

Corporate Governance Report

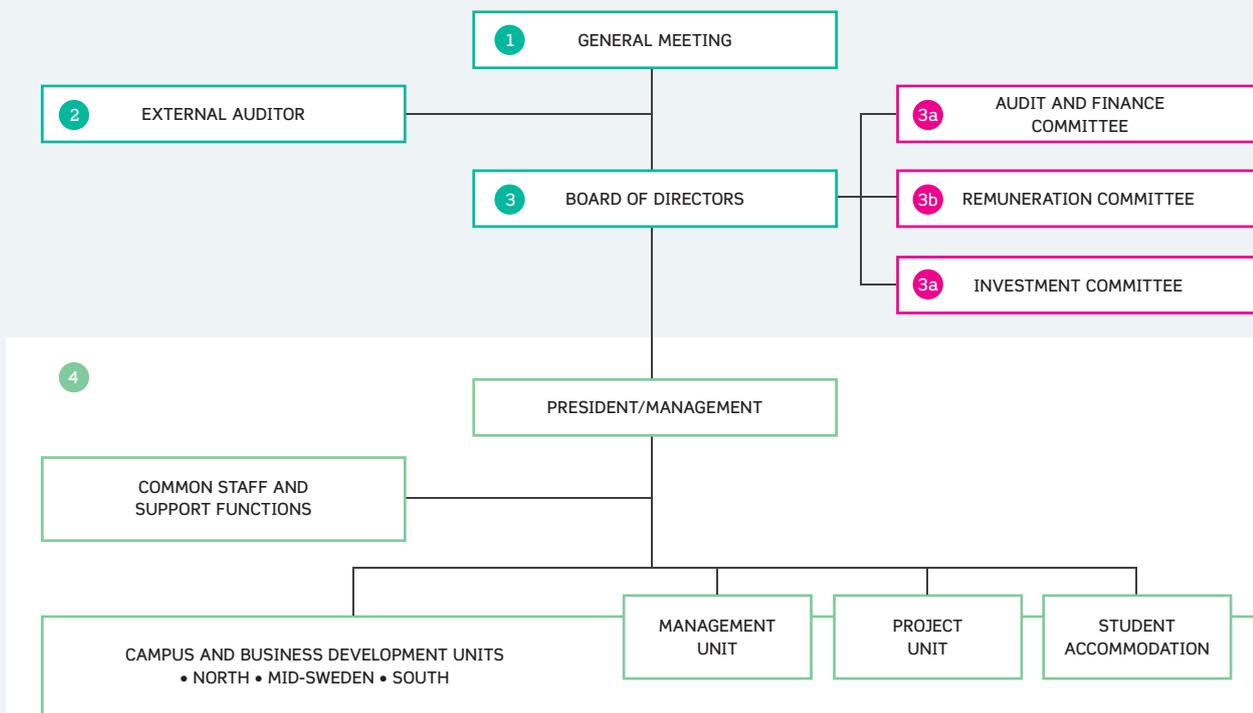
This corporate governance report describes the structure and principles for governance of operations at Akademiska Hus to achieve the vision of strengthening Sweden as a nation of knowledge. With a clear allocation of responsibility between different Company bodies and processes that ensure transparency, 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 guidelines for companies with state ownership 2017, the Swedish Code of Corporate Governance (the Code) 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.

Organisational structure



Akademiska Hus' mission according to the Articles of Association

The object of the Company's operations is to own, develop and manage properties for colleges and universities, where the primary focus is on education and research, as well as activities compatible therewith. 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 Aktiebolag will work to bring about long-term sustainable development of university and college campuses.

1 GENERAL MEETING

The General Meeting is the highest decision-making body at Akademiska Hus. The shareholder formally 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 (AGM) 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 Riksdag and the public have the right to participate and must register their participation as described in the notice.

Annual General Meeting 2018

The Annual General Meeting was held on 27 April 2018. The meeting was opened by Chairperson of the Board Anitra Steen, who was also appointed to chair the proceedings. The owner was represented by Ulrika Löfqvist, Ministry of Enterprise and Innovation.

Decisions at the 2018 Annual General Meeting

The Annual General Meeting adopted the income statement and balance sheet for the 2017 financial year and discharged the Board of Directors and the President from liability for the year. The AGM approved the Board's proposal for profit distribution, which entails a dividend of SEK 1,630 million to the owner. Other matters addressed included adoption of the principles for remuneration and other terms of employment for senior executives, resolutions on fees to the Board of Directors and committees, as well as election of Board members and auditor. The minutes and other documents related to the AGM are posted on the Akademiska Hus website akademiskahus.se.

Annual General Meeting 2019

The next Annual General Meeting will be held on 29 April 2019 in Stockholm.

2 AUDITORS

The 2018 AGM resolved to elect Öhrlings Pricewaterhouse Coopers AB (PwC) to serve as auditors for a one-year period until the 2019 AGM. PwC appointed Helena Ehrenborg, authorised public accountant, to serve 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, as well as a limited review of the sustainability report. In addition, the auditors

express their opinions of this corporate governance report and whether Akademiska Hus complies with the Government Guidelines for terms of employment for 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 President.

Akademiska Hus' internal audit function ended at year-end 2017/2018. In 2018 the management allocated dedicated resources tasked with developing and strengthening the area of internal management and control within Akademiska Hus. The Board of Directors believes that the best way to improve internal management and control is a long-term focused initiative in this area. Separate assessments are conducted based on a risk analysis; for example, in 2018 such an analysis addressed selected processes associated with financial reporting. Consequently, the Board's continued assessment is that no internal audit function is needed.

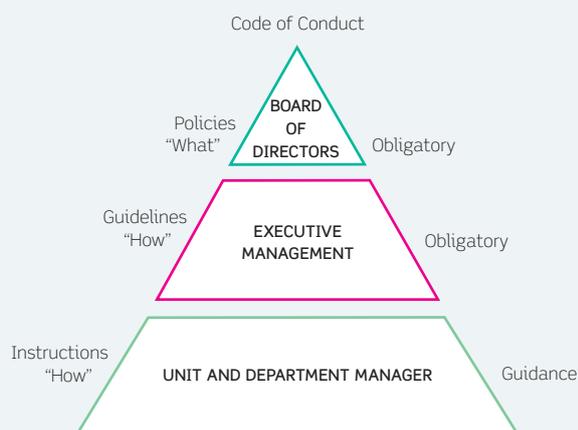
3 BOARD OF DIRECTORS

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 Chairman of the Board. The division of responsibilities between the Board and the CEO is regulated by special instructions to the President. 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 guidelines for companies with state ownership 2017. 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 state ownership unit at the Ministry of Enterprise and Innovation. A consistent and structured approach ensures a high standard of quality throughout

Governance structure



EXAMPLES OF EXTERNAL GOVERNING REGULATIONS:

- Companies Act
- Accounting Act
- Annual Accounts Act
- The State's ownership policy and guidelines for companies with state ownership 2017
- Swedish Code of Corporate Governance
- IFRS
- Code about gifts, rewards and other benefits in business
- UN Global Compact principles
- Global Reporting Initiatives (GRI) guidelines Standards
- Stock market rules

EXAMPLES OF INTERNAL GOVERNING REGULATIONS:

- Articles of Association
- Rules of Procedure for the Board of Directors and committees
- Instructions to the President
- Code of Conduct
- Allocation of responsibility and authority
- Strategy documents
- Financing Policy
- Sustainability policy
- Procurement policy
- Investment policy
- Policy for personal data processing
- Business ethics guidelines
- Equality and Diversity Plan

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. The Board consisted of nine Directors elected by the AGM until the 2018 AGM. The Annual General Meeting on 27 April 2018 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 one new member was elected to the Board at the Annual General Meeting, after which a vacancy remained. The AGM concluded that the Board has the relevant skills 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, as well as financial expertise.

Work of the Board of Directors in 2018

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 President 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 of Directors adopted an updated strategic focus. Other important issues that the Board addressed included innovation, digitisation from a customer perspective, student housing on campus and development of the investment and construction process. In addition, a number of investment matters were addressed. In 2018, ten regular Board meetings were held, including the statutory meeting. To inform and update members about its activities, some Board meetings are held at the centres of education that are Akademiska Hus customers and combined wherever possible with meetings with the leadership of these institutions. The attendance at the meetings by the members of the Board of Directors is presented in the table on the right.

Board of Directors	Presence/Total number of meetings
Anitra Steen, chairperson	9/10
Anders Larsson	10/10
Anna Magnusson*	7/7
Britta Burreau	6/10
Caroline Arehult**	2/3
Christer Nerlich	10/10
Gunnar Svedberg**	3/3
Ingemar Ziegler	10/10
Kristina Ekengren**	3/3
Peter Gudmundson	10/10
Thomas Jennlinger	10/10
Örjan Wikforss	10/10

* Elected 27 April at the Annual General Meeting.

** Left the Board of Directors at the Annual General Meeting 27 April.

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 President, CFO, Human Resources Director, Market Area Director and Project Manager may participate at committee meetings in the capacity of presenters.

3a *The Audit and Finance Committee* has the following primary duties:

- Support and follow up financing activities.
- Prepare matters to be decided by the Board, including Financing Policy and a risk plan.
- Monitor the Company's financial reporting and ensure 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.

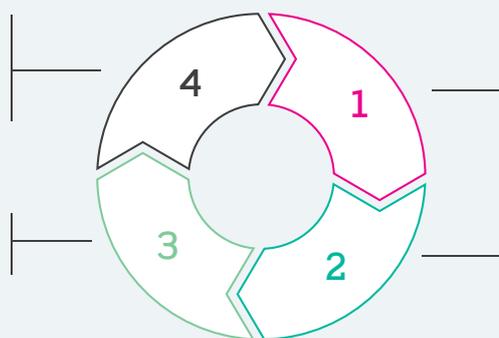
Board of Directors' annual cycle

QUARTER 4

- Interim report Q3
- Investment matters
- Business concept
- Risk plan

QUARTER 3

- Interim report Q2
- Investment matters



1ST QUARTER

- Year-end report
- Investment matters
- Annual Report and Sustainability Report
- Principles for remuneration and other terms of employment for senior executives
- Notice of Annual General Meeting

QUARTER 2

- Interim report Q1
- Investment matters
- Statutory meeting
- Board of Directors' Rules of Procedure, instructions to the President and other policy documents
- EMTN prospectus
- External analysis and strategy meeting

In 2018 the focus continued to be on internal control. Moreover, the committee prepared the Board of Directors prior to the AGM decision regarding choice of auditor, and discussed relevant accounting regulations. The attendance at the meetings by the members of the Board of Directors is presented in the table below.

Audit and Finance Committee	Presence/Total number of meetings
Christer Nerlich, chairperson	7/7
Britta Burreau	6/7
Kristina Ekengren*	3/3
Peter Gudmundson	6/7

* Left the Board of Directors at the Annual General Meeting 27 April.

3b *The Remuneration Committee* has the following primary duties:

- Prepare decisions regarding terms and conditions for salaries and employment for the President and senior executives.
- Formulate proposals for guidelines for remuneration and other terms of employment for the President 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 President regarding succession planning and appointment of senior executives.
- Propose appropriate employment contract templates for senior executives to the Board of Directors.

In 2018, the Remuneration Committee also discussed the health insurance benefit in relation to new tax rules. Furthermore, a review of succession planning and follow-up of HR activities were also carried out. 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	3/3
Kristina Ekengren*	1/1
Gunnar Svedberg*	1/1
Anna Magnusson**	2/2
Ingemar Ziegler**	2/2

* Left the Board of Directors at the Annual General Meeting 27 April.

** Elected to the Remuneration Committee 27 April at the Annual General Meeting.

3a *The Investment Committee* has the following primary duties:

- 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 2018, the Committee also reviewed the investment process as a whole with the aim of developing and improving procedures. The attendance at the meetings by the members of the Board of Directors is presented below.

Investment Committee	Presence/Total number of meetings
Anitra Steen, chairperson	7/7
Ingemar Ziegler	7/7
Caroline Arehult*	3/3
Örjan Wikforss	7/7

* Left the Board of Directors at the Annual General Meeting 27 April.

Evaluation of the work of the Board and the President

The Board of Directors uses a systematic and structured process to conduct an annual evaluation of the work of the Board and the President. The evaluation takes place either internally or externally with the aim of developing the working forms and efficiency of the Board of Directors. In 2018, the evaluation was carried out with the assistance of an external consultant, where all Board members had to respond to a questionnaire. 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

President and Executive Management

The President, or the Vice President acting on behalf of the President, is responsible for ongoing management in compliance with applicable laws and regulations and in accordance with the instructions for the President approved by the Board. Executive Management consists of ten members including the President. 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 President, the Executive Management team comprises the Chief Financial Officer, Project Manager, three Market Area Directors, Administrative Manager, Corporate Communications Officer, Head of Innovation and Sustainable Development and the Human Resources Director, all of whom report directly to the President. The Company's General Counsel serves as secretary for the Executive Management team. Currently, half of the members of Executive Management are men and half are 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, energy efficiency improvements and digitisation of the property management organisation. The Project unit is responsible for project deliverables, ensuring high standards for sourcing and project leadership skills, while creating conditions for efficient and sustainable management. Student housing, which in 2018 was spun off from the management unit to become an independent unit, is responsible for developing campus-based undergraduate and graduate student housing. 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, strategic campus and property development, and overarching responsibility for investments. The organisation focuses on the management business and enables the Company to adapt faster and more efficiently to external changes.

Common staff and support functions

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 are subordinate to the President, including common service, innovation and sustainable development, legal affairs and communication. Business, finance, purchasing, IT, valuation and analysis, risk control, controlling and risk management are subordinate to the Chief Financial Officer.

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. Akademiska Hus' values are the point of departure for this work: Responsive, Engaged and Value-adding (REV) which provide support for both work and decision-making.

The strategy and operational planning process is carried out annually, beginning with strategy days held for the Board and management before the summer. During the year, a major revision was carried out regarding strategy, in which the sustainability perspective was fully integrated into a sustainable objective. In conjunction with the revised management by objective process, the global objectives for sustainable development were integrated, which is in line with owner expectations.

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 plan and scorecard specify activities to be implemented to achieve the strategic goals and key figures for measurement and follow-up purposes.

The adopted business plan is followed up on a regular basis through the President's quarterly reporting to the Board of Directors. In addition, quarterly feedback sessions are held between management representatives and 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 expanded form of the performance review that was introduced during the year.

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. 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 regarding gifts, rewards and other benefits in business. This provides guidance on how

employees should behave and provides guidance in potentially difficult situations. An Ethics Council provides support to employees to which suspected deviations from ethical guidelines or other irregularities can be reported. 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 2018 the Company received no reports about corruption that led to a police complaint through the Ethics Council, whistle-blower system or directly to employees.

REMUNERATION

- The AGM resolved on principles for remuneration and other terms and conditions of employment for executives. The principles are in line with the State's "Guidelines for terms and conditions of employment for senior executives in state-owned companies".
- 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.
- Payment to the President and other senior executives comprises a basic salary and a pension. Payment to the President is decided by the Board of Directors following a recommendation from the Remuneration Committee. Remuneration to other senior executives is decided by the President 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. No changes will be made regarding the principles for remuneration to the Board of Directors and senior executives for 2019.

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 10 and 11.

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. The purpose of internal control of financial reporting is to provide reasonable assurance regarding the reliability of



external financial reporting in the form of interim reports and annual reports, and that they are prepared in compliance with relevant laws, regulations, accounting standards and the specific guidelines for external reporting that apply to state-owned companies. The presentation below is based on the five components that the Committee of Sponsoring Organisations of the Treadway Commission (COSO) defined in its framework for internal management and control.

Control environment

The basis for internal control comprises the control environment with the organisation, decision procedures and responsibility. 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 President, allocation of responsibility and authority, instructions for financial reporting, plan for handling financial risks and policies. 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. In addition, Akademiska Hus' accounting and financial reporting is handled by a central unit. 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 for all parts of the operation to identify, assess and manage risks where each risk has a defined owner. For a more extensive description, see the risk section in the annual report on pages 43–47. Risk assessments regarding financial reporting, which aim to identify and evaluate the business areas and processes where the greatest risk of errors that could have a material impact on financial reporting can be found, are carried out on several levels in the Company. Risk analysis and risks relating to financial reporting are regularly discussed with the external auditors, who also present their annual risk assessment to the Audit and Finance Committee, as well as the Board of Directors in the audit plan.

Control activities

The Company's internal processes and procedures provide support for ongoing risk management. Control activities that are designed to prevent, detect and correct errors and deviations are incorporated in the financial reporting process used by Akademiska Hus. These controls have been designed to deal with the risk of significant errors that may arise in financial reporting, and comprise both general and detailed checks. Control activities take place at several different levels in the Company and include approval of transactions, authorisation of supplier invoices and payments, account reconciliations and analytical follow-up. In addition, Akademiska Hus works continually to improve processes linked to financial reporting. For example, in 2018 an assessment was carried out of the purchasing and project reporting process with a focus on risks and associated control activities.

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 transformation is implemented, the issue of information security becomes increasingly important.

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 staff 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 balance sheet date. In addition, the Audit and Finance Committee 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 in the form of the annual report and year-end report is available on the Akademiska Hus website www.akademiskahus.se/en.

Follow-up and evaluation

Internal management and control of financial reporting are monitored and evaluated continuously by the Board of Directors, President, Executive Management and the accounting and finance department to ensure that procedures are appropriate and efficient. Opportunities for improvement are identified through controls and analyses. Any shortcomings are reported to the relevant person to ensure that improvements can be made. On each balance sheet date, the President and Chief Financial Officer 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 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. For example, in 2018 the auditors reviewed the rental notification, purchasing and payroll processes. Akademiska Hus continuously reviews and updates internal management and control procedures within the Company, for example, to take into account and implement measures regarding recommendations from the company's external auditors. In addition, separate assessments of the special focus areas described above are 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 enterprises.

Board of Directors



ANITRA STEEN

Chairperson since 2016. Chair of the Remuneration Committee and Investment Committee.

Year of birth: 1949

Other positions: Chairperson of the Board for AFA Försäkring, Attendo AB and Oral Care 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 and others.

Education: BA.



BRITTA BUREAU

Member since 2014.

Year of birth: 1964

Position: CEO of KPA AB and KPA Pensionsförsäkring AB.

Other positions: Chairperson for the Scouts.

Director, Group management at Folksam. Chairman of the Board for KPA Pensionservice AB.

Previous positions: CEO and Board member Nordea Liv & Pension AB, Board member in the Nordea Liv Group, Board member Svensk Försäkring and Accenture Financial Services.

Education: M.Sc. Eng and Executive MBA in Finance.



PETER GUDMUNDSON

Board member elected in 2017.

Year of birth: 1955

Position: Professor, Royal Institute of Technology. **Other positions:** Member of the board 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, researcher Brown Boveri Research Centre in Switzerland.

Education: PhD. and M.Sc. Eng.



THOMAS JENNINGER

Employee representative (Ledarna union) since 2008.

Year of birth: 1956

Position: Operating manager at Akademiska Hus.

Education: Operating manager.



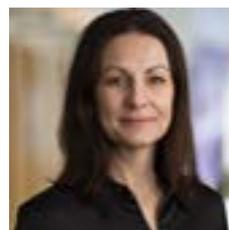
ANDERS LARSSON

Employee representative (SEKO union) since 2009.

Year of birth: 1963

Position: Operating engineer at Akademiska Hus.

Education: Production engineering studies.



ANNA MAGNUSSON

Board member elected in 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, Legal Counsel Sveaskog Förvaltnings AB.

Education: LL.M. BA.



CHRISTER NERLICH

Board member elected in 2017.

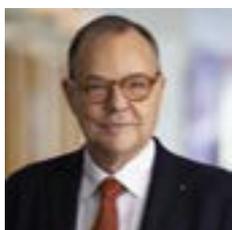
Chairperson of the Audit and Finance Committee

Year of birth: 1961

Position: Chief Financial Officer of Vasakronan.

Previous positions: Chief Financial Officer of AP Fastigheter and Corporate finance NewSec.

Education: MBA.



ÖRJAN WIKFORSS

Board member elected in 2017.

Year of birth: 1950

Position: CEO of Arkitekturanalys AB.

Other positions: Vice Chairman of the Board of Directors of the Royal Swedish Opera, Board member of Tengbomgruppen AB and member of the Royal Swedish Academy of Engineering Sciences.

Previous positions: Professor in project communication, KTH. CEO of FFNS Arkitekter and Wikforss Arkitektkontor.

Education: Architect, PhD. and professor.



INGEMAR ZIEGLER

Member since 2007.

Year of birth: 1947

Position: CEO IZAB.

Other positions: Board member of Stockholm Concert Hall.

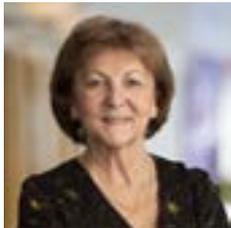
Previous positions: CEO of AB Storstockholms Lokaltrafik, Locum AB, Diösförvaltning, Stockholms Mark- och Lokaliseringsbolag. Finance Secretary of the City of Stockholm.

Education: BA.

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:** Vasakronan AB, Jernhusen AB, HSB Riksförbund, Pandex AB.

Executive Management



KERSTIN LINDBERG GÖRANSSON
President. Employed 2011.
Year of birth: 1956
Other positions: Board member AP3, Hemmet Group AB.
Previous positions: Airport Director of Stockholm-Arlanda Airport, Accounting and Finance Director and Vice President of the Scandic Group.
Education: MBA.



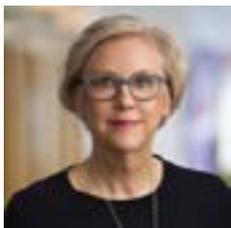
CATARINA FRITZ
CFO and Vice President. Employed 2016.
Year of birth: 1963
Previous positions: CFO at Keolis Sverige, Frösunda LSS, Addici, Aditro Group and the Stockholm Stock Exchange. CFO Investor.
Education: MBA.



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 Luleå Science Park AB.
Previous positions: Terminal Manager and on-call Airport Director at Stockholm-Arlanda Airport. Various management positions at Swedavia.
Education: B.Sc. in Business Administration with focus on real estate.



BIRIGTTA VAN DALEN
Market Area Director. Employed 2005.
Year of birth: 1958
Previous positions: Regional Director for Akademiska Hus, Planning adviser for Akademiska Hus, Head of property supply and operating manager at Karlstad University, Planning Manager at the Property Department, Karlstad Municipal Authority.
Education: B.A. Soc. Admin.



ULF DÄVERSJÖ
Head of Innovation and Sustainable Development. Employed 2014.
Year of birth: 1,979
Previous positions: Purchasing Director Akademiska Hus, Management Consultant Caggemini Consulting, and Global Purchaser Arla Foods.
Education: MBA.



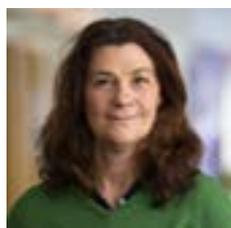
HAYAR GOHARY
Project Manager. Employed 2007.
Year of birth: 1975
Other positions: Chairperson Håll nollan.
Previous positions: Project manager for Vallentuna Municipality. Project manager for Akademiska Hus.
Education: M.Sc. Eng.



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



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.



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

50/50

EQUAL NUMBER OF MEN AND WOMEN IN
EXECUTIVE MANAGEMENT AT AKADEMISKA HUS

Other information

REMUNERATION TO SENIOR EXECUTIVES

Principles for remuneration to the Board of Directors and senior executives

Akademiska Hus follows the owner's guidelines governing terms and conditions of employment for senior executives. Payment to the President and other senior executives comprises a basic salary and a pension. Pension expenses refer to the cost charged to the profit for the year. Payment to the President is decided by the Board of Directors following a recommendation from the Remuneration Committee. Remuneration to other senior executives is decided by the President of the Parent Company 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 changes are proposed regarding the principles for remuneration to the Board of Directors and senior executives for 2019.

A fee is paid to the members of the Board of Directors according to a decision reached at the Annual General Meeting. Board members who are employed in the Akademiska Hus Group, or who work at the Government Offices, do not receive any fee for this work.

Remuneration for committee work was set at the 2018 Annual General Meeting.

PENSIONS

Akademiska Hus has taken out an individual occupational pension solution for the President, Kerstin Lindberg Göransson, where the agreed retirement age is 65 years. Akademiska Hus allocates 30 per cent of Kerstin Lindberg Göransson's fixed monthly salary, which is paid into an occupational pension insurance plan according to a special agreement drawn up with a pension company. The pension package includes a sickness and early retirement pension, a retirement pension and optional survivor's pension and/or repayment cover. Other senior executives have similar defined contribution agreements with a maximum allocation of 30 per cent of their salary, or what is termed a high-income earner solution with an opt-out premium that is cost-neutral compared with traditional, collectively agreed ITP.

Periods of notice and severance pay

An agreement has been reached with the President, Kerstin Lindberg Göransson, regarding a mutual period of notice of six months. In the event of notice being given by the Company, severance pay is payable for a further 18 months. The severance pay shall be considered to include payment for holidays and pension benefits. The severance pay is reduced by any amount Kerstin Lindberg Göransson may receive from other employment or through other activities.

Other senior executives within the Group have an agreed mutual period of notice of six months. In the event of notice being given by the Company, severance pay is payable for a further 12 months. Salary payable or remuneration for work performed during the time severance pay is received shall be set off on a krona-by-krona basis. Other information about salaries and remuneration can be seen in Note 10 on pages 78–79.

PERMITS AND REPORTING REQUIREMENTS

A number of facilities within the Group require a permit or need to be reported to a supervisory authority in order to be used. These facilities have been reported and applications for permits (as required) were submitted to the supervisory authorities concerned and have been granted. The facilities in question are: one facility for combustion technology research that requires a permit, and a number of facilities classified as subject to declaration with respect to energy production and sewer system.

SUSTAINABILITY REPORT

In accordance with Chapter 6, section 11 of the Swedish Annual Accounts Act, Akademiska Hus has chosen to prepare the statutory Sustainability Report as a separate report. The scope of the Sustainability Report, which also includes Akademiska Hus' sustainability report figures, is stated on page 102.

EVENTS AFTER THE YEAR-END

A sales agreement was signed with the Swedish University of Agricultural Sciences (SLU) for part of the property Ultuna 2:23. The buyer will take possession on 1 March 2019. The purchase price is SEK 355 million.

FUTURE DEVELOPMENTS

Akademiska Hus has a project portfolio with approved and planned investments of SEK 14.0 billion. The property portfolio is expected to increase in value by approximately SEK 6.5 billion over the next three years. Net operating income is expected to increase as new properties are completed, our streamlining initiatives make progress and economies of scale are leveraged. The good cash flow limits the need for new financing to approximately SEK 2.5 billion for the upcoming three-year period. Given the low interest rates, the interest coverage ratio is expected to remain strong.

Proposed allocation of unappropriated earnings

According to the owner's financial targets for Akademiska Hus, which were adopted at the Annual General Meeting on 28 April 2014, the dividend should amount to between 40 and 60 per cent of the net profit after tax, reversal of changes in value and related deferred tax. When deciding on a dividend, consideration should be given to the Group's capital structure. The equity ratio should be between 30 and 40 per cent and return on operating capital should be at least 6.5 per cent. The average yield on operating capital over five years was 6.4 per cent. Return on operating capital for 2018 was 5.5 per cent. At the end of 2018, the equity ratio was 45.8 per cent for the Group and 19.4 per cent for the Parent Company. After the proposed dividend, the equity ratio will be 44.8 per cent for the Group and 16.7 per cent for the Parent Company.

Available for allocation at the Annual General Meeting:

Retained earnings	SEK 912,820,348
Profit for the year	SEK 1,494,292,155
Total	SEK 2,407,112,503

The Board of Directors and the President propose that the profit be allocated in such a way that SEK 1,663,000,000 is paid to the shareholder and SEK 744,112,503 is carried forward. For details of the financial results and the financial position in general, reference can be made to the following financial statements.

The Annual General Meeting will be held on 29 April 2019 in Stockholm.

STATEMENT BY THE BOARD OF DIRECTORS PURSUANT TO SECTION 18, SUB-SECTION 4 OF THE COMPANIES ACT

The Board of Directors is of the opinion that the Company's liquidity can be maintained securely. On observance of the relationship between the Company's assets, liabilities and equity, and with due consideration given to profit forecasts and investment requirements as of this date, we believe that the proposed dividend is justifiable in the light of the demands that the nature, extent and risk of operations make on the level of equity. The proposed dividend is thus acceptable in the light of the Company's consolidation requirements, liquidity and position in general.

The dividend does not affect the Company's capacity to discharge its short-term and long-term obligations or to implement necessary investments. It is also the opinion of the Board of Directors that the Company's financial position, in the light of the proposed dividend, is secure for the creditors. Nor can the Board of Directors identify any other circumstances that indicate that the dividend ought not to be paid in accordance with the proposal presented by the Board of Directors. The proposed value transfer can thus be justified in the light of what is stated in Section 17, sub-section 3, paragraphs 2–3 of the Companies Act.

PROFIT USED AS A BASIS FOR CALCULATION OF DIVIDEND, SEK M

	Outcome consolidated results	Changes in value in the Group	Profit used for calculation of dividend
Income from property management	6,117		6,117
Property management expenses	-2,179		-2,179
NET OPERATING INCOME	3,938		3,938
Central administration costs	-78		-78
Net interest income/expense	-268		-268
PROFIT BEFORE CHANGES IN VALUE AND TAX	3,592		-3,592
Changes in value, properties	2,585	-2,585	-
Changes in value, financial instruments	-360	320	-40
PROFIT/LOSS BEFORE APPROPRIATIONS AND TAX	5,818	-2,265	3,552
Tax/current tax	-1,247	467	-780
Effect of changed tax rate	743	-743	-
PROFIT AFTER TAX	5,314	-2,541	2,772
Dividend, 60% of the profit available for the payment of a dividend			1,663

The dividend as decided at the Annual General Meeting held on 27 April 2018 was SEK 1,630 million.

Audit Report

To the General Meeting of Shareholders of Akademiska Hus AB, Corp. Id. No. 556459-9156

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 2018, with the exception of the Corporate Governance Report on pages 48-55. The annual accounts and consolidated accounts of the company are included on pages 37-95 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 2018 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 2018 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 48-55. 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.

Other disclosure

The audit of the annual accounts for the financial year 2017 has been performed by another auditor, who submitted an Auditor's Report on the 16 March 2018 with a non-modified opinion in the Report on the annual accounts and the consolidated accounts.

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.

Materiality

- Overall materiality: SEK 930 million, corresponding to 1% of the Group's total assets.
- Special materiality: SEK 190 million, 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.

Audit scope

Our audit is based a Group audit method. This means that our audit is focused on central business processes and the audit of investment properties from a Group perspective. The overall aim of the audit is to evaluate whether Akademiska Hus' Annual Report has been prepared in accordance with IFRS.

Key Audit Matters

- Valuation of Investment Properties
-

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.

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 2018, the value of the investment properties was SEK 85.9 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 27% 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 2018. 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.

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 102-115. 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. 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 2018 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. This description is a part of the Auditors' Report.

The auditor's examination of the corporate governance report

The Board of Directors is responsible for that the corporate governance statement on pages 48-55 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 27 April 2018 and has been the company's auditor since the 27 April 2018.

Stockholm, 15 March 2019
Öhrlings PricewaterhouseCoopers AB

Helena Ehrenborg
Authorised Public Accountant