



Green financing make
environmental impact

ATRIUM LJUNGBERG GREEN BONDS INVESTOR LETTER

In February 2017, Atrium Ljungberg developed a green framework for being able to issue green corporate bonds. A total of SEK 4,500 million Green bonds has been issued since the start, of which SEK 1,900 million during 2018.

BACKGROUND

Atrium Ljungberg aims to be a leader in property development for sustainable cities in Sweden. Since we own large areas, we can take an overall approach and truly take sustainability into account. We develop our areas in a sustainable direction as a means to improve their attractiveness and create value for our stakeholders, as well as for us as a company.

Properties have an environmental impact throughout their life cycle; from project planning to construction, management, renovation and demolition. The Swedish construction and property sector accounts for roughly one third of the country's energy consumption. We focus on improving our own and our customers resource efficiency and thereby reducing the overall environmental impact as well as operating costs on a continuous basis. Green lease contracts are an example of a joint undertaking to reduce environmental impact together with our tenants.

We have been certifying major new builds of premises since 2011. We will continue the process and our ambitions are high: by 2021, all of our properties are to be certified by BREEAM or the Sweden Green Building Council's Environmental Building certification system, Miljöbyggnad. The certification schemes guide our company to create more sustainable solutions. Moreover, they make it easier to compare the buildings environmental performance as well as to communicate with tenants about these issues. These certifications also comprise the main components in our framework for green bonds.

Through our Green Bond Framework, we promote a transition to low-carbon and climate-resilient growth as the liquid amount from green bonds only are allocated to projects with clear environmental benefits. The green bonds aim to provide certainty to investors that their investments deliver both environmental and financial returns. A Second opinion on the framework has been conducted by the independent climate research foundation CICERO.

ELIGIBLE PROJECTS

"Eligible Projects" are a selected pool of assets that are funded, in whole or in part, by Atrium Ljungberg and that promote the transition to low carbon and climate resilient growth. Read more about our criteria for Eligible Projects in Atrium Ljungberg's Green Bond Framework.

The ambition is to use most of the Green Bond proceeds to finance new projects defined as projects that have been finalized within one year before the time of issuance of the Green Bond. The projects are selected by Atrium Ljungberg's Green Bond Committee which consists of representatives from the Treasury and the Sustainability Departments.



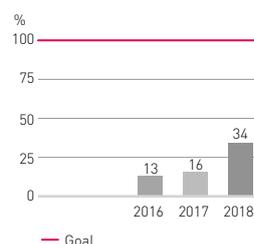
In October 2018 we mapped the global goals against Atrium Ljungberg's focus areas and strategies. Based on this we have selected the ten global goals and sub-goals that we are able to contribute to. Read more in our annual report and sustainability report 2018 on pages 14–15.

Environmental and resource efficiency goals

100 per cent of our properties will be certified by 2021. Project properties and buildings acquired within the past two years are not included in this goal. In 2018 the proportion of certified letting area increased to 34 (16 %) per cent.

Read more about definitions in note H6 in our Annual Report on a.se.

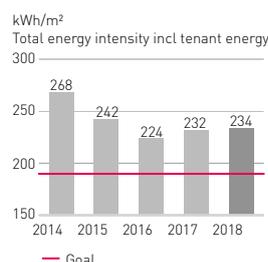
Share of certified properties



Energy consumption per square metre is to decrease by 30 per cent between 2014 and 2021. We reduced our energy consumption by 13 per cent between 2014 and 2018. The increase compared with 2017 was due to the hot summer, which resulted in a greater need for cooling. .

Read more about definitions in note H3 in our Annual Report on a.se.

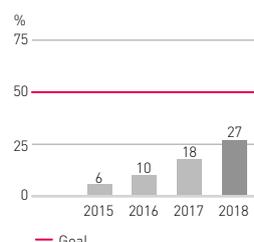
Energy consumption

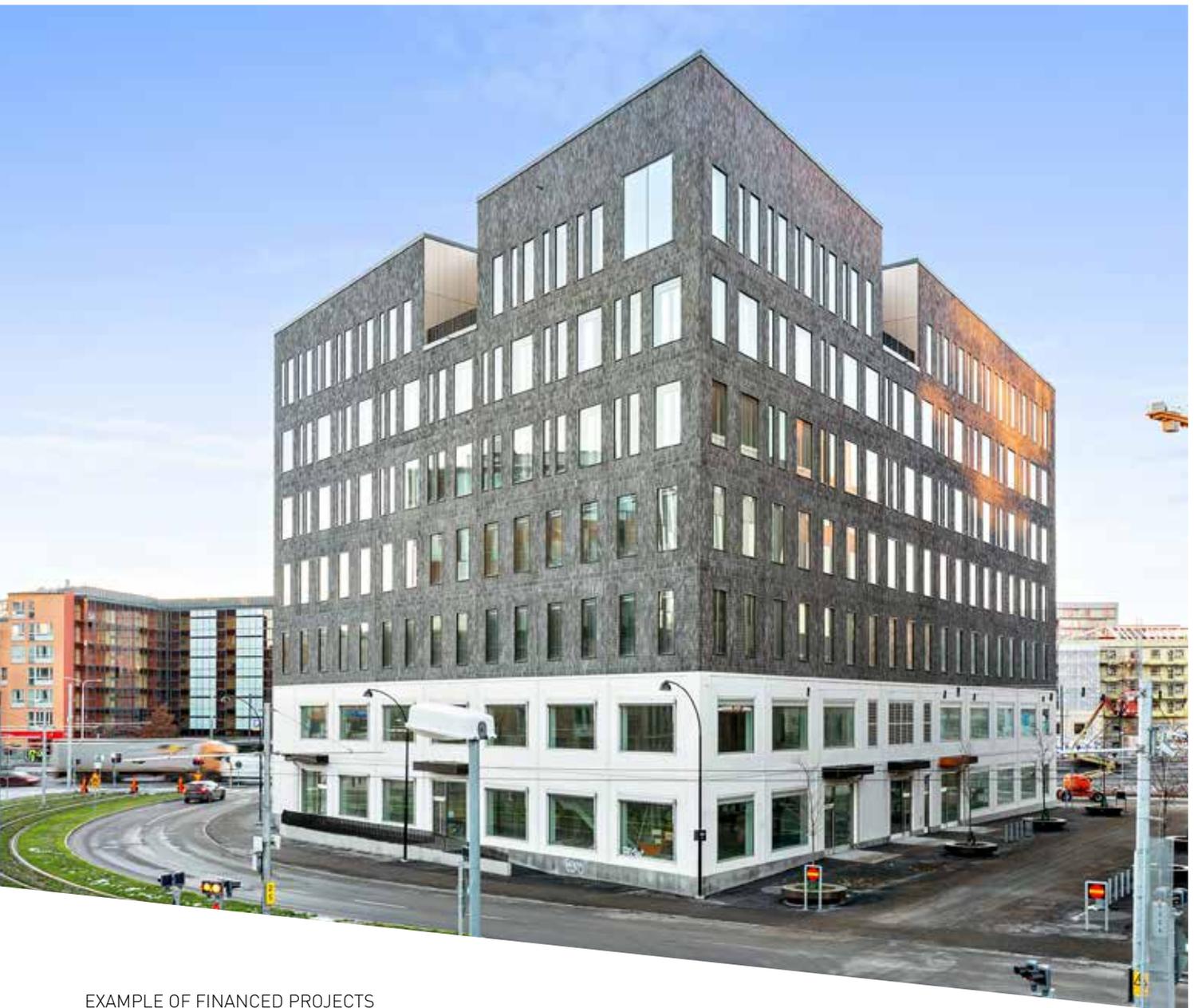


By 2021, the proportion of green lease contracts is to be 50 per cent of the contracted annual rent. The proportion of green lease contracts was 27 per cent (18 %) on 31 December 2018.

Read more about definitions in note H7 in our Annual Report on a.se.

Green lease contracts





EXAMPLE OF FINANCED PROJECTS

SICKLA FRONT II

AREA: 25,300 m²

CERTIFICATION: BREEAM, VERY GOOD, COMPLETED IN 2018

More than 20 years ago Atrium Ljungberg acquired Sickla, the old industrial site with a history dating back to 1898. We have now developed the area into an inspirational mix of old and new in a unique atmosphere where people live and work next to shops, restaurants, education, culture and international companies. And this development is continuing. The Sickla Front II project comprises two buildings for large and small offices with public spaces on the ground floor and a garage. The largest tenant is the Swedish National Courts Administration.

EXAMPLE OF ENVIROMENTAL INITIATIVES TAKEN

- > Consideration of the environment was taken during the construction phase. Building materials were chosen depending on their environmental impact and recycled and reused as far as possible.
- > The building is energy efficient and advanced control systems have been installed to monitor energy and water consumption. The total energy consumption is estimated to 45 kWh/m² compared to the requirement of 80 kWh/m².

- > Several initiative have been taken to promote bicycling through good access to bicycle rooms in good locations.
- > On the property there are trees, plantations and green roofs that handle stormwater in an efficient manner.
- > Target is to get Breeam Exellent in final certification (Breeam Very Good in Design stage certification).

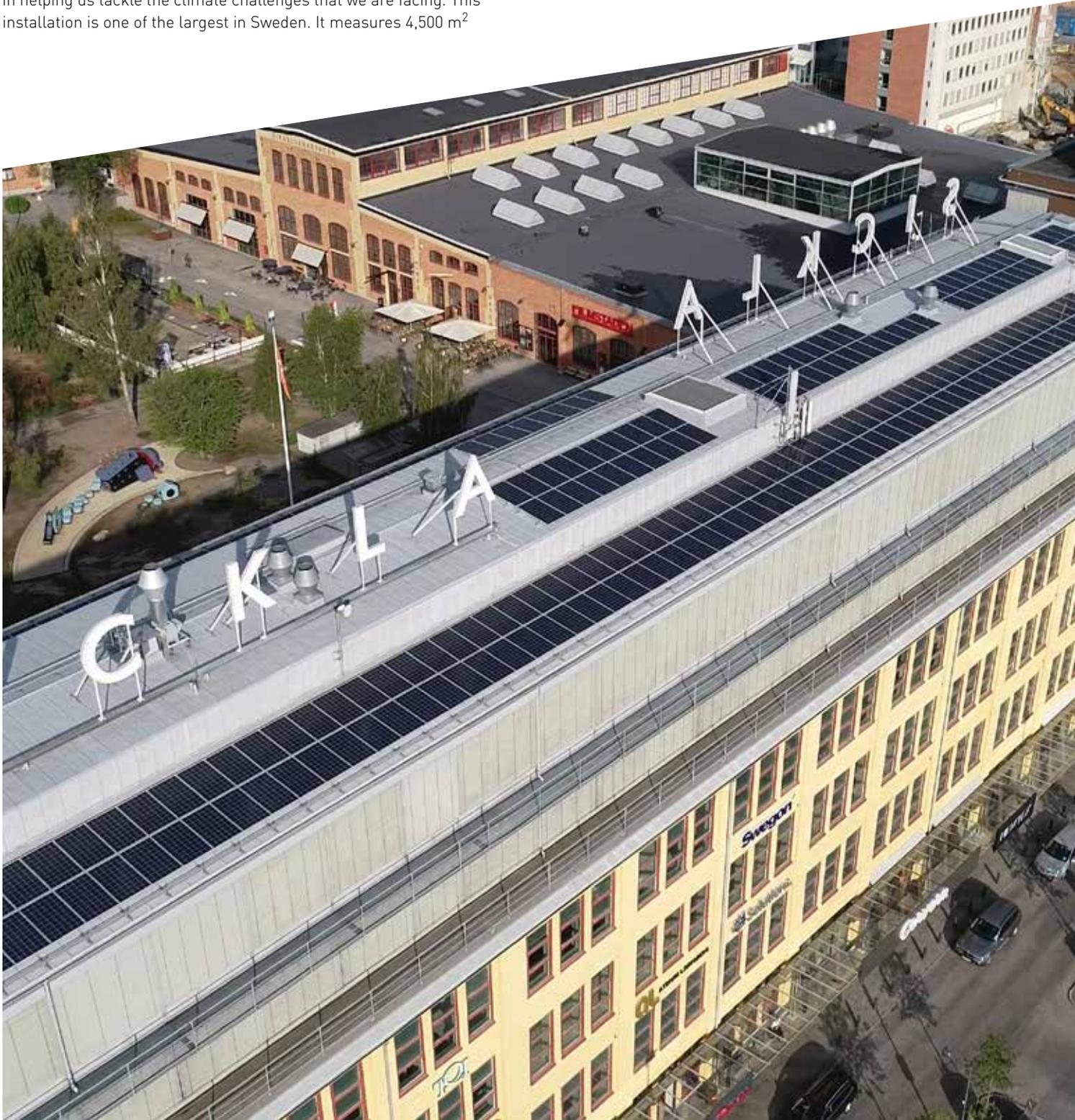


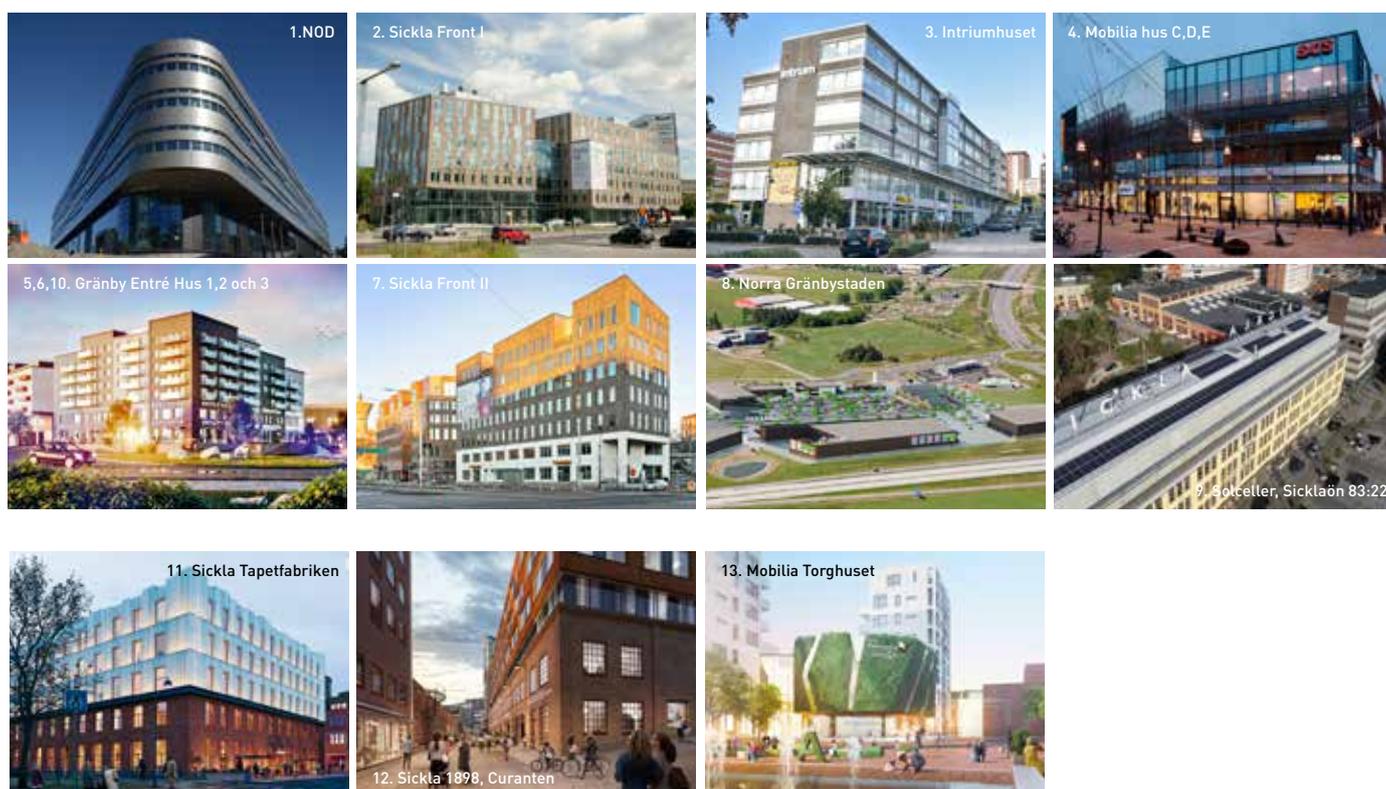
SOLAR PANELS, SICKLAÖN 83:22

AREA: 4,500 m²
COMPLETED IN 2018

In the autumn of 2018 Stockholm County's largest photovoltaic installation was put on the roofs of three buildings at the Sicklaön 83:22 property in Sickla. Photovoltaic installations form an important part of our sustainability work. Using the energy provided by the sun and producing our own renewable electricity is important in helping us tackle the climate challenges that we are facing. This installation is one of the largest in Sweden. It measures 4,500 m²

and covers the roofs at Luftverkstaden, Gallerian and Magasinet. It will be able to produce 550,000 kilowatt hours of electricity over the period of a year. The solar panels on the roof of our own head office in Luftverkstaden make the office completely electricity-neutral as the production and use will balance each other out. The solar panel installation in Sickla will prove beneficial both financially and for the environment.





Approved property projects as per Atrium Ljungbergs Green bond framework 2018-12-31

Completed projects	Property	Certificatio	Area, m ² LOA/BOA	Total investment, SEK m	Capitalized, SEK m	Allocated proceeds, SEK m	Energy consumption		Energy intensity BBR kWh/m ²	Calculated carbon footprint, tonnes
							MWh	kWh/m ²		
1. NOD	Borgarnäs 1, Stockholm	BREEAM – Very good	25,300	790	682	682	3,187	95	124	91
2. Sickla Front I	Sicklaön 83:32, Nacka	BREEAM – Very good	11,000	343	326	326	720	61	100	48
3. Intrumhuset	Sicklaön 83:22, Nacka	BREEAM – Excellent	7,400	192	192	144	600	80	108	46
4. Mobilia hus C,D,E	Bohus 8, Malmö	BREEAM – Very good	29,000	1,200	1,175	1,175	5,126	93	145	274
5. Gränby Entré Hus 1	Gränby 21:5	Miljöbyggnad – Silver	5,800	240	220	220	525	71	86	0
6. Gränby Entré Hus 2	Gränby 21:5	Miljöbyggnad – Silver	5,500	230	196	196	488	63	87	0
7. Sickla Front II	Sicklaön 346:1, Nacka	BREEAM – Very good ¹⁾	25,300	810	720	720	1,367	45	80	31
8. Norra Gränbystaden	Brillinge 8:1, 9:1 Uppsala	BREEAM – Very good	32,500	580	580	580	2,456	66	92	108
9. Solar panels	Sicklaön 83:22, Nacka			7	7	7	-550			
			141,800	4,392	4,098	4,050				
Ongoing projects										
10. Gränby Entré Hus 3	Gränby 21:5	Miljöbyggnad – Silver	5,800	240	129	129	564	71	100	0
11. Sickla Tapetfabriken	Sicklaön 83:22, Nacka	BREEAM – Very good ²⁾	9,800	390	97	97	627	57	106	25
12. Sickla 1898, Curanten	Sicklaön 83:22, Nacka	BREEAM – Very good ²⁾	11,700	530	120	120	789	53	70	29
13. Mobilia Torghuset	Bohus 8, Malmö	BREEAM – Very good ²⁾	13,200	540	104	104	688	44	94	27
			40,500	1,700	450	450				

Outstanding Green Bonds 2018

	SEK m		
Obl 108	SE0009773203	1,100	Allocated proceeds completed projects
Obl 109	SE0009773211	200	Allocated proceeds ongoing projects
Obl 110	SE0009779457	300	Total allocated proceeds
Obl 111	SE0009779465	500	Issued Green Bonds
Obl 115	SE0010494757	500	
Obl 118	SE0011088756	500	
Obl 119	SE0010832774	250	
Obl 120	SE0010832923	500	
Obl 121	SE0011425875	350	
Obl 122	SE0011425883	300	
		4,500	

¹⁾ Design stage-certification.

²⁾ Target certification.

³⁾ Maximum permitted energy intensity under National Board of Housing, Building and Planning guidelines.

INFORMATION FROM ATRIUM LJUNGBERG

THE INFORMATION we release to the market concerning Atrium Ljungberg's operations shall be transparent, clear and correct in order to build market confidence in our company and our brand.

AS A LISTED COMPANY Atrium Ljungberg is subject to the rules of the listing agreement with the NASDAQ Stockholm exchange. Significant events, interim reports and preliminary financial statements are published immediately via press releases and the information is also available on the company's website: www.al.se.

REGULAR MEETINGS WITH analysts, investors, shareholders and financiers, and with our customers and partners, enable us to provide ongoing information on our company, current events and operational changes.

THE ANNUAL REPORT and interim reports are available on our website. The annual report is also distributed in printed format by post to shareholders who have actively requested it. Interim reports and preliminary financial statements are translated into English and all language versions are published simultaneously on our website. The annual reports are translated into English shortly after the publication of the Swedish language version.

INTERESTED PARTIES can subscribe to both financial reports and press releases via our website: www.al.se. The site also provides updated information on our operations, our properties and projects, financial key ratios, the share, and much more besides. The information on the website is also available in English.

PUBLICATION OF FINANCIAL INFORMATION

Interim report January–March 2019	12/04/2019
Interim report January–June 2019	09/07/2019
Interim report January–September 2019	18/10/2019
2019 Preliminary financial statement	February 2020
2019 Annual Report	March 2020