

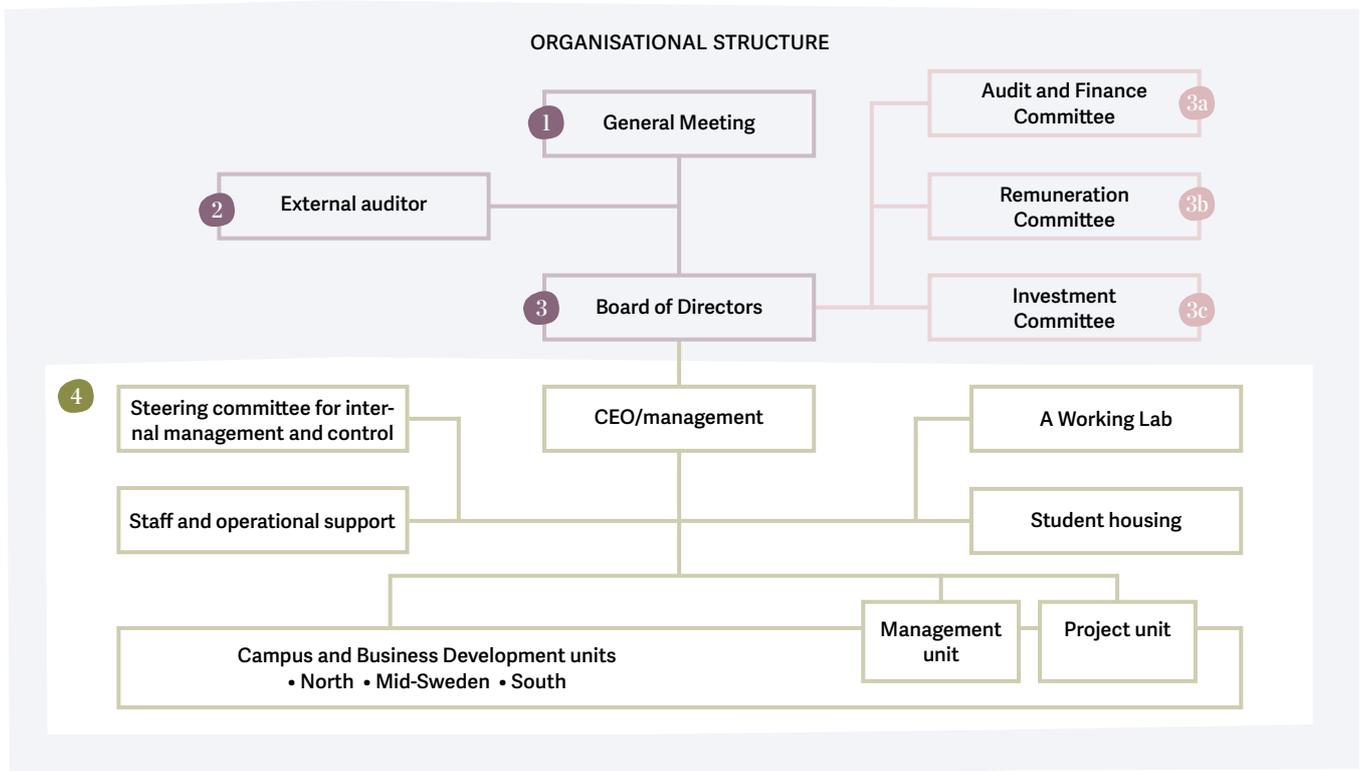
# Corporate Governance Report

This corporate governance report describes the structure and principles for governance of operations at Akademiska Hus to achieve the vision of strengthening Sweden as a nation of knowledge. With a well-supported strategy and clear allocation of responsibility between different Company bodies, the operation is efficiently governed to guide us towards our goals.

## FOUNDATIONS OF CORPORATE GOVERNANCE AT AKADEMISKA HUS

Akademiska Hus AB (publ) is a property company that is wholly owned by the Swedish state. Its administration is handled by the Ministry of Enterprise and Innovation on behalf of the Ministry of Education and Research, which is the principal. The Company bases its corporate governance on the application

of Swedish law, the State's ownership policy and principles for companies with state ownership 2020, the Swedish Code of Corporate Governance (the Code), Akademiska Hus mission and the Articles of Association. Because the Company is wholly owned by the Swedish state, certain provisions of the Code do not apply, as it is primarily written for businesses with diversified ownership. Deviations from the Code are described on page 53.



## AKADEMISKA HUS ASSIGNMENT

Akademiska Hus is to own, develop and manage properties for colleges and universities, where the primary focus is on education and research. Operations will be run on a commercial basis and generate a yield that is in line with the market by setting rents that take into account the operating risk. Akademiska Hus

will work to assure the long-term, sustainable development of university and college campuses.

Akademiska Hus will contribute to the creation of more student accommodation by making clear that the Company's focus includes the construction and management of student accommodation.

## 1 GENERAL MEETING

The General Meeting is the highest decision-making body at Akademiska Hus. The shareholder exercises influence at the General Meeting. In addition, the General Meeting appoints the Board of Directors and auditor. According to the State's ownership policy, the Annual General Meeting must be held before 30 April each year. Notice of General Meetings shall be published no earlier than six weeks and no later than four weeks prior to the Meeting in Post- och Inrikes Tidningar, as well as on the Company's website. Members of the Parliament and the public have the right to participate and must register their participation as described in the notice.

### Annual General Meeting 2020

The Annual General Meeting was held on 28 April 2020. The meeting was not open to the public due to the risk of spreading Covid-19. The meeting was opened by Chairperson of the Board Anitra Steen, who was also appointed to chair the proceedings. The owner was represented by Christine Leandersson, Ministry of Enterprise and Innovation.

### Decisions at the 2020 Annual General Meeting

The Annual General Meeting adopted the income statement and statement of financial position for the 2019 financial year and discharged the Board of Directors and the CEO from liability for the year. The AGM approved the Board's proposal for profit distribution, which entails a dividend of SEK 1,905 million to the owner. Other matters addressed included the resolution that the State's ownership policy, which also includes the Government's principles for corporate governance, remuneration and other terms of employment for senior executives, as well as external reporting in companies with state ownership, shall apply to Akademiska Hus. The meeting also adopted principles for remuneration for senior executives, resolutions on fees to the Board of Directors and committees, as well as election of

the Chair of the Board and Board members, as well as the auditor. The minutes and other documents related to the AGM are posted on the Akademiska Hus website [akademiskahus.se](http://akademiskahus.se).

### Annual General Meeting 2021

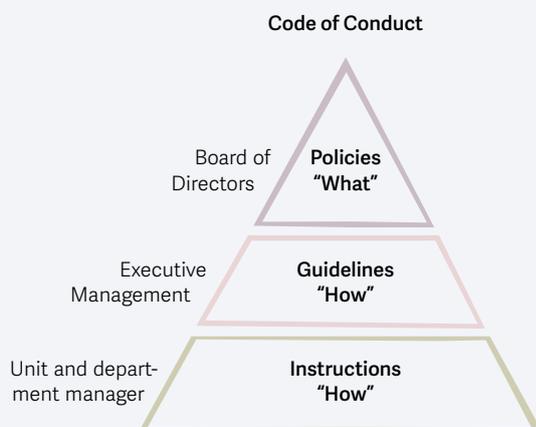
The next Annual General Meeting will be held on 28 April 2021 in Stockholm.

## 2 AUDITORS

The 2020 AGM resolved to elect Öhrlings Pricewaterhouse Coopers AB (PwC) to serve as auditors for a one-year period until the 2021 AGM with Helena Ehrenborg as lead auditor. The auditors perform a limited review of the interim report as at 30 September and audit the annual and consolidated accounts. They also conduct a management audit, a limited review of the sustainability report, a review of the EMTN prospectus and an assessment of compliance with our framework for green bonds. In addition, the auditors express their opinions of this corporate governance report and whether Akademiska Hus complies with the adopted guidelines for remuneration to senior executives, and submit their statements to the meeting. Every year the auditors review their audit plan and risk assessment with the Audit and Finance Committee. The auditors participate in at least two committee meetings per year. Each year the auditors attend at least one meeting with the Board of Directors that is not attended by the Chief Executive Officer.

Akademiska Hus has no internal audit function. Instead, the management allocated dedicated resources tasked with developing and strengthening the area of internal management and control where the Audit and Finance Committee receives regular feedback on the work. The Board of Directors believes that the best way to improve internal management and control is a long-term focused initiative in this area. Consequently, the Board's continued assessment is that no internal audit function is needed. The decision is addressed annually to be considered once again.

## GOVERNANCE STRUCTURE



### Examples of external governing regulations:

- Companies Act
- Accounting Act
- Annual Accounts Act
- The State's ownership policy and principles for companies with state ownership 2020
- Swedish Code of Corporate Governance
- IFRS
- Code to prevent corruption in business
- UN Global Compact principles
- Global Reporting Initiatives (GRI) guidelines Standards
- Stock market rules

### Examples of internal governing regulations:

- Rules of Procedure for the Board of Directors and committees
- Instructions to the CEO
- Code of Conduct
- Allocation of responsibility and authority
- Financing policy
- Sustainability policy
- Procurement policy
- Investment policy
- Policy for personal data processing
- Information security policy
- Policy for internal management and control
- Equal treatment plan
- Business ethics guidelines

### 3 BOARD OF DIRECTORS

The Board of Directors is responsible for the organisation and for management of the affairs of the company. The Board of Directors convenes the Annual General Meeting. The work is based on the Rules of Procedure adopted annually by the Board of Directors, which determines the allocation of work among the directors, the number of regular Board meetings, matters to be addressed at regular Board meetings and the responsibilities of the Chairperson of the Board. The division of responsibilities between the Board and the CEO is regulated by special instructions to the CEO. In addition, the Rules of Procedure are adopted annually for each of the Board's committees. The Board has also adopted the "Instructions for financial reporting" to regulate financial reporting procedures to the Board.

#### Nomination process

Directors of state-owned enterprises are appointed through a structured nomination process with common uniform principles as outlined in the State ownership policy and principles for companies with state ownership 2020. These principles replace the rules in the Code for preparation of decisions for nomination of Directors and auditors. The Board nomination process is co-ordinated by the department for companies with state ownership at the Ministry of Enterprise and Innovation. A consistent and structured approach ensures a high standard of quality throughout the nomination process. The need for skills is analysed based on the company's operations, situation and future challenges, the composition of the Board and assessments of the Board. The owner's expectation for diversity on the Boards of Directors under the ownership policy is also observed. Upon completion of the process nominations are announced in accordance with the Code.

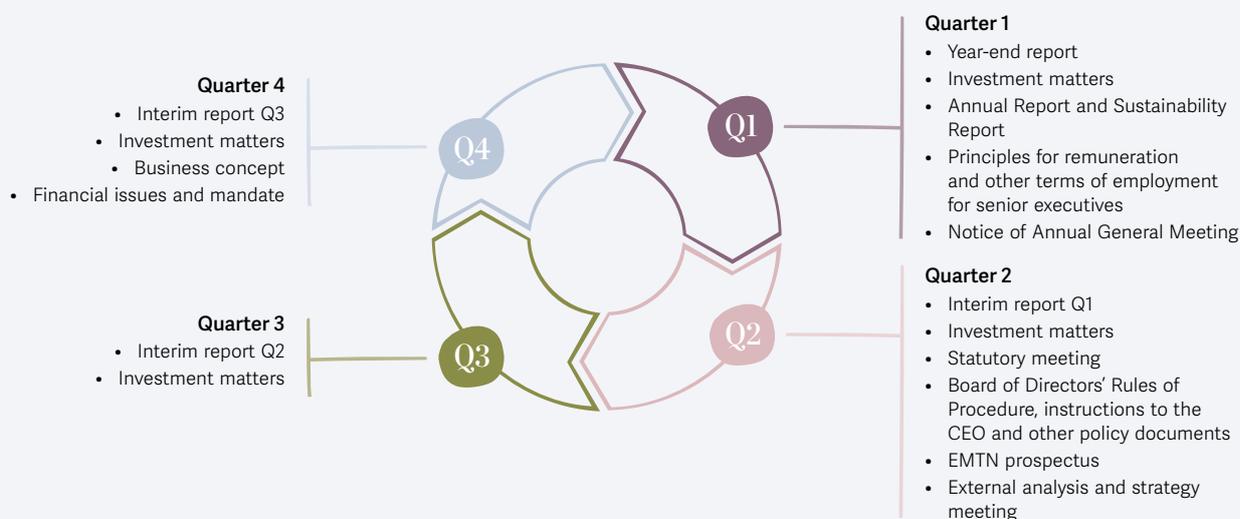
#### Composition of the Board of Directors

According to the Articles of Association, the Board of Directors for Akademiska Hus shall consist of a minimum of three and a maximum of ten Directors elected by the Annual General Meeting, with no deputies. Until the 2020 AGM, the Board consisted of seven Directors elected by the AGM. The Annual General Meeting on 28 April 2020 resolved that the Board should have eight members elected by the AGM. In addition, the Board includes two employee representatives designated by their respective trade unions. Six members were re-elected and two new members were elected to the Board at the Annual General Meeting. The AGM concluded that the Board has the relevant skills and background to manage the Company and that the Board as a whole has experience of areas that are important for the Company such as corporate governance, management, the real estate industry, universities and higher education, change and development initiatives, digitalisation, as well as financial expertise.

#### Work of the Board of Directors in 2020

In its Rules of Procedure the Board set a schedule for information and decisions during its work year that essentially follows the Board's annual cycle (see below). At all Board meetings during the year the CEO presents a report on significant events involving the Company and the respective committee chairs present reports from the committee meetings that were held between Board meetings. During the year the Board focused in particular on issues concerning innovation, digitalisation, risk and internal control, information security, energy issues and climate targets. In addition, a number of investment matters were addressed. In 2020, ten regular Board meetings were held, including the statutory meeting. To inform and update members about its activities, some Board meetings are usually held at the centres of education that are Akademiska Hus customers and

#### BOARD OF DIRECTORS' ANNUAL CYCLE



combined wherever possible with meetings with the leadership of these institutions. In 2020 this was not possible to the same extent given the ongoing pandemic. The attendance at the meetings by the members of the Board of Directors is presented in the table below.

Board of Directors	Presence/Total number of meetings
Anitra Steen, Chairperson	10/10
Anders Larsson	7/10
Anna Magnusson	10/10
Britta Burreau	10/10
Christer Nerlich	10/10
Ingemar Ziegler*	3/3
Peter Gudmundson	10/10
Robin Teigland**	7/7
Svante Hagman**	6/7
Thomas Jennlinger	8/10
Örjan Wikfors	9/10

\* Left the Board of Directors as a Board member at the Annual General Meeting 28 April 2020

\*\* Elected as a Board member at the Annual General Meeting 28 April 2020

### Board committees

The Board has established three committees to specifically monitor and prepare Board issues within their respective focus areas. Committee members are elected at the statutory Board meeting held immediately after the AGM. Representatives of the business such as the CEO, CFO, Human Resources Director, Market Area Director and Project Manager may participate at committee meetings in the capacity of presenters.

**3a** The primary duties of the Audit and Finance Committee are as follows:

- Support and evaluation of financing activities.
- Prepare matters to be decided by the Board, including the Financing Policy.
- Monitor the Company's financial reporting and ensuring that it maintains a high standard of quality.
- Regarding the financial statements, monitor the efficiency of the Company's internal control systems and risk management.
- Meet regularly with the Company's auditors to learn about the scope, focus and results of the audit.
- Remain informed about the audit of the annual accounts and the consolidated accounts.
- Establish guidelines for non-audit services that may be procured from the Company's auditors.
- Prepare proposals for the election of auditors at the Annual General Meeting.

In 2020 the focus was on internal management and control and information security, where the committee monitored the work. Moreover, the committee discussed relevant accounting regulations. The attendance at the meetings by the members of the Board of Directors is presented in the table on the right.

Audit and Finance Committee	Presence/Total number of meetings
Christer Nerlich, Chairperson	8/8
Britta Burreau	8/8
Peter Gudmundson	8/8

**3b** The primary duties of the Remuneration Committee are as follows:

- Prepare decisions regarding terms and conditions for salaries and employment for the CEO and senior executives.
- Formulate proposals for guidelines for remuneration and other terms of employment for the CEO and other senior executives.
- Monitor and evaluate the application of the guidelines for remuneration to senior executives prior to adoption by the AGM.
- Serve as advisory body to the CEO regarding succession planning and appointment of senior executives.
- Propose appropriate employment contract templates for senior executives to the Board of Directors.

In 2020 the Remuneration Committee also evaluated on HR activities. In light of the ongoing pandemic, a salary review was not performed. The attendance at the meetings by the members of the Board of Directors is presented in the table below.

Remuneration Committee	Presence/Total number of meetings
Anitra Steen, Chairperson	2/2
Anna Magnusson	2/2
Ingemar Ziegler*	1/1

\* Left the Board of Directors as a Board member at the Annual General Meeting 28 April 2020

**3c** The primary duties of the Investment Committee are as follows:

- Prepare and analyse proposals for major investments.
- Monitor and analyse the Company's reporting of major projects in progress.
- Assist Executive Management with formulation of an investment strategy.

In 2020, greater focus was placed on sustainability, with clear consideration given to the choice between not building, remodeling and as a last resort, new construction. The attendance at the meetings by the members of the Board of Directors is presented in the table below.

Investment Committee	Presence/Total number of meetings
Svante Hagman, Chairperson*	4/4
Anitra Steen, Chairperson	2/2
Robin Teigland**	3/4
Ingemar Ziegler***	2/2
Örjan Wikfors	6/6

\* Elected as a Board member at the Annual General Meeting 28 April 2020. Replaced Anitra Steen as Chairperson of the Investment Committee in April 2020

\*\* Elected as a Board member at the Annual General Meeting 28 April 2020

\*\*\* Left the Board of Directors as a Board member at the Annual General Meeting 28 April 2020

**Evaluation of the work of the Board and the CEO**

The Board of Directors conducts an annual evaluation of the work of the Board and the CEO. The evaluation takes place either internally or externally with the aim of developing the working forms and efficiency of the Board of Directors. The results of the evaluation are presented to both the Chairperson and the Board of Directors as a whole. The owner, through the Government Offices, is also informed about the results of the evaluation. The work of the Government Offices related to the Board nomination process also includes an ongoing evaluation of the boards of all state-owned companies, which includes their work, the composition of the Board and their skills.

**4 THE COMPANY'S ORGANISATION**

**CEO and Executive Management**

The CEO, or the Vice President acting on behalf of the CEO, is responsible for ongoing management in compliance with applicable laws and regulations and in accordance with the instructions for the CEO approved by the Board. Executive Management consists of ten members including the CEO. Executive Management is a forum for information and decisions regarding joint strategic Company matters and often serves as the steering committee for strategically important projects. In addition to the CEO, the Executive Management team comprises the Chief Financial Officer, Project Manager, two Market Area Directors, Administrative Manager, Corporate Communications Officer, Head of Innovation and Sustainable Development, the Human Resources Director and the General Counsel, all of whom report directly to the CEO. Executive Management has an even distribution between the number of men and women.

**Operational units**

The Company's main processes are conducted within four operational units. The Management unit is responsible for management deliverables with a focus on customer benefit, ensures sustainable and efficient operation, and pursues energy efficiency improvements and digitalisation of the property management organisation. The Project unit is responsible for efficient project deliverables with a focus on customer benefit, ensuring high standards for sourcing and project leadership skills, while creating conditions for efficient and sustainable management. The Campus and Business Development unit is

divided into three geographic areas: North, Mid-Sweden and South. The unit's primary areas of responsibility include strategic customer relationships, development of knowledge and learning environments of the future, strategic campus and property development, and overarching responsibility for investments. Student housing is responsible for developing campus-based undergraduate and graduate student housing. A Working Lab is Akademiska Hus' service offering and concept for co-working, makerspace, short contracts, Learning Lab and other flexible meeting places. The organisation focuses on the management business, creates conditions to achieve our strategic goals and makes it possible to adapt the company faster and more efficiently to external changes.

**Staff and operational support**

A number of staff and support functions with a variety of areas of expertise provide support to management and the business in its day-to-day work. Organisationally, HR falls under the CEO, including common service, innovation and sustainable development, communication and legal affairs, including purchasing. Business including risk management, finance, IT, analysis and valuation, controlling and risk management are subordinate to the Chief Financial Officer, who in turn is subordinate to the CEO.

**Steering committee for internal management and control**

The steering committee for internal management and control serves as support for the CEO to develop governance, risk management and internal control. The committee consists of the CEO, the Chief Financial Officer, General Counsel and process developers for internal management and control. Developments take place in close collaboration with the Audit and Finance Committee.

**SUSTAINABLE GOVERNANCE OF AKADEMISKA HUS**

The Board of Directors is responsible, based on instructions provided by the owner, for adopting a strategy and objectives for the company. A detailed structure provides support for how Akademiska Hus should be managed, with sustainability as a key component. The strategy and operational planning process is carried out annually, beginning with strategy days held for the Board and management. The sustainability perspective has been fully integrated into the adopted strategy in a sustainable objective.



This approach includes the global objectives for sustainable development, which is in line with owner expectations. In addition to the strategy, individual climate targets have been defined.

The business plan and associated scorecard are formulated based on the adopted strategy. The Company-wide business plan is based on operational plans and budgets for operational units, as well as common staff and support functions. The plans and scorecard specify activities to be implemented to achieve both strategic goals and climate targets, as well as key figures for measurement and evaluation purposes. In addition, risks that may result in goals not being met are identified and included, along with measures to address them.

The adopted business plan is evaluated on a regular basis through quarterly reporting to the Board of Directors. In addition, quarterly feedback sessions are held at the unit level with the coordinators of the respective operational units and common staff and support functions. The potential of each employee to both contribute and influence the work of achieving the common goals is clarified through the assignment appraisal, which is an advanced form of the performance review.

The Board of Directors is also ultimately responsible for ensuring that the Company is run in compliance with laws and regulations, as well as the guidelines provided by the owner. As part of this work, the Board adopts relevant policies and governing documents annually (see image on page 48). The strategy and operational planning process, along with the adopted governing documents, serve as the foundation for the overarching governance of the Company.

## CODE OF CONDUCT, ETHICS COUNCIL AND WHISTLE-BLOWER SYSTEM

Akademiska Hus has a Code of Conduct that outlines the ethical business behaviour expected of its employees. A basic requirement is to act in compliance with the principles of the UN Global Compact, Agenda 2030, the UN Guiding Principles on Business and Human Rights, the ILO Core Conventions and the OECD Guidelines for Multinational Enterprises. For the Company's employees there are also business ethics guidelines based on the rules in the Code to prevent corruption. This provides guidance on how employees should behave and provides guidance in potentially difficult situations. An Ethics Council provides support to employees to which questions or suspected deviations from ethical guidelines or other irregularities can be reported.

A code of conduct is enclosed for suppliers as part of all tenders, which each tenderer must read, accept and ensure that subcontractors, if any, also comply with the code.

Akademiska Hus has also set up an independent system for whistle-blowing, to which both Akademiska Hus employees and external parties can anonymously report suspected irregularities. In 2020 the Company received no reports about corruption that led to a police complaint through the Ethics Council, whistle-blower system or directly from employees.

## REMUNERATION

New guidelines for remuneration to senior executives were adopted by the Annual General Meeting. The guidelines are in line with the 'Guidelines for terms and conditions of employment for senior executives in state-owned companies' approved by the Government, as well as the Code. A remuneration report will be presented to the 2021 Annual General Meeting and also published, in accordance with recently added requirements.

A fee is paid to the members of the Board of Directors according to a decision reached at the Annual General Meeting. The members of the Board of Directors who are employed within Akademiska Hus and the Government Offices do not receive any fee for this work. See the table on page 79 for information about remuneration.

Remuneration to the CEO and other senior executives comprises a basic salary and a pension. Remuneration to the CEO is decided by the Board following a recommendation by the Remuneration Committee. Remuneration to other senior executives is decided by the CEO following consultation with the Remuneration Committee. Remuneration comprises a basic salary and a defined contribution pension based on the ITP premiums according to a collective agreement. No variable or bonus-based remuneration is paid. Salary surveys are conducted to make a comparison with other property companies.

For a detailed description of remuneration, pensions, periods of notice, severance pay and fees to auditors, see the administration report on page 56 and Notes 11 and 12.

## INTERNAL CONTROL OF FINANCIAL REPORTING

The Board of Directors has overall responsibility for internal control of financial reporting, as regulated by the Swedish Companies Act and the Code. The following section has been prepared in accordance with the Annual Accounts Act and the Code and is thus limited to internal control of financial reporting, which aims to provide reasonable assurance regarding the reliability of external financial reporting in the form of interim reports and annual reports. Internal control at Akademiska Hus is based on the COSO Framework for Internal Control, which is an established framework.

### Control environment

The basis for internal control comprises the control environment in the organisation and decision procedures, as well as roles and responsibilities. Each year the Board of Directors adopts a number of policy documents such as the Rules of Procedure for the Board of Directors and its committees, instructions to the CEO, allocation of responsibility and authority, instructions for financial reporting and policies. In 2020 the Board of Directors also adopted an internal management and control policy. The control environment also encompasses the culture and the values based on which the Board of Directors and corporate management communicate and act, which is communicated in part via the Code of Conduct that is adopted annually by the Board of Directors.

The responsibility of the Board of Directors and the internal allocation of work within its committees are clarified in the Rules of Procedure. The Board of Directors has established an Audit and Finance Committee which has tasks that include preparing the Board's work with quality assurance of the Company's financial reporting. The Chief Financial Officer is responsible for ensuring that internal accounting policies and guidelines for financial reporting are in place and formulated in compliance with current legal requirements, listing requirements and accounting standards.

### Risk assessments

Akademiska Hus has an established process to identify, assess and manage risks where each risk has a risk owner. Risk management comprises an integral component of operations management, where risk analyses are conducted on both a Company-wide and unit level. The material risks that are identified are documented together with measures in business and operational plans to allow for evaluation. For a more extensive description, see the risk section in the annual report on pages 43-46.

Risk assessments to identify the processes where the greatest risk of errors that could have a material impact on financial reporting can be found, are carried out regularly. Risks relating to financial reporting are regularly discussed with the Company's external auditors, who also present their annual risk assessment to the Audit and Finance Committee, as well as the Board of Directors.

### Control activities

The Company's internal processes and procedures provide support for ongoing risk management. Control activities aimed at preventing, discovering and managing the risk of significant errors take place at both the comprehensive and the detail levels and include approval of transactions, authorisation of supplier invoices and payments, account reconciliations and analytical evaluation of results.

IT systems that are used for financial reporting include built-in automatic controls to ensure reliable financial reporting. There are also processes and control measures in the general IT environment regarding matters such as system permissions, system updates and backup procedures. As the digital development advances, functional IT processes and information security are becoming increasingly important.

Akademiska Hus works continually to improve processes linked to financial reporting. As part of developing and strengthening internal control, work is underway to assess risks, as well as to document and formalise controls within processes which, based on risk analysis, are considered to be significant for financial reporting. This work is carried out with the involvement of the people who work within the processes to create a sense of participation and to promote willingness to carry out checks.

### Information and communication

Governing documents such as policies and guidelines are available for all employees on the Company's intranet. Internal information channels in general include information from regular meetings

of Executive Management, leadership forums held four times a year, local information meetings for all employees and meetings in various forums for concerned specialist functions.

The Audit and Finance Committee and the Board receive financial information from Executive Management at each date of financial position. In addition, the Audit and Finance Committee receives regular feedback regarding the initiatives conducted with the aim of strengthening and developing internal management and control within Akademiska Hus as a whole. The Audit and Finance Committee also receives regular feedback from the external auditors and is thereby kept up to date on current observations related to internal management and control.

External reporting complies with the State's ownership policy guidelines. Financial information, including the annual report, quarterly reports and the year-end report, can be found on the Akademiska Hus website [www.akademiskahus.se](http://www.akademiskahus.se).

### Follow-up and evaluation

Internal control of financial reporting is monitored and evaluated continuously by the Board of Directors, CEO, Executive Management and the accounting and finance departments to ensure that procedures are appropriate and efficient. Improvement and development opportunities are identified in this process.

On each date of financial position, the CEO and CFO review the financials with the individual responsible for each operational unit to monitor and discuss the financial performance and important business-related matters. The overall financial results of the staff and support functions are also monitored.

Each quarter the Board receives financial information and an analysis, as well as a report from the most recent meetings of the different committees. The Audit and Finance Committee has a specific responsibility to follow up on audit matters and more extensive matters of principle with regard to financial reporting where issues concerning property valuation and the liability portfolio are particularly important.

The Company's external auditors assess the internal controls as part of the annual audit, after which recommendations are provided. Akademiska Hus includes these recommendations in the ongoing work of developing and strengthening internal control. During the year, evaluation through self-assessments was also initiated in connection with significant processes for financial reporting. Separate assessments of the special focus areas are also carried out as needed.

#### Deviations from the code Nomination Committee (Code rules 1.3-1.4, 2.1-2.7, 4.6, 8.1 and 10.2)

The Code has mainly been prepared for companies with a spread of ownership. At such companies, the election committee is in the first instance a body for shareholders to prepare decisions regarding appointments. For state-owned companies, the rules regarding an election committee are replaced by principles governing a structured nomination process according to the Government's ownership policy.

#### Reporting of the independence of Board members (Code rule 4.5)

The purpose of this code rule is to protect minority shareholders in limited liability companies, which is not applicable to wholly state-owned companies.

## Board of Directors



### ANITRA STEEN

Chairperson since 2016.  
Chairperson of the Remuneration Committee.  
**Year of birth:** 1949  
**Other positions:** Chairperson AFA Försäkring and Teracom Group AB. Board member of Oral Care AB and Baven AB.  
**Previous positions:** Under-secretary at the Ministry of Finance, State Secretary at the Ministry of Education and Ministry of Finance, Director General of the National Agency for Higher Education Services and the National Tax Board, as well as CEO of Systembolaget AB. Chairperson of Stockholm University and Board member of SAS, Södersjukhuset hospital, Lantmännen, PostNord, Attendo AB, and others.  
**Education:** BA.



### ANNA MAGNUSSON

Member since 2018.  
**Year of birth:** 1977  
**Position:** Assistant undersecretary Ministry of Enterprise and Innovation, Head of the unit for state-owned enterprises.  
**Previous positions:** Assistant undersecretary Ministry of Finance, Expert Ministry of Finance, and Legal Counsel Sveaskog Förvaltnings AB.  
**Education:** LL.M. BA.



### BRITTA BUREAU

Member since 2014.  
**Year of birth:** 1964  
**Position:** CEO of Almi Företagspartner AB.  
**Other positions:** Board member of Nationalekonomiska Föreningen (Swedish Economic Association).  
**Previous positions:** CEO of KPA AB and KPA Pensionsförsäkringar AB, CEO of Nordea Liv and Senior Manager at Accenture. Chairperson of the Board Scouterna and KPA Pensionservice, Director, Group management at Folksam. Board member Nordea Liv and Board member Svensk Försäkring.  
**Education:** M.Sc. Eng and Executive MBA in Finance.



### CHRISTER NERLICH

Member since 2017.  
Chairperson of the Audit and Finance Committee  
**Year of birth:** 1961  
**Position:** Chief Financial Officer of Vasakronan.  
**Previous positions:** Chief Financial Officer of AP Fastigheter and Corporate finance NewSec.  
**Education:** MBA.



### PETER GUDMUNDSON

Member since 2017.  
**Year of birth:** 1955  
**Position:** Professor, Royal Institute of Technology.  
**Other positions:** Board member of Royal Swedish Academy of Engineering Sciences.  
**Previous positions:** Vice-Chancellor KTH, Vice Dean KTH, Head of Department KTH, CEO SICOMP, consultant Tre Konsulter AB, and researcher Brown Boveri Research Centre in Switzerland.  
**Education:** PhD. PhD. and M.Sc. Eng.



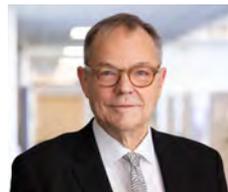
### ROBIN TEIGLAND

Member since 2020.  
**Year of birth:** 1964  
**Position:** Professor of Digitalisation, Chalmers University of Technology  
**Other positions:** Board member of Royal Swedish Academy of Engineering Sciences and Director of Ocean Data Factory Sweden  
**Previous positions:** Professor of Business Administration and Board member, Stockholm School of Economics  
**Education:** BA, MA, MBA, PhD in Business Administration



### SVANTE HAGMAN

Member since 2020. Investment Committee Chairperson.  
**Year of birth:** 1961  
**Position:** Senior advisor construction and real estate.  
**Other positions:** Board member of Royal Swedish Academy of Engineering Sciences, Chairperson BIM Alliance, Byggnadsfirman Erik Wallin AB, Ekens Golv AB, NBVS Rail and AIX Arkitekter.  
**Previous positions:** Chairperson Swedish Construction Federation and Board member Confederation of Swedish Enterprise, CEO NCC Sverige, Business Area Manager NCC Housing and NCC Infrastructure, as well as other positions within NCC.  
**Education:** MBA.



### ÖRJAN WIKFORSS

Member since 2017.  
**Year of birth:** 1950  
**Position:** CEO of Arkitekturanalys AB.  
**Other positions:** Vice Chairperson of the Board of Directors of the Royal Swedish Opera, and Board member of the Royal Swedish Academy of Engineering Sciences.  
**Previous positions:** Professor in project communication, KTH. CEO of FFNS Arkitekter and Wikforss Arkitektkontor. Chairperson Svenska Arkitekters Riksförbund.  
**Education:** Architect, PhD. and professor.



### ANDERS LARSSON

Employee representative (SEKO union) since 2009.  
**Year of birth:** 1963  
**Position:** Operating engineer at Akademiska Hus.  
**Education:** Production engineering studies.



### THOMAS JENNINGER

Employee representative (Ledarna union) since 2008.  
**Year of birth:** 1956  
**Position:** Operating manager Akademiska Hus.  
**Previous positions:** HR Director 2000-2017 Akademiska Hus.  
**Education:** Operating manager.

### AUDITORS

Helena Ehrenborg, Öhrlings Pricewaterhouse Coopers AB (PwC). Lead auditor since 2018. Authorised public accountant.  
**Year of birth:** 1965  
**Education:** MBA.  
**Other audit assignments, selection:** Specialfastigheter Sverige AB, Jernhusen AB, HSB Riksförbund and Atrium Ljungberg.

## Executive Management



**KERSTIN LINDBERG  
GÖRANSSON**

CEO.  
Employed 2011.  
**Year of birth:** 1956  
**Other positions:** Board member of Sveaskog, Hemnet Group AB and Vice Chairperson Win Win Gothenburg Sustainability Award as well as Board member of the Royal Swedish Academy of Engineering Sciences.  
**Previous positions:** Airport Director of Stockholm-Arlanda Airport, CFO and Vice President of the Scandic Group.  
**Education:** MBA.



**CATARINA FRITZ**

Chief Financial Officer and Vice President.  
Employed 2016.  
**Year of birth:** 1963  
**Other positions:** Board member of Green Cargo and Friends of Moderna Museet.  
**Previous positions:** CFO at Keolis Sverige, Frösunda LSS, Addici, Aditro Group and the Stockholm Stock Exchange, as well as CFO at Investor.  
**Education:** MBA.



**JONAS BJUGGREN**

Administrative Manager.  
Employed 2017.  
**Year of birth:** 1974  
**Other positions:** Board member of Kungsleden AB.  
**Previous positions:** Regional Manager Vasakronan, Market Area Manager and Business Unit Manager at AP Fastigheter and Project Manager at Skanska and Sweco.  
**Education:** M.Sc. Eng.



**PETER BOHMAN**

Market Area Director.  
Employed 2013.  
**Year of birth:** 1972  
**Other positions:** Board member of Luleå Science Park AB, SLU Holding and Realus AB.  
**Previous positions:** Terminal Manager and on-call Airport Director at Stockholm-Arlanda Airport. Various management positions at Swedavia.  
**Education:** MBA.



**ULF DÄVERSJÖ**

Head of Innovation and Sustainable Development.  
Employed 2014.  
**Year of birth:** 1979  
**Other positions:** Board member of Accessy AB.  
**Previous positions:** Purchasing Director Akademiska Hus, Management Consultant Capgemini Consulting, and Global Purchaser Arla Foods.  
**Education:** M.Sc., MBA.



**HAYAR GOHARY**

Project Manager.  
Employed 2007.  
**Year of birth:** 1975  
**Previous positions:** Project manager for Vallentuna Municipality and Akademiska Hus.  
**Education:** M.Sc. Eng.



**MAGNUS HUSS**

Market Area Director.  
Employed 1993.  
**Year of birth:** 1967  
**Other positions:** Board member of Byggherrarna.  
**Previous positions:** Project Manager, Head of Property Management, and Property Manager for Akademiska Hus. Engineer and facilities technician at the National Board of Public Buildings.  
**Education:** Engineering degree, technical college.



**MARIE HALLANDER LARSSON**

Human Resources Director.  
Employed 2017.  
**Year of birth:** 1961  
**Other positions:** Brunmäla Hästklinik AB.  
**Previous positions:** Human Resources Director for Försäkringskassan, Swedbank AB, Posten AB, Scandic Hotels AB and Wedins AB.  
**Education:** BA.



**CAROLIN ÅBERG SJÖQVIST**

General Counsel.  
Employed 2004.  
**Year of birth:** 1968  
**Previous positions:** Lawyer, Advokatfirman Glimstedt and Associate Judge of Appeal, Court of Appeal for Western Sweden.  
**Education:** LL.M



**CECILIA WIDE**

Corporate Communications Officer.  
Employed 2012.  
**Year of birth:** 1969  
**Previous positions:** Head of Corporate Communications at SP Sveriges Tekniska Forskningsinstitut AB.  
**Education:** BA.

# Auditor's Report

## REPORT ON THE ANNUAL ACCOUNTS AND THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinions

We have audited the annual accounts and the consolidated financial statements of Akademiska Hus AB for 2020, with the exception of the Corporate Governance Report on pages 47-55. The annual accounts and consolidated accounts of the company are included on pages 37-100 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 parent company as of 31 December 2020 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 2020 and their 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 opinion does not include the Corporate Governance Report found on pages 47-55. 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 of opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. The auditors' responsibility according to these standards is described in detail in the section Auditor's Responsibility. 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 opinion.

## Our audit approach

### Emphasis and scope of the audit

The Group's operations comprise owning, developing and managing properties for universities and other higher education institutions, with a main focus on education and research. In Akademiska Hus' operations it is, above all, the large impact on the financial statements of the assessments and estimates made by the Board and management that impact our risk assessment. In our opinion, the largest risk of misstatements in the Annual Report stems from the valuation of properties. In addition to this, we have identified a number of other risks and key areas which have impacted the financial statements.

Our audit comprises the review of all significant properties and business processes for the financial reporting, including rent process, purchase process, financing process and valuation process.

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management 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 management 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 consolidated 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.

### 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 financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole (see the table below). 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.

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### Materiality

- Overall materiality: 1 100 (930) million
- Special materiality: 200 (190) million

### Benchmark

- Overall materiality: corresponding to 1% of the Group's total assets.
- Special materiality: corresponding to 5% the Group's profit before tax, excluding changes in value of investment properties and financial instruments. Used as our starting point in the audit of items in the income statement and balance sheet related to property management.

### Basis for audit materiality

We chose total assets as a benchmark for our overall assessment of materiality of the financial statements as a whole, given that the value of the investment properties has a material impact and significance on the Group's financial position and is a particularly important area for the audit. We also defined a specific materiality for the audit of results from property management, including the working capital-related balance sheet items.

## Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, 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.

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### KEY AUDIT MATTER

### HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

#### Measurement of investment properties

We refer to the Administration Report and the description of the Akademiska Hus Group's summary of General accounting policies, Note 2, and Changes in the value of investment properties, Note 12.

As of the 31 December 2020, the value of the investment properties was SEK 91.4 billion. The investment properties comprise a significant part of the balance sheet, and the measurement of the investment properties are, by their nature, subjective and subject to management's assessments of, for example, the specific property's location, condition and future rent income.

Fair value of the Group's property portfolio is based on internal calculations, mainly by applying measurement of cash flows. For a minor part of the property portfolio, the location price method is used or, alternatively, measurement at cost. In order to ensure the quality of the internal measurements, external measurements have been collected as well for approximately 30% of the value of the property portfolio.

When determining the fair value of the properties, consideration is taken to current information, such as current rent agreements, assessment of rent levels and operating costs. In order to arrive at the final valuations, the Company uses assessments and make estimates about future returns, net operating costs and assessed market rent, which are impacted by current requirements of direct yield and comparable market transactions.

The significance of the assessment and estimates that are included in the determination of the fair value is significant, together with the fact that the amounts are significant, make the measurement of investment properties to a key audit matter.

Our audit has, among other areas, focused on the Company's internal control and quality control concerning measurements made as of the 31 December 2020. The audit team, including our evaluation specialists, has collected and reviewed a sample of the evaluation reports in order to assess the cash flow evaluation applied by Akademiska Hus, the mathematical correctness and the reasonability of assessment made.

Our audit has, among other task, included the following audit procedures

- Checked that the measurements are in accordance with Akademiska Hus' guidelines and instructions for property valuation.
- Reviewed, by samples, significant controls in the Group's internal valuation process.
- Sampled the mathematical calculations of the model.
- Assessed input through sampled follow-up against historical outcomes and compared with accessible market data.
- We have had meeting with management to discuss significant assessments and evaluations.
- Sampled input in the calculation models against information in relevant systems.
- Taken part of the external valuations and compared these to the internal calculations.

Our work has been focused on the largest investment properties, the most significant assessments and the properties where values have varied most compared to last year. In the cases where assessments of future operating costs net, occupancy grade and requirements of returns have deviated from our initial expectations, these deviations have been discussed with representatives of the Group and, when needed, complementing documentation has been collected.

Finally, we have certified that the models used, that the assessments and sensibility analyses made by Akademiska Hus, are described correctly in Note 12.

The values are based on assessments and are inherently subject to inherent uncertainty. Based on our review, our assessment is that the assumptions used by Akademiska Hus are within an acceptable range.

As a result of our review, we have not reported any material observations to the Audit Committee.

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### **Other information than the annual accounts and consolidated accounts**

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-36 and 106-125. The remuneration report by the company also constitutes other information and is available on the company's website. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other 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 Managing Director**

The Board of Directors and the Managing Director 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 the consolidated financial statements, the Board of Directors and the Managing Director are responsible for the assessment of the Company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and application of the going concern basis of accounting. The going concern basis of accounting is, however, not applied if the Board of Directors intends to liquidate the Company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the Company's financial reporting process.

### **Auditors' responsibility**

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, 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 financial statements.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionens's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar).

This description is a part of the Auditors' Report.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

#### **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 Managing Director of Akademiska Hus AB for the year 2020 and the proposed appropriations of the Company's profit or loss.

We recommend that the meeting of the General Meeting allocate the profit in accordance with the proposal in the Administration Report and grant the members of the Board and the Managing Director discharge from liability for the financial year.

#### **Basis of Opinions**

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities 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 Managing Director**

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 organization 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 organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director 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.

### **Auditors' 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 Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the Company;
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our goal with the audit of the proposal of allocation of the Company's profit or loss, and therefore our opinion thereof is to, with reasonable assurance assess 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 ISAs and generally accepted auditing standards in Sweden will always detect acts and omissions which can give rise to liability to the Company, or that the proposed allocation of earnings or loss is not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration can be found on the web page of The Swedish Inspectorate of Auditors (Revisorsinspektionen): [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar).

This description is a part of the Auditors' Report.

### **The auditor's examination of the corporate governance**

The Board of Directors is responsible for that the corporate governance statement on pages 51-59 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevU 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 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph 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.

PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of Akademiska Hus AB by the general meeting of the shareholders on the 29 April 2020 and has been the company's auditor since the 27 April 2018.

Stockholm, 17 March 2020  
Öhrlings PricewaterhouseCoopers AB

Helena Ehrenborg  
Authorised Public Accountant