other than derivatives, covered bonds and investment properties, which are measured at fair value.

Non-current assets held for sale are recognised at the lower of the carrying amount and the fair value less selling expenses.

Functional currency and presentation currency

The Parent Company's functional currency is Swedish kronor (SEK), which is also the presentation currency of the Parent Company and the Group. Specialfastigheter Sverige AB only operates in the Swedish market. All sums, unless otherwise stated, are rounded to the nearest million kronor.

Estimations and judgements in the financial statements

Preparing the report according to IFRS and good accounting practice requires estimates and judgements made in the accounts that affect reported assets, liabilities, income and expenses as well as other information. These estimates and judgements are based on experience and other factors that are deemed reasonable under the current circumstances. Actual outcomes may differ from these judgements if other assumptions are made or other circumstances arise.

Estimations and judgements are reviewed regularly. Changes to assumptions are recognised in the period in which the changes occur if the changes in judgements have only affected this period, or in the period in which the change is made and future periods if the changes in assumptions impact both the current and future periods.

Assessments made by the company management in applying the IFRS that have a significant effect on the financial statements and estimates made, which may result in material adjustments in subsequent years' financial statements, are described in more detail in Note 9 Investment properties.

According to IFRS 3, corporate acquisitions can be classified as either business combinations or asset acquisitions. Corporate acquisitions whose primary goal is to acquire the company's property and where the company's management and administration is only of minor significance for the acquisition are classified

as asset acquisitions. Other corporate acquisitions are classified as business combinations. No deferred tax pertaining to the property acquisition is reported for an asset acquisition. Instead, any discounts reduce the cost of the property. This means that changes in value will be affected by tax discounts in subsequent valuations.

The Group evaluates each acquisition to determine whether it is an asset acquisition or a business combination.

Accounting policies applied

The accounting policies specified below, with exceptions described in more detail, have been consistently applied to all periods presented in the consolidated financial statements. The Group's accounting policies have been consistently applied in the reporting and consolidation of the Parent Company and subsidiaries.

Changes in accounting policies

The same accounting policies have been applied as those described in the 2023 Annual Report for Specialfastigheter. No new or revised standards, interpretations, or improvements adopted by the EU and effective from 1 January 2024 are expected to have any material impact on Specialfastigheter's financial statements for the current or future periods, nor on future transactions.

Standards and interpretations from the IFRS Interpretations Committee (IFRIC) are not expected to have any significant impact on the financial statements.

Future standards/recommendations

IFRS 18 Presentation and Disclosure in Financial Statements enters force on 1 January 2027 and replaces IAS 1 Presentation of Financial Statements. Specialfastigheter is primarily affected by the changed

presentation of the consolidated statement of comprehensive income.

No other upcoming standards or recommendations are expected to have any significant impact on the company's reporting.

Consolidated financial statements

The consolidated balance sheet and income statement include all of the companies in which the Parent Company directly or indirectly exercises controlling influence. All companies in the Group are wholly-owned. The consolidated financial statements have been prepared in accordance with the acquisition method. The cost to the Group is determined through an acquisition analysis at the time of the acquisition. In this analysis, the cost of the business combination is established, as are the fair values on the acquisition date of acquired identifiable assets as well as assumed liabilities and contingent liabilities. Consolidations of subsidiaries' financial statements are entered in the consolidated financial statements from the date of the acquisition until the date when controlling influence ceases.

Transactions eliminated on consolidation

Intra-Group receivables and liabilities, income or expenses, and unrealised gains or losses arising from intra-Group transactions are eliminated in the preparation of the consolidated financial statements.

Segment reporting

The company's operations are reported both internally and externally as one segment.

Income

Revenue from Contracts with Customers

Specialfastigheter's leases only comprise rental payments, operating leases. Remuneration for the compa-

Note 1 | Group accounting policies, Cont.

ny's undertakings pursuant to leases, such as supplying premises with heating, cooling, snow clearance and garbage collection, for example, are included in the rent. Tenants cannot influence the choice of supplier or frequency, or have any other impact on the supplier, in the properties owned by the company. Moreover, some of these undertakings fall under a general responsibility for the property.

Revenue recognition

Advance invoices generate rental income and car-parking income, which are therefore allocated to periods so that only the rent for the respective period is recognised as income. Revenue is usually recognised on a straight-line basis over the term of the lease, apart from in exceptional cases where a different method better reflects how financial benefits accrue to the Group. Interest income is recognised as revenue spread over the term by the application of the effective-interest method. Dividend income is recognised when the right to receive payment has been established.

Income from property sales

Income from property sales is normally recognised on the contract date unless control transferred to the purchaser on an earlier occasion. Agreements between the parties with respect to control and involvement in day-to-day administration are taken into account when estimating the timing of revenue recognition. Moreover, any circumstances that may affect the outcome of the transaction and which are beyond the control of the seller and/or purchaser are also taken into consideration.

Financial income and expenses

Financial income and expenses comprise interest income from bank funds, investments, receivables, interest expense on loans, translation of currency loans and unrealised and realised gains and losses

on derivatives used in financial operations as well as covered bonds.

Interest income on receivables and interest expenses on liabilities are calculated using the effective-interest method. Interest income from purchased covered bonds is recognised in the period during which interest is paid.

Interest income and interest expenses include accrued amounts for transaction expenses and differences between the initial carrying amount of the receivable or liability and the amount settled on maturity.

Borrowing costs are charged against earnings in the period to which they relate except to the extent that they are included in the cost of an asset. An asset for which interest can be included in the cost is, by necessity, an asset that takes significant time to complete for its intended use or sale. For further information, refer to the section Other financial liabilities.

Realised and unrealised changes in value

Derivatives and the company's properties are measured at fair value.

Taxes

Income taxes comprise current tax and deferred tax. Income tax is recognised in profit or loss except when the underlying transaction is recognised directly in equity and where the associated tax effect is recognised in equity. Deferred tax is calculated using the balance-sheet method based on temporary differences between the carrying amounts and fiscal values of assets and liabilities.

Deferred tax is calculated in accordance with the tax rates and tax rules that were adopted or established in practice as of the balance-sheet date. Deferred tax assets concerning deductible temporary differences are only recognised to the extent that it is likely that these will be used. The value of deferred tax assets is reduced when it is no longer considered likely that they can be used.

Other disclosures pertaining to deferred tax are available in Note 10 to the consolidated financial statements.

Investment properties

Investment properties are properties held with the objective of generating rental income and/or value growth. Investment properties are initially recognised at cost, which includes all expenses directly attributable to the acquisition. Investment properties are recognised on the balance sheet at fair value and changes in fair value are recognised in profit or loss under the heading Change in value of investment properties, unrealised. Fair value for all investment properties was determined using an internal valuation model described in Note 9 to the consolidated financial statements.

Right-of-use assets

Specialfastigheter is the lessee for a limited number of leasehold agreements, property leases, service vehicles and company cars that are defined as lease contracts under IFRS 16. Lease payments and ground rents are recognised in the income statement repayments and interest expenses. Short-term leases or leases of low value are expensed on a straight-line basis over the term of the lease. Ground rents are recognised in their entirety as a financial expense.

For further information, see Note 11 to the consolidated financial statements.

Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and any impairment losses. Cost includes the purchase price and expenses directly attributable to an asset in order to bring it to the location and condition necessary for it to be utilised in line with the aim of the acquisition.

The carrying amount of property, plant and equipment is removed from the balance sheet on the asset's disposal or sale, or when no future economic benefits

are expected from the use, disposal or sale of the asset. Profit or loss that arises on the sale or disposal of an asset is recognised under other operating income/expense.

Depreciation principles

In legal entities, depreciation is applied on a straight-line basis to the cost of buildings. Depreciation methods, useful lives and impairment losses are reviewed annually in the annual accounts. Depreciation, amortisation and impairment are recognised in profit or loss for the period.

Impairment losses

The carrying amounts of Group assets are reviewed at each balance-sheet date to assess whether any indication exists of an impairment loss. IAS 36 is applied for testing the need for impairment for assets other than financial assets (which are tested in accordance with IFRS 9), assets held for sale, disposal groups recognised in accordance with IFRS 5, investment properties recognised at fair value in accordance with IAS 40 and deferred tax assets. For assets excepted under the above, carrying amounts are tested in accordance with the standard concerned.

Reversal of impairments

An impairment is reversed if there is both an indication that the impairment loss no longer exists and if a change has taken place in the assumptions on which the calculation of the recoverable amount was based.

Impairment testing of property, plant and equipment

When an impairment loss is indicated, the asset's recoverable amount is calculated in accordance with IAS 36. If an essentially independent cash flow cannot be established for an individual asset, assets are grouped at the lowest level possible for identification of an essentially independent cash flow (a cash-generating unit) for the assessment of any impairment need.

Note 1 | Group accounting policies, Cont.

An impairment loss is recognised when the carrying amount of an asset or cash-generating unit (CGU) falls below the recoverable amount. Impairment losses are recognised in profit or loss.

The recoverable amount is the higher of fair value less selling expenses and value in use. When calculating value in use, future cash flows are discounted by a factor that takes into account the risk-free interest rate and the risk associated with the specific asset.

Financial instruments

The classification of financial assets that comprise debt instruments is based on the Group's business model for managing the asset and the character and nature of the asset's contractual cash flows.

The instrument is classified at amortised cost, fair value through other comprehensive income (FVTOCI), or fair value through profit or loss (FVTPL).

Financial assets classified at amortised cost are measured initially at fair value plus transaction costs. Trade and lease receivables are measured initially at the invoiced amount. Following initial recognition, the assets are measured using the effective-interest method.

FVTPL is applied to debt instruments that are not measured at amortised cost. Financial instruments in this category are initially measured at fair value. Changes in fair value are recognised in profit or loss.

The Group's debt instruments are classified at amortised cost, with the exception of covered bonds, which are classified at FVTPL.

Equity instruments classified at FVTPL with the exception of those that are not held for trading, since an irrevocable choice can be made to measure these at FVTOCI with no consequent reclassification to profit or loss. The Group classifies equity instruments at FVTPL. Derivatives are classified at FVTPL. The Group does not apply hedge accounting.

Financial assets and liabilities are only offset or derecognised in the case of insolvency or upon suspension of payments by either party.

Fair value is established as described in Note 20 to the consolidated financial statements.

Classification and valuation of financial liabilities

Financial liabilities are classified at amortised cost, with the exception of derivatives. Financial liabilities classified at amortised cost are measured initially at fair value including transaction costs. Following initial recognition, these are measured at amortised cost using the effective-interest method.

Derivatives are classified at FVTPL. The Group does not apply hedge accounting.

Fair value is established as described in Note 20.

Other financial liabilities

Loan financing

All loan financing is initially recognised at cost, net after transaction expenses. Borrowing is then recognised at amortised cost and any difference between the amount received and the repayment amount is recognised in net financial items over the loan term by application of the effective-interest method. Borrowing in foreign currency is translated to SEK at the balance-sheet date exchange rate and the effects recognised in net financial items.

The Group capitalises interest expenses attributable to investment properties under construction. Capitalised interest expenses impact net financial items positively and changes in market value negatively by a corresponding amount. Interest expenses are capitalised monthly at an interest rate equivalent to the average six-month Stibor plus a surcharge.

Impairment of financial assets

The Group's financial assets, with the exception of those classified at FVTPL or equity instruments at FVTOCI, are subject to impairment for expected credit losses (ECLs). Under IFRS 9, the impairment of ECLs adopts a forward-looking approach and a loss allowance is for exposures to credit risk, normally on initial recognition. ECLs reflect the present value of all short-

falls in cash flow attributable to default, either over the next 12 months (12-month ECL) or for the entire remaining life of the financial instrument (lifetime ECL), depending on the type of asset and any impairment of the credit following initial recognition. The ECL reflects an objective, probability-based outcome that takes into consideration a number of scenarios based on reasonable and verifiable projections. The simplified approach is applied for trade receivables, contract assets and lease receivables. A loss allowance is recognised under the simplified approach for the remaining term of the receivable or asset.

For other items encompassed by ECLs, a three-stage impairment model is applied. Initially, and at each balance-sheet date, a loss allowance is recognised for the forthcoming 12 months, or alternatively for a shorter time period depending on the remaining duration (Stage 1). If there has been a significant increase in credit risk compared with initial recognition, a loss allowance is recognised for the remaining term of the asset (Stage 2). For any assets assessed as credit impaired, a loss allowance continues to be made for ECLs for the remaining term (Stage 3). For credit-impaired assets and receivables, the calculation of interest income is based on the asset's carrying amount, net of the loss allowance, as opposed to the gross amount used in the earlier stages.

The measurement of ECLs is based on and written down pursuant to a rating-based method through external credit ratings. ECLs are measured as the product of the probability of default, loss given default and the exposure at default. For credit-impaired assets and receivables, individual assessments take into consideration historical, current and forward-looking data. The measurement of ECLs takes into consideration any collateral posted or other credit enhancements in the form of guarantees.

The financial assets are recognised in the balance sheet at amortised cost, that is the net of the gross value and the loss allowance. Any changes in the loss allowance are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents consist of cash and immediately accessible balances at banks and equivalent institutions. Cash and cash equivalents also includes short-term investments of liquidity with tenors of less than three months from the acquisition date. The overdraft facility is recognised in the balance sheet as a non-current liability.

Assets held for sale

Properties for which contracts have been signed or decisions taken regarding a sale, but which will be vacated in the following year, are classified under IFRS 5 as current assets and reported under the item Assets held for sale.

Derivatives

The Group's derivative instruments have been acquired to hedge interest-rate and currency risks. Derivatives are initially recognised at cost on the transaction date, which means that transaction expenses are charged against earnings for the period. After the initial recognition, derivatives are measured at fair value.

Interest-rate derivatives comprise a financial asset or liability measured at fair value with changes in value recognised in profit or loss. Using interest-rate derivatives may give rise to changes in value due to changes in the market interest rate and the time factor. Interest-rate derivatives are initially recognised at cost in the balance sheet, and are subsequently measured at fair value together with changes in value in profit or loss. Exchange rates are hedged with the aid of currency derivatives (currency swaps combined with interest-rate swaps). Derivatives are measured at fair value at the balance-sheet date's exchange rate and interest rate, and meet the currency effects from the translation of the loans at the balance-sheet date's exchange rate.

Closing-date market prices and generally accepted calculation methods are used to determine the fair value of interest-rate and currency derivatives, which means that fair value is established according

Note 1 | Group accounting policies, Cont.

to levels 1 and 2. Currency translation to Swedish kronor is at the rates of exchange quoted on the closing date. Interest-rate swaps are measured by discounting future cash flows to their present value. When financing in foreign currency, all future payment flows are hedged so that no currency risk remains. Unrealised changes in value are recognised outside of net financial items, while value changes in the currency component linked to currency loans are recognised in net financial items.

Derivative instruments are used to hedge forecast electricity expenses and are recognised at fair value in profit or loss. The fair value of electricity derivatives is based on balance-sheet date market values as provided by Nasdaq. Specialfastigheter passes on the major part of electricity expenses by invoicing tenants.

Hedge accounting is not applied by the Group.

Trade payables and other liabilities

Trade payables and other liabilities have short maturities and are recognised undiscounted at nominal amounts.

Remuneration to employees

Pension plans

All personnel are employed in the Parent Company. The pension plans principally comprise retirement pensions, disability pensions and family pensions in the form of alternative ITPs (Supplementary Pensions for Salaried Employees). Retirement pension commitments for salaried employees are secured through insurance with Alecta. According to a statement from the Swedish Corporate Reporting Board in Recommendation RFR 1 and in Interpretation UFR 10,

this comprises a multi-employer defined-benefit plan. Since the company has not had access to information which would have made it possible to report the pension plan as a defined-benefit plan, it has also been reported as a defined-contribution plan. Commitments regarding contributions to defined-contribution plans are recognised as expenses in profit or loss as they arise.

Short-term employee benefits

Short-term employee benefits are calculated on an undiscounted basis and recognised as an expense when the related services are received.

Contingent liabilities

A contingent liability is recognised when there is a possible obligation that arises from past events and whose existence is confirmed only by the occurrence of one or more uncertain future events or when there is an obligation that is not recognised as a liability or provision because it is not likely that an outflow of resources will be required.

Cash-flow statement

The cash-flow statement has been prepared using the indirect method. Balances at banks are classified as cash and cash equivalents.

Rounding

Amounts in this annual report are expressed in SEK million without decimal places. Where amounts are less than SEK 1 million and rounded down, this is represented by a zero (0). In cases where the outcome is actually zero, this is represented by a dash.

NOTE 2 | Other income

	2024	2023
Invoiced energy and fuel expenses	160	202
Invoiced services	298	207
Other	2	4
Total	460	413

Refer to Note 1, IFRS 15 Revenue from Contracts with Customers

NOTE 3 | Property expenses

	2024	2023
Energy, fuel and water	256	301
Property operations	667	563
Property tax	55	53
Maintenance	112	97
Total	1,090	1,014

NOTE 4 | Central administration

	2024	2023
Payroll and other expenses	105	86
Depreciation of plant and equipment	16	11
Total	121	97

Refer to Note 7 to the consolidated financial statements, to see the total payroll expenses. Unallocated administrative expenses are reported in this note.

NOTE 5 | Auditors' fees, SEK thousand

	2024	2023
Fees to auditors, PwC		
Audit assignment	1,992	1,821
Audit activities other than the audit assignment	177	150
Tax advice	63	4
Other services	230	0
Total	2,462	1,976

The audit assignment refers to the examination of the annual report, the accounting records and the administration by the Board and CEO. This also includes a fee for audit advice provided in connection with the audit assignment.

Audit activities refer to the examination of the administration or of financial information arising from statutes, the Articles of Association, regulations or agreements that result in a report or other document also intended to form the basis for an assessment by persons other than the principal as well as advice or other assistance brought about by observations during the review assignment. Other services include advice that is not attributable to any of the above types of service and which do not concern taxes.

NOTE 6 | Financial income and expenses

Composition of net financial items	SEK million		% of average liability	
	2024	2023	2024	2023
Interest expense, loans	-799	-572	-3.87	-3.30
Exchange-rate changes on foreign loans	51	162	0.24	0.93
Change in value, currency derivatives	-51	-162	-0.24	-0.93
Net interest income, derivatives	-29	-18	-0.14	-0.10
Exchange rate changes on investments	37	127	0.18	0.73
Other interest income and expenses	55	33	0.26	0.19
Other financial expenses	-32	-26	-0.15	-0.15
Capitalised interest expense, projects	190	128	0.92	0.74
Recognised net financial items	-578	-328	-2.80	-1.89
Unrealised change in value interest-rate derivatives	-99	-59	-0.48	-0.34
Unrealised change in value electricity forwards	-18	-82	-0.09	-0.47
Total net financial items	-695	-469	-3.37	-2.70

During the year SEK 190 million (128) in interest was capitalised in respect of investments in buildings under construction. The company's average interest rate was used when capitalising.

Net financial items recognised according to classification category

Financial income	2024	2023
Financial assets measured at FVTPL		
Interest income, covered bonds	50	33
Net gains, derivatives	0	0
Net losses, derivatives	-	-
Total recognised in profit or loss (net financial items)	50	33
Financial assets measured at amortised cost		
Interest income, tax account	1	1
Interest income, other	4	0
Other financial income	5	6
Total interest income using effective-interest method	11	7
Exchange-rate changes on foreign loans	51	162
Exchange rate changes on investments	50	133
Total financial income	162	335

Financial expenses	2024	2023
Financial liabilities measured at FVTPL		
Interest expense, interest-rate derivatives	30	35
Change in value, currency derivatives	-51	-162
Total recognised in profit or loss (net financial items)	-20	-127
Financial liabilities measured at amortised cost		
Interest expenses, bonds	-767	-531
Interest expense, commercial paper	-83	-81
Interest expense, whole loan repos	-8	-12
Interest expense, non-current loans	-	-
Other financial expenses ¹	152	94
Total interest expense with the effective-interest method	-706	-530
Exchange-rate changes on foreign loans	-	-
Exchange rate changes on investments	-13	-6
ECLs on financial assets	0	0
Total	-13	-6
Total financial expenses	-739	-663
Total recognised net financial items	-578	-328

Change in value of financial derivatives recognised by category and classification	2024	2023
Changes in value on financial assets		
Derivatives measured at fair value	-	-
Changes in value on financial liabilities		
Derivatives measured at fair value	-117	-140
Total change in value of financial derivatives	-117	-140

¹ Refers to capitalised interest on projects.

NOTE 7 | Employees, payroll expenses and Board fees, SEK thousand
Parent Company total

	2024	2023
Number of employees	298	258
Of whom women	36.6%	34.50%
Of whom men	63.4%	65.50%

The subsidiaries have no employees

Parent Company including the Board and senior executives

	2024	2023
Salaries and other remuneration	196,920	153,429
Social security expenses ¹	98,388	75,712
¹ Of which, pension expenses	27,866	21,078

Board of Directors

	2024	2023
Salaries and other remuneration		
Chairman of the Board	359	343
Other Board members	1,072	913
Total	1,431	1,256

Pension expenses	2024	2023
Chairman of the Board	–	–
Other Board members	–	–
Total	–	–

Senior executives

	2024	2023
Salaries and other remuneration		
Chief Executive Officer	3,771	4,663
Other senior executives	12,865	9,594
Total	16,636	14,257

Pension expenses	2024	2023
Chief Executive Officer	1,142	931
Other senior executives	3,669	2,545
Total	4,811	3,476

Specification of remuneration to Board members¹

	2024		2023	
	Salaries and other remuneration	Other benefits	Salaries and other remuneration	Other benefits
Eva Landén	359	–	343	–
Peter Blomkvist	–	–	–	–
Charlotte Hybinette ²	15	–	74	–
Mikael Lundström	192	–	177	–
Pierre Olofsson	194	–	179	–
Sanela Ovcina ³	–	–	35	–
Åsa Wirén	186	–	186	–
Britta Dalunde ⁴	184	–	132	–
Charlotta Niland ⁵	178	–	130	–
Siv Malmgren ⁶	123	–	–	–
Total	1,431	–	1,256	–

¹ The 2024 AGM resolved that annual Board fees would be payable in an amount of SEK 314,000 to the Chairman of the Board and SEK 150,000 each to other Board members. In addition to the ordinary Board fees, a fee of SEK 35,000 per year was paid to each member of the Audit and Finance Committee and SEK 14,000 per year to each member of the Remuneration Committee. A fee of SEK 46,000 per year was paid to the Chairman of the Audit and Finance Committee and SEK 15,000 per year to the Chairman of the Remuneration Committee. A fee of SEK 45,000 per year was paid to the Chairman of the Investment Committee and SEK 30,000 per year to each member of the Investment Committee. Fees are only paid to members elected by the AGM, not employees of Specialfastigheter or the Government Offices of Sweden. No remuneration over and above that decided by the AGM has been paid to the Chairman of the Board or any Board member. Board fees have been paid as salary.

² Stepped down in conjunction with taking on the role of acting Head of the Projects and Technology Department in February 2024.

³ Stepped down in conjunction with the 2023 AGM.

⁴ Elected to the Board at the 2023 AGM.

⁵ Elected to the Board at the 2023 AGM.

⁶ Elected to the Board at the 2024 AGM.

Continued, Note 7 Employees, payroll expenses and Board fees, SEK thousand

Specification of remuneration to senior executives⁷

	Salaries and other remuneration		Other benefits ⁸		Pension expenses ⁹		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Chief Executive Officer, Alexandra Laurén ¹⁰	3,771	712	101	24	1,142	201	5,014	937
CEO, Åsa Hedenberg ¹¹	–	2,785	–	26	–	377	–	3,188
CFO, Claes Rasmuson ¹²	–	1,675	–	8	–	376	–	2,059
CFO, Eva Bång ¹³	2,445	–	7	–	803	–	3,255	–
COO, Martin Nielsen ¹⁴	905	–	39	–	327	–	1,271	–
Head of Marketing and Business, Susanne Essehorn	1,752	1,663	6	5	518	492	2,276	2,160
Acting Projects and Technology Director, Charlotte Hybinette ¹⁵	2,247	1,166	1	0	656	353	2,904	1,519
Projects and Technology Director, Josef Guttenkunst ¹⁶	126	1,653	1	7	40	485	167	2,145
CIO, Masoomeh Antonsson	1,423	1,269	8	5	371	352	1,802	1,626
Property Management Director, Michaela Sköld	1,428	1,209	65	60	303	239	1,796	1,508
HR Director, Christina Burlin	1,208	1,166	8	5	256	339	1,472	1,510
Sustainability Manager, Emilia Hagberg ¹⁷	311	–	1	–	118	–	430	–
Communication Director, Hanna Janson	1,020	959	10	8	277	262	1,307	1,229
Total	16,636	14,257	247	148	4,811	3,476	21,694	17,881

⁷ There are no individual management contracts or terms relating to severance payments for any senior executives other than the CEO. Notice periods mainly follow collective agreements. There are some individual contracts with mutual 3- or 6-month notice periods. Pensions follow an ITP plan with a retirement age of 65.

⁸ Company car, subsidised meals and other benefits such as healthcare insurance.

⁹ Flex pension is included in the total. Any voluntary salary sacrifice arrangement in 2024 is not included in the total.

¹⁰ Joined Specialfastigheter on 20 October 2023 and took over the role of Chief Executive Officer on 23 October 2023.

¹¹ Ended employment with Specialfastigheter on 30 June 2023. Compensation paid under the non-compete agreement for the period from 1 July 2023 until 31 December 2023 is included in the above table.

¹² Ended employment with Specialfastigheter on 7 November 2023.

¹³ Interim CFO for the period 8 November 2023 through 31 December 2023, consultant, not employed during this period. Engaged as CFO of Specialfastigheter from 1 January 2024.

¹⁴ Member of the management group from 18 June 2024.

¹⁵ Interim Chief Executive Officer from 1 July 2023 until 22 October 2023. Acting Projects and Technology Director from 1 February 2024 until 31 December 2024.

¹⁶ Stepped down as Projects and Technology Director on 1 February 2024. Remuneration and severance pay during the period of notice, including benefits and pension provisions, amounts to SEK 2,987,000, which is in addition to the amount reported in the table. Of this amount, SEK 344,000 is payment of saved vacation days. In the event of new employment or other paid work, remuneration for the remaining period is reduced in proportion to the new income.

¹⁷ Member of the management group from 14 October 2024.

Total for the Parent Company including the Board and senior executives

The Board, including alternates, comprises 12 (12) members; of whom seven (six) are women and five (six) are men. Eight members are elected at the AGM and four members are appointed by employee organisations. The executive management team, which includes the CEO, comprises 10 (7) individuals; of whom 9 (6) are women and 1 (1) man. No variable remuneration or agreements on financial instruments apply for senior executives. Retirement pension and family pension commitments for salaried employees in Sweden are secured through insurance with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10, this comprises a multi-employer defined-benefit plan. For the 2024 financial year, the company did not have access to information

that would have enabled it to recognise this plan as a defined-benefit plan. Accordingly, the ITP pension plan secured via insurance with Alecta was recognised as a defined-contribution plan. Fees for the year for pension insurance policies provided by Alecta were approximately SEK 9 million (7). Alecta's surplus may be distributed to the policy owners and/or the insured. At year-end 2024, Alecta's surpluses in the form of the collective consolidation level was 162 per cent (157). The collective consolidation level is the market value of Alecta's assets as a percentage of its insurance commitments calculated according to Alecta's actuarial commitments, which do not correspond with IAS 19. The Group and the Parent Company's pension obligations outstanding to the Chief Executive Officer and other members of company management amount to SEK 0 (0).

Absence due to illness, % of total working hours

	2024		2023	
	Absence due to illness/Ord. working time, %	Long-term sick leave/Total sick leave, %	Absence due to illness/Ord. working time, %	Long-term sick leave/Total sick leave, %
Women	2.05	25.44	2.17	15.09
Men	1.55	28.13	2.06	40.73
Employees under 30 ¹	1.13	–	–	–
Employees aged 30–49	1.61	21.34	1.88	23.35
Employees over 49	1.93	34.52	2.42	41.17
All employees	1.73	27.01	2.09	32.34

¹ No data is provided as the group is less than 10 people.

NOTE 8 | Realised gain/loss on property sales

	2024	2023
Proceeds, properties sold	15	–
Fair value, properties sold	–15	–
Selling expenses	0	–
Total	0	–

NOTE 9 | Investment properties

Investment properties are recognised using the fair-value method (IAS 40)

2024	Acquisition (+)/Disposals (-) properties	Properties owned for the full year	Total 2024
Opening fair value	–	41,740	41,740
Investments regarding post-acquisition expenditure	–	5,628	5,628
Capitalised interest expenses	–	190	190
Acquisitions (+)	6	–	6
Divestments (-)	–	–	–
– Reclassification to assets held for sale ¹	–	–135	–135
Unrealised changes in value	–	4,486	4,486
Closing fair value	6	51,909	51,915

2023	Acquisition (+)/Disposals (-) properties	Properties owned for the full year	Total 2023
Opening fair value	–	36,210	36,210
Investments regarding post-acquisition expenditure	–	5,394	5,394
Capitalised interest expenses	–	128	128
Acquisitions (+)	211	–	211
Divestments (-)	–	–	0
Reclassification to assets held for sale ¹	–	–15	–15
Unrealised changes in value	–	–188	–188
Closing fair value	211	41,529	41,740

¹ Refer to Comments to the balance sheet under the heading Divestments pertaining to Trosa Lövsta 1:33.

Tax assessment value	2024	2023
Buildings	3,753	3,600
Land	1,832	1,765
Total	5,585	5,365

Fiscal residual values	2024	2023
Buildings	12,589	9,689
Land	1,841	1,838
Total	14,430	11,527

Investment properties

Investment properties are reported at fair value (estimated market value), based principally on valuations carried out by company personnel. To ensure the accuracy of the internal valuations, every year a selection of valuations is carried out by external appraisers with recognised qualifications and appropriate skills for valuing properties of the types and locations in question. External valuations take place according to a rolling schedule and were allocated to two (three) quarters during the year.

Fair value is based on assessed market value at the valuation date, which refers to the value that would be obtained in a transaction between knowledgeable, independent parties who have an interest in the transaction being carried out after customary market- ing in which both parties are assumed to have acted with insight, common sense and without coercion. Unrealised and realised changes in value are both recognised in profit or loss. Rental income and income from property sales are recognised in line with the principles described in the Revenue recognition section; see Note 1 to the consolidated financial statements.

Additional fees

Subsequent expenditures that entail a future financial advantage for the company, that is, which are value enhancing and can be calculated in a reliable manner, are capitalised as assets. Other expenditures, repairs and maintenance are expensed during the period in which they arise. Under IFRS 13, valuations of property holdings are categorised according to one of three levels. There are different degrees of uncertainty in the valuation depending on the level used. Specialfastigheter uses Level 3, where the degree of uncertainty is greatest as there is insufficient transaction/market data to allow using another level.

Level 1 Prices quoted in active markets

Level 2 Observable data other than data in Level 1

Level 3 Unobservable data

Valuation method

The estimated value of Specialfastigheter's investment properties is established quarterly through an internal valuation. For the majority of the portfolio, the value is estimated using the cash-flow method, meaning that the properties are valued based on each property's cash flow (net operating income) during a fixed calculation period of 25 years. If a property's lease extends longer than the assessed calculation period,

it is extended to equal the length of the lease plus one year so that the correct residual value is used in the calculation. Rental income was calculated based on applicable leases and an assessment of the market rent level after the end of the contract period. Operating expenses used in the cash-flow statements are assessed based on historical outcomes and budgets for future years for the respective properties. The maintenance expenses have been derived from industry key metrics and current maintenance plans. Internal valuation calculations are performed on a nominal basis using inflation of 1.0 per cent (2.0) for the first year and 2.0 per cent (2.0) per year for the remaining years in the calculation. Assumptions on inflation have been made in consultation with external valuation consultants based on the views of various forecasters, such as the National Institute of Economic Research (NIER), the Riksbank and other banks. The long-term inflation assumption of 2 per cent corresponds to the Riksbank's long-term inflation target.

The property's assessed market value is the sum of the current value of the cash flows during the calculation period and the current value of the residual value. In accordance with IAS 40, buildings under construction for future use as investment properties are measured at fair value with a deduction for the remaining investment. In order to assure the quality of the internal valuation, it is cross-checked against an external valuation of 22 objects (12), equivalent to 72 per cent (56) of the total estimated value. The difference between the external and internal valuations amounted to 0.6 per cent (0.3). Specialfastigheter applies an estimated value below that obtained from the external valuations.

Cost of capital

The estimated cash flow during the calculation period is present-valued using a nominal cost of capital. The estimated cost of capital is based on such things as the real interest rate, expected inflation and a risk

Continued, Note 9 Investment properties

premium. Specialfastigheter applies a differentiated estimated cost of capital for ongoing leases, which, tend to have a long lease term with tenants in the public sector. The same applies to assumed cash flows at the end of the lease.

Required yield

Required yield is used in the calculation of a property's residual value. The required yield is set individually for each property based on its geographic location, the lease structure, alternative uses of the space, type of tenant and the technical condition of the property.

Assessed cost of capital and required yield

There was gradual recovery in the property market during the year driven by lower interest rates and reduced inflation. The average yield on the property portfolio was adjusted downward by 0.3 percentage points and amounted to 5.40 per cent (5.70) at year end, of which 0.1 percentage points was attributable to current market conditions and the remaining 0.2 percentage points to changed contract structures in new construction. The estimated cost of capital for cash flows during the contract period remained unchanged.

Yield requirement and cost of capital are decided in collaboration with external valuation consultants. They are based on market analyses and the accumulative knowledge of past transactions in Specialfastigheter's area of operations.

With regard to reliable rental income, the estimated cost of capital over the contract period was mainly between 5.00 per cent (5.00) and 5.25 per cent (5.25). The cost of capital varies across properties due to the terms in each lease.

The required yield ranges mostly from 4.60 per cent (4.85) to 9.50 per cent (9.75), with office properties in downtown metropolitan regions in the lower interval and properties at more remote geographic locations or in less optimal technical condition in the higher interval.

Sensitivity analysis

Property valuation assumes a value interval of +/-5 per cent, which corresponds to the interval SEK 54,511 million and SEK 49,319 million. The value interval reflects the uncertainty existing in the assumptions and assessments at the time when the property value was calculated. For the sensitivity analysis, the estimated cost of capital and required yield are adjusted by 0.5 percentage points and items in net operating income are adjusted by 1.0 percentage points. It illustrates a simplified view of the impact on value of each parameter, given the unlikelihood of any one parameter changing while the others stay constant. Current assessments and assumptions regarding the properties' future development and yield requirements may change due to market shifts or other circumstances beyond SPF's control. The earnings impact of value change does not, however, impact cash flow since it is an unrealised change.

Sensitivity analysis, variable	Change	Annualised earnings impact, SEK million	
		2024	2023
Rental income	+/-1%	24.3	22.3
Property operations and utilities excl. electricity	+/-1%	8.3	7.2
Maintenance expenses ¹	+/-1%	3.6	3.4
Interest	+/-1pp	71.4	58.6
Market rates, derivative instruments ²	+/-1pp	11.5	37.5
Price change, purchased covered bond ³	+/-1pp	97.2	87.1
Cost of capital ⁴	+0.5pp	-1,335	-412
Cost of capital ⁴	-0.5pp	1,437	425
Yield ⁴	+0.5pp	-2,515	-990
Yield ⁴	-0.5pp	3,172	1,106

¹ Includes capitalised maintenance expenses according to IFRS.

² Impact on earnings relates to the change in value of derivative instruments.

³ The impact on earnings relates to momentary changes in deposited covered bonds as of 31 December 2024 with a nominal value of SEK 3,500 million.

⁴ Impact on earnings relates to change in value of investment properties. The change percentage has been adjusted upward from 0.25% to 0.5% for 2024 due to higher volatility in the property market in recent years and a clearer comparison within the property sector.

Rental income

Rental income for the year totalled SEK 3,042 million (2,650). Future rents attributable to non-terminable operational leases mature as shown below.

Maturity Profile, SEK million	2024	2023
Within 1 year		
Properties	86	94
Housing	4	3
Between 1 and 5 years		
Properties	896	443
Beyond 5 years		
Properties	3,119	2,713
Total	4,105	3,253

Maturity Profile, SEK million		2024		2023	
Year		Year		Year	
2025	90	2024		97	
2026	112	2025		112	
2027	114	2026		99	
2028	117	2027		121	
2029	553	2028		111	
Beyond 5 years	3,119	Beyond 5 years		2,713	
Total	4,105	Total		3,253	

Current investment projects

Specialfastigheter has a large number of new construction, redevelopment and extension projects in the planning and production phase, where the approved investment volume amounted to approximately SEK 32 billion at the end of the period, of which SEK 9.2 billion was accrued at the start. These investment projects are in various phases: from the planning phase and early phase to the design phase (ready for entering the production phase within a year or two), or the production phase.

NOTE 10 | Taxes

	2024	2023
Recognised in profit or loss		
Current tax	83	131
Deferred tax expense	1,177	145
Total recognised consolidated tax expense	1,260	276

Reconciliation of effective tax

Recognised EBT	6,082	1,296
Swedish income tax rate, 20.6%	1,252	267
Tax-exempt income	0	0
Non-deductible expenses	0	0
Adjusted sale proceeds	0	0
Standard interest tax allocation reserve	7	6
Restatement, reversal of tax allocation reserve	3	3
Tax attributable to previous tax year	-2	0
Total	1,260	276

Recognised in the balance sheet

Deferred tax liability	-5,436	-4,259
Current tax assets	33	26
Total	-5,403	-4,233

Deferred tax assets and liabilities

Investment properties	-5,039	-3,867
Financial assets	14	-10
Tax allocation reserve	-258	-275
Accelerated depreciation	-153	-107
Total	-5,436	-4,259

No deferred tax has been recognised in equity.

NOTE 11 | Right-of-use assets

	Lease- hold agree- ments	Service and company cars	Leases	Total
Cost				
1 January 2024	15	22	14	51
New right-of-use assets	–	14	–	14
31 December 2024	15	36	14	65
Accumulated depreciation				
1 January 2024	–	12	6	18
Depreciation for the year	–	3	2	5
31 December 2024	–	15	8	23
Recognised asset on 31 December 2024	15	21	6	42
Interest-bearing liability				
1 January 2024	15	22	14	51
New right-of-use assets	–	14	–	14
31 December 2024	15	36	14	65
Repayments				
1 January 2024	–	12	6	18
Repayments for the year	–	3	2	5
31 December 2024	–	15	8	23
Recognised interest-bearing liability on 31 December 2024	15	21	6	42
Amount recognised in 2024 profit or loss				
Right-of-use assets, depreciation	5			
Interest expenses, lease liabilities	5			
Total	10			

2024 cash flow for leases was SEK 0 million. For further information, see Note 1 to the consolidated financial statements.

	Lease- hold agree- ments	Service and company cars	Leases	Total
Cost				
1 January 2023	15	20	14	49
New right-of-use assets	–	2	–	2
31 December 2023	15	22	14	51
Accumulated depreciation				
1 January 2023	–	10	4	14
Depreciation for the year	–	2	2	4
31 December 2023	–	12	6	18
Recognised asset on 31 December 2023	15	10	8	33
Interest-bearing liability				
1 January 2023	15	20	14	49
New right-of-use assets	–	2	–	2
31 December 2023	15	22	14	51
Repayments				
1 January 2023	–	10	4	14
Repayments for the year	–	2	2	4
31 December 2023	–	12	6	18
Recognised interest-bearing liability on 31 December 2023	15	10	8	33
Amount recognised in 2023 profit or loss				
Right-of-use assets, depreciation	4			
Interest expenses, lease liabilities	4			
Total	8			

2023 cash outflow for leases was SEK 0 million.

NOTE 12 | Other property plant and equipment

	2024	2023
Plant and equipment		
Opening cost	63	47
Purchases	15	16
Sales and disposals	0	0
Closing accumulated cost	78	63
Opening depreciation	41	34
Sales and disposals	0	0
Depreciation for the year	11	7
Closing accumulated depreciation	52	41
Closing residual value according to plan	26	22

NOTE 13 | Financial investments

	2024	2023
Derivatives, SEK m		
Non-current investments		
Interest-rate and currency derivatives measured at FVTPL	42	97
Electricity derivatives measured at FVTPL	51	41
Total	94	138
Current investments, SEK m		
Interest-rate and currency derivatives measured at FVTPL	0	5
Electricity derivatives measured at FVTPL	17	50
Total	17	55

	2024	2023
Other investments, SEK m		
Non-current investments		
CSA deposits	213	72
Covered bonds	3,442	2,576
Other shares and participations	0	0
Total	3,656	2,649
Other financial investments		
Covered bonds	0	296
Total	0	296

The Group has entered into Credit Support Annexes to ISDA agreements in order to manage exposures to counter-party risks in derivative contracts. These agreements are mutual and mean that the parties jointly undertake to provide collateral in the form of cash and cash equivalents for the underlying value of derivative contracts outstanding. As of 31 December 2024, the Group had lodged collateral in four (two) instances and zero (zero) collateral received totalling SEK 213 million (72). Four deposits with SEB totalling SEK 141 million were made.

Collateral was lodged in the form of 15 (14) covered bonds. As of 31 December 2024, the collateral amounted to SEK 3,442 million (2,872).

NOTE 14 | Other receivables

	2024	2023
Non-current receivables		
Opening suspended VAT	436	139
Total	436	139
Current receivables		
Opening suspended VAT	464	674
VAT	–	90
Tax account	1	4
Other receivables	0	0
Total	465	768

NOTE 15 | Prepaid expenses and accrued income

	2024	2023
Prepaid energy expenses	5	5
Other interim receivables	75	52
Total	80	57

NOTE 16 | Cash and cash equivalents

	2024	2023
Bank balances	293	345
Total	293	345

NOTE 17 | Interest-bearing liabilities

SEK million	31 Dec 2024	31 Dec 2023
Non-current liabilities		
Loans	25,889	20,593
Current liabilities		
Loans	3,896	4,318
Total	29,785	24,911

Interest-bearing liabilities included SEK 42 million (33) pertaining to future lease liabilities according to IFRS 16. A corresponding amount is also recognised on the asset side under Right-of-use assets. For further information, see Note 11 to the consolidated financial statements.

Of the Group's and the Parent Company's non-current loan liabilities, SEK 5,653 million (5,031) matures more than five years after the balance-sheet date.

Foreign currency bonds are translated to the balance-sheet date SEK exchange rate. The fair value of derivatives corresponds to the translated amounts of the bonds, thus largely neutralizing the foreign exchange effects.

The market value of foreign currency bonds is translated to the balance-sheet date exchange rate and recognised in the tables in SEK. Fair value is measured by discounting future cash flows at the market interest rate on the balance-sheet date for the respective maturity pursuant to level 2, IFRS 13. The fair value of foreign currency bonds is measured by

discounting future cash flows at listed market interest rates and exchange rates for the respective maturity at the balance-sheet date.

Funding is distributed as follows, SEK million
Category – Financial liabilities measured at amortised cost

2024	Carrying amount	Nominal amount	Fair value
Overdraft facility	–	–	–
CSA deposits	–	–	–
Commercial paper	1,196	1,200	1,192
Fixed-interest bonds	19,902	19,915	19,984
Floating-rate bonds	5,949	5,936	6,041
Inflation-linked bonds	246	190	246
Foreign currency bonds	2,451	2,577	2,469
Total	29,744	29,818	29,932
2023	Carrying amount	Nominal amount	Fair value
Overdraft facility	–	–	–
CSA deposits	–	–	–
Commercial paper	2,338	2,350	2,326
Fixed-interest bonds	15,976	15,995	15,989
Floating-rate bonds	3,822	3,816	3,995
Inflation-linked bonds	241	190	241
Foreign currency bonds	2,501	2,577	2,527
Total	24,878	24,928	25,078

Continued, Note 17 | Interest-bearing liabilities

Maturity profile

2024	Carrying amount	Nominal amount	Fair value	2023	Carrying amount	Nominal amount	Fair value
2024	–	–	–	2023	–	–	–
2025	3,896	3,900	3,872	2024	4,318	4,330	4,273
2026	3,264	3,275	3,256	2025	2,700	2,700	2,621
2027	5,373	5,359	5,416	2026	2,157	2,175	2,149
2028	5,626	5,626	5,867	2027	5,047	5,039	5,148
2029	5,932	5,976	6,051	2028	5,626	5,626	5,935
2030	200	200	185	2029	1,096	1,126	1,142
2031	3,357	3,442	3,403	2030	200	200	184
2032	–	–	–	2031	1,644	1,692	1,671
2033	–	–	–	2032	–	–	–
2034	–	–	–	2033	–	–	–
2035 and beyond	2,096	2,040	1,882	2034 and beyond	2,090	2,040	1,955
Total	29,744	29,818	29,932	Total	24,878	24,928	25,078

Group financing in foreign currency at the balance-sheet date
2024

Currency	Nominal	Interest %	Interest in SEK	Nominal amount in SEK	Carrying amount in SEK
EUR	10,000,000	3.23	3.94	108,500,000	114,580,276
NOK	750,000,000	3.71	3.84	776,397,515	728,818,459
NOK	680,000,000	4.71	4.11	676,600,000	660,795,403
NOK	700,000,000	4.93	4.02	722,400,000	680,230,562
NOK	274,000,000	4.39	3.78	292,851,200	266,261,677

2023

Currency	Nominal	Interest %	Interest in SEK	Nominal amount in SEK	Carrying amount in SEK
EUR	10,000,000	3.23	4.95	108,500,000	111,205,835
NOK	750,000,000	3.71	4.94	776,397,515	745,638,917
NOK	680,000,000	4.71	5.13	676,600,000	676,045,951
NOK	700,000,000	4.93	5.12	722,400,000	695,929,655
NOK	274,000,000	4.39	5.14	292,851,200	272,406,751

Significant contractual conditions

The Group's loan agreements include an ownership clause which entitles lenders to call in a loan early if the state's ownership level falls below 100 per cent.

Hedge accounting

Hedge accounting is not applied by the Group.

Currency distribution

When funding in foreign currency, all future payment flows are hedged so that currency risks are eliminated. All interest payments and future repayments are hedged through currency swaps.

The table "Group financing in foreign currency at the balance-sheet date" shows foreign currency at the balance-sheet date by original currency and after taking currency swaps into account. Foreign currency loans are translated at the closing-date exchange rate, and the exchange-rate change as well as the changes in currency derivatives are reported in net financial items.

The Group has entered into Credit Support Annexes to ISDA agreements in order to manage exposures to counter-party risks in derivative contracts. These agreements are mutual and mean that the parties jointly undertake to provide collateral in the form of cash and cash equivalents for the underlying value of derivative contracts outstanding. The Group has provided collateral in four cases as of 31 December 2024. For further information, see Note 13 to the consolidated financial statements.

NOTE 18 | Other liabilities

Other liabilities	2024	2023
Customer advances	0	0
VAT	16	3
Other liabilities	14	12
Total	30	15

NOTE 19 | Accrued expenses and deferred income

	2024	2023
Deferred rental income	871	781
Accrued energy expenses	36	46
Accrued electricity support	–	18
Accrued interest expenses	247	185
Accrued social-security expenses	6	5
Accrued holiday pay	21	17
Accrued payroll tax	7	5
Other items	21	13
Total	1,209	1,070

NOTE 20 | Financial risks and financial policy

The term financial risks means fluctuations in the company's performance and cash flow due to the effect of interest-rate, financing, credit, currency and electricity price risk. All Group financial risks are brought into the Parent Company and managed from there. The Group's financial risks comprise the financial operations of the Parent Company. The Group's financial policy for managing financial risk has been adopted by the Board and comprises a framework of guidelines and rules in the form of risk mandates and limits for financial operations. The policy is designed to ensure that the owner's required return on equity is achieved in the safest way possible. The overall objective of treasury operations is to provide cost-effective funding and to minimise the adverse effects of market fluctuations on the Group's earnings.

For more information on financial risks, refer to page 40.

Financial operations

The Parent Company's accounting and finance department manages the Group's financial transactions and risks centrally. The company's Finance Manager deals with operational activities.

Rating

The credit rating institute Standard & Poor's (S&P) has retained the rating for the company's long-term funding with an AA+/Stable outlook and also retained A-1+ for short-term funding. S&P raised the rating from AA to AA+ in 2005 given the continued long-term ownership aims of the Swedish government and the company's long-term ability to achieve the owner's return requirement. S&P confirmed the AA+ rating on 19 December 2024. When S&P assesses Specialfastigheter's stand-alone creditworthiness – the

company's ability to stand-alone without Swedish state ownership – we receive an AA- credit rating.

Interest-rate risk

Interest-rate risk refers to the risk of negative effects on interest expenses for existing and future financing due to interest-rate changes. Specialfastigheter's interest-rate exposure is governed by limiting the proportion maturing within 12 months to a maximum of 70 per cent of the net loan portfolio. On the closing date, the average fixed-interest period was 3.6 years (3.7). The fixed-interest period shows how quickly a change in interest rates will impact in the form of increased borrowing expenses. The objective of interest-rate risk management is to achieve low interest expenses over time while adapting the interest-rate profile to underlying business possibilities.

On 31 December 2024, the portfolio's average interest rate for loans and derivatives was 2.87 per cent (2.91). Inflation-linked bonds were issued for SEK 190 million (190) to protect inflation-linked items in the income statement, such as rental income and, operating and maintenance expenses.

The company's financial policy permits the use of derivatives. The main derivatives used are interest-rate swaps. The risk exposure of the total portfolio is governed by limits for fixed-interest periods. This leads to the limitation of the total risk effect of the derivatives portfolio. The company conducts derivative transactions to cost effectively manage the whole financial portfolio's allocation of interest-rate exposure over time. The derivatives portfolio has created a redistribution of interest-rate exposure from shorter to longer terms; refer to the "Fixed-interest maturity structure and loan-to-maturity." The volume for loan-to-maturity includes loans and investments in covered bonds.

The fixed-interest volume includes loans, derivatives and investments in covered bonds. The loan liability is calculated as a net liability, after taking into account any positive balances and investments.

Financing risk

Financing risk refers to the risk that existing financing cannot be replaced or only at exceptionally high cost. The risk to Specialfastigheter also includes not being able to secure financing, for example in connection with a major acquisition. To limit financing risk, Specialfastigheter strives to raise credits with long maturities and even maturity profiles for commercial paper and bonds issued. To further reduce financing risk, there are also investments in covered bonds, guaranteed loan commitments, and cash and cash equivalents totalling SEK 8,750 million (7,750). On the balance-sheet date, unutilised guaranteed loan commitments, and cash and cash equivalents amounted to SEK 9,043 million (8,095) covering the refinancing risk for the next 33 months' (32) maturity.

No special undertakings are included in loan commitments other than ownership clauses and disclosure commitments. Three loan commitments totalling SEK 3,000 million increase the margin on loans drawn from the facility if the company's rating falls below AA-. The maturity of financial liabilities has been spread over time to limit refinancing risk. As of 31 December 2024, loan-to-maturity was 4.9 years (5.2). Taking unutilised guaranteed loan commitments into consideration, loan-to-maturity was 5.4 years (5.7).

During the year, we increased investments in covered bonds by SEK 500 million to a total nominal amount of SEK 3,500 million (3,000). The covered bonds provide a liquidity buffer that can be utilised in a similar way to loan commitments by means of bank whole loan repos.

The company's nominal gross financial liability totalled SEK 29,818 million (24,928) at year end. Further reductions of the refinancing risk are achieved by diversifying funding sources; refer to the "Credit facilities" table. Borrowing is conducted in the Swedish and international credit markets through bond and commercial paper programmes and in the Swedish and international banking markets. Specialfastigheter

conducts borrowing against the balance sheet without pledging properties. The company's loan contracts have included an ownership clause ever since 1999, which strengthens lenders' positions. The clause means that lenders are entitled to call a loan in early if state ownership falls below 100 per cent.

The "Liquidity risk" table in this note shows agreed undiscounted cash flows, which include all financial liabilities including interest payments. Where the future variable interest rate is unknown, it has been estimated with the aid of implicit forward interest rates. Rental income is used to meet the future commitments presented in the table. Credit risk is assessed as negligible for rental income.

Credit risks and counterparty risks in financial operations

Financial credit risk refers primarily to counterparty risks in connection with receivables from banks and other counterparties. The risk arises in derivatives trading or the investment of cash and cash equivalents. Specialfastigheter's policy to reduce credit risk is that the investment of cash and cash equivalents and entering into of derivative contracts may only be carried out with a limited number of counterparties and within approved limits. Cash and cash equivalents are used in practice to repay loans. Derivative counterparties are banks with high credit ratings.

The company's counterparty risk in derivative contracts totalled SEK 111 million (193) as of 31 December 2024; this corresponded to the company's total receivables from unrealised derivatives with positive values.

CSA deposits are in the form of cash deposits.

The credit risk in daily business operations is limited by advance invoicing of rents, long leases and by tenants having a strong connection to the Swedish state.

Receivables mainly comprise lease receivables for which the Group has chosen to apply the simplified approach for ECL recognition. This entails making ECL provisions for the remaining lifetimes, which are

Continued, Note 20 Financial risks and financial policy

expected to be less than one year for all receivables. The Group applies a rating-based method for calculating ECLs based on probability of default, expected loss and exposure at default. The Group defines default as when receivables are 90 days or more past-due, or if other factors indicate that a suspension of payments applies. The Group has essentially one counterparty, namely the Swedish state. At present, the counterparty's credit rating is AAA, which means that the risk of credit losses is deemed negligible. Therefore, the Group has not made any provision for ECLs.

The Parent Company applies the general approach for ECL provisions on intra-Group receivables. The Parent Company applies a rating-based method for calculating ECLs based on probability of default, expected loss and exposure at default. At the balance-sheet date, the Group had a credit rating of AA+ from Standard & Poor's. The risk nature of subsidiaries' operations and types of properties are comparable to that of the Parent Company and, accordingly, the subsidiaries are assumed to have comparable credit ratings. The Parent Company defines default as when receivables are 90 days or more past-due, or if other factors indicate that a suspension of payments applies. At the balance-sheet date, no material increase in credit risk is assessed as applying for any intra-Group receivables. Based on the Parent Company's assessments using the above approach and taking into consideration other known information and forward-looking factors, ECLs are not expected to be material and therefore no provision has been made.

Financial items that have matured for payment at the year end, SEK million

	2024	2023
Financial assets	62	10
Financial liabilities	60	12

An impairment of SEK – million (–) was carried out on the balance-sheet date. SEK 0 million (0) of trade receivables and SEK 49 million (2) of trade payables were unpaid on 31 January 2025.

Financial assets credit rating, SEK m

2024	Simplified approach	General approach	
		Trade receivables	Total
Credit rating		Stage 1	Total
No credit rating/ trade receivables	4	–	4
AAA	337	–	337
AA	–	4	4
A	–	290	290
BBB	–	–	–
Total	341	293	634

2023	Simplified approach	General approach	
		Trade receivables	Total
Credit rating		Stage 1	Total
No credit rating/ trade receivables	0	–	0
AAA	89	–	89
AA	–	2	2
A	–	343	343
BBB	–	–	–
Total	89	345	434

The Group's maximum credit risk comprises the net amounts in the above table. The Group has not received any pledged collateral for the net financial assets.

Currency risk

Foreign currency borrowing outside the Swedish market takes place if it is advantageous from an overall cost or diversification perspective. Foreign currency exposures must be hedged if they exceed a value equivalent to SEK 5 million. Foreign currency hedging refers to the use of financial derivatives or matching between assets and liabilities. Since the Group's activities are exclusively denominated in Swedish krona, all currency risks in connection with financing in foreign currencies have been eliminated through currency derivatives. Because currency exposure also occurs when financial electricity derivatives are taken up, they are hedged by means of currency derivatives. The effects of the unrealised change in value are reported under "Change in value of financial instruments, unrealised" in the income statement, while foreign currency loans are translated at the balance-sheet date exchange rate and reported in net financial items. Changes in currency derivatives are also reported in net financial items.

The following table shows the Group's borrowing and hedging in foreign currency.

Nominal amounts (SEK) per business day

2024	Loans	Derivatives	Total
Original currency			
EUR	109	–109	0
NOK	2,468	–2,468	0

2023	Loans	Derivatives	Total
Original currency			
EUR	109	–109	0
NOK	2,468	–2,468	0

Electricity price risk

Electricity price risk refers to the risk of fluctuations in the future price of electricity adversely affecting the

company's operating expenses. As a consequence of this, the company has established an electricity price policy with a long-term price-hedging strategy; refer to the "Hedged portion of future electricity consumption" table. To limit the electricity price risk for estimated electricity consumption, the company buys price-hedging contracts in the form of electricity futures. These are managed through day-to-day analysis of the electricity market and the company's own portfolio. Price hedging is done in sub items to reduce the risk of undertaking large price hedges in expensive circumstances. In this way the hedged portion increases as the consumption date approaches. By the time a budgeted price is to be given for the coming year, a large portion has been price-hedged.

Specialfastigheter passes on most of the electricity cost to its tenants, which means the price risk to the company is negligible.

Derivatives

Specialfastigheter uses derivative instruments to manage interest-rate risk and to thereby achieve the desired fixed-rate structure and to manage currency risk and to hedge loans in foreign currencies.

Over time, changes in value may arise in the derivatives portfolio owing to changes in market interest rates and exchange rates. These unrealised changes in value are recognised in profit or loss. Electricity derivatives are measured at fair value and recognised in profit or loss. The electricity consumption expense is recognised on an ongoing basis in profit or loss. Financial interest-rate derivatives are measured at fair value according to the closing interest rate as of the balance-sheet date.

Continued, Note 20 Financial risks and financial policy

Financial instruments measured at fair value

The fair value of financial instruments can be determined in various ways.

- Level 1 Fair value determined by prices quoted in an active market for the same instrument.
- Level 2 Fair value determined either by directly or indirectly observable market data not included in Level 1.
- Level 3 Fair value determined based on data that is not observable in the market.

Financial instruments – Measured at fair value

2024	Prices quoted in an active market (Level 1)	Measurement based on observable data (Level 2)	Measurement based on information other than observable data (Level 3)	Total
Interest-rate swaps	–	–77	–	–77
Currency swaps	–	–126	–	–126
Electricity futures	65	–	–	65
Net	65	–203	–	–138

2023	Prices quoted in an active market (Level 1)	Measurement based on observable data (Level 2)	Measurement based on information other than observable data (Level 3)	Total
Interest-rate swaps	–	22	–	22
Currency swaps	–	–76	–	–76
Electricity futures	83	–	–	83
Net	83	–54	–	29

Credit facilities, nominal amounts

	Loan limit, SEK million		Utilised, SEK million	
	2024	2023	2024	2023
CSA deposits	–	–	–	–
Group overdraft	500	500	–293	–345
Guaranteed loan commitments	8,250	7,250	–	–
Commercial paper	5,000	5,000	1,200	2,350
MTN programme	35,000	25,000	28,428	22,388
Private Placements	500	500	190	190
Whole loan repos	3,500	3,000	–	–
Investments	–3,500	–3,000	–3,500	–3,000
Total	49,250	38,250	26,025	21,584

Liquidity risk, agreed undiscounted cash flows, SEK million

2024	Loans	Derivatives, inflow	Derivatives, outflow	Derivatives, total	Trade payables	Lease liabilities
Less than 3 months	–1,498	24	–34	–10	–955	0
Between 3 and 12 months	–3,190	170	–138	32	–	0
Between 1 and 3 years	–15,326	450	–436	14	–	–21
Between 3 and 5 years	–8,694	221	–205	16	–	–21
Total	–28,708	865	–813	52	–955	–42

2023	Loans	Derivatives, inflow	Derivatives, outflow	Derivatives, total	Trade payables	Lease liabilities
Less than 3 months	–1,465	32	–43	–11	–906	0
Between 3 and 12 months	–3,449	193	–152	41	–	–3
Between 1 and 3 years	–10,844	427	–404	23	–	–7
Between 3 and 5 years	–6,653	240	–199	41	–	–23
Total	–22,411	892	–798	94	–906	–33

Exposure to counterparty risks distributed across different rating categories

Institute with long rating, 2024	Asset	Liability	Securities received/paid	Net exposure
AA-	0	–10	11	1
A+	42	–235	202	9
A	–	–	–	–
BBB+	–	–	–	–
Electricity derivatives	69	–4	–	65
Total	111	–249	213	75

Institute with long rating, 2023	Asset	Liability	Securities received/paid	Net exposure
AA-	0	–20	11	–9
A+	103	–135	61	29
A	–	–	–	–
BBB+	–	–	–	–
Electricity derivatives	90	–8	–	82
Total	193	–163	72	102

Continued, Note 20 Financial risks and financial policy

Hedged portion of future electricity consumption

2024 year	GWh	Min. limit	Max. limit	Proportion	2023 year	GWh	Min. limit	Max. limit	Proportion
2025	103	70%	100%	77%	2024	103	70%	100%	72%
2026	103	40%	100%	57%	2025	103	40%	100%	44%
2027	103	20%	100%	30%	2026	103	20%	100%	25%
2028	103	0%	100%	5%	2027	103	0%	100%	0%

Maturity profile for electricity derivatives

2024 year	GWh	Market value	2023 year	GWh	Market value
2025	73	31	2024	74	43
2026	52	23	2025	45	27
2027	24	11	2026	26	13
2028	0	–	2027	0	–
2029	0	–	2028	0	–
Total	148	65	Total	145	83

Derivative portfolio's market value

	2024			2023		
	Nominal value	Positive value	Negative value	Nominal value	Positive value	Negative value
Currency swaps	2,577	6	200	2,577	51	97
Interest-rate swaps	3,711	36	45	3,335	51	59
Electricity futures	–	69	4	–	90	8
Total	6,288	111	249	5,912	192	164

Sensitivity analysis

Change	Pre-tax change in profit or loss	Change in equity after tax
Change in net financial items if market rate increases 1%, annual expense change	Earnings decrease SEK 71 million (59)	Equity decreases SEK 57 million (47)
Change in value of financial derivatives if market rate increases 1%	Earnings increase SEK 12 million (38)	Earnings increase SEK 9 million (30)
Currency risk is hedged by currency swaps, which removes the effect of exchange-rate changes	No change	No change
Electricity price risk – electricity futures reduce price volatility. The majority of electricity expenses are then passed on to the tenants.	No change	No change

Fixed-interest maturity structure and loan-to-maturity

	Fixed-interest, SEK million		Loan-to-maturity, SEK million	
	2024	2023	2024	2023
2024	–	7,026 ^{1,2}	–	3,605 ^{1,2}
2025	8,292 ¹	2,700	3,603 ¹	2,700
2026	2,190 ²	1,602 ²	2,590 ²	1,502 ²
2027	3,527 ²	3,557 ²	3,869 ²	3,574 ²
2028	4,311 ²	4,313 ²	5,176 ²	5,178 ²
2029	3,542 ²	–	5,117 ²	1,096
2030	200	200	200	200
2031	1,750	–	3,357	1,644
2032	–	–	–	–
2033	–	–	–	–
2034	–	–	2,096	2,090
2035 and beyond	2,196	2,191	–	–
Total	26,008	21,589	26,008	21,589

¹ Includes CSA deposits given and received as well as bank balances.

² Includes investments in covered bonds.

Continued, Note 20 Financial risks and financial policy

Carrying amount per category

	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at FVTPL				
Interest-rate derivatives	36	36	51	51
Currency derivatives	6	6	51	51
Electricity derivatives	69	69	90	90
Covered bonds	3,442	3,442	2,872	2,872
Shares and participations	1	1	1	1
Financial assets measured at amortised cost				
Trade receivables	341	341 ¹	89	89 ¹
CSA deposits	213	213 ¹	72	72 ¹
Accrued interest income	0	0	–	–
Cash and cash equivalents	293	293	345	345
Financial liabilities measured at FVTPL				
Interest-rate derivatives	45	45	59	59
Currency derivatives	200	200	97	97
Electricity derivatives	4	4	7	7
Financial liabilities measured at amortised cost				
Commercial paper	1,196	1,192 ²	2,338	2,326 ²
Fixed-interest bonds	19,902	19,984 ²	15,976	15,989 ²
Floating-rate bonds	5,949	6,041 ²	3,822	3,995 ²
Inflation-linked bonds	246	246 ²	241	241 ²
Foreign currency bonds	2,451	2,469 ²	2,501	2,527 ²
Trade payables	955	955 ¹	906	906 ¹
CSA deposits	–	– ¹	–	– ¹
Accrued interest expenses	247	247 ¹	185	185 ¹

¹ Fair value is measured by discounting future cash flows at the market interest rate on the balance-sheet date for the respective maturity. The fair value of bonds in foreign currency is measured by discounting future cash flows at the balance-sheet date exchange rate for the respective maturity.

² Market quotations and generally accepted Level 2 calculation methods are used to determine fair value on the closing date.

The Group's maximum credit risk comprises the net amounts in the above table. The Group has not received any pledged collateral for the net financial assets.

The financial assets encompassed by an ECL provision pursuant to the general approach consist of cash and cash equivalents, CSA deposits and accrued interest income. Specialfastigheter applies a rating-based

approach in combination with other known information and forward-looking factors to assess ECLs. The Group defines default as when receivables are 90 days or more past-due, or if other factors indicate that a suspension of payments applies. In those instances where amounts are not assessed as negligible, an ECL provision is recognised even for these financial instruments.

Financial assets and liabilities that are offset or covered by a general netting arrangement, SEK million

2024	Gross amount	Offset amount	Net amount in balance sheet	Amounts covered by a general or similar netting agreement ¹		Net amount
				Financial instruments	Financial collateral, received/paid	
Derivative assets	111	–	111	–111	–	0
Derivative liabilities	–249	–	–249	111	213	75
Total	–138	0	–138	–	213	75

2023	Gross amount	Offset amount	Net amount in balance sheet	Amounts covered by a general or similar netting agreement ¹		Net amount
				Financial instruments	Financial collateral, received/paid	
Derivative assets	193	–	193	–193	–	0
Derivative liabilities	–164	–	–164	193	72	101
Total	29	0	29	–	72	101

¹ These financial assets and liabilities are only offset in the case of insolvency or upon suspension of payments by either party. These also include arrangements where the Group has no intention of divesting the instruments concurrently.

Continued, Note 20 Financial risks and financial policy

Summary of liabilities attributable to financing activities

	Cash flow items		Non-cash items			
	Opening balance 2024	Cash flow from financing activities	Effect of changed exchange rate	Change in fair value	Price change	Closing balance 2024
Interest-bearing liabilities	24,878	4,911	-51	-	5	29,744
Non-interest-bearing liabilities	15	15	-	-	-	30
Interest-rate and cross-currency swaps, fair value hedges	156	-	51	42	-	245
Electricity futures, fair value hedges	7	-	-	-3	-	4
Total liabilities attributable to financing activities	25,056	4,926	0	39	5	30,023

	Cash flow items		Non-cash items			
	Opening balance 2023	Cash flow from financing activities	Effect of changed exchange rate	Change in fair value	Price change	Closing balance 2023
Interest-bearing liabilities	20,308	4,689	-162	-	42	24,878
Non-interest-bearing liabilities	99	-84	-	-	-	15
Interest-rate and cross-currency swaps, fair value hedges	31	-	162	-37	-	156
Electricity futures, fair value hedges	8	-	-	-1	-	7
Total liabilities attributable to financing activities	20,446	4,605	0	-38	42	25,056

NOTE 21 | Related parties
Related-party transactions

	Consolidated IFRS		Parent Company Annual Accounts Act	
	2024	2023	2024	2023
	Intra-Group income	-	-	3
Intra-Group expenses	-	-	-	-
Current intra-Group receivables	-	-	4	3
Non-current intra-Group receivables	-	-	344	357

Transactions with the shareholder

	Consolidated IFRS		Parent Company Annual Accounts Act	
	2024	2023	2024	2023
	Dividend	-	-	-

No ECLs on financial assets exist within the Group.

There are no dealings with the owner, the Swedish State, other than those stipulated by law. The Parent Company, Specialfastigheter Sverige AB, company registration number 556537-5945, has a close relationship with its subsidiaries; refer to Note 15 for the Parent Company. For more information on salaries and other remuneration, expenses and commitments with respect to pensions and similar benefits of the Board, CEO and other senior executives, as well as contracts concerning severance payments, see Note 7 to the consolidated financial statements.

NOTE 22 | Pledged assets and contingent liabilities

	2024	2023
Pledged assets	None	None
Contingent liabilities	None	None

NOTE 23 | Events after the balance-sheet date

Serneke Sverige AB went bankrupt early in January. At that time, Specialfastigheter had a framework agreement in place with Serneke Sverige AB and Serneke was also the contractor for three of the company's ongoing projects. It is not possible to exclude some increase in the investment cost of these projects.

In March, Specialfastigheter contracted with Fortifikationsverket on the divestment of seven properties with a total lettable area of some 180,000 square metres and which are mainly located in Stockholm. The total purchase price is SEK 8,230 million and will be paid in cash. Transfer of the properties is planned for autumn 2025. The transaction is conditional on a government decision.

Parent Company income statement

SEK million	Note	Full-year 2024	Full-year 2023
Rental income		3,011	2,620
Other income	2	597	415
Net sales		3,608	3,035
Operating expenses	3	-1,238	-1,015
Depreciation of investment properties		-1,055	-847
Gross profit		1,315	1,173
Central administration	4, 5	-122	-97
Gain/loss on property sales	6	0	-
Operating profit	7	1,193	1,076
Profit/loss from financial investments			
Net financial expense	8	-869	-368
Profit after financial items		324	708
Appropriations	9	-140	-93
Tax on profit for the year	10	-45	-90
Net profit for the year	11	139	525
Of which attributable to the Parent Company's shareholder		139	525

Parent Company statement of comprehensive income

SEK million	Full-year 2024	Full-year 2023
Net profit for the year	139	525
Total comprehensive income for the year	139	525
Of which attributable to the Parent Company's shareholder	139	525

Since the Parent Company's and the Consolidated income statements and balance sheets largely correspond, we have issued no separate comments for the Parent Company.

Parent Company balance sheet

SEK million	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Investment properties	12, 13	30,358	25,805
Plant and equipment	14	26	22
Financial assets	15	4,647	3,399
Total non-current assets		35,031	29,226
Current assets			
Trade receivables		341	89
Current investments	16	17	351
Tax assets	10	33	26
Current receivables	17	469	771
Prepaid expenses and accrued income	18	80	58
Cash and cash equivalents	19	293	344
Total current assets		1,233	1,639
Total assets		36,264	30,865

SEK million	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital (2,000,000 shares)		200	200
Statutory reserve		42	42
Total restricted equity		242	242
Non-restricted equity			
Retained earnings		1,118	593
Net profit for the year		139	525
Total non-restricted equity		1,257	1,118
Total equity		1,499	1,360
Untaxed reserves	20	1,978	1,837
Liabilities			
Interest-bearing liabilities			
Loan liabilities	21	29,743	24,878
Non-interest-bearing liabilities			
Other liabilities	22	1,232	1,083
Deferred tax liabilities	10	610	645
Accrued expenses and deferred income	23	1,202	1,062
Total liabilities		32,787	27,668
Total equity and liabilities		36,264	30,865

Parent Company changes in equity

SEK million	Share capital	Other contributed capital	Retained earnings	Total equity
Opening balance, 1 January 2024	200	616	1,118	1,360
Net profit for the year	–	–	139	139
Dividend	–	–	–	–
Closing balance, 31 December 2024	200	616	1,257	1,499

SEK million	Share capital	Other contributed capital	Retained earnings	Total equity
Opening balance, 1 January 2023	200	616	593	835
Net profit for the year	–	–	525	525
Dividend	–	–	–	–
Closing balance, 31 December 2023	200	616	1,118	1,360

Parent Company cash-flow statement

SEK million	Full-year 2024	Full-year 2023	SEK million	Full-year 2024	Full-year 2023
Operating activities			Financing activities		
Net operating income	1,315	1,173	Investment, covered bonds	–829	–627
Central administration	–122	–97	Investment, covered bonds, matured	309	308
Net financial expense	–869	–368	Borrowings	20,856	20,958
Reversal, change in value of financial investments	168	302	Repayments of borrowings	–16,086	–16,341
Add back, change in prices	–96	–253	Dividend paid to Parent Company's shareholder	–	–
Add back of depreciation	1,066	852	Cash flow from financing activities	4,250	4,298
Income tax paid	–86	–117	Cash flow for the year	–51	–40
Cash flow from operating activities before changes in working capital	1,376	1,492	Opening cash and cash equivalents	344	384
Change in working capital			Closing cash and cash equivalents	293	344
Change in receivables	–258	–598	Dividends received	–	220
Change in other current liabilities	203	389	Interest		
Total change in working capital	–55	–209	Interest received	71	40
Cash flow from operating activities	1,321	1,283	Interest paid	–830	–629
Investing activities					
Acquisition of investment properties	–6	–211			
Investment in investment properties	–5,616	–5,394			
Disposal of investment properties	15	–			
Acquisition of property, plant and equipment	–15	–16			
Disposal of property, plant and equipment	0	0			
Cash flow from investing activities	–5,622	–5,621			

NOTE 1 | Parent Company accounting policies

The Parent Company applies the same accounting policies as the Group, except in the cases specified below. The deviations between the Parent Company's and the Group's policies arise from limitations in the Parent Company's ability to apply IFRS as a result of provisions in the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, and in certain cases for tax reasons.

Parent Company accounting policies

The Parent Company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 of the Swedish Financial Reporting Board, Accounting for Legal Entities. Statements issued by the Swedish Corporate Reporting Board applicable to listed companies are also applied. RFR 2 means that the Parent Company must apply all EU-approved IFRSs and interpretations insofar as this is possible under the provisions of the Annual Accounts Act, the Swedish Pension Obligations Vesting Act and with due consideration to the relationship between accounting and taxation.

Changes in accounting policies

The same accounting policies have been applied as those described in the 2023 Annual Report for Specialfastigheter. No new or revised standards, interpretations, or improvements adopted by the EU and effective from 1 January 2024 are expected to have any material impact on the Parent Company's financial statements for the current or future periods, nor on future transactions.

Classification and structure

The Parent Company's income statement and balance sheet follow the structure of the Annual Accounts Act.

The principal difference in comparison with IAS 1 Presentation of Financial Statements applied in the layout of the Group's financial statements is the presentation of operating profit, financial income and expenses, non-current assets, equity and the occurrence of provisions as separate headings in the balance sheet.

Subsidiaries

Participations in subsidiaries are recognised in the Parent Company in accordance with the cost method. Acquisition-related expenses for subsidiaries are included in the cost of the shares in the subsidiary. Dividends received are recognised as income.

Depreciation

Earnings in the income statement have been charged with depreciation according to plan. In the case of plant and equipment, the difference between fiscal and planned depreciation is reported as an appropriation, and accumulated accelerated depreciation as untaxed reserves. In cases where the maximum fiscal rate of depreciation falls short of planned depreciation, a deferred tax asset arises. The company includes the deferred tax asset in its total recognised deferred tax liability.

The fiscal depreciation follows the Swedish Tax Agency's percentages for various building types. Depreciation methods, useful lives and impairment losses are reviewed annually in the annual accounts.

The following depreciation rates were used:

Building fixtures and fittings	10% per year
Buildings	2–7% per year
In ground fixtures and fittings	5% per year
Land improvements	5% per year

Buildings

Buildings in the Parent Company are recognised at cost less accumulated depreciation. Cost consists

of the acquisition cost, land registration costs and value enhancing improvements. Only expenses that generate lasting value enhancement to a property are capitalised.

The company conducts a valuation of the economic useful life and a valuation of all properties using the model described in Note 9 to the consolidated financial statements. If the value of a property thus estimated falls significantly below the carrying amount, an impairment loss is recognised for the property. In 2024, impairment was recognised on the following properties: Lund Revinge 1:14 for SEK 26 million and Kramfors Sandö 1:4, 1:5 and 2:5 for SEK 14 million. On 31 December 2024, the Parent Company's property holdings were valued at SEK 51,042 million (41,191).

Plant and equipment

Plant and equipment in the Parent Company are reported at cost less accumulated depreciation and any impairment losses in the same way as for the Group, but with the addition of possible positive revaluations.

Right-of-use assets

According to exceptions in RFR 2 pertaining to leased assets, the Parent Company does not apply IFRS 16. All lease payments are expensed over the term of the leases based on their period of utilisation, which may differ from what has de facto been paid in lease payments during the year.

Taxes

Untaxed reserves including deferred tax liabilities are recognised in the Parent Company. However, in the consolidated financial statements untaxed reserves are divided into deferred tax liabilities and equity.

Group contributions and shareholder contributions for legal entities

The recipient recognises shareholder's contributions directly in equity and the donor capitalises contributions in shares and participations, to the extent that impairment is not required. A Group contribution received by the Parent Company from a subsidiary is recognised applying the same principles as customary dividends from subsidiaries and are recognised as financial income. Group contributions paid by the Parent Company to subsidiaries are recognised as financial expenses.

IFRS 9 – Parent Company

The Parent Company applies the exception of not measuring financial guarantee commitments that benefit subsidiaries or associated companies pursuant to the rules under IFRS 9 and instead applies the measurement policies under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Financial risk management

For further information, see notes 6, 13, 17 and 20 to the consolidated financial statements.

NOTE 2 | Other income

	2024	2023
Invoiced energy and fuel expenses	158	200
Invoiced services	435	208
Invoiced services within the Group	3	3
Other	1	4
Total	597	415

NOTE 3 | Operating expenses

	2024	2023
Energy, fuel and water	255	300
Property operations	817	566
Property tax	55	53
Maintenance	111	96
Total	1,238	1,015

NOTE 4 | Central administration

	2024	2023
Payroll and other expenses	111	90
Depreciation of plant and equipment	11	7
Total	122	97

NOTE 5 | Auditors' fees

Refer to Note 5 to the consolidated financial statements.

NOTE 6 | Gain/loss on property sales

	2024	2023
Proceeds, properties sold	15	–
Book value, properties sold	–15	–
Selling expenses	0	–
Total	0	–

NOTE 7 | Employees, payroll expenses and Board fees

Refer to Note 7 to the consolidated financial statements.

NOTE 8 | Net financial items

	2024	2023
Dividend, Group contribution from subsidiaries	0	220
Interest income, subsidiaries	11	4
Interest income, covered bonds	50	33
Other interest income	10	6
Investment gains	50	133
Exchange-rate changes on foreign borrowings	51	162
Financial income	172	558
Interest expenses, bonds	767	531
Other interest expenses	63	61
Realised investment losses	13	6
Changes in value on revaluation of financial derivatives	168	302
Other financial expenses	30	26
Financial expenses	1,041	926
Net financial expense	869	368

NOTE 9 | Appropriations

	2024	2023
Difference between book depreciation and depreciation according to plan:		
Plant and equipment	224	127
Provision to tax allocation reserve	134	201
Reversal from tax allocation reserve	–218	–235
Total	140	93

NOTE 10 | Taxes

	2024	2023
Recognised in profit or loss		
Current tax expense	80	127
Deferred tax expense	–35	–37
Total recognised tax	45	90
Reconciliation of effective tax		
Recognised EBT	184	615
Swedish income tax rate, 20.6%	37	127
Tax-exempt income	0	–45
Non-deductible expenses	0	0
Adjusted sale proceeds	0	0
Standard interest tax allocation reserve	7	5
Restatement, reversal of tax allocation reserve	3	3
Tax attributable to previous tax year	–2	0
	45	90
Recognised in the balance sheet		
Deferred tax liability	–610	–645
Current tax asset/liability	33	26
Total	–577	–619
Deferred tax assets and liabilities		
Financial assets	14	–10
Capitalised maintenance expenses	–374	–353
Property depreciation, revaluation	–250	–282
Total	–610	–645

No deferred tax has been recognised in equity.

NOTE 11 | Appropriation of profits and dividend

To maintain adequate financial capacity and to meet the requirements placed on the Group's and the Parent Company's equity by the nature, scope, and investment requirements and risks of the business, the Board proposes that no dividends for 2024 are distributed.

Available profits of SEK 1,257,626,726 will be carried forward.

Non-restricted equity, Parent Company:

Retained earnings	SEK 1,118,345,747
Net profit for the year	SEK 139,280,979
Total	SEK 1,257,626,726

The Board proposes that the earnings be appropriated as follows:

Dividend payable to the shareholder	SEK 0
To be carried forward	SEK 1,257,626,726
Total	SEK 1,257,626,726

NOTE 12 | Buildings, building fixtures and fittings, land, land improvements, in ground fixtures and fittings

	2024	2023
Buildings		
Opening cost	19,483	17,213
Purchases	–	1
Projects completed	3,446	1,968
Capitalised maintenance expenses	234	308
Sales and disposals	–113	–7
Closing accumulated cost	23,050	19,483
Opening depreciation	7,807	7,298
Sales and disposals	–80	–7
Depreciation for the year	631	516
Closing accumulated depreciation	8,358	7,807
Opening revaluations	4,274	4,274
Revaluations for the year	–	–
Closing accumulated revaluations	4,274	4,274
Opening depreciation on revalued amounts	1,259	1,127
Depreciation for the year on revalued amounts	132	132
Closing accumulated depreciation on revalued amounts	1,391	1,259
Opening impairment charges	394	372
Sales	–15	–
Impairment charges for the year	40	22
Closing accumulated impairment charges	419	394
Closing residual value according to plan	17,156	14,297
Tax assessment value, properties in Sweden	3,753	3,600
Building fixtures and fittings		
Opening cost	2,028	1,272
Projects completed	560	756
Sales and disposals	–5	–
Closing accumulated cost	2,583	2,028

	2024	2023
Opening depreciation	1,144	1,022
Sales and disposals	–5	–
Depreciation for the year	162	122
Closing accumulated depreciation	1,301	1,144
Closing residual value according to plan	1,282	884
Land		
Opening cost	1,764	1,554
Purchases	6	210
Sales	–2	–
Closing accumulated cost	1,768	1,764
Closing residual value according to plan	1,768	1,764
Tax assessment value, properties in Sweden	1,832	1,765
Land improvements		
Opening cost	647	523
Projects completed	611	124
Sales	–3	–
Closing accumulated cost	1,255	647
Opening depreciation	267	238
Sales	–1	–
Depreciation for the year	56	29
Closing accumulated depreciation	322	267
Closing residual value according to plan	933	380
In ground fixtures and fittings		
Opening cost	559	474
Projects completed	201	85
Sales	–4	–
Closing accumulated cost	756	559
Opening depreciation	277	252
Sales	–1	–
Depreciation for the year	34	25
Closing accumulated depreciation	310	277
Closing residual value according to plan	446	282

	2024	2023
Total		
Opening cost	24,481	21,036
Purchases	6	211
Projects completed	4,818	2,933
Capitalised maintenance expenses	234	308
Sales and disposals	–127	–7
Closing accumulated cost	29,412	24,481
Opening depreciation	9,495	8,810
Sales and disposals	–87	–7
Depreciation for the year	883	692
Closing accumulated depreciation	10,291	9,495
Opening revaluations	4,274	4,274
Revaluations for the year	–	–
Closing accumulated revaluations	4,274	4,274
Opening depreciation on revalued amounts	1,259	1,127
Depreciation for the year on revalued amounts	132	132
Closing accumulated depreciation on revalued amounts	1,391	1,259
Opening impairment charges	394	372
Impairment charges for the year	40	22
Closing accumulated impairment charges	434	394
Closing residual value according to plan	21,585	17,607
Tax assessment value, properties in Sweden	5,585	5,365
Fair value, properties in Sweden	51,042	41,191

For further valuation principle information, see Note 1 to the consolidated financial statements.

NOTE 13 | Construction in progress

	2024	2023
Opening balance	8,198	6,046
Accrued expenses for the year	5,627	5,393
Capitalised maintenance expenses	-234	-308
Projects completed	-4,818	-2,933
Closing balance	8,773	8,198

NOTE 14 | Plant and equipment

	2024	2023
Opening cost	63	47
Purchases	15	16
Sales and disposals	0	0
Closing accumulated cost	78	63
Opening depreciation	41	34
Sales and disposals	0	0
Depreciation for the year	11	7
Closing accumulated depreciation	52	41
Closing residual value according to plan	26	22

NOTE 15 | Financial assets

	2024	2023
Shares in subsidiaries	116	116
Other shares	1	1
Receivables from subsidiaries	345	357
Derivatives measured at FVTPL	93	138
CSA deposits	213	72
Covered bonds	3,442	2,576
Opening suspended VAT	437	139
Total	4,647	3,399

Shares in subsidiaries 2024

Subsidiary	Equity	Voting rights	No. of shares	Carrying amount, SEK thousand
Specialfastigheter Gärdet AB	100%	100%	50,000	116,131
Västrikke Fastighets AB	100%	100%	500	50
Carrying amount of shares in subsidiaries 2024				116,181

Shares, indirectly owned subsidiaries 2024

Owned by Västrikke Fastighets AB

	Equity	Voting rights	No. of shares	Carrying amount, SEK thousand
Västrikke 2 Fastighets AB	100%	100%	500	50
Västrikke 4 Fastighets AB	100%	100%	25,000	25
Säkerhetsfastigheter Sverige AB	100%	100%	500	50
Carrying amount of shares in subsidiaries 2024				125

Shares in subsidiaries 2023

Subsidiary	Equity	Voting rights	No. of shares	Carrying amount, SEK thousand
Specialfastigheter Gärdet AB	100%	100%	50,000	116,131
Västrikke Fastighets AB (dormant company)	100%	100%	500	50
Carrying amount of shares in subsidiaries 2023				116,181

Shares, indirectly owned subsidiaries 2023

Owned by Västrikke Fastighets AB

	Equity	Voting rights	No. of shares	Carrying amount, SEK thousand
Västrikke 2 Fastighets AB (dormant company)	100%	100%	500	50
Säkerhetsfastigheter Sverige AB (dormant company)	100%	100%	500	50
Carrying amount of shares in subsidiaries 2023				100

Information on company registration numbers and registered offices, 2024

Subsidiary	Co. Reg. No.	Registered office
Specialfastigheter Gärdet AB	556910-1370	Linköping
Västrikke Fastighets AB	556963-5187	Linköping

Indirectly owned subsidiaries 2024	Co. Reg. No.	Registered office
Västrikke 2 Fastighets AB	556963-5179	Linköping
Västrikke 4 Fastighets AB	559500-5637	Linköping
Säkerhetsfastigheter Sverige AB	556963-5161	Linköping

NOTE 16 | Current investments

	2024	2023
Derivatives measured at FVTPL	17	55
Covered bonds	-	296
Total	17	351

NOTE 17 | Current receivables

	2024	2023
Receivables from subsidiaries	4	3
Opening suspended VAT	464	674
VAT	–	90
Tax account	–	4
Other receivables	1	0
Total	469	771

NOTE 18 | Prepaid expenses and accrued income

	2024	2023
Prepaid energy expenses	5	5
Other interim receivables	75	53
Total	80	58

NOTE 19 | Cash and cash equivalents

	2024	2023
Bank balances	293	344
Total	293	344

NOTE 20 | Untaxed reserves

	2024	2023
Accumulated difference between reported depreciation and depreciation according to plan	744	520
Tax allocation reserve	1,234	1,317
Total	1,978	1,837

NOTE 21 | Interest-bearing liabilities

Refer to Note 17 to the consolidated financial statements.

NOTE 22 | Other liabilities

	2024	2023
Customer advances	0	0
Trade payables	954	906
Derivatives measured at FVTPL	249	164
VAT	15	2
Energy tax	8	6
Other liabilities	6	5
Total non-interest-bearing liabilities	1,232	1,083

NOTE 23 | Accrued expenses and deferred income

	2024	2023
Deferred rental income	863	773
Accrued energy expenses	36	46
Accrued interest expenses	247	185
Accrued social-security expenses	6	5
Accrued holiday pay	21	17
Accrued payroll tax	7	5
Other items	22	31
Total	1,202	1,062

NOTE 24 | Related parties

Refer to Note 21 to the consolidated financial statements.

NOTE 25 | Pledged assets and contingent liabilities

	2024	2023
Pledged assets	None	None
Contingent liabilities	None	None

NOTE 26 | Events after the balance-sheet date

Serneke Sverige AB went bankrupt early in January. At that time, Specialfastigheter had a framework agreement in place with Serneke Sverige AB and Serneke was also the contractor for three of the company's ongoing projects. It is not possible to exclude some increase in the investment cost of these projects.

In March, Specialfastigheter contracted with Fortifikationsverket on the divestment of seven properties with a total lettable area of some 180,000 square metres and which are mainly located in Stockholm. The total purchase price is SEK 8,230 million and will be paid in cash. Transfer of the properties is planned for autumn 2025. The transaction is conditional on a government decision.

Declaration by the Board

The consolidated financial statements and annual accounts have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards and good accounting practice and present a true and fair view of the position and results of the Group and the Parent Company.

The Administration Report for the Group and the Parent Company presents a true and fair overview of the activities, financial position and results of the Group and the Parent Company and describes material risks and uncertainties faced by the Parent Company and the companies contained in the Group.

The Board in its entirety also affirms, based on its best knowledge and conviction, the following:

- A sustainability report has been prepared in accordance with the Annual Accounts Act.
- The sustainability report includes no material misstatements or omissions and all information is in accordance with the contents of the annual accounts and the consolidated accounts.

Linköping, digitally signed 13 March 2025

Eva Landén
Chairman of the Board

Alexandra Laurén
Chief Executive Officer

Britta Dalunde
Board member

Mikael Lundström
Board member

Siv Malmgren
Board member

Lotta Niland
Board member

Pierre Olofsson
Board member

Åsa Wirén
Board member

Tomas Edström
Workers' representative

Annica Blomqvist
Workers' representative

Our Auditor's Report was submitted digitally on 13 March 2025
Öhrlings PricewaterhouseCoopers AB

Helena Ehrenborg
Authorised Public Accountant

Auditor's report

[Unofficial translation] To the general meeting of the shareholders of Specialfastigheter Sverige Aktiebolag, corporate identity number 556537-5945

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Specialfastigheter Sverige Aktiebolag for the 2024 financial year except for the corporate governance statement on pages 42–51. The annual accounts and consolidated accounts of the company are included on pages 35–41 and 53–86 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Parent Company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 42–51. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the Parent Company and the Group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with

the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibility sections. We are independent of the Parent Company and the Group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Audit scope

The Group's operations entail owning and managing a number of Sweden's most secure properties, including correctional facilities, police properties, armed forces' headquarters and courts. In the type

of operations conducted by Specialfastigheter, the primary factors affecting our risk assessment comprise the estimates and judgements made by the Board of Directors and the management in the financial reporting. Our assessment is that valuation of the properties is the single largest risk of error in the annual accounts. In addition, we have identified a number of other risks in material areas that impact the financial reporting. We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where the Chief Executive Officer and Board of Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of the Board of Directors' and Chief Executive Officer's override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates. Approximately 90 per cent of the Group's assets comprise investment properties, measured at fair value, and are thus the main focus of the audit. In addition to examination of the process, we have centrally reviewed a selection of the valuations with the support of PwC's valuation specialists.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered

material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality for the financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

We chose total assets as a benchmark for our overall assessment of materiality for the accounts as a whole, given that the value of the investment properties has a material impact and significance on the Group's financial position. The overall materiality threshold was established as SEK 575 million, corresponding to 1 per cent of the Group's total assets. The level of 1 per cent of total assets is a recognised and acceptable quantitative materiality threshold. We also defined a specific materiality for the audit of profit or loss related items.

We detected inaccuracies in the Audit Committee's reporting in excess of SEK 57.5 million as well as others under this amount that we nonetheless believe need to be reported for qualitative reasons.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgement, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key audit matter

Valuation of investment properties

We refer to the Administration Report and the description of the Specialfastigheter Group's summary of important accounting and valuation principles in Note 1, as well as referring to Note 9, Change in value of investment properties. As per 31 December 2024, the value of the investment properties totalled SEK 51.9 billion.

Investment properties comprise a significant portion of the balance sheet and the valuation of these properties is inherently subjective and is the object of company management's judgements as regards, for example, the location of the specific property, its condition and future rental income. Investment properties are initially recognised at cost, which includes all expenses directly attributable to the acquisition. Investment properties are recognised on the balance sheet at fair value and changes in fair value are recognised in profit or loss under the heading Change in value of investment properties, unrealised.

Fair value is based principally on valuations carried out by company personnel. Valuations are cross-checked against valuations carried out by independent, external appraisers with recognised qualifications and appropriate skills for valuing properties of the types and locations in question. External valuations take place according to a rolling schedule and were allocated to two quarters during the year. In order to assure the quality of the internal valuations in 2024, external valuations were obtained for approximately 22 objects, corresponding to 72 per cent of the property holdings' value as of 31 December 2024.

In determining the fair value of the properties, consideration is given to current information regarding the specific property, such as actual data on rents and operating costs. In order to achieve a final valuation, the company applies assumptions and undertakes judgements on future yields, net operating income and estimated market rents, which are impacted by the yield requirements in place and by comparable market transactions. The significance of the estimations and judgements applied in establishing fair value, together with the fact that the amounts are significant, implies that the valuation of the investment properties comprises a key audit matter in the audit.

How our audit addressed the key audit matter

The audit team, including our valuation specialist, have obtained and examined a selection of the internal valuation reports for the purpose of assessing the valuations applied by Specialfastigheter as well as the mathematical correctness and reasonableness of the assumptions made. Amongst other things, our audit has focused on the company's internal control and quality assurance as regards the executed valuations as per 31 December 2024. Our audit included but was not limited to the following audit procedures:

- Followed up that the valuations were performed pursuant to Specialfastigheter's guidelines and instructions for property valuations and informed ourselves on the company's valuation policy.
- We have evaluated and examined the management's procedures for valuing properties.
- We have conducted random tests of the model's mathematical calculations.
- We have assessed input data through random follow up against historical outcomes and compared with the available market data.
- We have had meetings with the management in which important assumptions and judgements have been discussed.
- We have conducted random tests of input data in calculation models against information in relevant systems.
- We have reviewed the external valuations and compared them with the internal valuations.

Our work has focussed on the largest investment properties, the most material assumptions and the properties representative of the portfolio. In cases where assumptions pertaining to future net operating income, occupancy rates and yield requirements have deviated from our initial expectations, these deviations have been discussed with the company's representatives and, where necessary, additional data has been obtained. Finally, we have checked the models used, and the assumptions and sensitivity analyses performed by Specialfastigheter are described accurately in Note 9.

Other information than the annual accounts and the consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–34, 42–51 and 91–120. The information in "Remuneration Report for Specialfastigheter Sverige AB 2024," which is published on the company's website in conjunction with this report and which we prepared ahead of the date of this auditor's report, also comprises other information. The Board of Direc-

tors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual accounts and the consolidated financial statements does not include this information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with

the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU and the Annual Accounts Act. The Board of Directors and the Chief Executive Officer are also

responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Chief Executive Officer are responsible for the assessment of the company's and the Group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of

Directors and the Chief Executive Officer intend to liquidate the company, to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstate-

ment, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on the website of the Swedish Inspectorate of Auditors:

www.revisorsinspektionen.se/revisornsansvar.

This description forms part of the auditor's report.

Report on other legal and regulatory requirements

The examination of the administration and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Chief Executive Officer of Specialfastigheter Sverige Aktiebolag for the 2024 financial year and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory Administration Report and that the members of the Board of Directors and the Chief Executive Officer be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our respon-

sibilities under those standards are further described in the Auditor's Responsibility section. We are independent of the Parent Company and the Group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the Group's type of operations, size and risks place on the size of the Parent Company's and the Group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organisation and the administration of the

company's affairs. This includes among other things continuous assessment of the company's and the Group's financial situation and ensuring that the company's organisation is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Chief Executive Officer shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfil the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Chief Executive Officer in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the

company, or in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on the website of the Swedish Inspectorate of Auditors:

<https://www.revisorsinspektionen.se/en/English/>.

This description forms part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined whether the Board of Directors and the Chief Executive Officer have prepared the annual accounts and the consolidated accounts in a format that facilitates uniform electronic reporting (the ESEF report) pursuant to Chapter 16, Section 4 a of the Securities Market Act (2007:528) for Specialfastigheter Sverige Aktiebolag for the year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report has been prepared in a format that in all significant respects facilitates uniform electronic reporting.

Basis for the opinion

We have performed our examination in accordance with FAR's recommendation, RevR 18 Examination of the ESEF report. Our responsibilities under this recommendation are described in more detail in the Auditor's Responsibility section. We are independent in relation to Specialfastigheter Sverige Aktiebolag in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Managing Director are responsible for the preparation of the ESEF report in accordance with Chapter 16, Section 4 a of the Securities Market Act (2007:528) and for such internal control that the Board of Directors and the Chief Executive Officer determine is necessary to prepare the ESEF report without material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance on whether the ESEF report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4 a of the Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires that we plan and execute our audit procedures to achieve reasonable assurance that the ESEF report has been prepared in a format that satisfies these requirements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The auditing firm applies the International Standard on Quality International Standard on Quality Management 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance and Related Services Engagements, which requires the company to design, implement and manage a system of quality management, including

policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the ESEF report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the ESEF report by the Board of Directors and the Chief Executive Officer, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Chief Executive Officer.

The procedures mainly include a validation that the ESEF report has been prepared in a valid XHTML format and a reconciliation has been performed of the ESEF report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the ESEF report have been marked with iXBRL in accordance with what follows from the ESEF regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for the preparation of the corporate governance statement on pages 42–51 in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement has been conducted in accordance with FAR's auditing standard RevR 16 The Auditor's Examination of the Corporate Governance Statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A Corporate Governance Report has been prepared. Disclosures in accordance with Chapter 6, Section 6, second paragraph, points 2–6 of the Annual Accounts Act and Chapter 7, Section 31, second paragraph of the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of Specialfastigheter Sverige Aktiebolag by the general meeting of the shareholders on 31 May 2024 and has been the company's auditor since 21 April 2020.

Stockholm on the date shown
in our electronic signature.

Öhrlings PricewaterhouseCoopers AB

Helena Ehrenborg
Authorised Public Accountant



Sustainability Report

Sustainability Report

About the report

Specialfastigheter's Sustainability Report is integrated into the Annual Report and sustainability information pursuant to the GRI can be found in its various sections. This part of the Annual Report includes a description of Specialfastigheter's reporting principles and in-depth GRI information. Based on the company's strategies and targets, the actual impact as well as the expectations and requirements of stakeholders, Specialfastigheter is reporting seven sustainability areas that are material and relevant to the company and its stakeholders. The Sustainability Report covers the entire company including subsidiaries, and is applicable to the full-year 2024. The Sustainability Report follows the financial year and is published annually. The most recent Sustainability Report was published in the 2023 Annual Report and Sustainability Report on 13 March 2024. Descriptions of calculation and measurement methods, any limitations and assumptions are provided alongside each disclosure. The report is based on actual measured data, supplier invoices and calculations as well as estimates and standard amounts. There is thus an inherent uncertainty in reported data. This report includes several electricity subscriptions, building electricity and previously excluded snow melting systems and building heating compared with the prior annual report. The base year and subsequent years have thus been recalculated for Scope 1 and 2. Changes to demarcations and/or reporting principles for the data reported are indicated in connection with the disclosures. Disclosures that have an environmental impact are reported with the property holdings for 2024. The contact for the Sustainability Report is Emilia Hagberg, Sustainability Manager, telephone +46 10 30 34125.

Governance of sustainability initiatives

Specialfastigheter's Board is ultimately responsible for sustainability governance. Sustainability is one of many strategic issues addressed by the Board, not least within the framework of the work with the business plan and risk management. Each year, the Board adopts company-wide policies, supplier codes of conduct and internal codes of conduct, and decides the materiality assessment and strategic sustainability goals as well as adopts the annual report and sustainability report. In the management group, the CEO bears overall responsibility together with the Sustainability Manager, but the entire management group is responsible for integrating material sustainability matters in operations. All of the organisation's managers and employees are obligated to comply with the applicable policies, guidelines and procedures. Specialfastigheter is certified to ISO 14001 and ISO 27001 and follows the principles of ISO 45001. The CEO is responsible for ensuring the requisite resources are in place for implementing the sustainability agenda the company has committed to. The sustainability manager, who is a member of the management group, bears overall responsibility for promoting and coordinating the company's sustainability efforts. For some sustainability matters, special expertise also exists in various other departments, such as HR, Legal and Project & operational support. Specialfastigheter's governance of sustainability matters is reported in the notes to the sustainability report.

Specialfastigheter's business plan clearly states that the company's overall sustainability target is net-zero greenhouse gas emissions by 2045. The company's sustainability policy states that its most significant environmental aspects are climate and energy, materi-

als, waste and biodiversity. Targets and priority actions are based on the material sustainability areas, including significant environmental aspects, the ownership policy, the UN Sustainable Development Goals, the Paris Agreement, and Sweden's national climate and environmental quality goals. By participating in various organisations, such as the Swedish Construction Clients Forum, UN Global Compact, Sweden Green Building Council, collaboration forums and the Stockholm Chamber of Commerce we have the opportunity to pursue a dialogue with industry colleagues and a range of operators in our value chain.

Double materiality assessment

In 2024, Specialfastigheter conducted a double materiality assessment. The double materiality assessment is preliminary and based on the ESRS criteria since this year's report has not been reviewed against the ESRS requirements. The report, including the materiality assessment presented therein, is in accordance with the GRI in this Annual Report and Sustainability Report. It is also the foundation upon which the auditors have issued their limited assurance conclusion.

Mapping

The purpose of the mapping was to gain an understanding of Specialfastigheter's context, business model and existing processes, main stakeholders, value chain and dialogue with key employees.

Relevance assessment

The mapping identified impacts, risks, and opportunities, which were assessed using established processes, documentation, internal and external expertise, knowledge of our operating environment, and current research.

External impact

Stakeholder workshop validation

A stakeholder dialogue was conducted to validate Specialfastigheter's external impact on people and the environment in the value chain. This was conducted in the form of a workshop involving some of our employees, customers, investors, Board members, owners, suppliers and subcontractors. They were asked to:

- Evaluate the relevance of sustainability matters based on Specialfastigheter's operations and value chain
- Evaluate the impact of sustainability aspects based on the magnitude of the impact and likelihood that they occur
- Identify new opportunities that should be considered during the concept and design phase with the aim of improving sustainability performance throughout a property's lifespan.

The workshop participants conducted these tasks in groups that were based on Specialfastigheter's value chain:

- Production of chosen materials
- Concept and planning
- Construction
- Operations and property management
- Phase-out/divestment

Analysis

Results from the workshop were analysed internally. Scores from the stakeholder workshop were reviewed, motivated and supplemented as needed based on:

- Likelihood
- Magnitude
- Opportunities for restoration

Internal impact

An internal workshop was held to identify the Specialfastigheter’s material internal impacts that could have noticeable financial effects for the company.

A preliminary assessment was made of the time aspects and likelihood of the risk/opportunity occurring. After that, an assessment of magnitude of the financial impact was made.

Valuation

A model was created to set a threshold for materiality for each of the sustainability aspects. For the external impact, scores for likelihood, magnitude and irreducible character were added up, which could yield a maximum score of 15 down to a minimum score of 3. For the internal impact, scores for likelihood and magnitude were added, which could yield a maximum score of 10 down to a minimum score of 2. The thresh-

old was set at 80 per cent both for external and for internal impacts, which meant that external impacts with a score of 12 or more and internal impacts with a score of 8 or more were categorised as material.

Summary

The internal and external impacts were summarised in a report and a basis for decision-making on material sustainability matters was created by the sustainability group.

Decision

The management group arrived at a decision on Specialfastigheter’s material sustainability matters, after which the Board of Directors was informed. Prior to reporting pursuant to the CSRD and the ESRS, the double materiality assessment will be reviewed and decisions made by the Board of Directors.

Sustainability area	Why material?
Climate and energy	The production of materials, construction and energy consumption in the operation of properties results in considerable GHG emissions. The design, material, type of energy and energy efficiency we select, whether related to suppliers, projects or our properties, has an impact on GHG emissions. Extreme weather induced by climate change can adversely impact our properties and their value, as can energy performance, if it fails to meet customer requirements and general sustainability standards. Higher energy costs and potential electricity shortages can have financial impacts.
Water	Steel and cement manufacturing are highly water-intensive industries. If water resources are not managed sustainably, water stress could arise in the areas where production takes place — as seen on Gotland. High water consumption and its potential impacts could lead to higher costs if new regulations or water usage fees are introduced. This materiality area was added in 2024.
Biodiversity	The company is a major land and forest owner. Land utilisation and property management has an impact on natural ecosystems and risk changing or destroying significant habitats. The destruction of nature-conservation values and ecosystem services can adversely impact our properties.
Materials and waste	Our operations require large amounts of materials for new construction, renovation, and redevelopment. Our selection of materials is relevant to the environment, climate and people’s health. There is a significant amount of waste, including hazardous waste, from construction and demolition. Fluctuations in material prices and disruptions to the supply chain can result in cost increases and project delays.
Work environment	There is a considerable risk of work environment injuries in the supply chain. Health and safety are crucial to our ability to be an attractive employer and purchaser, and to deliver quality. Shortcomings in the work environment can impact Specialfastigheter’s reputation as an employer and purchaser.
Human rights	There is a risk of violations of human rights, including equal treatment and sound working conditions, in the long and complex supply chains of the construction industry. Equal treatment and diversity make the industry and Specialfastigheter more attractive and sustainable. Human rights violations can impact the company’s reputation as an employer and purchaser.
Anti-corruption	The construction and property sector entails risks as it involves major investments and complex transactions with many parties involved. As project volumes increase, so do the risks of irregularities and workplace crime. Incidents of corruption can impact Specialfastigheter’s reputation as an employer and purchaser.

Sustainability notes

Climate and energy

Materiality

Climate and energy are two closely linked matters. Specialfastigheter's operations use energy, primarily for heating buildings and premises as well as for transportation. Specialfastigheter directly impacts the climate through GHG emissions from energy sources that the company controls. Specialfastigheter also has an indirect impact through emissions that occur in the supply chain, mainly linked to construction projects. Traditional building materials such as concrete and steel generate significant CO₂ emissions, particularly in the manufacturing phase. The impact can be mitigated by improving resource efficiency, using alternative materials, adopting new production methods and by promoting circular flows. There is also an indirect impact through emissions from purchased energy – such as electricity, steam, heating, and cooling – generated by the energy provider. The company engages with its energy providers on the climate impact of energy and discusses energy-saving measures with customers. Energy is also an important issue within projects, and is discussed with contractors and suppliers. Other indirect emissions comprise emissions from our business travel and commuting. Energy and climate issues are also important from the perspective of how they could impact Specialfastigheter's business.

Furthermore, EU regulations are increasing requirements for energy-efficient buildings, mandating that the energy used comes from renewable or fossil-free sources. There is also a risk that, if Specialfastigheter does not adapt its operations quickly enough, it could face higher costs through regulatory fines or other financial penalties under evolving legal frameworks.

Governance of climate and energy

Specialfastigheter's business plan clearly states that the company's overall sustainability target is net-zero GHG emissions by 2045. To focus our climate initiatives on reducing carbon emissions from new construction, we have issued climate footprint instructions requiring a climate budget for all new construction projects with a forecasted cost exceeding SEK 40 million. The instructions provide guidelines for creating the climate budget and for how climate-mitigating actions can be implemented, calculated and reported.

Climate and energy are regularly monitored through property energy tracking, climate impact assessments in projects, supplier dialogues and quarterly project reviews. Compliance with the Supplier Code of Conduct and purchasing agreements is also monitored. In connection with the preparation of the annual report, results are followed up and reported more thoroughly against set targets.

Climate scenario analyses

Since no one can say exactly how the climate will look in the future, researchers describe how the climate can change based on various emissions scenarios. A climate scenario describes a possible climate trend based on assumptions about changes in the atmosphere based on human activity¹. Delaying action typically leads to more costly climate adaptation measures being required later on. The argument around the impact and measures in both of the following scenarios is based on the assumption that Specialfastigheter will continue to work with managing and limiting the company's own climate impact as well as the impact of climate change on operations. To take advantage of the opportunities

presented by climate change, Specialfastigheter is developing highly relevant property holdings for our customers and investors by:

- investing in digitalisation and development that leads to space- and cost-effective premises;
- steering property development towards more redevelopment and less new construction;
- managing resources that have already been taken into use and increase circularity;
- building and developing climate-resilient/adapted properties that ensure reliable and suitable premises; and
- increasing the use of energy-efficient technological systems and of renewable energy.

¹ Source: <https://www.smhi.se/klimat/framtidens-klimat/framtidens-klimat>

CLIMATE SCENARIOS, 2050

Scenario RCP¹ 2.6 – the scenario most in line with the Paris Agreement

A scenario where emissions peak around 2020², society transitions and the amount of greenhouse gases is halved by 2050.

Society has transitioned by:

- installing new renewable energy technology on a large scale;
- developing and investing in low-energy solutions;
- implementing robust measures in transportation, travel and infrastructure; and
- successful decisions made across national borders and technological disciplines as well as the implementation of joint regulations, taxes and fees that enable rapid reductions in emissions.

Despite this:

- the average national temperature increase in Sweden will continue to rise from the current +1°C to an estimated +1.5–3°C;
- there will be more days of extreme weather and flooding, even if the physical climate effects in Sweden remain about the same as today; and
- transition risks will increase, including political decisions to raise carbon taxes, introduce road tolls, or increase the price of emission rights and energy – all of which could lead to higher energy and material costs.

RISKS in RCP 2.6

In the RCP 2.6 scenario, the physical risks by 2050 will be limited, while costs connected to transition risks and a proactive climate transition will likely arise/increase. At the same time, customer and investor preferences will change and make climate-resilient properties attractive to rent or invest in.

- Increased costs for materials and energy, for example, due to regulations, taxes and fees.
- Increased costs for redevelopments and new construction due to new regulations.
- Reduced profitability through investments in new technology that are unable to meet future needs.

- Business models do not change quickly enough, undermining Specialfastigheter's relevance.
- The value of the portfolio is negatively affected due to parts of the portfolio not meeting energy performance requirements.
- Major fluctuations in the climate lead to uncertain conditions for designing technological installations.
- Physical damage to properties due to extreme weather increases the need for maintenance and repairs.
- Limited access to electricity and capacity in the power grid due to increased electrification in society.

OPPORTUNITIES in RCP 2.6

- Lower long-term costs due to own production of renewable energy.
- Higher demand from customers for sustainable, climate-adapted properties.
- Increased value of property holdings due to climate adaptation measures.
- Increased income due to increased demand for forest.
- Lower finance costs due to high adaptive capacity.
- Long-term, stable ownership through the state with clear guidelines for climate work.

Scenario RCP 8.5 – the scenario with continued high emissions of carbon dioxide

A scenario with an emissions trend that largely resembles current levels.

This scenario leads to a society where:

- behaviour and requirements from customers and investors change slowly;
- demand for climate-smart products is low;
- unsustainable consumption and behaviour are predominant;
- dependence on fossil fuel and energy intensity remain high; and
- national and international political climate initiatives and partnerships fail.

In this scenario:

- emissions continue to increase at the current rate until 2050;
- the average national temperature increase in Sweden rises to an estimated 2–4°C;
- the number of days with extreme weather and flooding will increase further; and
- sea levels will rise.

RISKS in RCP 8.5

In the RCP 8.5 scenario, the physical risks will accelerate while costs will be incurred for managing acute climate-related damage and events. The situation will be more reactive and event driven.

- Physical damage to properties due to extreme weather will lead to serious interruptions in operations and periodic building closures.
- Property value will be negatively affected through reduced demand for properties that are not adapted.
- Limited access to energy, electricity and capacity in the power grid due to increased energy needs in society.

- Operations will be affected by sudden and extreme weather events that mean that operations need to act urgently.
- Major fluctuations in the climate lead to uncertain conditions for designing technological installations.
- Obsolete properties with delayed adaptations or none at all to assets that are exposed to extreme weather.
- Lack of demand for sustainable properties entails competitive advantages for actors with less ambitious sustainability agendas.

OPPORTUNITIES in RCP 8.5

- Increased income from self-generated renewable energy.
- Reduced exposure to rising prices of fossil fuel energy.
- Reduced exposure to material shortages due to increased use of recycled material and greater flexibility with regard to choice of material.
- Long-term, stable ownership through the state with clear guidelines for climate work.

¹ Representative Concentration Pathway.

² The analysis was completed in 2021. However, the scenario remains relevant, even though it is now clear that emissions did not peak around 2020.

Target

Our Scope 1 and 2 climate emissions must not exceed 2,580 tonnes.

Outcome: 2,833 tonnes CO₂e

Target 2030: Reduce emissions in Scope 3 by 50 per cent per square metre of GFA (relative target) by 2030.

Milestone: All projects with a budget in excess of SEK 40 million or an estimated area of at least 100 square metres GFA are required to have a climate budget.

Outcome: At year-end 2024, 45 per cent of all projects had a climate budget.

Energy consumption within the organisation (GRI 302-1)

The energy reported is based on measured values and includes tenant energy consumption, except where tenants have their own agreements with energy suppliers. The report includes electricity, district heating, biofuel, electric heating, bio oil, oil and cooling as well as how large a proportion is renewable or non-renewable. The total amount of energy purchased for our properties during the year was 223,571 MWh (219,861). The total amount of energy purchased last year has been adjusted to reflect the 2024 property holdings. Energy consumption is followed up monthly at the property level and by energy type.

Energy consumption MWh¹

Energy from renewable sources	2022	2023	2024
Electricity	91,192	102,389	109,641
Electric heating ²	6,473	6,943	7,348
District heating, renewable ²	41,210	46,419	36,303
Pellets ²	3,008	3,205	2,968
Bio oil ²	997	874	872
Biogas ²	1,881	1,686	1,681
Solar electricity	815	770	1,643
Cooling	9,830	10,270	9,555
Total	155,406	172,558	170,011

Energy from non-renewable sources

District heating, non-renewable ²	43,757	47,297	53,550
Oil ²	14	6	9
Total	43,771	47,303	53,559

Total energy

Total energy	199,177	219,861	223,571
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Of which, construction energy³

Electricity	798	1,804	3,285
District heating ²	0	28	44

¹ This report includes several electricity subscriptions, building electricity and previously excluded snow melting systems and building heating compared with the prior annual report.

² Heating values are normalised to reflect an average year.

³ Separately reported construction energy is included under renewable electricity and district heating as well as non-renewable district heating.

Degree-day adjusted energy data for heating is reported together with data from SMHI. Energy information is taken from Specialfastigheter's energymonitoring system LEB. The company uses no steam and sells no energy.

Direct carbon dioxide emissions, tonnes CO₂e, Scope 1 (GRI 305-1)

Here we report direct emissions from self-generated heating, service vehicles, company cars and refrigerants. Source for emissions factors for self-generated heating: Swedenergy's local environmental values 2023 and the Swedish Environmental Protection Agency 2024 (Estimate direct emissions from incineration). The emission

factors used for oil are 268 g CO₂e/kWh, for biogas 0 g CO₂e/kWh, for pellets 4 g CO₂e/kWh, for RME 11 g CO₂e/kWh. Emissions for the base year 2018 were 1,086 tonnes CO₂e, adjusted to reflect the 2024 property holdings as these have changed with the company's development since 2023 (corresponding to 42 tonnes higher CO₂e emissions from pellets). For refrigerants, CO₂e emissions are reported based on the amount of refrigerant used to refill, which uses the quantity required to be reported to the supervisory authority. For 2024, emissions amounted to 50 tonnes CO₂e (69)¹. Source emissions factors: alltomfgas.se/alltomfgas/koldmedietabell. Vehicle-specific emission factors from Specialfastigheter's digital mileage log, Automile, are used for service vehicles and company cars.. Vehicle-specific emission factors from Specialfastigheter's digital mileage log, Automile, are used for service vehicles and company cars.

Scope 1 GHG emissions (tonnes CO₂e)

	2022	2023	2024
Self-generated heating			
Biogas	18	0	0
Bio oil	11	10	9
Pellets	41	59	43
Oil	4	2	3
Total	75	71	55
Service vehicles and company cars	49	55	44
Refrigerants ¹	130	69	50
Total Scope 1¹	254	195	149

¹ The climate impact from refrigerants is based on data from facilities with a reporting obligation. Reporting to the supervisory authority takes place annually in March, which is why the values reported represent the outcome for 2023. Emissions from facilities not subject to a reporting obligation have not been mapped and are therefore not included in the compilation.

Other indirect GHG emissions, tonnes CO₂e, Scope 2 (GRI 305-2)

Here we report emissions made up of indirect emissions from purchased electricity and heating, using the market-based approach. The calculation of carbon dioxide emissions resulting from the company's use of district heating was based on supplier informa-

tion regarding the fuel mix used in delivering the district heating to Specialfastigheter during the year. Emissions for the base year 2018 were 3,411 tonnes CO₂e. Calculation factors are from Swedenergy's local environmental values 2023 (Energiföretagen Sverige–Swedenergy–AB).

Scope 2 GHG emissions (tonnes CO₂e)

	2022	2023	2024
District heating, renewable	770	888	781
District heating, non-renewable	1,511	1,710	1,902
Cooling	0	0	0
Electricity, market-based	0	0	0
Electricity, location-based ¹	6,347	7,126	7,631
Total Scope 2, electricity, market-based	2,281	2,599	2,683
Total Scope 2, electricity, location-based	8,628	9,725	10,315

¹ Emissions according to the location-based method are based on the Nordic electricity mix (Scope 2) 69.6 g CO₂e/kWh, IVL report No. C 619, 2022. In the prior report, 90.4 g CO₂e/kWh (Scope 2 and 3) were used, according to the same source.

Other indirect Scope 3 GHG emissions (GRI 305-3)

Indirect Scope 3 emissions pose the greatest difficulty for Specialfastigheter to control and report, since these emissions largely arise in the supply chain. However, these emissions are significant and account for more than 90 per cent of the total GHG emissions according to the climate screening the company conducted in 2020. Some 76 per cent of Scope 3 emissions arises from construction (new construction, redevelopment, renovation and tenant improvements). Specialfastigheter monitors and reports on some of its Scope 3 emissions.

New build projects

In 2024, Specialfastigheter issued climate footprint instructions for construction projects aimed at reducing carbon impact from construction. The results show that all new projects with a budget in excess of SEK 40 million have a climate budget at the construction level

and sometimes also at the overall project level. The climate footprint from new construction is calculated for buildings completed and occupied in 2024, based on project-specific climate calculations where available, or otherwise using baseline values for the building type.

CO₂e emissions from new build projects

Newly built modular buildings	2022	2023	2024
Completed square metres GFA, modular buildings	6,660	29,141	980
Material	2,141	9,393	315
Transportation	98	428	14
Waste	80	352	12
Construction site	185	813	27
Total (tonnes CO₂e)	2,504	10,986	369

In 2024, 980 m² GFA of modular buildings was completed, down 97 per cent compared with 2023. In 2024, the climate impact of all modular buildings was calculated using the 2023 standard values. It is not, however, possible to discern a difference in kg CO₂e m² GFA between years.

Other buildings	2022	2023	2024
Completed square metres GFA, other buildings	821.5	37,978	68,993
Material	325	15,863	24,876
Transportation	15	724	1,587
Waste	12	594	844
Construction site	28	1,373	800
Total (tonnes CO₂e)	380	18,554	28,107
Average climate footprint (kg CO₂e m² GFA)	463	489	407
Change compared with prior years	N/A	6%	-17%

In 2024, 68,993 m² GFA of Other buildings was completed, which is an 82 per cent increase compared with 2023. The total amount of CO₂e simultaneously

increased 51 per cent in 2024 compared with 2023. However, the climate impact per completed m² GFA was lower for Other buildings in 2024 compared with 2023. Average emissions for completed Other buildings in 2024 was 407 kg CO₂e/m² GFA compared with 2023, when the average was 489 kg CO₂e/m² GFA. This corresponds to a decrease of 17 per cent per m² GFA.

In 2023, all calculations for Other buildings were based on baseline values. In 2024, 97 per cent of completed m² GFA was based on the climate calculations of completed buildings. Because these are primarily based on specific climate data (EPDs), the results, CO₂e/m² GFA, are typically lower than the baseline values, which are largely based on generic climate data. An overall base year has not been established since Specialfastigheter is still working to develop a method for that.

Basis for reporting other buildings	Climate impact based on calculation of completed buildings	Climate impact based on baseline value	Total
Completed square metres GFA, other buildings	66,800	2,194	68,993
Total (tonnes CO₂e)	27,434	673	28,107

We had a high proportion of climate calculations in 2024 that were used as the basis for reporting other buildings. The large quantity of data and the changed method has resulted in a decrease in emissions of 3,873 tonnes CO₂e compared with the baseline value.

Business travel

The number of employees continued to increase in 2024 contributing to the overall increase in CO₂e emissions from our business travel once again in 2024. In 2024, our air travel resulted in 54 tonnes (39) of CO₂e emissions. We compensated this by setting aside SEK 1,100 per tonne CO₂e, SEK 59,300 this year,

for environment-enhancing measures and measures to promote biodiversity at our properties. An internal commuting survey has been performed to calculate the emissions from commuting.

Business travel and commutes	2022	2023	2024
Air travel (incl RFI)	31.4	39.0	53.9
Rail travel ¹	3.9	6.0	6.4
Rental cars ²	4.2	3.8	10.6
Hotels ³	4.4	6.4	8.0
Commutes ⁴	N/A	284	330
Own vehicle for work purposes	22.3	42.3	39.5
Total (tonnes, CO₂e):	66	382	448

¹ For train travel, the same emission factor for electric trains has been used since such travel is primarily in Sweden (7 g CO₂e/per person kilometre, electric train Sweden/Norway/Finland according to klimatsmartsemester.se).

² Rental cars are being reported for the first time in 2024. The number of car rentals more than doubled between 2023 and 2024, which was attributable to a higher volume of projects.

³ The emission factor for Sweden is used for calculating emissions for hotels (6.8 kg CO₂e/per guest night according to klimatsmartsemester.se).

⁴ Employees were given a commuting survey for the first time in 2023. The survey results for 2023 and 2024 have been adjusted proportionally to the total number of employees. No such adjustment was made in the prior report.

Information about the number of kilometres per person for flights and train journeys and the number of hotel nights is based on information from the company's travel agents, SJ and MTRX. The calculations of CO₂e emissions from flights, including RFIs, were performed by multiplying emissions by 1.694 in accordance with DEFRA. For train travel, the emissions factor used was 7 g CO₂e per person kilometre (electric train Sweden/Norway/Finland according to klimatsmartsemester.se). The calculation of GHG emissions from hotels is based on the number of hotel nights and on each hotel night generating 6.8 kg of CO₂e, as per Accommodation calculations traveland-climate.org/. The continued increase in emissions from business travel was mainly attributable to the large number of new employees. For the base year 2018,

emissions from flights were 87.2 tonnes CO₂e, for hotels 5 tonnes and for rail travel 2.7 tonnes, based on data from the travel agency.

GHG emissions intensity (GRI 305-4)

Refers to GHG emissions within Scope 1 and 2 (direct and indirect emissions from energy, refrigerants and vehicles), as well as Scope 3 for tenants' energy subscriptions, and production and distribution of Specialfastigheter's energy per SEK million turnover, and per sq m Atemp, respectively. Emissions from the production and distribution of water were excluded due to lack of reliable data.

Emissions intensity	2022	2023	2024
Emissions Scope 1 and 2, tonnes CO ₂ e/SEK million turnover	1.04	0.92	0.81
Emissions Scope 1 and 2, kg CO ₂ e/sq m Atemp	2.2	2.3	2.2
Emissions Scope 3, kg CO ₂ e/sq m Atemp	1.8	1.9	1.8

Water

Materiality

Water is a material sustainability matter for Specialfastigheter since water consumption has a significant environmental impact on the supply chain, particularly in the manufacturing of building materials like concrete and steel. Cement production, a key component of concrete, is highly water-intensive, both for cooling and mixing. On Gotland, for example, where much of Sweden's cement is produced, managing water consumption is crucial to minimise stress on local water resources. Steel production also requires large amounts of water, both for cooling and as process water, which can contribute to water stress in areas where raw material extraction or manufacturing takes place. It is important that Specialfastigheter's suppliers strive to improve water efficiency and minimise the negative impacts on local ecosystems. As a property manager, our water consumption is also high.

Governance of water

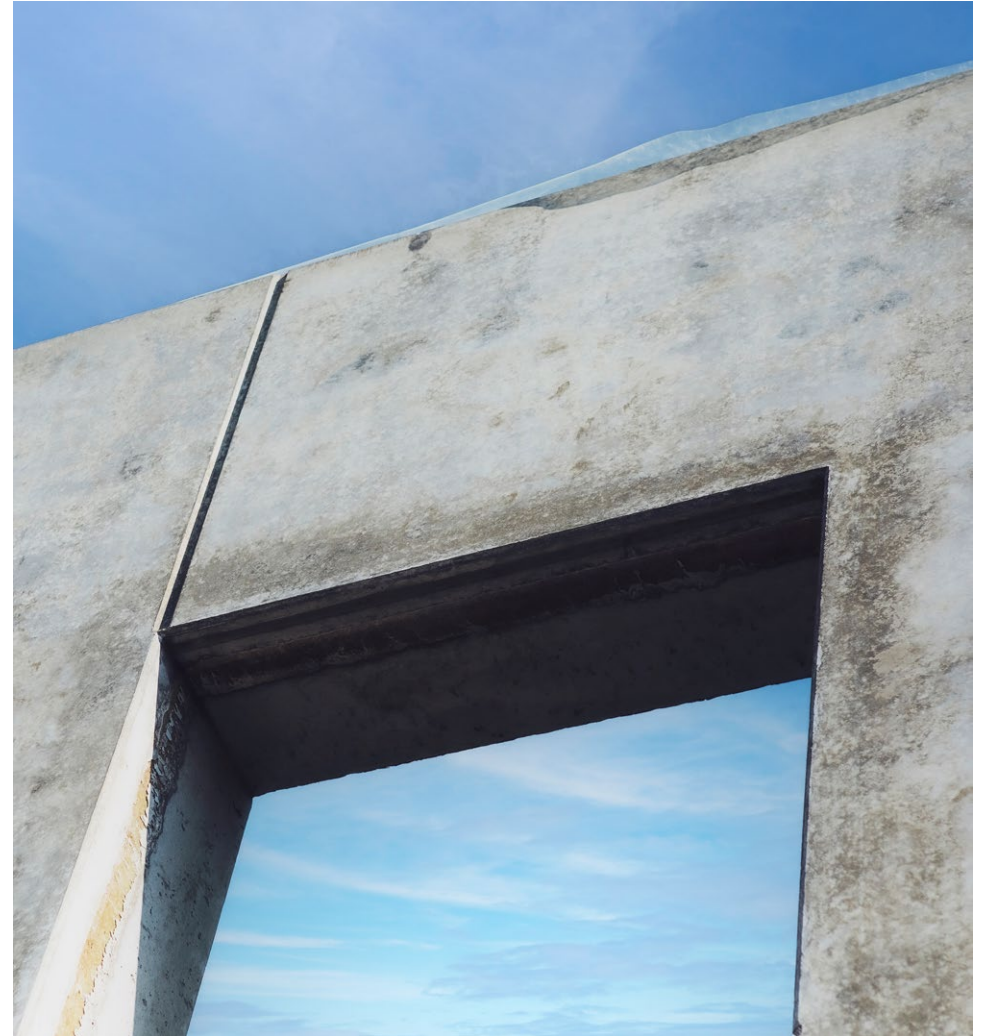
Water was identified as a material sustainability area in Specialfastigheter's double materiality assessment that was completed in 2024. The company will be engaging in dialogue with suppliers about water and setting suitable targets and KPIs.

Risks and opportunities

Manufacturing building materials, including cement and steel, is highly water-intensive and, as such, lead to negative environmental impacts and potential conflicts with local communities, especially in regions where water scarcity is a critical concern. Higher water consumption may give rise to regulatory risks, such as more stringent environmental requirements,

potentially affecting supply chain stability and driving up costs. Water shortages or increased demands for water efficiency may disrupt the production of essential building materials, potentially impacting Specialfastigheter's projects and timelines. Insufficient monitoring of suppliers' water consumption could lead to external criticism and reputational harm, particularly in light of the government's high expectations for sustainability performance in state-owned companies. Water-related challenges may increase production costs for suppliers, with potential cost impacts being passed on to Specialfastigheter's construction projects.

Specialfastigheter can reduce its indirect environmental impact by prioritising suppliers that actively promote water efficiency and implement innovative solutions. Proactive and strategic work with water-related issues can position Specialfastigheter as a leader in sustainable property development. Investments in, or requirements for, new water-saving technologies within the supply chain could result in new innovative solutions that enhance the competitiveness both of the company and of its suppliers. By identifying and addressing water-related risks at an early stage, Specialfastigheter can promote stable and sustainable supply chains, thereby reducing potential business risks. Stricter requirements on water consumption may affect Specialfastigheter in its role as a property manager; however, implementing solutions that reduce water consumption could lower costs and generate environmental benefits. Water was added as a material area in 2024. More information and water governance will be forthcoming.



Biodiversity

Materiality

The decline of biodiversity is accelerating worldwide. The ongoing global loss of habitats is a pressing and tangible environmental concern. Today, an estimated 75 per cent of the world's land surface is clearly affected by human activity.

When Specialfastigheter acquires land and manages properties, natural ecosystems may be affected, posing risks of altering or threatening important habitats and contributing to biodiversity loss. Specialfastigheter has a direct impact from decisions to perform environmental inventories and mitigation measures as well as an indirect impact through our contractors' and suppliers' activities at our properties and in our value chain.

Governance of biodiversity

Biodiversity is included in Specialfastigheter's long-term sustainability targets. When new land is acquired, an inventory of nature conservation values is performed. These inventories also form the basis for preparing nature conservation plans. Nature conservation plans serve as important input for property development and construction processes. They are also used to ensure proper maintenance of properties and to enhance nature conservation values there.

Risks and opportunities

Higher requirements from EU regulations such as the CSRD could involve compliance risks since Specialfastigheter must comply with the reporting requirements and biodiversity management. Lower biodiversity could potentially impact the functionality of properties and result in higher costs for climate adaptation measures. Innovation in construction projects, including the use of circular materials and design principles, can help reduce impacts on natural environments. Properties with well-maintained green spaces generate value both for tenants and for society. This is particularly important at schools, care facilities and other properties in the public sector. We can create and strengthen nature conservation values through active management of forest and land.

Target

Enhanced biodiversity

Outcome: There is a lack of reliable data for measuring the outcome.

IUCN1 Red List species and national conservation list species with habitats in areas affected by operations (GRI 304-4)

The table describes the number of red-listed species pursuant to the International Union for the Conservation of Nature's (IUCN's) red list categories. The inven-

tories conducted for properties in 2024 were checked pursuant to the red list for 2024.

Property management	Critically Endangered	Endangered	Vulnerable	Near Threatened	Total
Runnagården	1	1			2
Svartsjö and Svartsjö housing ¹		1	1		2
Rosersberg				1	1

¹ An inventory of Svartsjö and Svartsjö Bostäder was conducted simultaneously, which is why they are being reported together.

NVIs provide a momentary observation of flora and fauna at the property depending on the season and what can temporarily be observed such as birds, insects and fungi, and other vegetation. Inventories of nature conservation values are conducted to assess the current state of biodiversity at the property. When threatened and red-listed species are identified, they are reported to the Species Portal at SLU, and action plans are developed to support the improvement of their habitats NVIs are also used to create maintenance plans used in property management. Dialogue with customers at the properties regarding measures to preserve and promote biodiversity is often conducted, both in the context of management and project activities. A couple of our clients have themselves identified biodiversity as a priority area.

Materials and waste

Materiality

The material consumed and waste generated by the construction and property sector is significant. Specialfastigheter has a direct impact through our control of material selection in projects and property management, and an indirect impact through contractors' and suppliers' choices and use of materials in assignments for us. We maintain ongoing dialog both with our customers and with suppliers about the choice of materials, not least from an environmental and climate perspective, where the goal is to use materials that do not harm people or the environment. We also put special emphasis on working together with contractors to reduce waste in projects.

Governance of materials and waste

Specialfastigheter has policies and supporting documentation to ensure that the materials and chemical products used in our projects and property operations are properly managed and recorded in a digital environmental database. The products must be registered before they are purchased or built into the structure. Doing so at this stage facilitates a conscientious choice of materials. Sweden Green Building Council states requirements on such things as having a digital logbook for built-in materials as well as material and recycling inventories. To reduce waste, particularly in construction projects, there is a requirement of having a waste management plan and complying with it.

Business plans explain Specialfastigheter's goals and routines for waste management in projects, along with the reporting requirements. Where relevant, supplier contracts stipulate requirements on material use and waste. Larger projects typically require the appointment of an environmental coordinator responsible for supporting the project manager on matters related to environmental certification, including materials and waste management.

Risks and opportunities

Construction and demolition projects generate significant amounts of waste, which may cause environmental harm if not properly managed. Specialfastigheter has the goal of reducing waste and increasing recycling. Stricter requirements under EU and national regulations increase the need for traceability and effective management of materials and waste to ensure compliance with new standards. Properties built with sustainable materials are more attractive to tenants and investors, contributing to long-term value creation. Specialfastigheter can strengthen its position as a leader in sustainable construction by collaborating with suppliers and contractors to implement material strategies and reduce waste.

Target

Combustible waste must be minimised and may constitute no more than 15 per cent of total construction waste

Outcome: 5.5 per cent (based on the average from four of the company's largest projects)

Material

In 2024, it is possible to disclose the share of renewable materials used in two buildings, as the supplier data is of sufficiently high quality to support this disclosure.

These represent building types with varying material requirements, including safety-related specifications, and are commonly constructed within Specialfastigheter's portfolio. In 2024, a total of 18,635 m² standard building B and 4,091 m² of Personnel buildings. In 2024, these two building types accounted for 32 per cent of completed m² GFA.

Renewable material new construction

Built-in material, kg	Standard building B	Personnel buildings
Non-renewable materials	5,656,133	2,941,336
Renewable material	88,289	1,451,511
Total amount of materials (kg)	5,744,422	4,392,847
Percentage renewable	2%	33%

Waste

Specialfastigheter's ambition is to measure the total quantity of waste per square metre GFA in completed projects. However, obtaining the data necessary for reporting this with reliable actual figures proved highly problematic. The standard values used in 2022 were based on samples from two projects where the amount of waste amounted to an average of 43 kg of waste per built square metre of GFA. The standard values used in 2023 were based on samples from eight projects where the amount of waste amounted to an average of 46.6 kg of waste per square metre of GFA. On the other hand, statistics from modular building projects show significantly lower amounts of waste, namely 13.6 kg per square metre GFA. This is largely due to the modules arriving pre-built and only needing adaptation on site. To obtain the most accurate waste statistics possible, we have therefore chosen to divide the reporting into waste from modular buildings and waste from other buildings.

Waste from new production

Completed GFA (m ²)	2022	2023	2024
Modular buildings	6,660	25,395	980
Other buildings	821.5	42,083	69,635
Waste from new production (tonnes)	2022	2023	2024
Modular buildings	90.6	345	13
Other buildings	35.3	1,959	3,041
Total (tonnes)	125.9	2,304	3,055
Waste from new production (kg/m² GFA)	2022	2023	2024
Modular buildings	13.6	13.6	13.6
Other buildings	43.0	46.6	43.7

The total amount of waste is calculated from completed GFA during the year, and the amount of waste per GFA from samples of large projects. As some projects are still ongoing, variations may occur between years in Specialfastigheter's key performance indicators.

Work environment

Materiality

The work environment is important regardless of whether it is the internal work environment, the work environment in construction projects or in Specialfastigheter's value chain. Specialfastigheter has direct impact on the internal physical, organisational and social work environment at Specialfastigheter and indirect impact on the work environment at suppliers and contractors by setting and following up on requirements for their work environments. Naturally, it is easier to control the internal environment, but the greatest work environment risks are in the projects and the supply chain. The construction and property sectors are among the industries with the highest risk of employment injury.

Governance of work environment

Specialfastigheter takes a systematic approach to its work environment efforts, guided by the ISO 45001 management system and the company's sustainability policy. To support operational work, there is a guideline for systematic work environment efforts, along with a set of instructions and checklists for managing, assessing, and monitoring work environment risks across different parts of the organisation. The CEO allocates work environment-related tasks to all managers with responsibility for personnel. By following ISO 45001 and by offering all managers and health and safety officers regular training, Specialfastigheter ensures that the work environment maintains a high quality level and that the company has the requisite skills internally. In 2024, Specialfastigheter reviewed its rules on delegation of responsibility to developers. We also updated instructions, templates and checklists based on the new regulations in Design and building work environment coordination – basic obligations (AFS 2023:3). Web-based training was also launched on 5 December 2024, which was communicated to all employees of Specialfastigheter via our intranet. The training is primarily designed for employees involved in construction projects as well as

contracted project managers and other staff who need to understand the responsibilities of the developer. All employees thus have access to the training. Thus far, some 50 employees have initiated the training and around 40 have completed it. Specialfastigheter has a support process that describes the work environment efforts. This is followed up through operational audits and internal controls. Collaboration on work environment issues is conducted pursuant to the Swedish Work Environment Act within a work environment committee that includes employers and employee representatives. The work environment committee's work encompasses proactive efforts with work environment issues, conducting risk analyses and following up the operations' work environment efforts. The committee meets four times per year. An annual risk analysis is conducted in the work environment committee. Moreover, efforts are ongoing in daily operations together with managers and personnel. Risk analyses are performed per property in the property department. Health and safety officers conduct annual inspection rounds of all workplaces. The work environment within the supply chain is regulated through instruments such as purchasing agreements and the Supplier Code of Conduct. Specialfastigheter delegates work environment responsibility in construction projects to the contractor, who is responsible for communicating procedures for work environment efforts, conducting work environment inspections and following up any work environment incidents in the project. Suppliers are subject to their respective employers' work environment procedures, including reporting procedures. Chapter 6, Section 7 of the Swedish Work Environment Act regulates stoppages by health and safety officers. In the event of an immediate and serious danger to the lives and health of workers, the health and safety officer has the right to stop work. Examples of how the work environment is monitored include the annual employee survey, performance reviews, preparation of the annual report and dialogues with suppliers. Inspection rounds

are conducted regularly for projects and the work environment is a standing item on the agenda of construction meetings. Absences due to illness, accidents and incidents among Specialfastigheter's employees are measured on an annual basis. Specialfastigheter also monitors employment injury and incidents for its 30 largest suppliers.

Risks and opportunities

The risks of employment injury in the construction and property sector include accidents and ill health, and the risk profile can vary from day to day, particularly in construction projects. Compared with other sectors, the construction and property sector has a higher-than-average number of reported employment injuries resulting in absence from work per 1,000 employees. Accidents and work-related illnesses are twice as common among construction workers compared with workers in other sectors. Examples are falls from heights, musculoskeletal injuries and accidents involving the use of various types of machinery as well as accidents associated with blasting and the use of hazardous substances. (Source: Swedish Work Environment Authority).

Providing a good work environment is an important way for Specialfastigheter to strengthen its employer brand and support the long-term availability of skilled personnel. Investments in a safe, ergonomic work environment also contribute to fewer sick days and higher performance. Specialfastigheter can strengthen work environment standards throughout the entire value chain and reduce the risk of employment injuries by integrating work environment requirements into tendering processes and purchasing agreements as well as by fostering collaboration with suppliers and customers.

Target

Motivated Employee Index (MMI) of at least 4.0

Outcome: MMI 4.1

Strive to prevent employment injury and ill health

Specialfastigheter offer all of our employees industrial injury, group life and healthcare insurance as well as a wellness, and medication and healthcare contributions. The company also makes use of occupational health services where necessary and conduct work environment surveys. All of our employees who work in environments with an increased risk of contagious diseases are offered vaccinations. During the year, 48 work environment incidents (41) were reported in our incident reporting system. 34 (30) of which pertained to external persons and 14 (11) to internal staff. In 2023, 41 work environment incidents were reported and 19 during 2022. Work environment incidents encompass high-risk conditions, near-accidents and injuries primarily suffered by our employees. Since incident reporting for consultants and contractors is not universal, Specialfastigheter has since 2018 requested reports from the 30 largest suppliers covering near-accidents and accidents that occurred while performing tasks for Specialfastigheter. The majority of reported accidents in 2024 were categorised as traffic accidents. No work-related fatalities occurred during 2022–2024.

GRI 403-9 Work-related injuries

Work-related accidents, incidents and injuries	2022	2023	2024
Number of serious incidents reported	0	0	0
Number of serious accidents reported	1	0	0
Number of work-related accidents classified as work-related injuries that resulted in absence due to illness	0	0	1
Number of work-related accidents classified as work-related illness	1	0	0
Number of hours worked	322,310	389,924	472,026

The company complies with Swedish legislation when recording and reporting accident statistics. Because the number of work-related accidents is so low, Specialfastigheter does not find it meaningful to report accident ratios or ratios regarding work-related illnesses.

Absence due to illness, % of total working time	2022	2023	2024
Women	1.66%	2.17%	2.05%
Men	2.17%	2.06%	1.55%
All employees	2.02%	2.09%	1.73%

Absence due to illness only refers to own employees, not consultants, contractors or their subcontractors. Specialfastigheter does not report their absence due to illness separately as external human resources report any absence to their own employer and not to Specialfastigheter. All figures pertain to 31 December in the year concerned.

Work-related injuries and incidents in supply chain

There is a high risk of employment injury and incidents in large projects since many dangerous activities are required. Examples are falls from heights, musculoskeletal injuries and accidents involving the use of various types of machinery as well as accidents associated with blasting and the use of hazardous substances. In accordance with the law, Specialfastigheter appoints construction work environment coordinators with contractors who are responsible for coordinating health and safety efforts through the entire construction process, from start to finish. Specialfastigheter regularly follows up the work environment in projects. The company reports employment injuries and incidents for its 30 largest¹ suppliers and their subcontractors for the work performed for Specialfastigheter. The statistics are based on figures reported to Specialfastigheter by suppliers. In 2024, efforts continued to prepare for the

changes to the Swedish Work Environment Authority's regulations, which enter force on 1 January 2025. In line with the Håll Nollan initiative, Specialfastigheter's long-term target is zero accidents in construction projects. In 2024, all of the accidents reported were attributable to construction projects.

Employment injury and incidents at suppliers	2022	2023	2024
Number of incidents reported	197	240	243
Number of accidents reported	90	135	131

Specialfastigheter is not split into regions and does not have access to accident statistics broken down by gender.

Human rights

Materiality

Human rights are a key concern in the construction and property sector due to its extensive value chain, which spans from raw material production to the management of tenant-occupied properties. Some of the materials used in this sector are produced in countries with a high risk of poor working conditions, including low wages, hazardous workplaces, and violations of trade union rights. There is also a risk of violations of Indigenous peoples' rights, particularly in connection with deforestation and the extraction of natural resources. During the construction phase, impacts are associated with construction sites, where employees face significant safety risks, including accidents and long-term health issues caused by dust and exposure to hazardous substances. Contractors and subcontractors that rely on a foreign workforce may have lower work environment standards and, in some cases, could be exploiting migrant workers. Privacy and the management of personal data constitute a

human rights issue that, if not handled in compliance with the GDPR, could have serious financial impacts for Specialfastigheter. Failure to uphold labour rights and human rights could result in legal sanctions, damage Specialfastigheter's reputation with customers and investors, and cause project delays. Specialfastigheter has a direct impact on its employees' human rights. Specialfastigheter has an indirect impact on working conditions and human rights at suppliers and contractors, which it can mitigate through value chain traceability, setting requirements for working conditions and monitoring compliance therewith.

Governance of human rights

Specialfastigheter has a selection of policies, guidelines and instructions that govern sustainability, human rights and business ethics, including the Sustainability Policy, Code of Conduct and Supplier Code of Conduct (link to the Swedish source text on sustainable business conduct: <https://www.specialfastigheter.se/om-oss/hallbar-affar>). The company supports international rules and principles for responsible business conduct, including the UN Global Compact, the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration and the UN Convention against Corruption. Specialfastigheter's Supplier Code of Conduct applies to all of the company's suppliers and subcontractors, and encompasses human rights issues such as discrimination, freedom of association, fair working conditions, forced labour, child labour and the work environment. Inclusion and diversity efforts are summarised in the company's Equal Treatment Plan, which is updated annually by the company's Equal Treatment Committee.

Strategic meetings with framework suppliers include discussions on areas covered by the Code of Conduct. To manage human rights risks, Specialfastigheter's central purchasing unit oversees procurement and signs all framework agreements.

During procurement, overall demands are set that are supplemented by the obligatory Supplier Code of Conduct.

Specialfastigheter provides employees with a range of methods for reporting misconduct or irregularities in the form of the clearly expressed possibility of contacting their manager, their manager's manager or the HR Director. In addition, there is both an internal incident reporting system and a whistle-blower function. The whistle-blower function is available on Specialfastigheter's website. Sweden offers extensive protection for workers to report misconduct and irregularities to the media for publication and to authorities such as the Swedish Work Environment Authority through the Whistle-blower Act, the Constitution and the Whistle-blower Protection Act. There is no specific regulation in Swedish law that pertains to business-related human rights violations. However, the public mechanisms for redress in Sweden include, for example, the possibility for stakeholders who believe they have been discriminated against by Specialfastigheter to turn to the Equality Ombudsman and the possibility to have their case tried in a court of law. The internal guidelines for Notification of irregularities and whistle-blowing make clear that the reporting person is protected from reprisals. This protection applies both to employees of Specialfastigheter and to external users of the whistle-blower function.

Risks and opportunities

Specialfastigheter can create long-term value by actively managing risks and opportunities, including protecting people in the value chain and meeting the expectations of investors, customers and legislators. The work on environmental and human rights due diligence has been strengthened. For example, a survey assessing the risk of human rights violations in the supply chain was conducted. These efforts will continue in 2025.

¹ Based on spend Oct 2023–Sept 2024.

Target

Implementation of a due diligence process

Outcome: A due diligence process is being developed

New suppliers that were screened using environmental and social criteria

Specialfastigheter ensures that its contracted suppliers fulfil tax and fee obligations, maintain good financial standing and uphold sound ownership structures. Before a supplier can work with Specialfastigheter, they must be approved and registered in the compa-

ny's supplier database. Monitoring and background checks are based on reports from the Swedish Tax Agency and/or the Swedish Enforcement Agency as well as from rating agencies.

Specialfastigheter's Supplier Code of Conduct contains environmental and social criteria pertaining to the following areas: the environment, information security, working conditions, human rights, work environment and business ethics. The percentage of new agreements covered by Specialfastigheter's Code of Conduct appears low in 2024 because agreements

under negotiation are considered low-value and low-risk, and therefore are not covered by the Code of Conduct. In 2024, Specialfastigheter's purchasing process was updated so that all future announced procurements will be covered by the Code of Conduct. One example of such an agreement is the legal monitoring service the company subscribes to. In accordance with Specialfastigheter's purchasing strategy the company signs, to a large extent, long-term framework agreements, meaning fewer procurements of agreements that would be subject to the Supplier Code of Conduct.

Supply chain risks	Services	Contracts	Products
Risk			
Environment			
<ul style="list-style-type: none"> Use of environmentally hazardous materials and chemicals CO₂ emissions Energy consumption Waste 	●	●	●
Human rights			
<ul style="list-style-type: none"> Discrimination and harassment Forced labour in production plants 	●	●	●
Working conditions			
<ul style="list-style-type: none"> Unfair wages Unjust and unfavourable working conditions Difficulty organising unions 	●	●	●
Work environment			
<ul style="list-style-type: none"> Risk of falling Risk of collapse Risk of demolition Risks linked to detonation Risks linked to hazardous substances Heavy lifting Deficient work environment when manufacturing building materials 	●	●	●
Corruption			
<ul style="list-style-type: none"> Giving and receiving bribes 	●	●	●

Services: Specialist expertise, IT, technical consultants, administrative consultants.
 Contracts: Construction, renovation, land management, building materials.
 Products: Energy, office materials, maintenance materials.

● Minor risk ● Moderate risk ● Major risk

GRI 308-1 & 414-1	2022	2023	2024
Number of supplier code of conduct on-site audits executed	0	0	0
External review of projects performed by Rättvist byggande	0	3	0
Percentage of new agreements ¹ including the Code of Conduct under contractual terms	20%	45%	29%

¹ We report the percentage of new contracts rather than the percentage of new suppliers since it provides a more complete picture of our auditing of the supply chain.

Gender equality and diversity

An inclusive workplace where diversity and gender equality issues comprise natural and self-evident elements of daily work is of the utmost importance. Employees must feel respected and enjoy their work – everyone should have the same rights and opportunities to influence their work situation.

All figures reported below pertain to 31 December in the year concerned. Specialfastigheter is not divided into regions and therefore the data is not broken down by region. The calculations are based on the number of employees as of 31 December 2024. Specialfastigheter is unable to report KPIs for employees in the supply chain.

Total labour force

Gender distribution of temporary employees and permanent employees

Total number of employees	2022	2023	2024
Women	59 (28.5%)	89 (34.50%)	109 (36.6%)
Men	148 (71.5%)	169 (65.50%)	189 (63.4%)
Total	207	258	298

Total number of temporary employees	2022	2023	2024
Women	0	4	4
Men	1	3	0
Total	1	7	4

All figures pertain to 31 December in the year concerned.

All employees with permanent positions are full-time employees. No significant seasonal variations in the number of employees occur. Specialfastigheter is unable to report KPIs for suppliers' employees.

Diversity of governance bodies and employees

Board, including alternates	2022		2023		2024	
	Women	Men	Women	Men	Women	Men
Under 30 years	0%	0%	0%	0%	0%	0%
30–50 years	40%	0%	33%	0%	14%	0%
Over 50 years	60%	100%	67%	100%	86%	100%
Total	45%	55%	50%	50%	58%	42%

Management	2022		2023		2024	
	Women	Men	Women	Men	Women	Men
Under 30 years	0%	0%	0%	0%	0%	0%
30–50 years	50%	0%	67%	0%	56%	100%
Over 50 years	50%	100%	33%	100%	44%	0%
Total	75%	25%	86%	14%	90%	10%

Employees	2022		2023		2024	
	Women	Men	Women	Men	Women	Men
Under 30 years	5%	3%	8%	2%	8%	2%
30–50 years	53%	53%	63%	54%	63%	58%
Over 50 years	42%	45%	29%	43%	29%	40%
Total	29%	72%	34%	66%	37%	63%

Average age	2022	2023	2024
Board, including alternates		55	57
Management		53	52
Employees		47	46

Unit	2022		2023		2024	
	Women	Men	Women	Men	Women	Men
CEO	1	0	3	0	–	–
Accounting, Treasury and Financial Control	9	3	11	6	–	–
Purchases	6	3	7	3	–	–
IT and security	4	7	10	8	10	9
Support functions ¹	12	2	20	3	–	–
Market and Business	7	8	10	8	10	10
Property management	9	90	10	98	11	103
Projects and Technology	11	35	18	43	–	–
CEO and Strategy & Development	–	–	–	–	4	0
CFO	–	–	–	–	18	12
HR	–	–	–	–	9	0
Sustainability	–	–	–	–	5	2
Communication	–	–	–	–	6	0
Project & Property support	–	–	–	–	15	24
Project development	–	–	–	–	21	29
Total	59	148	89	169	109	189

¹ Includes the units: HR, Communication, Quality & Sustainability and Legal

Many changes were made to the organisation in 2024, which have been updated in the table above.

Compensation ratio between CEO and employees

The CEO's annual salary in relation to the median salary of employees is 5.85 (6.11) times higher (585 per cent).

Employees with collective-bargaining agreements

All employees are covered by collective-bargaining agreements. Specialfastigheter belongs to the Almega employers' association and applies the civil servants' union agreement for the property sector.

Anti-corruption, compliance and whistle-blowing

Materiality

Globally, the property sector is among the most corruption-prone, particularly in contractor and supplier procurement, property management and construction projects, where large financial sums and complex transactions increase the risk.

Even minor corruption can undermine the credibility of both the company and the State. The company represents public interests and is expected to set a good example when it comes to transparency and ethics. Violations of anti-corruption laws can lead to severe legal and financial sanctions for the company. Specialfastigheter has direct impact in the procurement and purchase phases, and through internal courses as well as from contact with customers and suppliers. The company has indirect impact on anti-corruption efforts at suppliers and contractors by setting and following up on anti-corruption requirements.

Governance of anti-corruption efforts and regulatory compliance

Our sustainability policy and Code of Conduct provide the basis for how the company and employees should act on ethical issues. Since 2013, an external whistle-blower function has been in place for anonymously reporting irregularities or improprieties within the organisation. Cases are handled by the Head of Security and the Chief Legal Officer (CLO). In 2024, three reports were made to Specialfastigheter's whistle-blower function, of which two were classified as whistle-blowing cases. Following investigations, however, it was found that the alleged irregularities could not be substantiated. Read more about anti-corruption efforts on page 33, along with information

on the control environment and control activities in the Corporate Governance Report on page 44. Purchases are made through the company's purchasing system, in compliance with the Swedish Public Procurement Act. Specialfastigheter has guidelines in place for addressing insider and infiltration threats.

Specialfastigheter subscribes to a service for legal updates in all areas of law. The company has procedures and internal instructions that describe how Specialfastigheter ensures legal compliance. Specialfastigheter has internal guidelines for legal monitoring and compliance to ensure adherence to applicable legislation. Responsibility for this is delegated to specific employees with expertise in the relevant areas of law. Reviews are conducted regularly. The company has not been the subject of any corporate fines during the year.

Risks and opportunities

Effective anti-corruption measures reduce the risk of improper contract and resource allocation as well as of delays and quality deficiencies in construction and maintenance projects.

Target

No cases of corruption.

Outcome: 0 registered cases

In 2024, Specialfastigheter received seven new fire-related injunctions and completed one of them.

In 2023, the company received one new fire-related injunction.

EU Taxonomy reporting

Specialfastigheter is subject to an obligation to report pursuant to the EU Taxonomy Regulation as of the 2025 financial year in conjunction with the company starting to report under the CSRD. The Taxonomy includes six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

Assessment of compliance with the Taxonomy Regulation

Specialfastigheter started voluntarily reporting the Taxonomy-eligible proportion of the company's activities as of the 2023 financial year.

All of Specialfastigheter's activities are conducted in Sector 7, Construction and real estate activities. Most of the company's turnover and operations is derived from the economic activity 7.7, *Acquisition and ownership of buildings*.

To be Taxonomy-aligned, the economic activity must contribute substantially to at least one environmental objective and be conducted in line with the

minimum safeguards. Furthermore, the activity should do no significant harm (DNSH) to any of the other environmental objectives. As Taxonomy reporting is not yet mandatory for Specialfastigheter, the proportion of Taxonomy-eligible economic activities of the company are reported for the 2024 financial year.

The Taxonomy KPIs reported by Specialfastigheter for 2024 comprise: proportion of turnover, proportion of CapEx; and the proportion of OpEx from products or services associated with Taxonomy-eligible economic activities. Specialfastigheter's core business and main turnover pertains to rental income, which is included in economic activity 7.7 Acquisition and ownership of buildings.

The table presents Specialfastigheter's KPIs for the 2024 financial year based on the following definitions of turnover, operating expenditure (OpEx) and capital expenditure (CapEx):

KPIs for turnover have been defined as income from property management in the consolidated statement of comprehensive income. Turnover includes total rental income and follows the definition of turnover provided in Directive 2013/47/EU on the annual financial statements and consolidated financial statements. Turnover includes total rental income and other income, excluding other income from media and any damages.

Operating expenditure (OpEx) encompasses the Group's direct costs for ensuring the continuous and appropriate functioning of the asset. Operating expenses for building repairs that have not been capitalised in the Group, and regular maintenance. Costs for energy consumption are excluded. Corresponds to the item Maintenance in the income statement. Capital expenditure (CapEx) is based on the same definition as in IFRS and encompasses new construction, extensions and redevelopments, and

other value-generating investments pursuant to IAS 40 – Investment Property. This is before depreciation, revaluation and impairment and excluding fair value. It also includes property, plant and equipment (IAS 16), intangible assets (IAS 38) and additional right-of-use assets pursuant to IFRS 16 Leases. Goodwill is not included in intangible assets. This means that, in total, the KPI for capital expenditure consists of all investments. The Taxonomy-eligible proportion is attributable to investments in real estate that is let externally.

	Jan–Dec 2024 (SEK million)	Jan–Dec 2023 (SEK million)	Proportion of Taxonomy-eligible economic activities (%)	Proportion of Taxonomy-non-eligible economic activities (%)
Turnover	3,343	2,860	100	0
Operating expenditure (OpEx)	112	97	100	0
Capital expenditure (CapEx)	5,838	5,751	100	0

As Taxonomy reporting is not yet mandatory for Specialfastigheter, only the proportion of the company's Taxonomy-eligible economic activities is reported. The Taxonomy KPIs reported for the period in the table above comprise: proportion of turnover, proportion of CapEx; and the proportion of OpEx from products or services associated with Taxonomy-eligible economic activities.

GRI Content Index

Specialfastigheter reports its work with sustainability pursuant to the GRI Standards 2021 for the 2024 financial year, that is for the period from 1 January 2024 to 31 December 2024. GRI 1: Foundation 2021 has been used for the preparation of the report but none of the GRI sector standards (since there are no applicable standards for properties).

GRI Standard	Disclosure	Disclosure title	Page reference	Omissions		
				Requirements omitted	Reason	Explanation
General disclosures						
The organisation and its reporting practices						
	2-1	Organisational details	36, 37			
	2-2	Entities included in the organisation's sustainability reporting	36			
	2-3	Reporting period, frequency and contact point	92			
	2-4	Restatements of information	92, 96			
	2-5	External assurance	112			
Activities and employees						
	2-6	Activities, value chain and other business relationships	12, 22, 27, 30, 31			
	2-7	Employees	34, 37, 103–104			
	2-8	Workers who are not employees		There is no information on the employees of suppliers or consultants.		
Governance						
	2-9	Governance structure and composition	44–51			
	2-10	Nomination and selection of the highest governance body	44			
	2-11	Chair of the highest governance body	44			
	2-12	Role of the highest governance body in overseeing the management of impacts	44–51, 92			
	2-13	Delegation of responsibility for managing impacts	46–47, 92			

GRI Standard	Disclosure	Disclosure title	Page reference	Omissions		
				Requirements omitted	Reason	Explanation
	2-14	Role of the highest governance body in sustainability reporting	92			
	2-15	Conflicts of interest	44–45, 48–49			
	2-16	Communication of critical concerns	46–47	Deviations from 2-16 b. nature of concern.	Confidentiality restrictions	For security reasons, it is not possible to report the nature of concern
	2-17	Collective knowledge of the highest governance body	45, 92			
	2-18	Evaluation of the performance of the highest governance body	46			
	2-19	Remuneration policies	45, 65	Deviations from 2-19 b	Not applicable	Specialfastigheter does not have any incentive programmes and thus no sustainability criteria
	2-20	Process to determine remuneration	45			
	2-21	Annual total compensation ratio	104			
Strategy, policies and practices						
	2-22	Statement on sustainable development strategy	7, 43			
	2-23	Policy commitments	2, 32–34, 39–40, 44–47, 102–104			
	2-24	Embedding policy commitments	7, 29, 31, 34, 35, 39, 94, 101, 103–106			
	2-25	Processes to remediate negative impacts	19, 30–33, 38, 92, 101–104			
	2-26	Mechanisms for seeking advice and raising concerns	32–33, 39, 101–104			
	2-27	Compliance with laws and regulations	104			
	2-28	Membership associations	32, 92			
Stakeholder engagement						
	2-29	Approach to stakeholder engagement	21, 32–34, 37, 44, 92, 94, 99			
	2-30	Collective bargaining agreements	104			

GRI Standard	Disclosure	Disclosure title	Page reference	Omissions		
				Requirements omitted	Reason	Explanation
GRI 3: Material topics 2021						
	3-1	Process to determine material topics	92-93			
	3-2	List of material topics	93			
SPECIFIC DISCLOSURES						
GRI 200: Economic topics						
GRI 205: Anti-corruption 2016						
	3-3	Management of material topics	3, 32, 39, 40, 93, 104			
	205-3	Confirmed incidents of corruption and actions taken	33, 104			
SPECIFIC DISCLOSURES						
GRI 300: Environment						
GRI 301: Materials 2016						
	3-3	Management of material topics	92, 100			
		Percentage renewable material in new production (own indicator)	100			
GRI 302: Energy 2016						
	3-3	Management of material topics	92, 94, 96			
	302-1	Energy consumption within the organisation	96			
	CRE1	Energy intensity	20			
GRI 303: Water and wastewater 2018						
	3-3	Management of material topics	92, 98			
GRI 304: Biodiversity 2016						
	3-3	Management of material topics	92, 99			
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	99	The report includes the findings of the inventories of nature conservation values conducted in 2024.	Information is incomplete	The work is under development

GRI Standard	Disclosure	Disclosure title	Page reference	Omissions		
				Requirements omitted	Reason	Explanation
GRI 305: Emissions 2016						
	3-3	Management of material topics	92, 94			
	305-1	Direct (Scope 1) GHG emissions	96	Deviations from 305-1 b, since the type of GHG emissions is not reported, and c, since biogenic emissions are not reported. Deviations from emissions from backup power, which is not reported	Information is incomplete	Reliable data on the type of emissions is not currently available
	305-2	Energy indirect (Scope 2) GHG emissions	96			
	305-3	Other indirect (Scope 3) GHG emissions	96–97	Deviations from 305-3 b, since the type of GHG emissions is not reported, and c, since biogenic emissions are not reported.	Information is incomplete	Reliable data on the type of emissions is not currently available
	CRE3	GHG emissions intensity from building energy consumption	97			
GRI 306: Waste 2020						
	3-3	Management of material topics	92, 100			
	306-3	Waste generated	100	Does not encompass the total quantity of waste generated and is not broken down by composition.	Information is incomplete	Inadequate statistics from construction projects
GRI 308: Supplier Environmental Assessment 2016						
	3-3	Management of material topics	27, 33, 92, 102–103			
	308-1	New suppliers that were screened using environmental criteria	33, 103	Deviations from 308-1 a	Information is incomplete	The assessment is not a regular due diligence since the review is performed as part of the contract process and audits are conducted of existing contracted suppliers.

GRI Standard	Disclosure	Disclosure title	Page reference	Omissions		
				Requirements omitted	Reason	Explanation
SPECIFIC DISCLOSURES						
GRI 400: Social						
GRI 403: Occupational Health and Safety 2018						
	3-3	Management of material topics	92, 101, 102			
	403-1	Occupational health and safety management system	34, 39, 101, 102			
	403-2	Hazard identification, risk assessment, and incident investigation	34, 39, 101, 102			
	403-3	Occupational health services	34, 101			
	403-4	Worker participation, consultation, and communication on occupational health and safety	101			
	403-5	Worker training on occupational health and safety	34, 101			
	403-6	Promotion of worker health	34, 101			
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	32, 101–102			
	403-9	Work-related injuries	101, 102	Deviations from b. v., number of hours worked for suppliers and consultants	Information is not available	The company does not have access to the information
GRI 405: Diversity and equal opportunity 2016						
	3-3	Management of material topics	92, 102–104			
	405-1	Diversity of governance bodies and employees	34, 65–66, 103–104			
GRI 414: Supplier Social Assessment 2016						
	3-3	Management of material topics	33, 92–93, 103			
	414-1	New suppliers that were screened using environmental criteria	33, 103	The assessment is not a regular due diligence since the review is performed as part of the contract process and audits are conducted of existing contracted suppliers.	The information is incomplete	We primarily assess our contracted suppliers. A due diligence process is under development

TCFD index

The TCFD has developed a framework intended to guide organisations in their work to identify and report financial risks and opportunities entailed by climate change and the transition to a low-carbon economy. It describes the company's governance and strategy regarding climate issues as well as associated risks and opportunities.

This Annual Report and Sustainability Report includes Specialfastigheter's Task Force on Climate Related Financial Disclosures (TCFD) report, which describes the company's strategic work with climate-related risks and opportunities. The goal is to continue to develop climate efforts according to the TCFD's recommendations.

Disclosure	Page reference
GOVERNANCE	
A) Describe the Board's oversight of climate-related risks and opportunities.	Pages 38–40 and 45–47
B) Describe management's role in assessing and managing climate-related risks and opportunities.	Pages 38–40, 46–47 and 92
STRATEGY	
A) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	Pages 38–40 and 93–95
B) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Page 95
C) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Pages 19, 39–40 and 95
RISK MANAGEMENT	
A) Describe the organisation's processes for identifying and assessing climate-related risks.	Pages 19 and 38–40
B) Describe the organisation's processes for managing climate-related risks	Pages 19 and 38–40
METRICS AND TARGETS	
A) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Pages 38–40 and 92–95
B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Pages 29–31, 38–40 and 94–97
C) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Pages 29–31 and 96–97

Assurance Report

[Unofficial translation] Auditor's limited assurance report on Specialfastigheter Sverige Aktiebolag's Sustainability Report and statement regarding the Statutory Sustainability Report.

To the general meeting of the shareholders of Specialfastigheter Sverige Aktiebolag, company registration number 556537-5945

Introduction

We have been engaged by the Board of Directors of Specialfastigheter Sverige Aktiebolag ("Specialfastigheter") to undertake a limited assurance engagement of Specialfastigheter's Sustainability Report for 2024. The company has defined the scope of the Sustainability Report on page 36. The Statutory Sustainability Report is defined on page 36. The section on the EU Taxonomy on page 105 has not been included within the scope of our mandate nor in this statement.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report, including the statutory sustainability report, in accordance with the applicable criteria and the Swedish Annual Accounts Act in its previous version that applied prior to 1 July 2024. The applicable criteria are explained on page 106 in the Sustainability Report and comprise the applicable parts of the sustainability reporting framework published by the Global Reporting Initiative (GRI), as well as the accounting and calculation principles that the company has developed and disclosed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the procedures we have performed, and to provide a statement on the Statutory Sustainability Report. Our assignment is limited to the historical information that is presented and thus does not include future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. We have conducted our examination regarding the Statutory Sustainability Report in accordance with FAR's recommendation RevR 12, the Auditor's Opinion on the Statutory Sustainability Report. An examination according to RevR 12 has a different focus and a considerably smaller scope compared with

the focus and scope of an audit in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The audit firm applies the International Standard on Quality Management (ISQM) 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. We are independent in relation to Specialfastigheter in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The procedures performed in a limited assurance engagement and an examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that could have been identified if an audit had been performed. The stated conclusion based on a limited assurance

engagement and an examination according to RevR 12, therefore does not have the same degree of certainty as a conclusion based on an audit.

Our review of the Sustainability Report is based on the criteria defined by the Board of Directors and Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report, is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management. A Statutory Sustainability Report has been prepared.

Stockholm on the date shown in our electronic signature.

Öhrlings PricewaterhouseCoopers AB

Helena Ehrenborg
Authorised Public Accountant



Other

Property holdings

Name	Location	Municipality	Number of buildings	Land area, sq m	Owned net floor area, sq m	Name	Location	Municipality	Number of buildings	Land area, sq m	Owned net floor area, sq m
Asptuna	Norsborg	BOTKYRKA	21	125,582	6,169	Hessleby	Mariannelund	EKSJÖ	15	500,060	7,189
Beateberg	Trångsund	HUDDINGE	6	26,584	5,872	Hinseberg	Frövi	LINDESBERG	18	372,932	13,639
Berga	Helsingborg	HELSINGBORG	9	31,077	7,541	Horngäddan	Borås	BORÅS	0	8,056	0
Bergnäset Luleå	Luleå	LULEÅ	4	22,000	3,949	Hornö	Enköping	ENKÖPING	16	398,223	4,099
Bergsjön	Gothenburg	GOTHENBURG	7	18,680	4,284	Huddinge	Huddinge	HUDDINGE	1	8,016	8,970
Bergsmansgården	Fjugesta	LEKEBERG	7	21,400	3,452	Häkte Borås	Borås	BORÅS	0	5,202	0
Bondsjö	Härnösand	HÄRNÖSAND	0	35,441	0	Hällby	Kvicksund	ESKILSTUNA	23	258,596	12,025
Borås	Borås	BORÅS	10	55,720	8,024	Hässleholm	Hässleholm	HÄSSLEHOLM	4	16,116	7,865
Brättegården	Vänersborg	VÄNERSBORG	17	98,300	5,047	Högkvarteret	Stockholm	STOCKHOLM	5	24,610	41,000
Brinkeberg	Vänersborg	VÄNERSBORG	3	48,049	7,412	Högsbo	Västra Frölunda	GOTHENBURG	8	35,588	10,366
Bårhult	Landvetter	HARRYDA	0	20,361	0	Johannisberg	Kalix	KALIX	12	128,570	6,599
Bärby	Uppsala	UPPSALA	21	191,907	7,966	Kalmar	Kalmar	KALMAR	3	4,857	2,984
Ekebylund	Rosersberg	SIGTUNA	7	12,180	2,245	Karlskoga	Karlskoga	KARLSKOGA	11	79,485	7,687
Eknäs	Enköping	ENKÖPING	12	65,870	4,592	Karlsvik	Höör	HÖÖR	13	96,879	3,606
Eneröda	Malmö	MALMÖ	0	13,097	0	Klarälvsgården	Deje	FORSHAGA	7	243,800	2,755
Fagared	Lindome	MÖLNDAL	16	378,805	7,252	Kolpenäs	Södertälje	SÖDERTÄLJE	0	4,028	0
Flygvapenmuseum	Linköping	LINKÖPING	6	71,853	17,582	Konstnären	Solna	SOLNA	0	7,560	0
FOI Umeå	Umeå	UMEÅ	4	290,535	13,575	Kristallen	Lund	LUND	1	2,647	10,423
Folåsa	Vikingstad	LINKÖPING	23	153,604	8,479	Kristianstad Vä	Kristianstad	KRISTIANSTAD	6	43,019	7,068
Formgivaren	Solna	SOLNA	1	9,169	34,967	Kronoberg	Stockholm	STOCKHOLM	7	42,358	163,000
Fortunagården	Värnamo	VÄRNAMO	7	19,043	3,337	Kumla	Kumla	KUMLA	37	520,310	54,499
Fosie	Malmö	MALMÖ	4	33,109	10,024	Lejonet	Luleå	LULEÅ	2	10,596	21,800
Färingsö	Svartsjö	EKERÖ	7	47,559	4,883	Ljungaskog	Örkelljunga	ÖRKELLJUNGA	17	281,202	6,592
Färöarna	Kista	STOCKHOLM	1	6,559	24,658	Ljungbacken	Uddevalla	UDDEVALLA	25	272,091	8,995
Gävle	Gävle	GÄVLE	5	40,113	7,929	Ljustadalen	Sundsbruk	SUNDSVALL	4	37,555	1,371
Granhult	Ramsberg	LINDESBERG	9	37,222	2,161	Luleå	Luleå	LULEÅ	8	41,085	6,295
Gruvberget	Åmotsbruk	BOLLNÄS	32	106,054	4,576	Lunden	Lund	LUND	1	26,391	4,621
Gudhem	Gudhem	FALKÖPING	20	217,084	10,914	Långanäs	Eksjö	EKSJÖ	27	434,995	8,659
Hall	Södertälje	SÖDERTÄLJE	18	588,803	34,261	Mariefred	Mariefred	STRÅNGNÄS	17	150,080	8,290
Halldalen	Södertälje	SÖDERTÄLJE	36	590,547	8,496	Mariestad ¹	Mariestad	MARIESTAD	0	0	0
Halmstad	Halmstad	HALMSTAD	5	42,579	5,457	Nereby	Härestad	KUNGÄLV	17	162,660	3,469
Haparanda	Haparanda	HAPARANDA	7	21,631	4,366	Norttälje	Norttälje	NORRTÄLJE	18	191,228	18,588

¹ Part of Rödjan

Name	Location	Municipality	Number of buildings	Land area, sq m	Owned net floor area, sq m
Nya Saltvik	Härnösand	HÄRNÖSAND	10	295,597	23,911
Nyköping	Nyköping	NYKÖPING	5	23,144	9,517
Rebecka	Skå	EKERÖ	23	220,995	6,564
Renforsen	Vindeln	VINDELN	6	32,056	2,406
Gothenburg ¹	Hisings Backa	GOTHENBURG	0	0	0
RPK Gothenburg	Hisings Backa	GOTHENBURG	1	25,417	4,462
Runnagården	Örebro	ÖREBRO	9	77,522	4,273
Ryds Brunn	Ryd	TINGSRYD	7	21,620	4,852
Råby	Lund	LUND	4	0	3,770
Rådhuset	Stockholm	STOCKHOLM	1	13,595	22,765
Räddningsskolan Revinge	Södra Sandby	LUND	22	472,000	17,912
Räddningsskolan Sandö	Sandöverken	KRAMFORS	38	433,348	30,936
Rällsögården	Kopparberg	LJUSNARSBERG	19	1,297,250	6,655
Rödjan	Mariestad	MARIESTAD	11	496,720	12,900
Sagsjön	Lindome	MÖLNDAL	6	60,000	8,962
Skänninge	Skänninge	MJÖLBY	23	172,008	24,500
Skenäs	Vikbolandet	NORRKÖPING	17	1,637,649	12,933
Skogome	Hisings Backa	GOTHENBURG	15	295,699	14,504
Stigby	Visingsö	JÖNKÖPING	17	78,146	7,178
Storboda	Rosersberg	SIGTUNA	6	88,466	6,536

Name	Location	Municipality	Number of buildings	Land area, sq m	Owned net floor area, sq m
Sundbo	Fagersta	FAGERSTA	28	386,758	9,617
Svartsjö	Svartsjö	EKERÖ	12	47,688	7,157
Svartsjö Bostäder	Svartsjö	EKERÖ	7	7,000	909
Sörbyn	Hörnefors	UMEÅ	25	861,265	12,520
Tegeludden	Stockholm	STOCKHOLM	1	3,504	14,812
Tidaholm	Tidaholm	TIDAHOLM	22	536,363	21,835
Tillberga	Västerås	VÄSTERÅS	11	64,251	15,508
Tre Vapen	Stockholm	STOCKHOLM	3	94,224	66,458
Tygelsjö	Tygelsjö	MALMÖ	21	120,662	12,323
Tysslinge	Södertälje	SÖDERTÄLJE	10	174,795	5,592
Täby	Täby	TÄBY	3	25,288	4,286
Umeå	Umeå	UMEÅ	8	38,034	7,020
Vemyra	Sollefteå	SOLLEFTEÅ	12	173,400	4,209
Ystad	Ystad	YSTAD	8	59,550	11,623
Åby	Uppsala	UPPSALA	22	134,363	4,540
Åstorp	ÅSTORP	ÅSTORP	2	17,939	4,895
Älvgården	Hedemora	HEDEMORA	20	75,600	6,995
Österåker	Åkersberga	ÖSTERÅKER	6	405,000	10,279
Östfora	Järlåsa	UPPSALA	9	112,790	3,507
Öxnevalla	Öxnevalla	MARK	15	114,641	6,571

¹ Part of Skogome

Definitions

Specialfastigheter presents certain alternative performance measures (APMs) in interim reports and annual reports that are not defined according to IFRS. The company believes that these APMs provide valuable supplementary information to investors and the company's management when evaluating the company's earnings and financial position. Because companies calculate financial metrics differently, they are not always comparable. Amounts are given in SEK million.

Financial key performance indicators

Share of green bonds, %

Carrying amount green bonds divided by net loan liabilities.

Return on adjusted operating capital, %

EBT for the period (12-month rolling) excluding unrealised changes in value for financial instruments and investment properties, and net financial items in relation to average operating capital. The return on operating working capital illustrates the company's profitability independent of financial assets and independent of financing.

Loan-to-value ratio, %

Interest-bearing net loan liabilities in relation to the fair value of investment properties (including assets held for sale) at the end of the period. The loan-to-value ratio is used to illustrate financial risk.

Yield, %

Net operating income (12-month rolling) divided by the average fair value of investment properties (including assets held for sale). Yield is used to illustrate the

earning capacity of investment properties in relation to the fair value of investment properties.

Net operating income, SEK million

Income from property management less property expenses. Net operating income is used to illustrate the earning capacity of investment properties.

Profit from property management, SEK million

This is calculated as the sum of net operating income, administrative expenses and net financial items. Profit from property management is used to illustrate earning ability after taking into consideration funding costs and administration.

Average loan-to-maturity, year

Average remaining time until maturity for interest-bearing liabilities, derivatives, cash and cash equivalents including interest-bearing liquid investments with respect to guaranteed loan commitments. Average loan-to-maturity is used to illustrate the company's refinancing risk.

Average interest rate, %

Average interest rate for interest-bearing liabilities, derivatives, cash and cash equivalents including interest-bearing liquid investments. Average interest rate is used to illustrate financial risk.

Average fixed-interest period, years

Average remaining term until re-fixing interest rates for interest-bearing liabilities, derivatives, cash and cash equivalents including interest-bearing liquid investments. The average fixed-interest period is used to illustrate interest-rate risk.

Adjusted return on equity, %

Net profit/loss for the period (12-month rolling) after add-back of changes in value for financial instruments and investment properties, with the associated deferred tax in relation to average equity. Return on equity is used to illustrate the ability to generate profit on the owner's capital and is one of the company's overall strategic targets.

Net loan liabilities

Gross loan liabilities are the company's total non-current and current lease liabilities including lease liabilities. Net loan liabilities are gross loan liabilities after adjustment for lease liabilities, cash and cash equivalents, and current and non-current receivables for covered bonds. Provisions for pensions or similar are not included.

Operating working capital

Equity plus net loan liabilities.

Interest coverage ratio, cash-flow based, multiple

Net operating income less central administration costs (12-month rolling) and cash-flow impacting financial income, divided by cash-flow impacting financial expenses. The interest coverage ratio is a financial metric that indicates how many times a company can cover its interest expenses, highlighting its sensitivity to interest rate changes.

Operating profit

Net operating income less central administration costs.

Equity/assets ratio, %

Equity on the balance-sheet date as a percentage of total assets. The equity/assets ratio reflects the company's capital structure and the extent to which it is financed through equity.

Property related key performance indicators

Rent per sq m, SEK

Annual rent divided by the lettable floor space in square metres at the end of the year.

Net floor area (NFA), sq m

Estimated lettable floor space in square metres.

Occupancy rate, %

Total floor space of let premises in relation to total lettable floor space.

Surplus ratio, %

Net operating income divided by income from property management. The surplus ratio is used to illustrate how large a portion of rental income remains after property expenses, in %.

Sustainability key performance indicators and definitions

Operating expenditure (OpEx)

Operating expenditure (OpEx) encompasses the Group's direct costs for ensuring the continuous and appropriate functioning of the asset. Operating expenses for building repairs that have not been capitalised in the Group, and regular maintenance. Costs for energy consumption are excluded. Corresponds to the item Maintenance in the income statement.

Green bonds

Bonds intended to finance environmentally sustainable projects. Our framework is based on the Green Bond Principles.

Capital expenditure (CapEx)

Capital expenditure (CapEx) is based on the same definition as in IFRS and encompasses new construction, extensions and redevelopments, and other value-generating investments pursuant to IAS 40 – Investment Property. This is before depreciation, revaluation and impairment and excluding fair value. It also includes property, plant and equipment (IAS 16), intangible assets (IAS 38) and additional right-of-use assets pursuant to IFRS 16 Leases. Goodwill is not included in intangible assets. This means that, in total,

the KPI for CapEx consists of the year's investments that have been capitalised in the balance sheet. The Taxonomy-eligible proportion is attributable to investments in real estate that is let externally.

Carbon dioxide, CO₂

When fossil fuels are burned, carbon dioxide – a greenhouse gas – is released.

CO₂ emissions, tonnes

We report CO₂ emissions from energy purchased for our properties such as electricity, district heating and how large a proportion is not renewable; biofuel, electric heating, bio oil, oil and gas.

KPIs for turnover

These KPIs have been defined as total income in the consolidated statement of comprehensive income. Turnover includes total rental income and follows the definition of turnover provided in Directive 2013/47/EU on the annual financial statements and consolidated financial statements. Turnover includes total rental income and other income, excluding other income from media and any damages.

KPI calculations

Specialfastigheter Sverige AB presents certain financial metrics in interim reports and annual reports that are not defined according to IFRS.

The company believes that these metrics provide additional valuable supplementary information to investors, the company's management and owner when evaluating the company's earnings.

Because all companies do not calculate financial metrics the same way, these are not always comparable with the metrics used by other companies.

Consolidated Five-year summary, SEK million

Yield, %	2024	2023	2022	2021	2020
Net operating income	2,412	2,049	1,731	1,791	1,735
Average fair value of investment properties (OB + CB/2 corresponding period) ¹	46,928	38,983	34,986	31,690	29,618
Yield, %	5.1	5.3	4.9	5.7	5.9
¹ Includes properties held for sale					
Surplus ratio, %	2024	2023	2022	2021	2020
Net operating income	2,412	2,049	1,731	1,791	1,735
Income from property management	3,502	3,063	2,456	2,464	2,393
Surplus ratio, %	68.9	66.9	70.5	72.7	72.5
Interest coverage ratio, cash-flow based, multiple	2024	2023	2022	2021	2020
Net operating income	2,412	2,049	1,731	1,791	1,735
less central administration costs	-121	-96	-72	-58	-56
Operating profit	2,291	1,954	1,659	1,733	1,679
add Financial income (cash-flow impacting)					
Total financial income	162	335	108	53	80
less currency gain on covered bonds	-50	-133	-	-	-
less currency gain on foreign loans	-51	-162	-	-	-57
less Positive change in value of financial derivatives, foreign loans	-	-	-90	-41	-
	2,352	1,994	1,678	1,745	1,701

¹ Includes properties held for sale

	2024	2023	2022	2021	2020
Divided by financial expenses (cash-flow impacting)					
Total financial expenses	739	663	426	193	217
less Negative change in value of financial derivatives, foreign loans	-51	-162	-	-	-
less Currency loss on covered bonds	-	-	-100	-10	-
less Currency loss on foreign loans	-	-	-90	-41	-
less Capitalised interest expense, projects	179	128	37	8	6
Divided by financial expenses (cash-flow impacting)	868	629	273	151	222
Interest coverage ratio, multiple	2.7	3.2	6.1	11.6	7.6
Adjusted return on equity, %	2024	2023	2022	2021	2020
Net profit for the period	4,822	1,020	-142.9	2,999.5	888
Add-back of Value changes, properties	-4,486	188	1,722.6	-2,147.3	459
Add-back of Value changes, derivatives	117	141	-210.3	-31.9	-56
Add back, associated tax	900	-68	-312	449	-83
	1,354	1,282	1,058	1,269	1,208
In relation to average equity (OB + CB/2 corresponding period)	17,458	14,538	14,416	13,607	12,227
Adjusted return on equity, %	7.8	8.8	7.3	9.3	9.9
Return on adjusted operating capital, %	2024	2023	2022	2021	2020
EBT	6,082	1,296	-172	3,772	1,139
Add-back of unrealised changes in value, properties	-4,486	188	1,723	-2,147	459
Add-back of unrealised changes in value, financial instruments	117	140	-210	-32	-56
Add-back of net financial items (financial income and expenses)	578	328	318	141	137
	2,290	1,952	1,659	1,733	1,678

	2024	2023	2022	2021	2020
Net loan liabilities:					
Gross loan liabilities (Bonds, Commercial paper and lease liabilities)	29,785	24,911	20,343	15,619	14,282
less Lease liabilities	-42	-33	-35	-	-
less Cash and cash equivalents	-293	-345	-385	-256	-57
less Current loan receivables, Covered bonds	-	-295	-294	-86	-2
less Covered bonds	-3,442	-2,350	-2,124	-1,304	-1,128
Total Net loan liabilities	26,007	21,887	17,505	13,973	13,096
Equity average (OB + CB)/2 corresponding period	17,478	14,538	14,416	14,804	12,408
Total adjusted operating capital	43,485	36,425	31,921	28,777	25,504
Divided by average operating working capital (equity and net loan liabilities)					
Return on adjusted operating capital, %	5.3	5.4	5.2	6.0	6.6
Loan-to-value ratio, %	2024	2023	2022	2021	2020
Non-current interest-bearing liabilities	25,889	20,593	15,403	10,517	10,309
Current interest-bearing liabilities	3,896	4,318	4,940	5,285	4,000
Total interest-bearing liabilities (gross loan liabilities)	29,785	24,911	20,343	15,802	14,309
less Lease liabilities	-42	-33	-	-	-
less Cash and cash equivalents	-293	-346	-384	-257	-2
less Current loan receivables, Covered bonds	-	-295	-295	-	-
less Non-current loan receivables Covered bonds	-3,442	-2,350	-2,124	-1,304	-824
Total Net loan liabilities	26,007	21,887	17,540	14,241	13,483
Investment properties, fair value ¹	52,050	41,755	36,210	33,761	29,618
Net loan liabilities in relation to investment properties, %	50.0	52.4	48.4	42.2	45.5
¹ Includes properties held for sale					
Equity/assets ratio, %	2024	2023	2022	2021	2020
Adjusted equity	19,869	15,047	14,027	14,804	12,409
Total assets	57,534	46,372	40,123	36,157	31,454
Equity in relation to total assets, %	34.5	32.4	35.0	40.9	39.5

Reporting calendar and Annual General Meeting

Annual General Meeting

28 April 2025, in Stockholm and digitally

Reporting calendar

Interim report January–March 2025

28 April 2025

Interim report January–June 2025

17 July 2025

Interim report January–September 2025

21 October 2025

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