



# Investor Report

## Green Financing 2023



# Sustainable finance

Jernhusen's vision to make a difference for people and the environment aims to contribute to the transition to a more sustainable society. Sustainable finance is an integrated part of supporting sustainable investments and development that enables the path toward climate neutrality.

Jernhusen's green financing framework has been set up to support our sustainability commitments and ambition to be climate neutral by 2045, halving our carbon dioxide footprint by 2030 (using 2020 as the base year). Jernhusen actively strives to achieve 100 percent sustainable financing. In 2023 Jernhusen issued a total of SEK 2,400 million green bonds and included a new green loan of SEK 500 million for infrastructure development within our depots, and all commercial papers within the portfolio. Thereby, by the end of 2023, the long-term goal of 100 percent sustainable financing was achieved.

To deliver sustainable long-term value, Jernhusen has set ambitious strategic goals for sustainable growth focusing on three key areas: a safe and sound environment for all individuals, climate neutrality, and profitable growth. Our network of stations, strategically located depot areas and intermodal freight terminals contributes to the increase in sustainable railway transport of both people and goods, a vital part of the green transition. By developing areas close to stations, we enable more people to work and live near public transport. Green financing makes it possible for us to make significant investments supporting our goals and simultaneously opens new opportunities for investors to support sustainable growth.

## JERNHUSEN'S GREEN FINANCING FRAMEWORK

In October 2022, Jernhusen launched an updated Green Financing Framework for the company's existing Medium-Term Note (MTN) program to further contribute to a climate-neutral business model. The foundation of the framework is aligned with the EU Taxonomy - focusing on contributing to a low-carbon and climate-resilient future. To further push our ambition additional criteria have been added including high sustainability certification levels and energy efficiency KPIs. The Green Financing Framework describes how the proceeds from the green financing are to be used, and how the evaluation, management of proceeds, and reporting are to be performed.

## GREEN FINANCING SECOND OPINION

Jernhusen's Green Financing Framework has been evaluated by the independent second opinion provider CICERO Shades of Green and was rated Dark Green with a governance score "Excellent". CICERO concludes that Jernhusen's business strategy is aligned with a low-carbon future, by developing areas close to train stations as well as construction and managing properties supporting railway transport. Criteria set in Jernhusen's framework show ambition and go beyond the EU Taxonomy, and it is especially ambitious to require the certification level BREEAM-SE "Outstanding" for new buildings within the EU Taxonomy category for new buildings.

Complete versions of both Frameworks and Second Opinions are available on Jernhusen's website for [financial information](#).



Malmö Central Station.

# Financed assets and projects

During 2023 Jernhusen issued SEK 2,400 million in green bonds, SEK 500 million in green loan and SEK 1,856 million in green commercial paper. All financed assets or projects are aligned with the EU Taxonomy by fulfilling all applicable criteria, both regarding the Technical Screening Criteria and Minimum Social Safeguards.

## Issued Green bonds 2023

Loan no.	Volume m SEK	Issue date	Duration
MTN 140 GB	500	2023-05-16	5 years
MTN 141 GB	500	2023-09-25	5 years
MTN 142 GB	400	2023-10-09	3 years
MTN 143 GB	500	2023-12-15	3,75 years
MTN 144 GB	500	2023-12-15	4,25 years

## Issued Green loans and commercial paper 2023

Loan no.	Volume m SEK	Issue date	Duration
Green loan	500	2023-10-25	10 years
Green commercial paper	1,856	2023-09-05 – 2023-12-08	0,25 - 0,5 years

## DISCLOSURE OF ALLOCATION

As of 31 December 2023, Jernhusen's confirmed green investments and assets totaled SEK 10,006 million. SEK 5,960 million within the Framework from 2022, and SEK 4,046 million within the Framework from 2018. The remaining unallocated sum of SEK 165 million has been placed in a separate bank account in accordance with the framework.

### 2022 framework

Green investments or assets as of 2023-12-31	Investment/ market value m SEK	Allocated net proceeds m SEK
7.1 Construction of new buildings	317	317
7.4 Charging stations for electric vehicles	0	-
7.5 Digitalization	0	-
7.7 Acquisition and ownership of buildings	111	111
6.14 Infrastructure for rail transport	5,532	5,512
<b>Sum of allocated net proceeds</b>		<b>5,940</b>
Proportion allocated to new projects/assets		872
<b>Sum of outstanding Green bonds, loans and commercial papers</b>		<b>6,105</b>
Green Account Balance		165
<b>Sum of market value and investments</b>	<b>5,960</b>	

### 2018 framework

Green investments or assets as of 2023-12-31	Investment/ market value m SEK	Allocated net proceeds m SEK
Green & energy-efficient buildings	3,968	3,968
Energy efficiency	67	53
Renewable energy	9	9
Clean transportation	0	-
Pollution prevention and control	2	1
<b>Sum of allocated net proceeds</b>		<b>4,030</b>
Proportion allocated to new projects/assets		-
<b>Sum of outstanding Green Bonds</b>		<b>4,030</b>
Green account balance		-
<b>Sum of market value and investments</b>	<b>4,046</b>	

## ALLOCATION OF GREEN NET PROCEEDS

In accordance with both frameworks, allocations of net proceeds to Construction of Infrastructure and Buildings, Renovation of Infrastructure and Buildings, and Acquisition and Ownership of Infrastructure and Buildings in the 2022 Framework and Green and Energy-Efficient Buildings; Clean Transportation; Transportation Infrastructure, Freight; Clean Transportation, and Transportation Infrastructure, Passenger, in the 2018 Framework are reported per project or asset.

### Acquisition and Ownership of Infrastructure and Buildings (2022 Framework)

Acquisition and Ownership of Infrastructure and Buildings	Allocated net proceeds m SEK
Stockholm Central Station	3,153
Gothenburg Central Station	1,617
Malmö Central Station	230
Office building Foajén Malmö	69
Office building and station Park Central Gothenburg	317
New office and station building Gothenburg	111
Modernization Gamla Vagnhallen Hagalund	300
New rail tracks Hagalund	86
<b>Sum of allocated net proceeds</b>	<b>5,883</b>

### Green and Energy-Efficient Buildings and Clean Transportation projects (2018 Framework)

Green buildings & clean transportation projects and assets	Allocated net proceeds m SEK
Stockholm Central Station	887
Hotel Continental Stockholm	1,497
Office building Glasvasen Malmö	452
Gothenburg Central Station	1
Malmö Central Station	581
Office building Foajén Malmö	549
<b>Sum of allocated net proceeds</b>	<b>3,968</b>

# KPI disclosure and projects

## Green Financing Framework (2022)

### CONSTRUCTION OF NEW BUILDINGS AND INFRASTRUCTURE (6.14, 7.1)

In this category investments in new buildings and infrastructure are included, such as commercial buildings, train stations, depots, and freight terminals. All projects must be certified within the BREEAM assessment method (levels are defined in the framework), and the projected primary energy demand (PED) has to be 20 percent better than Nearly Zero Energy Building (NZEB). Jernhusen has an on-going large development project in central Gothenburg, called Centralstaden Göteborg. The project is linked to the infrastructure project Västlänken executed by Trafikverket, where a new station is built and Jernhusen develops two of the access points to it. This results in two new buildings with a commercial station area at the bottom and offices above. Construction will begin in 2024 and be completed by the end of 2026.

#### Construction of new buildings and infrastructure

Project	Taxonomy category	Expected level of certification	PED lower than NZEB
Office building and station Park Central Gothenburg	6.14, 7.1	Office: BREEAM-SE, Excellent Station: BREEAM-SE, Excellent	34%
New office and station building Gothenburg	6.14, 7.1	Office: BREEAM-SE, Outstanding Station: BREEAM-SE, Excellent	42%

### RENOVATION OF EXISTING BUILDINGS AND INFRASTRUCTURE (6.14, 7.2)

Renovation of infrastructure includes investments in larger renovation projects. This includes projects where the energy demand (PED) has been reduced by at least 30 percent, projects where more than 25 percent of the building shell undergoes renovation, or projects where the cost exceeds 25 percent of the building's market value. Jernhusen has one on-going project within this category, where the train depot Gamla Vagnhallen in Hagalund is being completely renovated to be fitted for modern train models. Except having the inside completely renovated and upgraded, the roof is leveled. The project qualifies for this category both by more than 25 percent of the building shell is affected by the renovation, and the project cost exceeding 25 percent of the buildings market value. The project is expected to be finished in 2025.

#### Renovation of existing buildings and infrastructure

Building	Property	Construction year	Taxonomy category	Certification
Hagalund depot Gamla Vagnhallen	Järva 3:14	1914	6.14	BREEAM In-use, Excellent

### ENERGY EFFICIENCY IMPROVEMENTS (6.14, 7.2)

Energy efficiency is a key component of Jernhusen's strategic sustainability initiatives as it contributes significantly to the goal of climate neutrality by 2045. This category includes energy efficiency projects performed at Jernhusen's properties. Projects included in this category are for example low-energy lighting installment (such as LED), energy-efficient ventilation, and improved insulation material. The direct costs (materials plus installation and labor costs) are eligible for funding in accordance with the framework.

#### Energy efficiency improvements

Project	Building	Property	Taxonomy category	Estimated CO <sub>2</sub> e reduction t CO <sub>2</sub> e/year	Estimated energy savings MWh/year
Energy-efficient ventilation	Gothenburg Central Station	Gullbergsvass 17:3	6.14	12,6	207
LED lighting	Örebro CV depot	Olaus Petri 3:233	6.14	16,7	180
Energy-efficient windows	Hallsberg Central Station	Hallsberg 5:4	6.14	0,9	17
LED lighting	Örebro CV east	Olaus Petri 3:233	6.14	61,3	658
<b>In total</b>				<b>92</b>	<b>1,061</b>

Numerous energy efficiency projects were carried out during 2023, primarily in terms of installation of LED lighting and energy-efficient ventilation systems but also energy-efficient windows. The projects are expected to generate annual energy savings of 1,061 MWh and annual emission reductions of 92 tonnes of CO<sub>2</sub>-equivalents.

### CHARGING STATIONS FOR ELECTRIC VEHICLES (6.14, 7.4)

This category includes investments in charging stations for electric vehicles at Jernhusen's properties. Jernhusen actively work to support the electrification of the transport sector and provide necessary infrastructure for our tenants and visitors.

#### Charging stations for electric vehicles

Building	Property	Taxonomy category	Number of stations
Hagalund depot	Järva 3:14	6.14	4
Gothenburg Central Station	Gullbergsvass 17:3	6.14	10

**DIGITALIZATION (6.14, 7.5)**

In this category, investments in the digitalization of Jernhusens commercial and office buildings are included. Jernhusen actively work with digitalization projects to prepare our assets for future use. Within the project old measuring equipment is changed into new remotely readable meters while a state-of-the-art energy management system is implemented, allowing remote energy optimization. Where applicable, new meters are also installed to cover all energy consumption. These together provide an excellent basis for energy optimization, contributing to Jernhusen’s goal of climate neutrality by 2045. The project aims to contribute to a lowered energy usage of 20 percent within the asset

portfolio. 35 projects were on-going during 2023, at locations such as Helsingborg Raus depot, Hässleholm Central station, and Stockholm Cityterminalen.

**RENEWABLE ENERGY TECHNOLOGIES (6.14, 7.6)**

This category includes installation of new renewable energy producing capacity. No new projects were started during 2023. However, solar cells are being installed as part of the renovation of Gamla Vagnhallen in Hagalund. During Jernhusen’s modernization and expansion of Sävenäs depot in Gothenburg, solar cells were also installed. Even so, the project as a whole did not meet the demands in Jernhusen’s framework.

**ACQUISITION AND OWNERSHIP OF BUILDINGS AND INFRASTRUCTURE (6.14, 7.7)**

This category includes the acquisition and ownership of buildings, such as office buildings and hotels, and infrastructure for rail transport, such as train stations and depots completed or renovated in 2001 or later. Also included in this category are freight terminals with electrified cranes and service vehicles for loading/unloading of goods completed or renovated in 2010 or later.

All assets included within this category have or will receive a certification within the BREEAM assessment method of at least “Very Good”. In order to qualify for Jernhusen’s green financing the buildings within

the 7.7 category also need to have a PED at least 20 percent lower than NZEB in accordance with the applicable national building code at the time of publication of the framework, BBR29.

By focusing on long-term maintenance, we ensure that our buildings are energy-efficient, sustainable, and climate-resilient. We continuously certify new and prioritized buildings according to BREEAM In-Use and use the outcome to set relevant action plans.

To enable the development of the new office and station buildings in Gothenburg, the property Gullbergsvass 17:7 was acquired.

**Acquisition and ownership of buildings and infrastructure**

Building	Property	Construction year	Taxonomy category	Certification <sup>2)</sup>	Energy <sup>1)</sup>		Emission <sup>1)</sup>		Renewable energy	Visitors daily (stations)
					Absolute MWh/year	Intensity kWh/m <sup>2</sup> (BRA)	Absolute t CO <sub>2</sub> e	Intensity kg CO <sub>2</sub> e/m <sup>2</sup> (BRA)		
Stockholm Central Station	Norrmalm 5:3 del av	1871	6.14	BREEAM In-use Very Good	13,724	309	1,067	24	68	60,000
Malmö Central Station	Innerstaden 31:10	1858	6.14	BREEAM In-use Very Good	5,684	386	404	27	73	14,000
Gothenburg Central station	Gullbergsvass 17:3	1856	6.14	BREEAM In-use Very Good	6,650	269	362	15	55	20,000
Office building Foajen Malmö	Rallaren 1	2019	7.7	BREEAM In-use Very good	779	69	51	5	69	N/A

<sup>1)</sup> Including operational energy.

<sup>2)</sup> The BREEAM certification for Malmö Central Station, and Gothenburg Central Station expired in 2023, and Jernhusens is awaiting approval of the renewed certificate.

**MODERNIZATION AND MAINTENANCE (6.14)**

The modernization and maintenance category for infrastructure for rail transport includes investments in the modernization of Jernhusen’s train stations, depots, and freight terminals that do not comply with any of the categories in the construction and real estate activity category. That can be projects regarding climate adaptation measures, improved working environment as well as smaller modernization and expansions

of railway infrastructure. For example, climate resilience was improved in the Tillberga depot by improving the drainage of the railway yard.

In Hagalund four new railway tracks were constructed during 2022 and 2023, together with new service platforms. The new infrastructure will improve both the railyard capacity and the conditions to perform service on the trains.





Gothenburg Central Station.

### PREPARING FOR FUTURE CLIMATE

As a central part of the railway system Jernhusen's properties are crucial for traveling and transporting goods by train in Sweden. Our infrastructure and our buildings must be safe, secure, and accessible for everyone at all times.

Climate change and its consequences, such as increased rainfall, floods, and heat waves, affect how we manage and develop our properties so that they must be robust and function even under changed conditions.

Based on data from The Civil Contingencies Agency (Myndigheten för samhällsskydd och beredskap - MSB), municipalities, and other organizations that analyse the effects of climate change, Jernhusen has mapped the impact and risks in the entire portfolio. For example, rainfall maps and flood maps are used to assess how water levels may rise during extreme weather. With this work as a basis, the analyses are now deepened, starting with the most affected properties.

By acting proactively and planning measures together with the management and planned maintenance, existing buildings can be adapt-

ed cost-effectively and in conjunction with maintenance measures. Measures can, for example, involve both removing risks or creating capacity and preparedness to handle different situations. When we develop new buildings, we take the changed conditions into account and design our projects for long-term resilience and operating economy.

Under 2023, the department for sustainable development held a lecture about climate risks for all employees at Jernhusen, followed by in-depth workshops with different groups in the property management organization. Along with mapping the risks and educating the organization, several digital tools and services have been evaluated in order to find a system for Jernhusen to both enable information to the organization, as well as to plan and evaluate measures. For example, systems for visualization of risks, alarm services, and cost-benefit tools have been evaluated.

We can do some work ourselves on our properties, while other measures need to be carried out by or in collaboration with municipalities and other property owners in order to be effective.

# Green Financing Framework (2018)

## GREEN AND ENERGY-EFFICIENT BUILDINGS

The Green and Energy-Efficient Buildings category includes buildings that are developed, acquired, or refurbished. This applies to public buildings (such as train stations) and other commercial buildings. To be included in this category, the building must hold, or if under construc-

tion, be working towards, an environmental certification. Jernhusen currently applies the BREEAM assessment methods of BREEAM-SE and BREEAM In-Use for all buildings. All buildings within this category are currently environmentally classified or certified.

### KPI disclosure Green and Energy-efficient Buildings

Building	Property	Construction year	Certification <sup>2)</sup>	Energy <sup>1)</sup>		Emission <sup>1)</sup>		Renewable energy %	Visitors daily (stations)
				Absolute MWh/year	Intensity kWh/m <sup>2</sup> (BRA)	Absolute t CO <sub>2</sub> e	Intensity kg CO <sub>2</sub> e/m <sup>2</sup> (BRA)		
Office building Foajen Malmö	Rallaren 1	2019	BREEAM In-use Very Good	779	69	51	5	69	N/A
Office building Glasvasen Malmö	Malmö Loket 1	2015	BREEAM-SE Excellent	1,034	105	60	6	59	N/A
Stockholm Central Station	Norrmalm 5:3 del av	1871	BREEAM In-use Very Good	13,724	309	1,067	24	68	60,000
Malmö Central Station	Innerstaden 31:10	1858	BREEAM In-use Very Good	5,684	386	404	27	73	14,000
Gothenburg Central Station	Gullbergsvass 17:3	1856	BREEAM In-use Very Good	6,650	269	362	15	55	20,000

<sup>1)</sup> Including operational energy.

<sup>2)</sup> The BREEAM certification for Office building Glasvasen Malmö, Malmö Central Station, and Gothenburg Central Station expired in 2023, and Jernhusens is awaiting approval of the renewed certificate.



Glasvasen, Malmö.



## Auditor's Limited Assurance Report

To Jernhusen AB, Corporate identification number 556584-2027

### Introduction and Scope

We have been engaged by the Executive Management of Jernhusen AB ("Jernhusen") to undertake a limited assurance engagement of selected information in Jernhusen's Investor Report Green Bonds 2023 ("the Report"). The scope of our work was limited to assurance of page 3 in the report (including information on allocation of Green Bond net proceeds), together with the information on environmental certification of buildings in the pool of eligible assets as presented in the table on page 4 and 5, columns "certification".

Our assurance does not extend to any other information in the Report. We have not reviewed and do not provide any assurance over any individual project information reported, including estimates of sustainability impacts.

### Responsibilities of the Executive Management

The Executive Management is responsible for evaluating and selecting eligible assets, for the use and management of bond proceeds, and for preparing an Investor Report that is free of material misstatements, whether due to fraud or error, in accordance with applicable criteria. The criteria are relevant parts (section one, page 6-8) of the *Jernhusen Green Bond Framework* dated 2018-03-12 as well as section one (page 12-14) of the *Jernhusen Green Financing Framework* dated 2022-10-27, available on Jernhusen's website.

### Responsibilities of the Auditor

Our responsibility is to express a limited assurance conclusion on the selected information specified above based on the procedures we have performed and the evidence we have obtained. Our assignment is limited to the historical information that is presented and thus does not include future-oriented information.

We have 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 selected information in the Report, and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with IAASB's Standards on Auditing and other generally accepted auditing standards.

The procedures performed consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance conclusion.

The firm applies ISQC 1 (International Standard on Quality Control) 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 towards Jernhusen in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

Our procedures are based on the criteria defined by the Executive Management as described above. We consider these criteria suitable for the preparation of the 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 selected information disclosed in the Report has not been prepared, in all material respects, in accordance with the reporting criteria.

Stockholm, the date of our electronic signatures

Öhrlings PricewaterhouseCoopers AB

Helena Ehrenborg  
Authorized Public Accountant



# Deltagare

ÖHRLINGS PRICEWATERHOUSECOOPERS AB 556029-6740 Sverige

## **Signerat med Svenskt BankID**

**2024-02-23 13:40:05 UTC**

Namn returnerat från Svenskt BankID: Helena Sigrid Elisabet  
Ehrenborg

Datum

Helena Ehrenborg  
Auktoriserad revisor

Leveranskanal: E-post

## **Granskare**

Amanda Okmian

Leveranskanal: E-post