

Stångåstaden – Green Bonds Framework

20 April 2015

1. EARMARKED ACCOUNT

An amount equal to the net proceeds of the issue of the Notes will be credited to a special account that will support Stångåstaden's lending for Eligible Projects. As long as the Notes are outstanding and the special account has a positive balance, at the end of every fiscal quarter, funds will be deducted from the special account and added to Stångåstaden's lending pool in an amount equal to all disbursements from that pool made during such quarter in respect of Eligible Projects.

2. ELIGIBLE PROJECTS

"Eligible Projects" means a selected pool of projects funded, in whole or in part, by Stångåstaden that promote the transition to low carbon and climate resilient growth and as determined by Stångåstaden. Proceeds from the Green bond will be used exclusively to projects that meet the certification criteria under "Eligible Projects".

Eligible Projects include projects that target mitigation of climate change, including investments in low-carbon and clean technologies, such as energy efficiency and renewable energy programs.

Eligible Projects

- Certified new projects of residential and commercial properties with certification from:
 - Miljöbyggnad Silver or
 - Svanenand at least 25% less energy use per m² and year than required by applicable codes and regulations (Boverkets byggregler, BBR)
- New projects of residential and commercial properties with at least 25% less energy usage than required by applicable codes and regulations (Boverkets byggregler, BBR)
- Major renovation of residential and commercial properties leading to a reduced energy use per m² of at least 50%
- Renewable energy (wind power).

Stångåstaden's Green Bonds can be used to finance new projects and to refinance Eligible Projects. The ambition is to use the majority of the Green Bond proceeds to finance new projects (finalized within one year before the time of issuance).

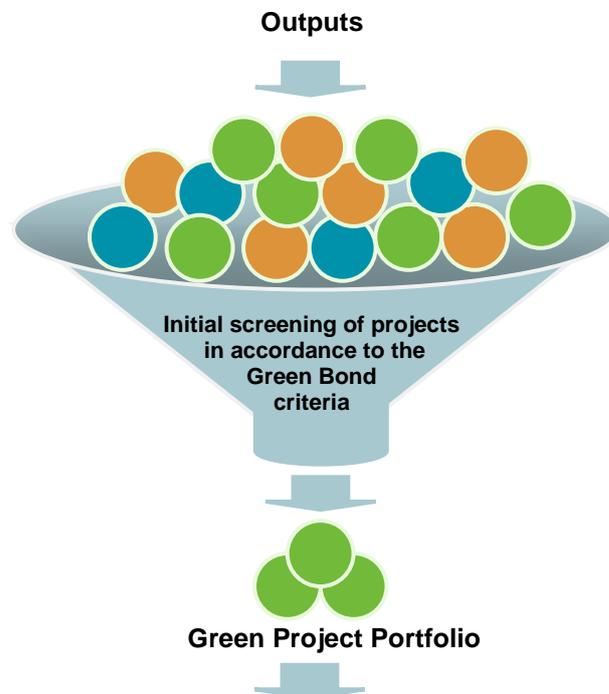
3. SELECTION OF ELIGIBLE PROJECTS

Eligible Projects are selected by the Treasury department together with the Sustainability department.

4. TRANSPARENCY

To enable investors to follow the development and provide insight to prioritised areas, Stångåstaden will provide an annual investor letter to investors including 1) a list of projects financed 2) a selection of project examples and 3) a summary of Stångåstaden's Green Bond development. The investor letter will be made publically available on Stångåstaden's web page.

Green Bond Project Selection Process Flowchart



Guidelines:

1. Applicable Swedish and EU legislation
2. Stångåstaden's Environmental Policy
3. Stångåstaden's Environmental Manual
4. Stångåstaden's Sustainability Report
5. Stångåstaden's Business Plan
6. Stångåstaden's Code of Conduct
7. ISO 14001
8. Miljöbyggnad
9. Svanen

Selection according to the criteria by:

1. Stångåstaden's Green Bond framework defined projects
2. Treasury department
3. Sustainability department