Annual Report 2022

Flexible, attractive and environment-friendly office properties

entra

Content

This is Entra

Entra is a leading owner, manager and developer of office properties and owns a large portfolio of centrally located high-quality properties in the largest cities in Norway. Our business is characterised by solid tenants on long lease contracts and a high occupancy ratio. Entra's project development portfolio is the key driver for growth.

Sustainability is an integrated part of our business and environmental leadership has been part of our business strategy for many years. Technology has become a core focus area in Entra. We strive to be in the forefront in making use of new technology to develop new and enhanced products and services.

As a leading property owner and developer in the Norwegian market, we play an important role for the urban space in and around our property clusters. We seek to create a good atmosphere and secure surroundings in and around our buildings for the benefit of our tenants, visitors and others who live or pass through the area.

Mission

To create lively and sustainable workplaces facilitating job satisfaction and efficiency.

Vision

The most satisfied people work in Entra buildings.

Business idea

To develop, let and manage flexible, centrally located, environment-friendly buildings.

Business strategy

Based on three pillars: profitable growth, high customer satisfaction and environmental leadership.

Geographic focus

Oslo and the surrounding area, Bergen and Trondheim.

Core values

- Innovative
- Responsible
- Hands-on
- One team

2022 in summary

Project development

- Started up 28,000 sqm and completed 55,700 sqm of development projects
- 87,600 sqm under development at year-end

Investment activity

- Closed the Oslo Areal transaction adding 225,100 sqm
- Sold ten properties, totalling 70,200 sqm

Asset management

- Gross letting of 412 million (168,500 sqm), net letting of 56 million
- Portfolio occupancy of 96.5 per cent at year-end

Financial

Rental income
3 158 mill
2021: 2 508 mill (26%)

Net income from property management
1 603 mill
2021: 1 534 mill (5%)

Dividend per share
5.10
2021: 5.10 per share (0%)

EPRA NRV per share
207
2021: 218 (-5%)

EPRA LTV
52.5 %
2021: 40.6%

Rating
Baa1
Moody's credit rating

Non-financial

Area weighted customer satisfaction score of
84 vs. Industry average 83

Energy consumption
121 (123) kwh/sqm

Employee motivation/ engagement score of
78 vs. national benchmark GELx score of 73

EPRA Sustainability BPR
Gold

GHG intensity Scope 1 and 2
3.59 (4.00)
kg CO_2e / sqm

GRESB Score of
90 vs. GRESB average 74

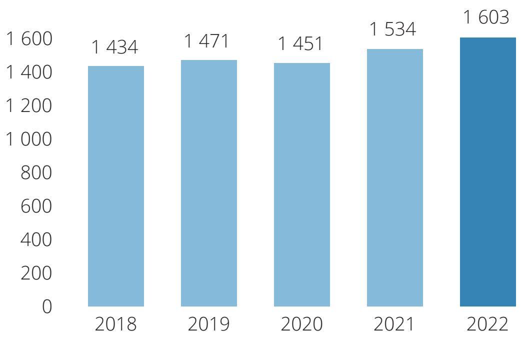
	2022	2021	2020	2019	2018
All amounts in NOK million					
Rental income	3 158	2 508	2 353	2 338	2 243
Change period-on-period	26%	7%	1%	4%	8%
Net operating income	2 895	2 274	2 142	2 149	2 058
Change period-on-period	27%	6%	0%	4%	8%
Net income from property management [1]	1 603	1 534	1 451	1 471	1 434
Change period-on-period	5%	6%	-1%	3%	14%
Net value changes	-2 046	5 264	5 705	1 955	1 486
Change period-on-period	-139%	-8%	192%	32%	-58%
Profit before tax	-467	6 825	7 274	3 735	3 073
Change period-on-period	-107%	-6%	95%	22%	-39%
Profit after tax	-569	5 373	5 696	3 225	2 735
Change period-on-period	-111%	-6%	77%	18%	-39%
Market value of the property portfolio [1]	78 571	67 547	56 746	48 964	45 630
Net nominal interest bearing debt [1]	40 578	26 594	20 930	19 585	18 941
EPRA LTV [1]	52.5%	40.6%	37.0%	40.2%	41.3%
Effective leverage [1]	50.1%	38.4%	36.4%	39.6%	40.5%
Interest coverage ratio [1]	2.48	3.68	3.50	3.35	3.56
Average outstanding shares (million)	182.1	182.1	182.1	182.4	183.6
All amounts in NOK per share					
EPRA NRV [1]	207	218	189	154	144
Change period-on-period	-5%	15%	23%	7%	10%
EPRA NTA [1]	205	216	187	153	142
Change period-on-period	-5%	15%	23%	8%	10%
EPRA Earnings [1]	6.45	6.07	5.73	5.81	5.59
Change period-on-period	6%	6%	-1%	4%	7%
Cash Earnings [1]	8.63	8.32	7.83	8.01	7.74
Change period-on-period	4%	6%	-2%	3%	14%
Dividend per share [2]	5.10	5.10	4.90	4.70	4.50
Change period-on-period	0%	4%	4%	4%	10%

1 See the section "Alternative performance measures" for calculation of the key figures.

2 Entra has a policy of semi-annual dividends. Dividend for 2022 constitute dividend approved and paid for the first half of 2022 and proposed dividend for the second half of 2022.

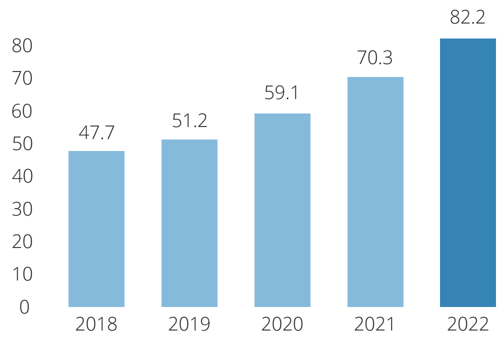
Net income from property management

NOKm



Total assets

NOKbn



Highlights in 2022

In the first quarter, Entra closed the acquisition of the Oslo Areal portfolio of 17 office properties of which 15 are centrally located in Oslo and two in Sandvika just outside Oslo. The property portfolio totalled 225,100 sqm and has a significant development potential.

Entra sold its 50 per cent stake in Hinna Park Eiendom AS, a property company holding four properties located at Hinna Park outside Stavanger and one property located in Stavanger city centre.

During the first quarter, Entra started a refurbishment project in Vahls gate 1-3 nearby Oslo Central Station in Oslo. The property is 14,900 sqm and is 100 per cent pre-let. Expected completion is in the second quarter of 2023, and the property aims for a BREEAM In-Use Excellent certification. The property is estimated to be refurbished at a yield-on-cost of 4.3 per cent.

Entra started a redevelopment project in Kongens gate 87 in Trondheim. The property is 7,100 sqm and is 86 per cent pre-let. Expected completion is in the second quarter of 2023, and the property aims for a BREEAM In-Use Very Good certification. The property is redeveloped at an estimated yield-on-cost of 5.6 per cent.

In the second quarter, Entra sold the property Borkenveien 1-3 in Sandvika, with a lettable area of 6,670 sqm, for 87 million.

During the third quarter, Entra finalised the redevelopment of St. Olavs plass 5 at Tullin in Central Oslo. The property is 16,500 sqm and was developed at a yield-on-cost of 4.9 per cent. The property was 95 per cent let upon completion and is certified BREEAM-NOR Very Good. St. Olavs plass 5 won the award for "Transformation project of the year" by Oslo Metropolitan Area in 2022.

Entra started a refurbishment project at Brattørkaia 13 B in Trondheim. The property is 6,000 sqm and is currently 97 per cent pre-let. Expected completion is during the first half of 2023, and the property aims for a BREEAM In-Use Excellent certification. The property will be redeveloped at an estimated yield-on-cost of 5.0 per cent.

During the fourth quarter, Entra finalised the redevelopment of Tordenskiolds gate 12 in Oslo Central Business District. The property is 13,000 sqm and was developed at a yield-on-cost of 4.8 per cent. The property was 92 per cent let upon completion and will be certified BREEAM In-Use Very Good.

Entra finalised the new-build project Nygårdsgaten 91 and 93 in central Bergen. The property is 12,000 sqm and was developed at a yield-on-cost of 6.0 per cent. The property was 92 per cent let upon completion and will be certified BREEAM-NOR Excellent.

Entra finalised the redevelopment project in Møllendalsveien 6-8 in Bergen. The property is 14,200 sqm and was developed at a yield-on-cost of 5.4 per cent. The property was 95 per cent let upon completion and will be certified BREEAM In-Use Excellent.

Entra sold Sørkedalsveien 6, Karenslyst Allé 8 A and B in Oslo, and Konggata 51 in Drammen, totalling 34,000 sqm for a total transaction value of 1.9 billion. The divestment of Konggata 51 and Karenslyst Allé 8 A and B closed in December, and Sørkedalsveien 6 will be closed in June 2023.

Letter from the CEO

Steady course through turbulent times

We were only just about to leave the pandemic behind before geopolitical tension and Russia's invasion of Ukraine pushed the world further into a whirlwind of inflation and subsequent interest rate hikes. This has clearly had significant impact on the financing and property transaction markets, and subsequently on property valuations. The Norwegian economy however remains solid and holds up well, also benefitting from higher energy prices. The letting market was very strong in 2022 and market rents were up by more than 10 per cent in Oslo where more than 70 per cent of Entra's property values are located. As a result of both the pandemic and rapidly rising construction costs, the new build activity has been, and continue to be very limited in Norway. This has led to low vacancies and very limited supply, which is expected to benefit the letting market also in the years to come.

Through these turbulent times we have learned the importance of being agile and able to adapt quickly to changing market conditions. During the pandemic this meant navigating in a world where health and safety was on the top of the agenda and where the impact of extensive home office use on future office demand was being questioned. Somewhat further down the road there are no signs that the trend of increased flexibility has influenced the net demand for office space in Norway. On the contrary, there seem to be consensus that the office needs to be the place for building culture, sharing knowledge, and participating in social activities with a clear purpose of building company loyalty. However, we clearly see an increased focus on how to program the office space to support innovation, collaboration and hybrid working. The office has become a more strategic tool for organizational development, and interest for our tenant advisory services on workplace strategies has clearly increased. This also provides us with valuable insights in changing customer demands.

In 2022, we worked with our five Nordic partner banks to secure future debt maturities and to manage the effects of increasing interest rates. The stability of our business, quality of our assets and solidity of our customers really stands out in more challenging times and as of year-end we had secured a total of 6.7 billion of unutilised credit facilities and cash, securing all debt maturities the next 18 months or all bond maturities the next 3.5 years.

In the beginning of 2022, we closed the acquisition of the Oslo Areal portfolio, containing 17 large properties located in Entra's clusters and with an inherent significant development potential. The Entra team again proved its ability to execute on large tasks together, efficiently taking over property management and administration and crystalizing the synergies from this transaction. The 13.6 billion Oslo Areal transaction increased our debt level above our long-term target of having a loan to value below 50 per cent. Consequently, we have an ongoing divestment program and during 2022 we sold properties for 3.3 billion. We will continue to sell some non-strategic assets in 2023.

We continue to increase the quality of our portfolio and to develop new and redevelop our existing assets. In 2022, we finalised four significant projects that has been developed under challenging market conditions with Covid restrictions, supply-chain constraints and increasing construction costs. We are therefore very proud to see that we were able to deliver also these projects according to plan and at attractive returns. After finalizing the redevelopment of St. Olavs plass 5 we have completed the development of the Tullin quarter, and we are pleased to see that Entra has contributed significantly to transforming the area into a lively and vibrant part of Oslo. Tordenskiolds gate 12 has been redeveloped into a high-end Oslo CBD property housing a top tier law firm, and in Bergen we have completed a high-quality newbuild project in Nygårdsgaten 91 and 93 and the redevelopment of Møllendalsveien 6-8.

Consequently, 2022 was a year of strong top line growth for Entra. Our rental income grew by 26 per cent, strongly affected by the acquisitions but also because of finalised projects and solid letting activities. Net income from property management was however only up by five per cent because of higher financial costs due to increased debt and higher interest rates. November CPI used to adjust Entra's leases came in at 6.5 per cent and is rolled into Entra's rental income from January 2023. All Entra properties are valued on a quarterly basis by two external valuers. As a result of increased return requirements due to higher cost of financing the book value of the property portfolio has been written down by 6.5 per cent since peak valuation in the first quarter of 2022.

We diligently continue our work to prevent and mitigate the effects of climate change. Environmental leadership has been one of our strategic pillars for 15 years and is already reflected in the environmental qualities of our portfolio. Our overarching target is to become Net Zero Carbon by 2030. We have set concrete and measurable yearly reduction targets for the management portfolio, our development projects as well as our own organization and we have clear guidelines for how we can influence and set requirements for our stakeholders. In 2022 we gained deeper insight into our Scope 3 emissions, and we have set targets for future life cycle emissions in our development projects. On the social side, we continue our important focus on health and safety, ethics, integrity and human rights throughout the value chain. We also encourage and support initiatives focusing on including the less fortunate in our neighborhoods through our collaboration with the Church City Mission and other initiatives promoting job inclusion.

I am very proud of the Entra team and its ability to adapt and handle the rapid, extensive, and unforeseen changes we have experienced over the last years. We continue to have a steady course through changing market conditions, and our three strategic pillars of delivering profitable growth, high customer satisfaction and environmental leadership stand firm. Our portfolio of centrally located assets, with high-quality tenants on long leases remains very attractive and provides stability. Combined with the capabilities, agility, and enthusiasm in the Entra team we are well positioned to meet both future challenges and opportunities.

We continue to have a steady course through changing market conditions, and our three strategic pillars of delivering profitable growth, high customer satisfaction and environmental leadership stand firm.

Oslo, 2 March 2023

Sonja Horn
Chief Executive of Entra ASA

Management

	Sonja Horn	Anders Olstad	Kjetil Hoff
Position	*CEO*	*CFO and Deputy CEO*	*COO*
Born	1973	1967	1977
Nationality	Norwegian	Norwegian	Norwegian
Gender	Female	Male	Male
With Entra since	2013	2015	2014
Shareholding in Entra	46,721	75,236	11,119
Education	MSc in Business ("Siviløkonom") from BI Norwegian Business school	MBA with distinction from INSEAD, MSc from the Royal Norwegian Naval Academy, as well as studies at the Norwegian Business School (BI) and the Law faculty at the University in Bergen	MSc in Business ("Siviløkonom") from the Norwegian School of Economics (NHH)
Prior positions	EVP Property Management in Entra, Director and SVP Real Estate Asset Management at Statoil Fuel & Retail (now Circle K), transaction advisor and partner with Union Norsk Næringsmegling, Head of Large Corporate Accounts with Fokus Bank, Director of Commercial Real Estate at Fokus Kreditt and client account manager with Sparebankenes Kredittselskap (now DnB)	CFO at Helly Hansen, Relacom, Hurtigruten, and Lindorff. Before that, he held the position as Director of Business Development at B.Skaugen, consultant with McKinsey & Company and various positions in the Norwegian Armed Forces	Previously Head of Investments in Entra, Head of Asset Management in Asset Buyout Partners, corporate finance advisor SpareBank 1 SR-Markets, business developer in OBOS, management consultant in Accenture

			
Per Ola Ulseth	Carine Blyverket	Kristine Hilberg	Hallgeir Østrem
EVP Project Development	*EVP Market and Business Development*	*EVP HR and Communication*	*EVP Legal and Procurement*
1966	1986	1972	1967
Norweegian	Norwegian	Norwegian	Norwegian
Male	Female	Female	Male
2018	2020	2013	2013
12,878	0	8,042	16,622
MSc from the Norwegian University of Science and Technology (NTNU), Executive leadership programme from IMD Lausanne, Switzerland	MSc Leadership and Organisational psychology from BI Norwegian Business school	Master in HR Management Griffith University, Studies in Business Administration from BI Norwegian Business school, Bachelor Biomedical Laboratory Sciences from Norwegian University of Science and Technlogy (NTNU)	Law degree (Cand.jur) from the University of Bergen
Director Projects in Rambøll Norway,Technical Director and Excecutive Vice President in Skanska Norway. Project and technology management from amongst other WSP, ODA (The Organisation Development Alliance) and Veidekke	Previously head of Business Development in Entra, Head of Modern Workplace in KPMG, management consulting and strategic advisor, business development in Microsoft	Senior Advisor HR Schneider Electric, HR Manager Areva, Senior Account Executive Abbott Diagnostics, Senior Biomedical Laboratory Scientist at Ullevål University Hospital	Lawyer and partner with Advokatfirmaet Schjødt, lawyer with OBOS and senior legal advisor with the municipality of Florø

The business

Entra is the largest investment alternative offering investors Oslo-focused, high quality office exposure. As of year-end, 81 per cent of the Company's management portfolio is located on central transportation hubs in the Greater Oslo region.

Entra offers investors superior cash flow with 56 per cent of rental income from AAA credit rated public tenants, and a weighted average unexpired lease term (WAULT) of 6.3 years as of year end 2022. The management portfolio has had a consistently high occupancy rate, currently at 96.5 per cent. Entra's operational platform and service organisation has consistently given the company high rankings in the annual public Norwegian Tenant Index ranking of Norwegian landlords. Entra is exposed to a solid Norwegian economy supported by strong public funding and a property market with low office vacancy rates and expectations for continued rental growth.

The value of Entra's property portfolio as of 31 December 2022 was 78.6 billion, and the company's EPRA NRV was NOK 207 per share. The net yield on Entra's portfolio was estimated to 4.30 per cent.

Sustainability is fundamental to Entra's strategy and has been so for more than 15 years. Efforts are focused on areas where Entra can have the greatest impact.

- Environmental leadership is one of Entra's three strategic pillars, and its Net Zero Carbon strategy is set to contribute to the world's carbon reduction targets whilst also focusing on the use of natural resources and circularity.
- To operate Entra's business and value chain in an ethical and sustainable manner is of key strategic importance and seen as a prerequisite for our license to operate.
- Growing social value, health, safety and wellbeing in the company's properties, clusters and communities is important and sensible from both a social and financial perspective.
- Through investing in its culture and people, Entra continues to improve its business and competitive edge, as well as being able to seize the opportunities emerging in its business environment.

Vision

Entra's vision "The most satisfied people work in Entra buildings" has extended Entra's definition of customers to include all the people working in Entra buildings. Broadening the customer definition from around 550 tenants to more than 60,000 users of Entra buildings provides new opportunities and has extended our strategic positioning and how we interact with our customers.

Strategy

Profitable growth

Rental income was up by 26 per cent to 3,158 million (2,508 million) in 2022. The growth was strongly influenced by the acquisition of the Oslo Areal portfolio that was closed in January 2022, but also from finalised development projects and solid net letting. Net income from property management was up by five per cent to 1,603 million (1,534 million), affected by higher financing costs from more debt and higher interest rates.
Net value changes were negative 2,046 million (positive 5,263 million), and profit before tax was negative 467 million (positive 6,825 million) in 2022.

Entra's strategy is built around the following three focus areas

Profitable growth + Customer satisfaction + Environmental leadership

Entra signed new and renegotiated leases with annual rent totalling 412 million (168,500 sqm) in 2022, and the occupancy ratio was 96.5 per cent (97.8 per cent) at year-end.

Profitable project development has always been the company's major lever for growth, and Entra and its project development organisation has a proven track record of completing attractive new-build and redevelopment projects. In 2022, Entra finalised three redevelopment projects and one newbuild project, totalling 55,700 sqm. During 2022, Entra also started three development projects, and the portfolio of ongoing projects as of 31 December 2022 consisted of six projects totalling 87,600 sqm.

Despite challenging market conditions, Entra has throughout 2022 demonstrated its ability to secure external debt capital on attractive terms. At year end, Entra had a solid balance sheet with an EPRA LTV of 52.5 per cent, 6.7 billion in available liquidity and a Baa1 credit rating from Moody's. The average, nominal interest rate of the debt portfolio was 3.7 per cent (2.3 per cent) as of 31 December.

Entra's dividend policy is to distribute approximately 60 per cent of Cash Earnings to its shareholders. The board of Entra propose to distribute a semi-annual dividend of NOK 2.50 per share for the second half of 2022. Entra's total dividend for 2022 will then be NOK 5.10 per share, corresponding to 59 per cent of Cash Earnings, compared to NOK 5.10 per share for 2021.

Customer satisfaction

One of Entra's goals is to provide the best customer experience. Entra takes full responsibility for property management in its properties and has a dedicated customer service centre to provide consistent and timely follow-up of enquiries. Entra works actively on maintaining good relationships with its tenants to achieve high customer satisfaction and to maximize lease renewal rates. The Norwegian Tenant Index is used to measure customer satisfaction. In 2022, Entra again achieved a high area weighted customer satisfaction score of 84 versus an industry average of 83. The customer centre contributes to increasing customer satisfaction and forms the foundation for efficient management of properties.

Entra targets early engagement with its existing tenants ahead of their lease maturities and works together with its tenants to design workspace that meets their current needs and future requirements. Adopting to and making use of new technology has become a core priority in Entra.

Environmental leadership

Environmental leadership is one of Entra's three strategic pillars, and Entra has over the last decades developed a corporate culture with a strong environmental focus throughout the entire value chain. The strategy of environmental leadership has become well-known among Entra's stakeholders and also contributes to attract the best and most competent employees.

Entra is committed to contribute to the transition towards a low carbon society, and the overarching target is to become a Net Zero Carbon company within 2030, according to the definitions and targets set out by the World Green Building Council. This is an ambitious target that needs focused work to reduce both direct and indirect emissions throughout the entire value chain.

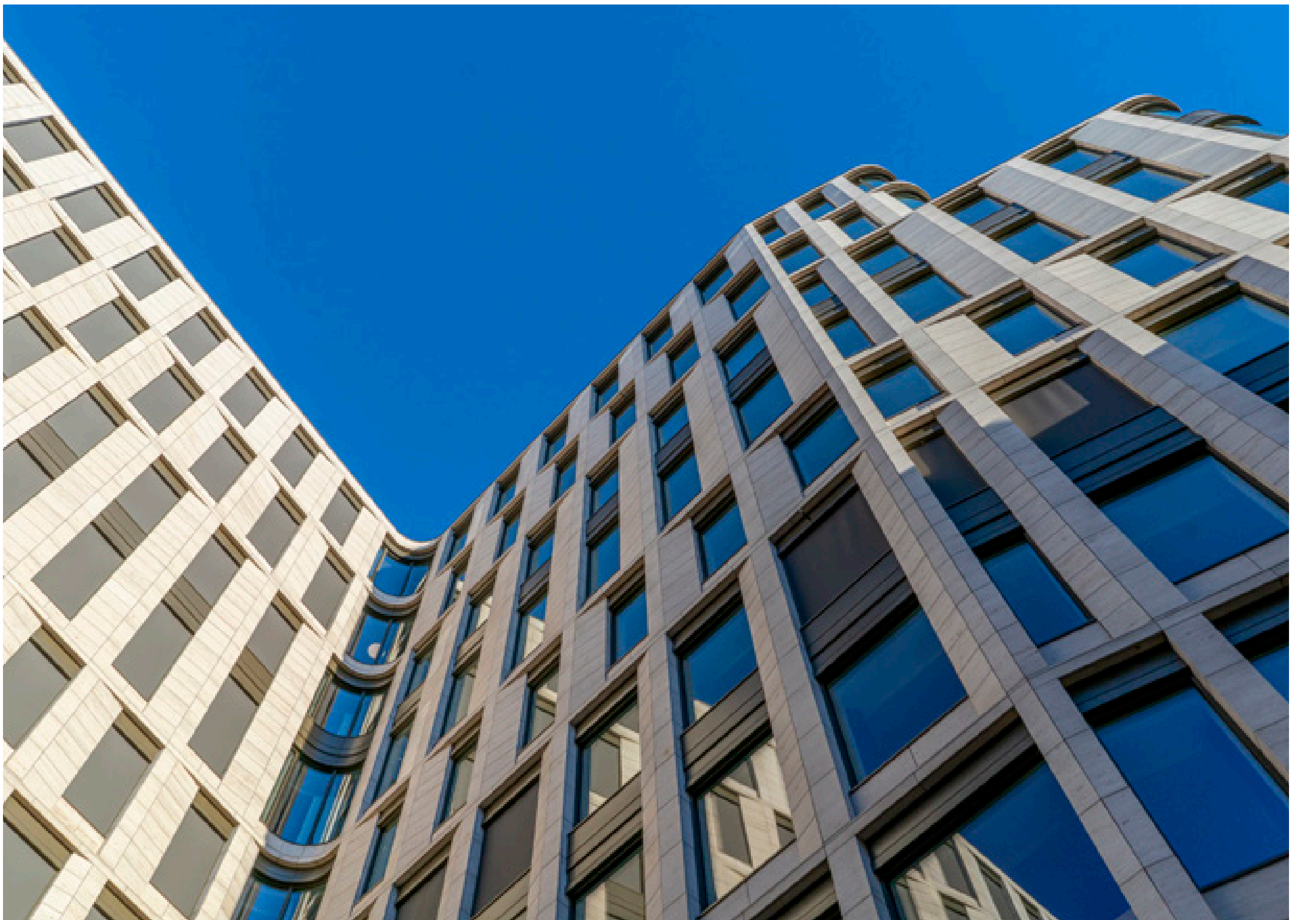
To reach this target, Entra has developed an environmental strategy with a 360° approach, which includes targets and strategies for 1) the property portfolio and property management, 2) the development projects, 3) the organisation, and 4) the company's stakeholders.

For many years, Entra has had a strong focus on reducing energy consumption in its portfolio. Through several measures of varying scope Entra has managed to reduce the energy consumption of its management properties from 202 kwh/sqm in 2011 to 121 kWh/sqm in 2022. Energy consumption constitutes some 67 per cent of Entra's CO_2 footprint. By 2030, Entra has an ambition to reduce emissions in its management portfolio by at least 70 per cent, from a 2015 baseline, as part of the strategy to become Net Zero Carbon.

Entra has set high environmental ambitions for all its development projects. By 2030, Entra targets to reduce life cycle emissions from development projects by 80 per cent. According to Entra's environment strategy, new-build projects shall be certified BREEAM-NOR Excellent or better and refurbishment/redevelopment projects shall be certified BREEAM-NOR Very Good or better. Entra also seek to BREEAM In-use certify a large portion of its management properties. Approximately 74 per cent of the rental income and 77 per cent of the property values in the portfolio come from properties that either are BREEAM certified or are in process of being BREEAM certified.

To provide insight for our stakeholders, we submit response to the Global Real Estate Sustainability Benchmark (GRESB), and we achieved Green Star status with a total score of 90 in 2022.

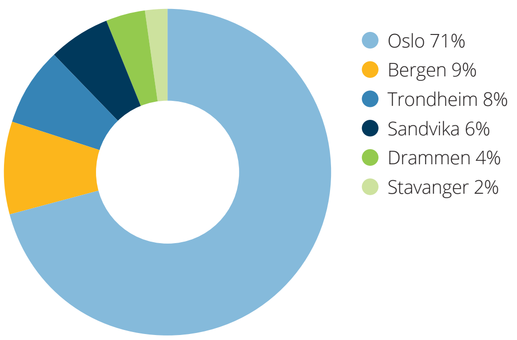
For a further description of Entra's ESG strategy and achievements, see the separate section on ESG which is included in this annual report.

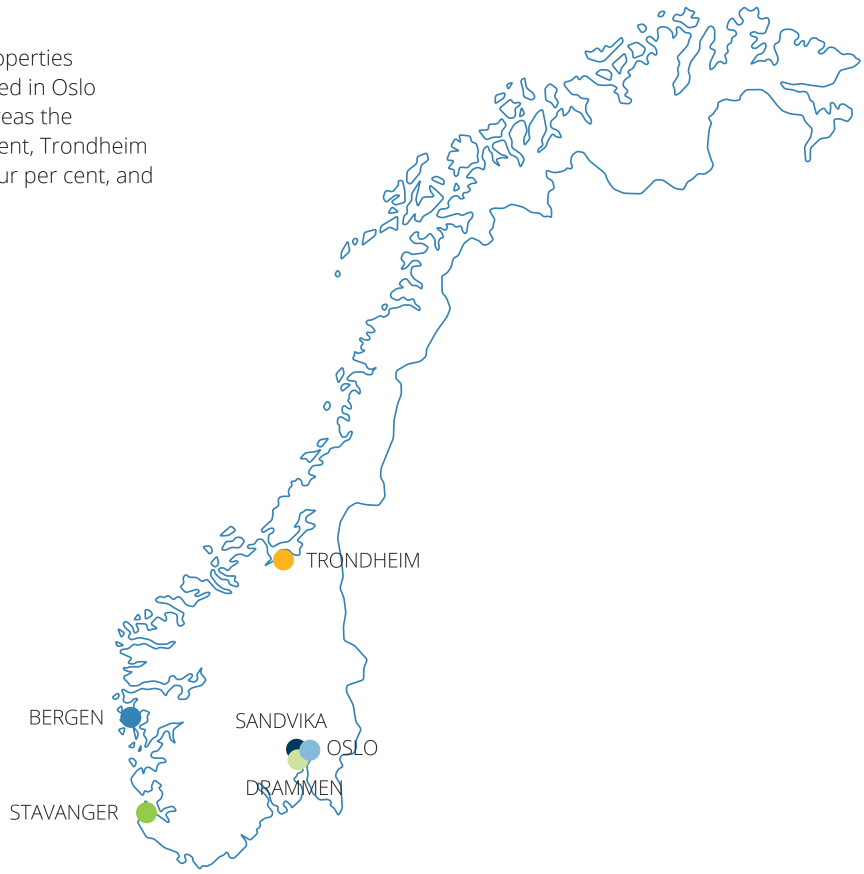


The property portfolio

Geographic exposure

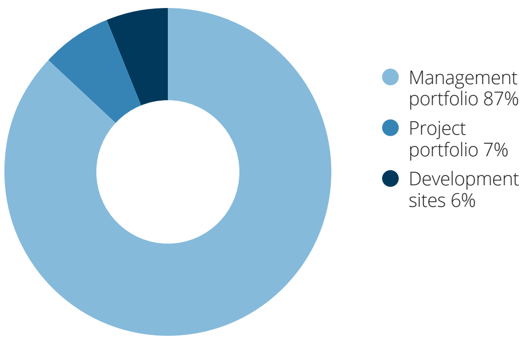
As of 31 December 2022, Entra's management properties (i.e., not including the development projects) located in Oslo constitute 71 per cent of the portfolio values whereas the properties located in Bergen constitute nine per cent, Trondheim eight per cent, Sandvika six per cent, Drammen four per cent, and Stavanger two per cent.



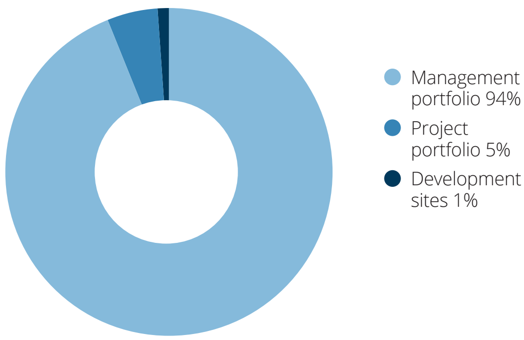


As of 31 December 2022, Entra's property portfolio comprised 102 assets, and the market value of the portfolio was 78.6 billion. A full list of the properties can be found on pages 202 to 204.

Portfolio by area



Portfolio by value



Property management

The management portfolio

Entra's management portfolio consists of 91 buildings with a total area of approximately 1.4 million square metres. As of 31 December 2022, the management portfolio had a market value of 74.0 billion (60.1 billion), and the occupancy rate was 96.5 per cent (97.8 per cent). The weighted average unexpired terms for the Group's leases were 6.1 years (6.8) for the management portfolio and 6.3 years (7.1) when the project portfolio is included. Entra focuses the portfolio on the largest cities in Norway: Oslo and the surrounding region, Bergen and Trondheim.

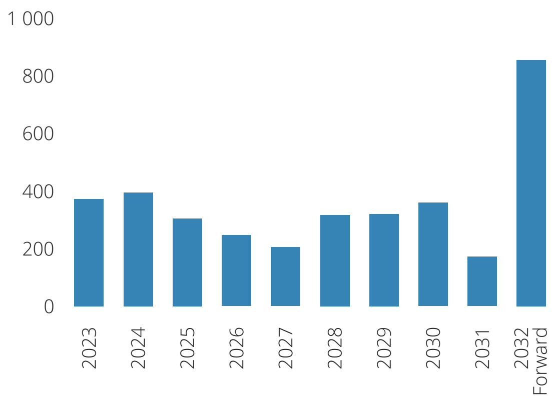
All of Entra's properties are valued by two external appraisers (Cushman & Wakefield Realkapital and Newsec) every quarter. The market value of the portfolio in Entra's balance sheet is based on the average of the appraisers' valuation. Valuation of the management portfolio is performed on a property-by-property basis, using individual DCF models and taking into account the property's current characteristics combined with the external appraiser's estimated required rate of return and expectations on future market development.

The market value is defined as the external appraiser's estimated transaction value of the individual properties on valuation date. The project portfolio and development sites are valued based on the same principles, but with deduction for remaining investments and perceived risk as of valuation date. Unzoned land is valued based on the appraisers' assumptions on the market value of the land using the best estimate on the risks associated with the zoning and development processes.

Year-on-year, the portfolio net yield increased from 4.24 to 4.30 per cent. The 12 months rolling rent increased from NOK 2,282 per square meter to NOK 2,450 per square meter, whereas the portfolio market rent has increased from NOK 2,332 per square meter to NOK 2,555 per square meter.

Maturity profile of the management portfolio

(NOKm)



	Properties	Area	Occupancy	Wault	Market value		12 months rolling rent		Net yield [1]	Market rent	
	#	sqm	%	year	NOKm	NOK/sqm	NOKm	NOK/sqm	%	NOKm	NOK/sqm
Oslo	52	846 196	96.1	6.1	52 683	62 259	2 270	2 683	4.01	2 422	2 862
Bergen	10	141 951	96.4	4.6	6 931	48 824	332	2 336	4.37	368	2 593
Trondheim	10	152 190	97.1	5.6	5 591	36 735	322	2 119	5.39	301	1 979
Sandvika	10	132 785	98.3	6.2	4 612	34 729	264	1 985	5.42	244	1 837
Drammen	7	68 660	95.8	9.3	2 591	37 734	139	2 019	4.97	131	1 901
Stavanger	2	54 216	99.4	7.6	1 567	28 905	94	1 739	5.46	101	1 862
Management portfolio	**91**	**1 395 998**	**96.5**	**6.1**	**73 974**	**52 990**	**3 421**	**2 450**	**4.30**	**3 567**	**2 555**
Project portfolio	8	110 040		10.0	4 031	36 636					
Development sites	3	89 587		0.5	566	6 315					
Property portfolio	**102**	**1 595 625**		**6.3**	**78 571**	**49 242**					

[1] See the section "Definitions". The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 31.12.22 is 6.7 per cent of market rent.

Letting and letting market

The letting market

The activity level in the Oslo letting market has been strong, and there has been a broad and robust growth in market rents in recent years, and particularly in 2022 where market rents grew by more than 10 per cent. According to Entra's Consensus report, the Oslo office vacancy is expected to increase slightly in the coming years, although from low levels. The combination of low vacancy and low new-build volumes give room for continued market rental growth in the years to come although at a slower pace than seen over the last years.

In Bergen, the overall office vacancy is currently around eight per cent and six per cent in the city centre. The activity level in the letting market is high, and there is limited supply and solid demand for modern premises in the city centre.

The Trondheim market has seen a strong development in the recent years. Vacancy in Trondheim is now around six per cent. Rent levels in Central Trondheim have increased by around 10 per cent over the last two years.

Market data Oslo

	2020	2021	2022	2023e	2024e	2025e
Vacancy Oslo, incl. Fornebu and Lysaker (%)	6.8	6.8	5.6	5.8	6.0	6.4
Rent per sqm, high standard Oslo office (NOK)	3 544	3 600	3 965	4 083	4 167	4 237
Prime yield (%)	3.3	3.3	3.9	4.1	4.0	4.0

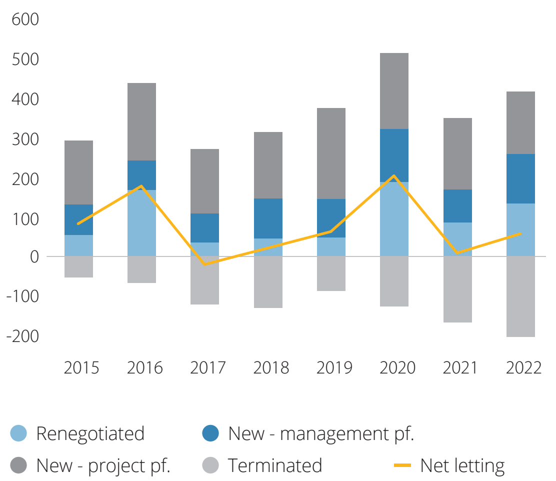
Source: Entra Consensus report, Q4 2022.

Letting activity in 2022

Entra's gross letting in 2022 including renegotiated contracts was 412 million, and lease contracts with a total value of 202 million were terminated. Net letting, defined as new lease contracts plus lease-up on renegotiated contracts less terminated contracts, came in at 56 million.

Net letting

(NOKm)



The largest contracts signed in 2022 were:

- New 8-year lease contract with Amedia for 10,300 sqm in Schweigaards gate 15 in Oslo
- New 20-year lease contract with Norwegian Broadcasting Corporation (NRK) for 9,600 sqm in Holtermanns veg 1-13 phase 3 in Trondheim
- New and renegotiated 7-year lease contract with a public tenant for 9,300 sqm in Langkaia 1 in Oslo
- New 10-year lease contract with a private tenant for 5,900 sqm in Nedre Vollgate 11 in Oslo
- Renegotiated 5-year lease contract with Manpower for 4,900 sqm in Lakkegata 51 in Oslo
- New 10-year lease contract with Sopra Steria for 4,000 sqm in Stenersgata 1 in Oslo

Occupancy in Entra's portfolio was 96.5 per cent on 31 December 2022 compared to 97.8 per cent on 31 December 2021. The occupancy level was highest in Stavanger at 99.4 per cent and lowest in Drammen with 95.8 per cent.

Tenants and tenant structure

Entra's tenant base comprises mainly of public sector and high-quality private tenants on long-term leases. At year-end 2022, public sector tenants accounted for 56 per cent of total contractual rent. As of 31 December 2022, the management properties had around 550 tenants, and the 20 largest tenants' share of Entra's rental income represented 45 per cent.

The following table sets out Entra's 20 largest tenants as of 31 December 2022.

Tenant	% of total rent	Public sector
Norwegian Tax Administration	4.1%	●
Municipality of Oslo	3.7%	●
The Norwegian Defence	2.9%	●
Sopra Steria	2.8%	
Norconsult	2.8%	
Rebel U2	2.7%	
The Norwegian Labour and Welfare Administration	2.6%	●
The National Library	2.6%	●
The Norwegian Police	2.3%	●
University of Oslo	2.2%	●
The Norwegian Public Roads Administration	2.2%	●
The Norwegian Enviroment Agency	1.9%	●
Municipality of Bærum	1.6%	●
Amedia	1.6%	
Municipality of Trondheim	1.5%	●
The Norwegian Courts Administration	1.5%	●
KPMG	1.5%	
University of South-Eastern Norway	1.4%	●
Norway Post	1.4%	●
Schjødt	1.4%	
Total top 20	**44.8%**	

Projects and property development

The main growth and value lever for Entra stems from property and project development, and the company normally has 5-10 per cent of the portfolio in project development. During 2021 and also into 2022, the share of assets in project development increased to 10-15 per cent. Entra has considerable expertise and experience in zoning, planning, building and redevelopment of office properties. In 2023, the project development volume will be back at normalised levels.

Projects completed in 2022

St. Olavs plass 5, Oslo
At St. Olavs plass 5, near Tullinkvartalet in Oslo, Entra finalised the redevelopment of a 16,500 sqm office property. At completion, the property was 98 per cent let and is certified BREEAM-NOR Very Good.

Tordenskiolds gate 12, Oslo
In the middle of Oslo's central business district, Entra finalised the redevelopment of Tordenskiolds gate 12. The property is 13,000 sqm and was 92 per cent let at completion. The property will be certified BREEAM In-Use Excellent.

Nygårdsgaten 91 and 93, Bergen
Entra finalised a new-build project in Nygårdsgaten 91 and 93 in Central Bergen. The property is 11,900 sqm and was 85 per cent let at completion. The property will be certified BREEAM-NOR Excellent.

Møllendalsveien 6-8, Bergen
Entra finalised the second phase of the redevelopment of 14,200 sqm in Møllendalsveien 6-8 in Bergen. The project was 95 per cent let at completion and has been redeveloped in two phases. The first phase was completed in Q4 2021. The property will be certified BREEAM In-Use Excellent.

Portfolio of ongoing projects

As of 31 December 2022, Entra had six ongoing development projects exceeding 100 million, with total project area of 87,600 sqm. These projects are presented below. A full list of the project properties can be found at the back of this report.

	Location	BREEAM-NOR/ BREEAM In-Use	Completion	Project area	Occu-pancy	Total project cost [1]	Of which accrued [1]	Yield-on-cost [2]
				sqm	%	NOKm	NOKm	%
Redevelopment								
Stenersgata 1	Oslo	Very good	Q3-23	15 800	79	1 316	1 020	4.5
Schweigaards gate 15	Oslo	Very good	Q2-23/Q1-24	22 900	83	1 422	1 088	4.8
Kongens gate 87	Trondheim	Excellent	Q2-23	7 100	86	261	216	5.6
Newbuild								
Holtermanns veg 1-13 phase 2	Trondheim	Excellent	Q2-23	20 900	61	703	594	5.8
Refurbishment								
Vahls gate 1-3	Oslo	Excellent	Q2-23	14 900	100	753	655	4.3
Brattørkaia 13B	Trondheim	Excellent	Q1-23/Q2-23	6 000	97	248	139	5.0
Total				**87 600**	**82** [3]	**4 703**	**3 711**	

1 Total project cost (including book value at date of investment decision/cost of land), excluding capitalised interest cost.
2 Estimated net rent (fully let) at completion/total project cost (including cost of land).
3 Weighted average occupancy of the project portfolio.

Stenersgata 1, Oslo
Entra is redeveloping 15,800 sqm in Stenersgata 1 in Oslo. This is the first phase of the redevelopment project. The project is 79 per cent pre-let and will be finalised in Q3 2023.

Schweigaards gate 15, Oslo
Schweigaards gate 15 is a 22,900 sqm office building located near the Oslo Central Station. The project is 83 per cent pre-let and will be finalised partly in Q2 2023 and partly in Q1 2024.

Kongens gate 87, Trondheim
In Trondheim, Entra is redeveloping 7,100 sqm Kongens gate 87. The project is 86 per cent pre-let and will be finalised in Q2 2023.

Holtermanns veg 1-13, phase 2, Trondheim
In Holtermanns veg 1-13 in Trondheim, Entra is constructing a 20,900 sqm office building. This is the second of three planned buildings totaling 48,000 sqm. The project is 61 per cent pre-let and will be finalised in Q2 2023.

Vahls gate 1-3, Oslo
In Vahls gate 1-3 nearby Oslo Central Station, Entra is refurbishing a 14,900 sqm office building. The project is 100 per cent pre-let and will be finalised in Q2 2023.

Brattørkaia 13B, Trondheim
In Trondheim, Entra is also redeveloping 6,000 sqm in Brattørkaia 13B. The project is 97 per cent pre-let and will be finalised in 1H 2023.

Development sites and project pipeline

Entra's portfolio of development sites contains properties with zoned development potential, but where no project start decision has been made. As of 31 December 2022, Entra had three development sites with a total area of 89,587 sqm. A list of the properties with defined land and development potential can be found at the end of this report. Entra continuously works to develop and extend the area in its existing portfolio.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Transactions and transaction market

Transaction market

The recent year's market volatility caused by geopolitical tension, high inflation and increasing interest rates slowed down the property transaction market, after a relatively active first half of 2022. The underlying interest for centrally located office properties particularly with value-add potential has however remained strong also through the last half of 2022. Total transaction volume in 2022 in Norway ended up around 100 billion, compared to the record high level of 160 billion in 2021.

There are signs of reduced inflation pressure, and if this trend persists, it should reduce uncertainty, take financing costs down and possibly bring back the activity levels in the transaction market. According to Entra's consensus report, prime yield in Oslo is currently at around 3.9 per cent and is expected to top out at around 4 per cent.

The new construction volume has been, and is expected to be, limited going forward due to market uncertainty combined with increased construction costs during recent years.

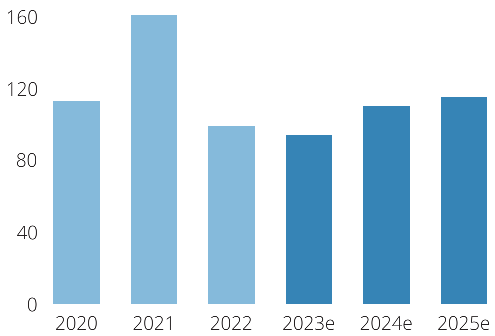
Year-on-year growth in the November CPI, used to adjust most of Entra's leases, came in at 5.1 per cent in 2021 (with effect from 1 January 2022) and 6.5 per cent in 2022 (with effect on rental income from 1 January 2023).

Transactions

Entra actively seeks to improve the quality of its property portfolio, also through active asset rotation. The investment strategy involves attractive properties and development projects in specific areas within its four core markets: Oslo and the surrounding region, Bergen and Trondheim. Targeted locations include both areas in the city centers and selected clusters on public transportation hubs outside the city centers, allowing Entra to offer rental opportunities at price ranges that fit its customer base. Entra also sells mature assets with limited potential and assets that fall outside its investment and cluster strategy. Entra's experience, financial strength and knowledge of its tenants makes the company well positioned to make transactions that meets these criteria. The investment strategy is flexible, allowing Entra to adapt to feedback from customers and market changes, and to create and respond to market opportunities as they arise.

Transaction volume Norway

NOKm



Source: Entra Consensus report, Q4 2022.

Transactions in 2021–2022

	Area	Transaction quarter	No of sqm	Transaction value (NOKm)	Closing quarter
Acquired properties					
Oslo Areal portfolio	Oslo	Q4 2021	225 100	13 550	Q1 2022
Universitetsgata 11 (Hotel Savoy)	Oslo	Q3 2021	5 550	185	Q3 2021
16.7% of Oslo S Utvikling	Oslo	Q2 2021	-	475	Q3 2021
Lars Hilles gate 19	Bergen	Q2 2021	5 900	298	Q2 2021
Fyrstikkalléen 1	Oslo	Q2 2021	39 640	2 399	Q2 2021
Kanalpiren (through 50% owned Hinna Park Eiendom)	Stavanger	Q1 2021	25 900	375	Q2 2021
Møllendalsveien 1A	Bergen	Q1 2021	5 800	208	Q2 2021
Lagårdsveien 6	Stavanger	Q1 2021	13 600	126	Q1 2021
Total			**321 490**	**17 616**	
Divested properties					
Borkenveien 1-3	Sandvika	Q3 2021	6 670	87	Q2 2022
Hinna Park Eiendom	Stavanger	Q1 2022	116 000	1 297	Q1 2022
Nytorget 1 (sold to 50% owned Hinna Park Eiendom)	Stavanger	Q2 2021	5 150	92	Q2 2021
Tollbodallmenningen 2A	Bergen	Q1 2021	1 800	40	Q1 2021
Karenslyst allé 8 A and B	Oslo	Q4 2022	8 600	530	Q4 2022
Konggata 51	Drammen	Q4 2022	3 600	130	Q4 2022
Sørkedalsveien 6	Oslo	Q4 2022	21 850	1 230	Q2 2023
Total			**163 670**	**3 406**	

Partly-owned companies

The vast majority of Entra's assets and development projects are wholly owned. In addition, Entra selectively gains access to properties and development projects through ownership in certain partly-owned subsidiaries and jointly controlled entities. Entra's ownership interests currently include the following companies:

Papirbredden Eiendom (60%)
Entra and Drammen Kommune Eiendomsutvikling own Papirbredden Eiendom. The company owns six properties totalling 61,100 sqm and a future development potential of 60,000 sqm in Drammen.

Entra OPF Utvikling AS (50%)
Entra and Oslo Pensjonsforsikring (OPF) own Entra OPF Utvikling. The company owns two office properties totalling 59,800 sqm in Bergen. The company is consolidated in the Group's financial statements as Entra has a controlling vote on the Board of Directors.

Oslo S Utvikling AS "OSU" (50%)
Oslo S Utvikling is a property development company that undertakes primarily residential development in Bjørvika in Oslo's CBD East.

Rebel U2 AS (50%)
Rebel U2 is the operator of the technology hub in Universitetsgata 2 in Oslo. The company offers full-service solutions, flexible and short-term leases, co-working facilities as well as conference and event activity.

Galleri Oslo Invest (33.3%)
Galleri Oslo Invest is a joint venture with the two other owners of Schweigaards gate 6-14 in Oslo ("Galleri Oslo"). The company owns and manages 10.6 per cent of the property.

Financing

The Group's financing is diversified between bank and capital market instruments. The nominal interest-bearing debt of 40,804 million as of year-end has a diversified maturity structure, with an average time to maturity of 4.3 years (6.1 years). As a general principle, Entra's financing is based on a negative pledge of the Group's assets that enables a broad and flexible financing mix. Entra has strong banking relationships, and currently has significant business activities with five of the top six Nordic banks. Further, Entra has a strong presence in the Norwegian debt capital market and is among the largest issuers in Norwegian kroner.

During the year, Entra's nominal interest-bearing debt increased by 13.9 billion to 40.8 billion (26.9 billion). The increase in interest-bearing debt was mainly due to the acquisition of the Oslo Areal portfolio that was closed in January 2022. The change in interest-bearing debt comprised a decrease in bond and commercial financing of 2.3 billion and 0.6 billion, respectively, and an increase in bank financing of 16.8 billion.

The capital markets funding as of 31 December 2022 consisted of bonds and commercial paper outstanding of 17,541 million (19,886 million) and 820 million (1,400 million), respectively, which accounted for 45 per cent of total interest-bearing debt.

Bank funding of 22,443 million (5,617 million) represents the remaining part of the financing mix. The Group's bank facilities are mainly revolving credit facilities at the ultimate parent company, which enable active and flexible liquidity management by adjusting the facilities according to any ongoing cash needs or surplus. The Group's liquid assets amounted to 226 million (309 million) as of 31 December 2022. Net nominal interest-bearing debt after deduction of liquid assets was 40,578 million (26,594 million). In addition, the Group had committed unutilised credit facilities totalling 6,460 million (8,830 million).

Entra has access to "green financing" from debt investors, banks and other financial institutions, and 45 per cent of Entra's funding was "green" on 31 December 2022. Entra is well positioned to utilise this conditional and favourable capital source, as the development and management portfolio mainly consists of environment-friendly and BREEAM certified properties. Entra is established as a high-quality Green Bond issuer and has since 2016 issued thirteen Green Bonds with a total outstanding nominal amount of 15,546 million. CICERO (Norway's foremost institute for interdisciplinary climate research) has certified the Green Bond Framework with the rating Dark Shade of Green, which is the best rating possible.

Maturity profile and composition of interest-bearing debt

Maturity profile	0-1 yrs	1-2 yrs	2-3 yrs	3-4 yrs	4+ yrs	Total	%
Commercial papers (NOKm)	820	-	-	-	-	820	2
Bonds (NOKm)	1 579	924	1 600	4 029	9 409	17 541	43
Bank loans (NOKm)	-	6 580	5 500	7 470	2 893	22 443	55
Total (NOKm)	**2 399**	**7 504**	**7 100**	**11 499**	**12 302**	**40 804**	**100**
Unutilised credit facilities (NOKm)	**-**	**180**	**-**	**6 280**	**-**	**6 460**	
Unutilised credit facilities (%)	-	3	-	97	-	100	

Interest rates and maturity structure

The Group's average interest rate as of 31 December 2022 was 3.70 per cent (2.25 per cent). The change in average interest rate mainly stems from higher market interest rates. The average effective interest rate of the debt portfolio at year-end was 3.83 per cent. The effective interest rate is higher than the nominal interest rate mainly due to bond issuances below par value.

As of 31 December 2022, Entra's portfolio of fixed interest rate hedges had a total volume of 22.3 billion (16.9 billion) and an average term to maturity of 4.7 years (4.8 years). 49 per cent (47 per cent) of the Group's debt financing was hedged at a fixed interest rate as at year-end with a weighted average maturity for the total debt portfolio of 2.6 years (3.1 years). As of 31 December 2022, credit margins for the debt portfolio had a weighted average fixed term of 2.3 years (3.7 years).

The Group manages interest rate risk through floating-to-fixed interest rate swaps and fixed rate bonds. The table below shows the maturity profile and contribution from these fixed rate instruments, as well as the maturity profile for credit margins on debt.

	Fixed rate instruments [2]		Forward starting swaps [3]			Average credit margin	
	Amount (NOKm)	Interest rate (%)	Amount	Interest rate (%)	Tenor (years)	Amount (NOKm)	Credit margin (%)
<1 year	745	2.81	7 000	2.18	6.5	15 402	1.24
1-2 years	1 300	2.40				1 744	0.89
2-3 years	4 100	2.37	1 400	2.51	7.0	5 600	0.91
3-4 years	3 839	1.92				6 149	0.56
4-5 years	1 050	2.10				2 094	0.86
5-6 years	1 000	0.92				2 000	0.84
6-7 years	1 400	1.54				3 400	0.49
7-8 years	400	5.63				3 915	0.58
8-9 years	100	1.75				500	0.85
9-10 years	0	0.00				0	0.00
>10 years	0	0.00				0	0.00
Total	**13 934**	**2.15**	**8 400**	**2.23**	**6.6**	**40 804**	**0.91**

1 Average reference rate (Nibor) is 3.12 per cent as of the reporting date.

2 Excluding forward starting swaps and credit margins on fixed rate bonds (credit margins are displayed in the table to the right).

3 The table displays future starting point, notional principle amount, average fixed rate and tenor for forward starting swaps.

Investment grade

Entra has a strong investment grade credit rating assigned by Moody's at Baa1 with Negative Outlook. According to the latest credit opinion, Entra's Baa1 long-term issuer rating reflects (1) its position as the largest office property company in Norway; (2) its leadership position in office properties in attractive locations on the fringes of the central business district (CBD) in Oslo; (3) its modern, high-quality property portfolio; (4) a clear, well-defined strategy to focus on offices in Norway's largest cities and government tenants; (5) the large exposure to highly creditworthy governments and public tenants with very long-dated average lease maturities and consistently high occupancy rates across all cities; and (6) good liquidity and a high unencumbered asset ratio.

The Moody's Baa1 rating contributes to a strong credit availability for Entra in domestic and international debt capital markets and enables Entra to maintain its debt maturity profile.

Financing policy and status

The Group has adopted a conservative financial strategy that secures financial flexibility throughout an economic cycle. In this respect, Entra's financial profile is characterised by a diversified debt maturity and an ample liquidity position. Entra targets a loan-to-value ratio which shall be below 50 per cent over time. The Group's loan-to-value ratio, measured by EPRA LTV, as at 31 December 2022 was 52.5 per cent, up from 40.6 per cent at year-end 2021. The increase in the loan-to-value ratio is mainly due to the acquisition of Oslo Areal and by the decreased property valuations. The company has during 2022 initiated a divestment program to bring the loan-to-value ratio well below 50 per cent. The interest coverage ratio decreased to 2.48 in 2022 from 3.68 in 2021.

The Group manages financial risk in accordance with a framework included in the financial policy. The main financial risks, in addition to financial leverage referred to above, are interest rate risk, financing and liquidity risk. The Group's financial policy is revised at least on an annual basis.

Financial risk	31.12.2022	Internal financial policy	Financial covenant
Financial leverage			
EPRA Loan-to-value (LTV)	52.5%	Below 50 per cent over time	Below 75 per cent
Financing risk			
Financing commitments next 12m	269%	Min. 100%	N/A
Average time to maturity (debt)	4.3 years	Min. 3 years	N/A
Debt maturities <12 months	6%	Max. 30%	N/A
Interest rate risk			
Interest coverage ratio (ICR)	2.48x	Min. 1.8x	Min 1.4x
Average time to maturity of interest rate hedge portfolio	4.7 years	N/A	N/A
Average interest rate hedge maturity of the Group's debt portfolio	2.6 years	2-6 years	N/A
Maturity of hedges <12 months	51%	Max 60%	N/A
Credit risk / currency exposure			
Counterpart's credit rating	Fulfilled	Min. A-/A3	N/A
Share of debt per counterparty	Fulfilled	Max. 40%	N/A
Currency exposure	Fulfilled	0	N/A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Risk management

Through owning, developing, and managing properties, Entra is exposed to various risks that may affect the Group's ability to achieve its overall strategic targets and goals. Entra works continuously and in a structured manner to identify, monitor and manage these risks. The Group's risk management takes place through a structured analysis and decision-making process with the aim of creating a balance between the desire to limit uncertainty or risk and the task of creating growth and shareholder value.

Risk management aims to balance risk mitigation and achieving defined objectives. To be able to estimate the effect of identified risks, an internal risk matrix is made where each individual risk is assessed, both from the perspective of effect and probability. The following 12 identified risks are viewed as the most important for the company to manage going forward.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Access to and pricing of financing Responsible: - CFO	A reduction in access to financing could weaken the company's global credit rating from Moody's, refinancing possibilities, and ability to finance new investments. In such a situation, the company could be exposed to an increase in financing costs which would weaken the underlying result, debt service ability and dividend capacity. Greater risk aversion in financial markets could limit access to financing and weaken investor interest in the sector. Non-compliance with environmental regulations can increase cost of financing.	The development in the company's financing needs, ability and costs is monitored on a continuous basis and reported quarterly in business reviews in order to ensure that the financing operation supports the overall business strategy. We maintain strong relations with five of the top six Nordic banks and participants in the debt capital market. We maintain a diversified financing structure with a balanced maturity profile and financing mix in order to ensure stable and predictable access to capital with higher share of bank funding during 2022 due to the acquisition of Oslo Areal. Entra established, and has kept, an official global, and a strong investment grade, credit rating Baa1 with stable Outlook from Moody's in 2018. It was changed to Baa1 with Negative Outlook in July 2022. The rating contributes to a significant increase in credit availability and has over the years enabled Entra to extend and enhance its debt maturity profile. We have committed, unutilised revolving credit facilities in order to secure financing of debt maturities due in at least the next 12 months as well as interesting investment opportunities. We limit interest rate risk through interest rate hedges and by issuing fixed rate bonds. We monitor closely, and act upon, any new regulations in the bank and debt capital market with respect to possible implications for the company's future financing. We carry out Bream-In-Use certification climate reporting on projects, technical mapping of climate risks of the properties in the portfolio.	The market for commercial real estate financing has been difficult during the entire 2022 even though the first months of 2023 have shown signs of improvement in terms of availability in funding and more attractive pricing. Funding costs have risen significantly. The acquisition of Oslo Areal in 2022 and yield expansion has brought the LTV up to above 50 per cent. However, this is manageable in light of Entra's high-quality assets with limited residual risk combined with a very strong tenant mix on long WAULTs and with a targeted disposal program to bring the LTV down. We believe that Entra will be an attractive borrower in the coming period based on the company's predictable cash flow, strong tenant base, low leverage and solid global credit rating. Increased focus on EU Taxonomy and increasing reporting requirements on environmental track record and ambitions.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Health, Safety & Environment Responsible: - EVP Project development	Entra's HSE policy states that "it shall be safe to work, visit and stay in and around Entra's properties and building projects". There is an inherent risk that Entra's own employees, tenants in Entra's buildings and workers on Entra's construction sites may be injured due to Entra's activities.	Entra's employees receive HSE training according to the "Entra school", which covers statutory requirements and Entra's HSE policy. HSE training. As part of this, all new employees are given HSE training and an introduction to Entra's HSE management systems. Entra has an open, clear and systema tic HSE communication; and HSE is a topic at all board, top management, and employee meetings . Entra has HSE management systems to ensure that we comply with HSE requirements and internal routines - Entra has implemented HSE working routines to reduce HSE risk, both in construction projects and in property management. - Entra's HSE management system is accessible by all employees, and by external parties when required. - Incidents are reported both on construction sites and in our management portfolio, and HSE reports are actively used to identify and mitigate areas of risk. - Continuous efforts are made to ensure a strong HSE focus with Entra's partners and suppliers. - Audits are performed on selected construction projects and suppliers, most often with a particular scope. Entra continuously focuses on enhancing the safety culture in the organization. Entra's HSE Manager represents property developers in the managing committee for an industrywide HSE system.	Covid-19 affected all Entra's business areas in the beginning of 2022. Infection control measures according to legislation and recommendations from the government and local public administrations were implemented throughout the Covid-19 pandemic, The national Covid regulations were lifted in February 2022, upon which Entra's covid-rules also were removed. The ordinary HSE work has progressed as normal throughout the year. There is focus on identifying and avoiding unwanted incidents on all levels of Entra. Severe incidents are followed up and investigated to ensure both learning and future avoidance. Entra has had very high construction activity through 2022 following the start of several new development projects. The increased project portfolio has also led to Entra expanding its base of contractors to include companies without a proven track record of working with Entra's HSE policies. This has increased the HSE risk in the project portfolio and required more attention from Entra HSE personnel. To reduce the risk of injuries at the construction sites, special attention has been given to HSE planning in the 'early phase' of the projects before start-up at the construction site.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Development in value of property Responsible: - CFO	All assets in Entra's property portfolio are valued every quarter by two external appraisers. A substantial negative development in the property value will affect both the profit and loss account through unrealised changes in value and through an increase in key metrrics like the loan-to-value ratio (LTV). A too high LTV could have negative effects on Entra's cost of capital, access to capital and shareholders' interest and attention. Regulatory changes as well as large fluctuations in energy costs could potentially affect the valuation of assets.	We continuously monitor the market and follow up the risk quarterly through active dialogue with the external appraisers. We work continuously on portfolio optimization and risk mitigation in relation to geography, letting profile, segment, and "strategic fit". We focus on risk reducing measures in the portfolio, including rent levels, lease lengths, counter party risk, occupancy ratios, and the overall quality of the portfolio. We have an objective to keep LTV below 50 per cent over time, and we regularly simulate different negative scenarios in the market, which could affect the market value of Entra. We focus on sustainability, including when appropriate to maintain and upgrade older properties rather than redevelop. We continuously work to upgrade the property portfolio to comply with new environmental regulations. Further, we focus on environmental impact in a holistic perspective, rather than limited to scope 1 and 2.	Entra's property portfolio has increased in value substantially in recent years, mainly as a result of lower yield requirements but also as a result of ongoing project completion and the signing of new and renegotiated leases. During 2022, yields have expanded causing negative value changes on Entras property portfolio. It cannot be outruled that we will see further negative value changes in 2023. Increased focus on holistic sustainability requirements and cradle to grave perspectives with potential implications on construction costs. Implementation of EU taxonomy and other regulatory sustainability frameworks might further differentiate valuation of assets.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Occupancy ratio Responsible: - COO	The occupancy ratio in the management portfolio affects Entra's bottom line through rental income and operating costs. It relates mainly to lease expiries and to what extent we are able to renegotiate with existing tenants. In addition, projects completed with vacant space will affect the occupancy ratio. In the long term, the occupancy ratio is also affected by how flexible and adaptable our buildings are to changes in customer demand. The pre-let occupancy ratio in development projects is a key measure for indicating the level of risk Entra takes when making investment decisions. Fluctuating energy cost in combination with high CPI adjustments on leases may increase tenant focus on total cost of letting and may have adverse effect on rent levels and on tenant appetite for less energy efficient buildings.	The occupancy ratio in the management portfolio and ongoing projects are important key metrics in all external and internal reporting. Vacancies and market opportunities are monitored on a continuous basis. Expiring lease contracts in the next four years, and the probability of renegotiation, are evaluated and reported quarterly. The largest customer accounts are followed up with separate "key account strategies". For all major leases that expire during the next four years, we focus on early involvement and broad contact with the relevant customers to identify future needs, flexibility related to increased/reduced space, and finding optimal ways for the tenant to organise their workplace. In all ongoing development projects, dedicated letting teams are established, consisting of letting, property, and project resources. The letting teams work to ensure an optimised design and solution for the relevant building to attract new tenants. The pre-let occupancy ratio in projects is followed up continuously and reported externally every quarter. In the planning of future development projects, a separate early phase strategy is prepared to secure a flexible asset and attractive product independent of longterm workspace trends. Here, we combine market and customer knowledge with construction and operational expertise. We are in regular contact with potential and existing tenants for direct customer insight, sharing relevant research, experience and analyses to better understand future workplace requirements and how to adapt our product offering. We continuously monitor energy efficiency and work with the tenants to reduce their energy consumption and thus energy costs.	↑ The demand for offices, particularly in Oslo, has been strong through 2022, primarily driven by employment growth. With a changing macro environment and market sentiment, as well as cost increases on several levels, tenants have an increased focus on costs and, in times of uncertainty, may also choose to postpone decisions on new office. At the same time, limited start of new office projects, particularly in Oslo, during the last two years, has a balancing effects on reduced demand. The occupancy rate in the management portfolio during 2022 has been consistently high and in line with historical averages for Entra, but somewhat lower than in 2021. Major leases expiring in the coming years could affect the occupancy ratio negatively, more unfavorable market fundamentals represent a risk of increasing vacancies. Entra started several new projects in 2021 to be completed in Q4 2022 and in 2023 with varying degrees of pre-let occupancy. During the first months of 2023, most of the assets under development are close to fully let, thus reducing the occupancy risk. Tenants are more conscious on how to use the office post-pandemic and are to a larger extent considering new workplace strategies and thereby also are more open to move their office. This may impact the occupancy negatively on forthcoming negotiations but also provide opportunities stemming from tenants currently renting space from other real estate companies.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Customer satisfaction Responsible: - COO	Customer satisfaction affects Entra in different ways. A consistently high level of customer satisfaction over time reduces the risk that tenants will move out. A high level of customer satisfaction is considered a competitive advantage when attracting new tenants, allowing us to focus on other value drivers than price.	Customer satisfaction is measured annually through the Norwegian Tenant Index and is recorded and tracked on individual tenant level. This index is used by a majority of the real estate sector and enables us to benchmark Entra against competitors. The survey is a good tool to identify areas for improvement and, if applicable, areas where we perform worse than our competitors. Based on results from the customer satisfaction survey, we make action plans on how to further improve customer satisfaction on a portfolio level as well on single tenant level where required. We carry out regular "customer journeys" together with our large customers to evaluate our product offering and identify areas of improvement. Large customers are followed up through "key account strategies", detailing how we systematically interact and work together with the customer and strengthen the relationship. We aim to continuously develop our product and service offering to meet customer expectations.	In recent years, Entra has had a persistent high level on the customer satisfaction index. At the end of 2022, the score was 85 points. A customer satisfaction score of 80 or higher is considered to be satisfactory across all industries. Entra has been above this level for eight consecutive years, which supports that our systematic work on customer satisfaction is well established in the company's culture. We experience more demanding customers with increased service requirements. We also see both new and existing players in the real estate sector targeting our prime customers offering new concepts and services. We believe that customer expectations will further increase in the post-pandemic, hybrid work environment, and product and service offering will be of even greater importance going forward. Through a continued strong customer focus in the entire organization and solid deliveries in our extended service offering, we regard the risk of customer satisfaction moving below the targets we have set as low.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Project profitability Responsible: - EVP Project Development	Entra uses the net present value method to determine if a project is profitable using a discount rate that reflects the individual risk profile of the project. Project profitability is assessed continuously in relation to changes in financial key metrics such as yield-on-cost and occupancy rate. Profitability is measured and reported against assumptions made at the time of the investment decision. Investments are also affected by several external factors that are outside the company's control, such as CPI growth, interest rate levels, changes in currency exchange rates, taxes and duties. Sustainable performance may influence cost of financing, project profitability and tenant demand.	A thorough risk assessment is performed before any investments are made. To reduce vacancy risk, it is required that a substantial part of the property is pre-let before project commencement. Pre-let requirements is assessed based on a combination of market outlook, demand/supply in relevant micro location and aggregate vacancy risk in the property portfolio. Working with a main contractor on a fixed price contract, including extensive use of turnkey construction contracts, enhances the quality of the project and reduces the risk of cost and time overruns. Through the pandemic, the use of local suppliers and materials has increased reducing dependence on global sourcing and transportation. Use of internal project managers to secure ownership, strong project management and key risk focus throughout the entire project. Financial metrics, quality and progress are closely monitored and reported on a regular basis for all ongoing projects. We hold regular meetings with the contractors to proactively identify and mitigate risk on all turnkey projects. Marketing strategies and letting plans are established for known vacancies before project start. These are continuously reviewed and updated during the project development phase. ESG targets, budget and performance are included in the project investment decision processes. We assess climate performance from new technology. All ongoing projects risk assessments are done in cooperation with construction companies and project suppliers to substitute materials based on production in Ukraine and Russia. This has mainly influenced the sourcing of wood and steel materials.	Higher return requirement stemming from higher cost of funding and equity return expectations will make project investments less profitable. During 2021 and 2022, there has been a significant increase in construction costs mainly driven by increased cost of energy and materials. Stricter Norwegian regulations for hiring skilled workers, launched in 2022, will put further upward pressure on construction cost. Possibly decreasing order backlogs for construction companies may slow down further cost increases. A more uncertain economic outlook and increasing cost focus amongst tenants may affect the demand and willingness to pay the rents required to start new projects. Tenant demand may change from long leases to more flexible lease contracts in a more uncertain market environment, increasing income risk/project cost and affecting project profitability. Several projects are likely to be multi-user buildings giving increased flexibility in respect of future reletting of buildings. Experience indicates that this increases complexity, potential cost and schedule overruns, and potential vacancy in the first years of operation.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Build and retain critical competence Responsible: - EVP HR and Communication	The risk that Entra does not maintain the expected personnel quality and capacity on critical deliveries within the company's core business.	The development and management of competence is an integral part of the business strategy. We have initiated measures on recruitment to attract relevant talent and applicants with future-oriented competence. We work systematically with talent development and succession planning. We follow up employees with individual plans to develop competence and career development, including, but limited to, the "Entra School". Our employees participate in profes-sional networks and participate on external courses. We conduct an annual employee sur-vey, and regular, shorter status surveys of the employees' well-being in a more flexible and hybrid workplace during the year, to measure the engagement and satisfaction of employees and make action plans where required. We benchmark and assess compensa-tion and benefits to ensure that we are competitive. We have put in place measures on making the office an attractive workplace and build organization culture post Covid-19. We have established strategic ESG measures in all people and business areas and continue to gain insight and drive engagement on sustainability with communication on goals, achievements and best practice.	In general, very high employment growth rate and low unemployment following the rebound of the economy post Covid-19, is expected to cool down in the coming period. There is still a high level of activity in the real estate sector and a strong competition for talent and attractive candidates, but a strong employer brand and active measures to retain talents and critical competence has reduced the turnover rate in Entra significantly in 2022 compared to last year. Entra still experience a competitive advantage in the recruitment of new employees due to a strong ESG employer brand, however, a sustai-nable workplace is more becoming a hygiene factor in the recruitment of talents.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Investment strategy Responsible: - CFO	Acquisition and divestments of assets, including portfolio rotation, is an important tool to achieve Entra's objectives. Particular risk factors identified include: - Diversification, including geographic, sector and type - Timing of transactions in relation to economic cycles and the life-cycle of the individual property - Access to development sites and property for development - Technical errors and incorrect assumption in valuations and investment calculations - Matters that are not revealed or overlooked in due diligence - Poor decision-making processes, including a lack of objectivity, an incorrect agenda/incentives, "group thinking", the degree of risk appetite, and inadequate expertise	Our key employees have long experience from M&A combined with commercial real estate market knowledge. We evaluate each investment case by reference to strategy, risk and profitability. This is done at several levels, including the CFO unit, Entra's investment committee, executive management, and Board of Directors. We review capital return requirement with the board at least annually, but more often with changes in the under lying macro and risk sentiment. We thoroughly scrutinize and verify assumptions in the investment model by different external and internal pro-fessionals. Financial models are always reviewed by at least two people. All investments exceeding 150 million must be approved by the Board of Directors.	To strengthen the balance sheet, Entra is in the process of divesting selected assets from its portfolio. Four assets with a total book value of 1.9 billion were divested in December, and further assets will be divested in 2023. With expanding yields and increased cost of debt, many transactions in the market were stopped during the last half of 2022 due to a gap between buyers and sellers price expectations. Entra has, however, managed to divest its assets at values around book values.

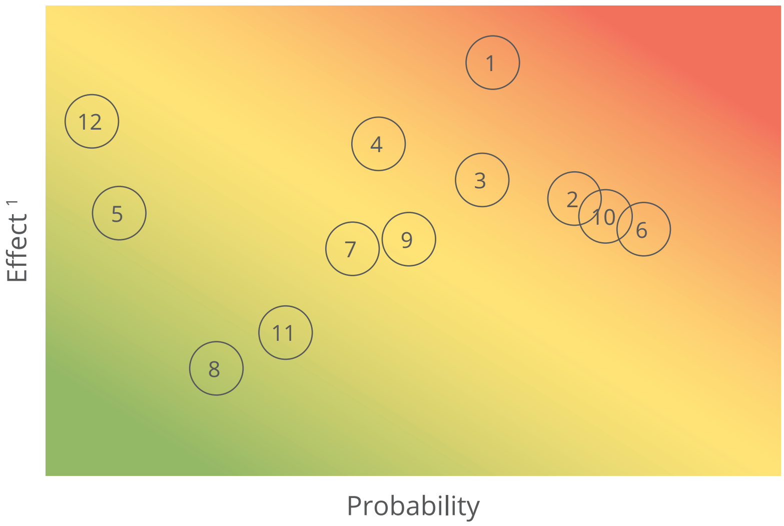
Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Compliance Responsible: - Chief Compliance Officer	Compliance is a compilation of Entra's specific assessment of risk factors within the compliance area. Entra's key risk factors within compliance are viewed to be the following: - Corruption and financial crime - Ethics - Social responsibility - Personal data protection - Insider rules - Information security	Risk assessment, monitoring, and follow-up is an integral part of Entra's operations on all levels, including the Board of directors, that discuss compliance risk on a regular basis. Entra has a structured plan to follow up each key compliance risk, including, but not limited to, the following: Corruption and financial crime: - E-training program - Purchase and invoice controls - External and internal whistle blower channel Ethics: - Dilemma training - External and internal whistle blower channel Social responsibility: - Socially responsible purchasing - Procurement policy - Supplier controls - Human Rights Policy Personal data protection: - Data processing agreements - Establishment and follow-up of internal routines - E-training program - Focus on GDPR Insider rules	The overall compliance risk is perceived to be unchanged during 2022. GDPR has led to a potentially higher impact on risk through fines on companies that are not compliant with the regulations. Management and the Board of Directors have, however, worked diligently during 2018-2022 to ensure that the company is compliant regarding GDPR.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Information/ cyber security Responsible: - COO	Information security risk includes the threats that an external or internal attacker exploits vulnerability in Entra's ICT systems, processes, building technology systems or applications in order to cause harm to the company and/or users of the company's systems. Information security risk deals with the requirement for reliability and security in relation to the transfer and storage of information, including, but not limited to: - Cyber security that covers securing information that are vulnerable via access from ICT systems - ICT security that covers securing information and communications technology in relation to confidentiality, integrity and availability.	We focus on security and employees' knowledge and attitudes, including training of all of Entra's employees. To increase focus and improve understanding of ICT threats, nanolearning (short, internet-based learning sessions) are implemented for all employees. We use suppliers with certifications that focus on security. We have outsourced the operational part of ICT security to one of Norway's top-of-class companies. We regularly carry out analyses of critical systems related to the operation of our buildings and the company. Vital systems are connected to the external ICT security company's platform and fire wall. We use a third party provider to carry out audits and testing of actual security on systems and users. We continuously close identified security gaps. We have implemented an information security management system (ISMS). As part of this, we define an annual security activity plan, and the roles CISO (chief information security officer) and ISM (information security manager) have been established. Entra has acquired a cyber security insurance with a global insurance company to reduce financial risk and have the recourse necessary if a serious incident occurs.	↑ We have on a global scale observed an increased cyber crime activity over the past years. The National Cyber Security Center (NCSC) reported an increase in specifically ransomware towards Norwegian companies in 2021. This trend has continued in 2022, and NCSC reports that they have registered record high attempted attacks toward Norwegian businesses. After Russia's invasion of Ukraine, cyber attacks have increased from already high 2021 levels, particularly for denial-of-service attacks. Ransomware, where company data is threatened to be auctioned off unless ransom is paid, has become a widespread threat. Virtual currencies increase the efficiency for attackers in ransom situations. Increased and more sophisticated use of phishing and CEO fraud is increasing in scope and is also noticeable in Entra; this requires more competent end users. In the post-pandemic hybrid work life, working from outside the office is more common, which increases the attack surface. Entra's buildings are becoming more technologically sophisticated, and new technology represents a possible increased security risk.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Climate related risk Responsible: - CFO	We consider short-, medium- and long-term time horizons to be 0-3, 3-10 and 10+ years respectively. Herein, we recognise that climate-related issues tend to manifest themselves over the medium to long term and that our properties have a life-time of many decades. Regulatory changes imposed resulting from climate related risks are highly relevant and are monitored closely. Increased severity of extreme weather events such as storms and floods is a long-term risk. Property values constitutes most of Entra's balance sheet, and potential physical damage to property values could be severe. Damage to third party equipment and installations may lead to increased insurance cost and/or reduced customer satisfaction. Lagging behind with regards to new technology is a risk facing every company today on many levels, also climate related. Failure to comply and adapt to climate related matters is also a significant reputation risk which could result in e.g., lack of tenant interest, higher cost of capital in the financial market, and lack of ability to attract or retain talent. Also, not handling the company's corporate social responsibilities in an informed and appropriate matter is a reputation risk, whereas the opposite is an opportunity.	Entra's buildings are well maintained, and we build and refurbish buildings to higher standards than current regulation demand. All newbuilds and major redevelopment projects are certified according to BREEAM-NOR, and we continue to certify our management portfolio according to BREEAM-In-Use. We map consequences and probabilities of all properties regarding physical climate risk to assess the risk and gain the ability to prioritise and implement adequate mitigating measures. We observe that green buildings get higher valuations, slightly higher letting price per sqm, that we believe will be a stronger trend going forward, and green financing is more favorable than traditional financing. We invest in new technology and methods for producing more energy of our own, and we actively seek to use technology to make our buildings smarter and greener. Technology is driving changes in how we work and has an impact on the space we occupy. We actively work to reduce the CO_2 consumption in our portfolio, and KPIs within energy efficiency and waste disposal are included in the scorecard for determining variable pay for all employees in Entra. The location of Entra's properties is not seen as particularly exposed to flooding. Damage to property from e.g., heavy rain is an integral part of risk management on individual asset level. When establishing outdoor facade scaffolding and weather protection superstructure for buildings, we focus on safe and "extreme weather" robust solutions. We engage in industry campaigns to build internal competence and enhance qualification processes for suppliers. The EU Taxonomy provides a methodology and standards for measuring and classifying the assets in our portfolio. Entra will, when setting the new targets for its environmental strategy, to a large extent base this on the EU Taxonomy and follow up accordingly.	Increased premium on insurance due to a general increase in both number of incidents and the cost of each incident. While the gross risk related to climate has increased, Entra has invested significantly in process improvements and technologies to reduce the physical climate risk in the portfolio As such, we find that the overall risk is unchanged during 2022.

Risk factors	Description/definition	How we monitor	Changes in risk assessment during 2022
Changed use of, and demand for, offices Responsible: - CFO	The overall demand for office space is primarily driven by the number of office workers in the economy, the space required per office worker, and the time each employee spend at the office. The number of office workers in general, at least over the medium and long run, follows the state of the macro economy within a country. Space per employee has in the last decades been reduced following the introduction of open spaces and activity-based working. During 2022, market surveys have shown that space per employee has been constant or actually increasing. The extent that each office worker spends time, and thus requires a separate desk, varies greatly from tenant to tenant. Work-from-home has in the last decades increased in popularity, but it has not, until Covid-19, been a significant part of the daily life for most Norwegian office workers.	We closely monitor key macro variables, e.g., economic activity, investments levels, employment participation ratios and unemployment, interest rates, asset prices, to be prepared for major changes affecting Entra's business. Entra's property portfolio has during the last six years been focused on the largest cities in Norway where we assess that the growth potential of office activity is the largest and thus with lowest residual risk. Further, we have streamlined the portfolio towards office clusters in the central parts of these cities on public communication hubs. In all renegotiations, we work closely with our tenants to provide optimal solutions for them. During the last decade, the public sector tenants have taken steps towards reducing the office space per employee significantly, and we now see limited risk of further reducing the required space per employee in our portfolio consisting of 56 per cent public tenants as at year-end. We have increased the co-operation with prospective and existing tenant through Entra's in-house tenant advisory team. The use and changing patterns in the use of our building is monitored based on available data. To understand future workplace requirements, and how to adapt our property portfolio and product offering, we are in regular contact with potential and existing tenants for direct customer insight.	Whilst Covid-19 reduced the economic activity in Norway during 2020 and first half of 2021, the underlying fundamentals for the Norwegian economy has remained strong. A shift to hybrid work seems abundantly clear for office and knowledge workers. Leasing activity has been strong through 2022 in the Norwegian market, and we have no signs of tenants reducing space requirements in relation to new lease contracts. This applies to both Entra-specific negotiations and the Norwegian office market in general. Even though we have seen no material effects on demand so far companies are still in an early phase in respect of testing new workplace strategies to adapt to a more flexible work life. Thus, more flexible work could be a negative contributor to the overall office demand in the long term, the negative effect will at least be partly offset for the following reasons: - Employers/management have experienced that employees working in the office together with their co-workers are more proactive and creative. - The office has an important function with regards to developing and retain critical competence and in installing and maintaining the company's culture amongst the company's employees. This is particularly important with regards to new hires. - The costs of renting offices in Norway are normally a very small part of a company's cost base, estimated to around 5 per cent of employee costs. - Whilst most employees appreciate the flexibility to work-from-home, and particularly in the beginning of the pandemic, the trend is very clear that almost all employees prefer to spend a large part of their working time at the office with their colleagues. - In Norway, the typical day of working from home is Friday (and thereafter Monday). During mid-week, most employees are in the office, and the office design and volume must thus anyway be designed to fit almost 100 per cent of the employees. - With possible later pandemics in the coming years, the office designs need to take social distancing into account with desks further apart. In addition, it is our experience that most companies require a significant increase in small meeting rooms to enable video meetings which require more space. In short, employers are reshaping offices to become more inviting social spaces that encourage facetoface collaboration, creativity, and serendipitous interactions, which will benefit landlords like Entra. - Time spent on commuting is limited for the majority of Norwegian employees seeing that we have smaller cities and well developed transportation infrastructure.

Summary risk-matrix



- 1: Access to and pricing of financing ↑
- 2: Health, Safety & Environment →
- 3: Development in value of property ↑
- 4: Occupancy ratio ↑
- 5: Customer satisfaction →
- 6: Project profitability ↑
- 7: Build and retain critical competence →
- 8: Investment strategy →
- 9: Compliance →
- 10: Information/cyber security ↑
- 11: Climate related risk →
- 12: Changed use of, and demand for, offices ↓

[1] Both financial and/or non-financial effects.

↓ Reduced risk → Unchanged risk ↑ Increased risk


Møterom 1

ESG

Sustainable strategy and business model

Sustainability is fundamental to Entra's strategy and has been so for more than 15 years. Entra's ESG strategy and work is built on the precautionary principle and is focused on areas where Entra can have the greatest impact.

- Environmental leadership is one of Entra's three strategic pillars, and its Net Zero Carbon strategy is set to contribute to the world's carbon reduction targets whilst also focusing on the use of natural resources and circularity
- To operate Entra's business and value chain in an ethical and sustainable manner is of key strategic importance and seen as a prerequisite for our license to operate.
- Growing social value, health, safety and wellbeing in the company's properties, clusters and communities is important and sensible from both a social and financial perspective.
- Through investing in its culture and people, Entra continues to improve its business and competitive edge, as well as being able to seize the opportunities emerging in its business environment.

Reporting standards and responses

To enable our stakeholders to compare and evaluate our reporting, we compile and align the ESG reporting for 2022 with three reporting frameworks: the European Public Real Estate Association Sustainability Best Practice Recommendations on Sustainability Reporting (EPRA sBPR), the Global Reporting Initiative Standards (GRI) and the Task Force on Climate-related Financial Disclosures (TCFD). Entra also reports separately to the Global Real Estate Sustainability Benchmark (GRESB).

The EPRA sBPR Guidelines provide a consistent way of measuring sustainability performance for real estate companies and cover environmental, social and corporate governance categories. The GRI Standards, applicable to all industries, include both relevant disclosures for a range of economic, environmental and social topics as well as reporting principles related to the reporting process. The TCFD framework provides for consistent climate-related financial risk disclosures. The EPRA, GRI and TCFD tables and references are included at the back of the annual report.

Entra achieved the EPRA Sustainability Gold Level also in 2022 and the Global Real Estate Sustainability Benchmark (GRESB) Green Star status with a total score of 90.

Third party verification

Entra has engaged Deloitte to conduct a review and provide a "limited level of assurance" on Entra's ESG reporting. The review is carried out in accordance with the assurance standard ISAE 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" established by the International Auditing and Assurance Standards Board. The auditor's conclusion and scope of work is presented in the Auditor's report, included on page 95-97.

Sustainability governance and organisation

The Board of Directors determines Entra's ESG strategy, priorities, targets and risk profile and reviews performance. Analysing materiality and stakeholder expectations is done annually and the materiality analysis and ESG topics and targets for the coming year are determined. The Board follows up each ESG

topic in individual in-depth business reviews with relevant business units at least once a year. These reviews also include ESG targets and KPIs which are then aggregated into company KPIs.

The CEO is responsible for implementing and following up the ESG strategy in Entra. Implementation is primarily handled in the individual business units and is reported to the CEO/CFO through quarterly business reviews and in corporate management meetings. The CFO is responsible for the risk management framework, including climate related risks. Entra's risk management framework is structured to enable effective identification, evaluation and management of risk factors facing the company. Ownership and management of all key risks, including climate related risks, are assigned to members of the corporate management who are responsible for implementing key risk mitigation plans

Entra also has an ESG reporting unit with a separate responsibility to follow-up on ESG targets and actual performance. The figures are reported to corporate management and Board of Directors on a regular basis and externally through the quarterly and annual financial report.

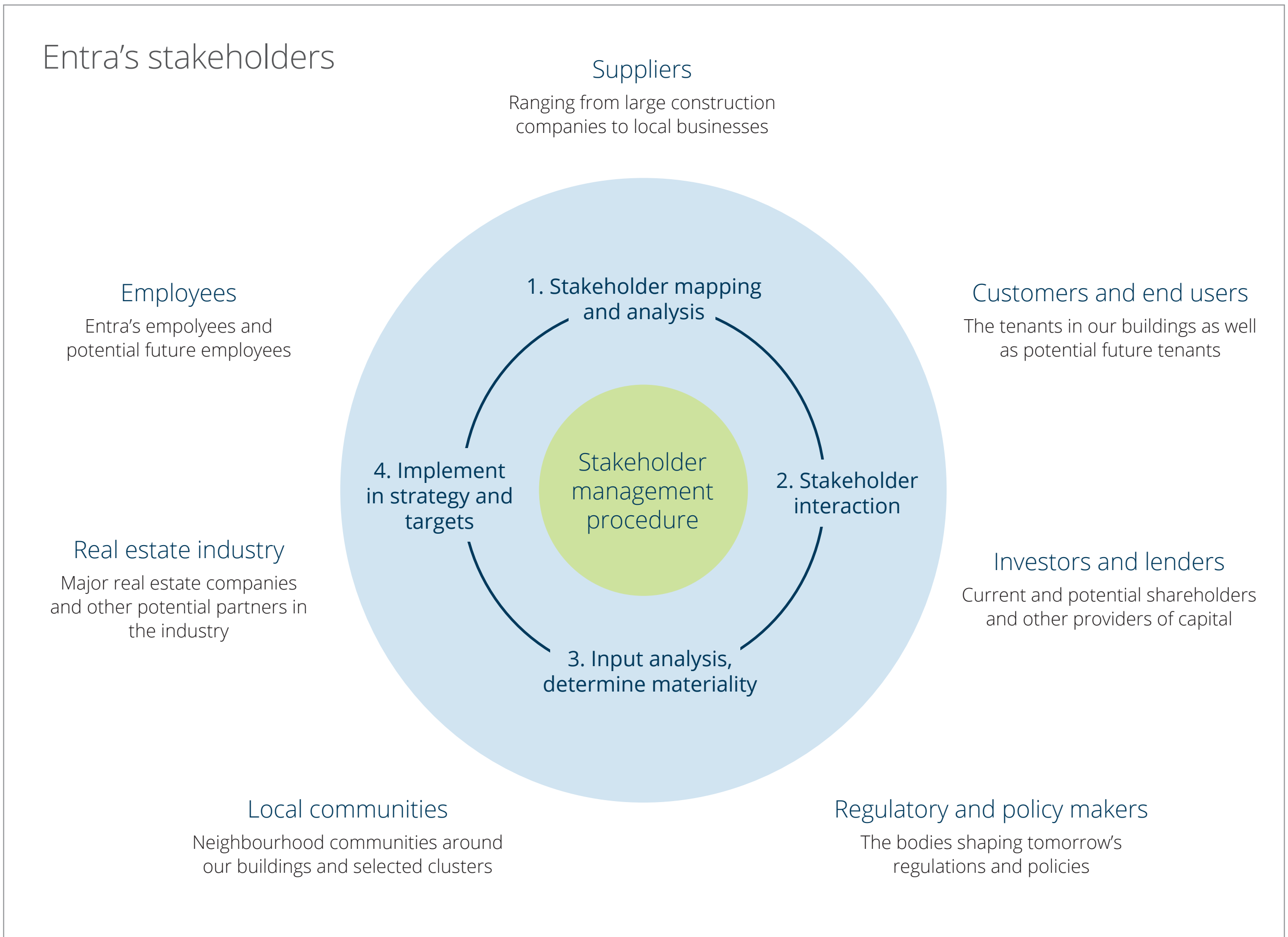
Engaging with stakeholders

It is important for Entra to maintain an open and honest dialogue with its main stakeholders. Such dialogue builds trusting relationships, better business intelligence, and enables Entra to continue to improve, enhance its reputation, and spur ideas for future business development.

Entra has a structured approach towards understanding and managing the company's impact on the environment and society, as well as stakeholder requirements and expectations.

Entra's stakeholder management procedure is summed up in the illustration below and provides a systematic approach towards:

- Understanding stakeholder requirements and expectations as well as specific opportunities and concerns about the business and its impact
- Implementing important impact and expectations into our strategy and targets



Below is a summary of Entra's interaction with stakeholders in 2022, what the key topics have been as well as how the company responds to expectations and concerns

Stakeholders groups	Engagement	Key topics 2022	Response
Employees	• Manager - Employee dialogue • Top management communication and dialogue • Performance and goals with employee appraisals and feedback • Talent management and succession planning • Employee surveys • Knowledge sharing and teambuilding • Training and coaching • Employer branding • Sponsorships and social engagement • Engagement with trade unions and working environment committee • Cultural events for aligning strategy, professional development and social interaction • Outside work activities	• Occupational health and safety • Diversity, equality and inclusion • Workplace health and well-being • Development and career opportunities • Leadership development and training • ICT systems and tools • Employee satisfaction • Workplace strategies and guidelines	• Increased monitoring of employees' well-being through surveys • Continued to follow up and improve our health and safety performance • Updated workplace strategy and remodelling of office premises • Individual career planning and development plans • Focus on work-life balance and well-being framework • Established a strategy and process for continuous development and reporting for diversity, equality and inclusion (DEI)
Suppliers	• Regular, direct dialogue • Integrity due diligence • Strategic collaboration and long-term relationships • Tenders and negotiations • Supplier audits • Supplier CSR survey	• Future business needs and deliveries • Responsible business conduct • Technology and environmental solutions • Energy efficiency and environmental building qualities • Accuracy and timely deliveries • Risk assessment • Cost savings	• Revised sustainable procurement terms & conditions • ESG due diligence of suppliers • Human rights policies and compliance with the Transparency Act • Workplace health and safety • Risk mitigation
Customers	• Regular, direct dialogue • Relationship management • Customer satisfaction surveys and feedback • Conferences and meetings with relevant office topics on the agenda • Advisory services within workplace strategies, energy and waste management • Customer service centre, with first- and second-line support	• Workplace strategies and how to use the office to enhance employee engagement • Flexible work and impact on how the office is used • Workplace health and well-being • Introducing products and services to meet customer needs • Energy efficiency and environmental building qualities	• Established strategic customer advisory team for assisting with workplace strategies • Give customers insight about office trends and how to create offices for the future • Follow up customer satisfaction feedback and make sure that concrete action is being taken to respond to customer needs

Stakeholders groups	Engagement	Key topics 2022	Response
Investors and lenders	• Regular, direct dialogue • Quarterly and annual financial reporting and presentations • Stock exchange releases, press releases and presentations • Roadshows, conferences and meetings	• Strategy and priorities • Operational and financial performance • Shareholder return requirements • Balance sheet management, including asset disposals and dividends • Availability and price of funding • Asset valuations • Macro impact, particularly from rising inflation and interest rates • Office market dynamics • Construction cost and project profitability • ESG expectations and performance • Shareholders and governance • Risks and uncertainties • Post Covid-19 effect on office demand	• Communication on material strategic priorities • Communication on material events, e.g the 2022 acquisition of Oslo Areal • Open and transparent reporting on financial, governance and sustainability strategy and performance • Communication on effects of changing macro fundamentals and effects on property market, valuations and financial metrics • Communication on risks and opportunities • Continuously strengthening ESG reporting, introduction of quarterly ESG reporting, and focus this year on EU Taxonomy and preparations for CSRD/ESRS
Real Estate Industry	• Partnerships and joint ventures • Partnering in industry coalitions, visits, meetings and seminars	• Decarbonisation of the value chain • Green Building Council's Roadmap to 2050 • Market trends and outlook • Impact of new regulations, e.g., the EU Taxonomy	• Part of three JVs • Building partnerships with real estate companies to drive more sustainable solutions and investigate digitalisation initiatives • Active engagement in industry associations, such as Norwegian Green Building Council, Norsk Eiendom
Regulatory and policy makers	• Meetings with politicians and policymakers • Engagement in policy making processes • Engagement in industry associations • Arranging/participating in conferences • Participation in Oslo Municipality's "Business for climate"	• Real estate market and industry trends • Climate regulations and implications for Entra • Definition and adaptation of EU taxonomy criteria in Norwegian market	• Setting Net Zero Carbon by 2030 target • EU Taxonomy alignment and reporting • New energy standard scheme • City development, urban planning and architectural quality principles • Building relations and collaborating with municipalities for sustainable use of resources in zoning plans and planning processes.
Local communities	• Neighbourhood cooperation • Participation in planning processes • Direct dialogue with politicians, municipalities, and public agencies, both in general and on specific matters • Management and participation in various landowner collaborations in Oslo (Skøyen, Kvadraturen, Nedre Akerselva, Tullin and Bryn). Sandvika, Bergen and Trondheim. Several of these are organised in OMA (Oslo Metropolitan Area).	• Engaging in living and working conditions in the company's clusters and around its buildings • Working to create safer and better local environments and to contribute to increased employment of disadvantaged groups • Extended participation scheme related to the planning processes for Lilletorget and Bryn	• Sponsor of Church City Mission • Cooperation with social entrepreneurs such as Sisters in Business in certain buildings • Participation in Nedre Akerselva Neighbourhood cooperation, a co-operation between a group of landowners to activate outdoor space and bring more life to the streets • Preparation of knowledge-based targets and measures for social sustainability in the Lower Akerselva area

Materiality analysis forming the basis for priorities

In 2022, Entra revisited its materiality analysis and approach to materiality. This has involved widening the mapping of impacts on the environment and society and strengthened the link of the materiality assessment to our stakeholder dialogue, strategy and risk processes and performance management. The analysis is based, among other things, on the ten principles of the Global Compact and the UN's sustainability goals.

The 2022 materiality assessment was led by Entra's ESG function, concluded by senior management and approved by the Board. The material topics are areas where Entra and its stakeholders believe the company can make an important and sustainable impact. The topics are also believed to be important for future progress and long-term value creation. The outcome of the analysis and its main topics are illustrated below. The most important topics are summarised in the top right corner. These are areas of high importance for Entra, in terms of both their potential financial impact and as Entra's potential impact on people and environment. Other important topics are considered to be material to Entra either due to their potential financial impact or Entra's potential impact on people or environment.

Materiality analysis

Material topics and how Entra understands them: Impacts, Risks and Opportunities

Entra closely measures and seeks to reduce its risks and negative impacts, whilst also focusing on the opportunities arising from e.g. the green shift and new technology. Below is a summary of the material topics and Entra's understanding of impacts, risks and opportunities.

	Impact	Risks	Opportunities	Link to the UN Sustainable Development Goals
Climate change 52-71	The real estate industry is referred to as the "40 per cent industry" as it globally accounts for 40 per cent of carbon dioxide emissions. Of these emissions 70 per cent are produced by building operations, while the remaining 30 per cent comes from construction.[1]	Climate change's physical and transition risks touch almost every aspect of a building's operations and value. Physical risks are hazards caused by a changing climate, including both acute events, such as floods, fires, extreme heat, and storms, and chronic conditions, such as rising sea levels and increased average temperatures. Transition risks include changes in the economy, regulation, consumer behaviour, technology, and other human responses to climate change.	Entra is deeply committed to contribute to the transition towards a low carbon society and the overarching target is to become a Net Zero Carbon company by 2030. Entra can use its locations, building qualities, connections to utility systems, local footprints, and climate intelligence to improve asset values and potentially create new revenue streams.	7 9 11 12 13
Energy use and green energy	Around 67 per cent of Entra's carbon emissions in Scope 1 and 2 stem from the use of energy. There are thus significant gains from working on improving energy performance, reducing energy consumption and from producing green energy in and around the company's buildings.	Production and use of energy is a significant contributor to global carbon emissions. The real estate sector stands for 40 per cent of European energy demand of which 80 per cent is derived from fossil fuels according to the UN[2]. In 2022 the war in Ukraine has also shown the vulnerability of the international energy system. As a result, energy costs in 2022 reached levels not previously seen in Norway.	Improving building quality and reducing energy consumption has been an important part of Entra's environment strategy for more than 15 years and the average energy consumption per square metre has been reduced by 40 per cent over the last ten years. Entra furthermore has ambitious targets for energy use in its newbuild and redevelopment projects. Building green energy sources such as solar panels is part of Entra's strategy and will be further implemented in the coming years.	7 9 11 12 13
Resources and circular economy	New buildings are becoming increasingly more energy efficient, and material use is a large contributor to greenhouse gas emissions in a building's life cycle. Large amounts of waste are also generated in new-build and redevelopment projects as well as in tenant alterations and adaptations.	Most of the emissions come from concrete and steel in the buildings' foundations, and support systems. It is expected that the focus and regulatory framework connected to reuse rather than building or buying new will become significantly stricter.	Entra seeks to effectively reduce the use of resources and the carbon emissions associated with it. By 2030, the CO_2 emissions from project development shall be reduced by 80 per cent from today's average levels. Entra seeks to use low emission materials and to considerably reduce waste. In redevelopment projects, focus is on reuse of inventory and materials. Entra strives to build with robust, reusable materials and installations. Ensuring that new materials are reusable is as important as reusing existing materials.	3 7 9 11 12 13

[1] 13 April 2022 | Climate Change, News, TCFD.

[2] UN: 2022 Global Status Report for Buildings and Construction.

	Impact	Risks	Opportunities	Link to the UN Sustainable Development Goals
Employees and working conditions	Entra aims to be the most attractive employer in the industry and have motivated and skilled employees with high job satisfaction and fulfilling personal development	There are work environment risks in all businesses. A bad working environment may lead to increased sick leave and lead to direct costs in the form of sick pay and indirect costs in the form of loss of productivity.	Entra puts significant efforts into creating a good and healthy working environment for its employees. The company's employees are its most important asset and a competent and motivated workforce is a significant competitive advantage.	3 8
Health and safety	It must be safe to work, visit and stay in and around Entra's properties and construction sites. For the company's own employees, it is also important to have a health-promoting workplace where no one will be injured or sick because of their work	Construction work imposes health and safety risks that must be handled with a precautionary principle. Entra works actively to increase awareness with regard to the registration of all types of incidents (including accidents and near misses). The reporting of incidents is important to prevent potential accidents and to increase awareness among Entra's employees, suppliers and customers.	Health and safety work is central to Entra in all parts of the value chain. It shall be safe to visit and work in Entra's properties and construction sites. Safety is well established as a natural part of day-to-day operations, including being part of the bonus scheme for all employees. It is a focus area at all levels of the organisation and thus recognised widely in the organisation as a personal responsibility of all employees.	3 12
Ethics, integrity and transparency	Entra's ethical guidelines are built on principles of equal opportunities for all, concern for the environment and a society view that emphasises ethics, transparency, honesty and sincerity	Entra operates its business in Norway where regulations are strict and ethical awareness and standards are generally high. However, the construction industry in which Entra operates to some extent faces challenges related to business crime and social dumping. Entra has established procedures to ensure that Entra only uses qualified suppliers and performs risk assessments for its entire value chain.	The long-term success of Entra is based on trust combined with compliance systems to ensure that integrity and ethical standards are followed. To maintain this trust, Entra ensures that its behaviour is consistent with its corporate values. The Group's ethical guidelines describe the way Entra is to treat its stakeholders and the behaviour which is expected of its employees. Entra has also set "Socially Responsible Purchasing Guidelines" that must be followed by suppliers and their sub-contractors in its supplier qualification requirements.	3 8 10 12
Local communities and urban development	For Entra, urban development includes creating a good atmosphere and secure surroundings in and around its buildings for the benefit of tenants, visitors and others who pass through the area	Poor surroundings or atmospheres may cause our properties to be more difficult to let or lead to reduced rent levels and/or may cause property values to decline.	Entra ensures that the space around its buildings and building sites is neat, clean, and attractive. Entra works to get a mix of activities on the ground floors within its property clusters to create life and variation among visitors and users of its buildings. Where applicable, Entra considers how to activate the ground floors of its buildings to contribute to city life at street level.	8 11

	Impact	Risks	Opportunities	Link to the UN Sustainable Development Goals
Standards and new legislation	There is a significant amount of new legislation and standards that Entra needs to align and comply with. The EU Taxonomy, the Corporate Sustainability Reporting Directive (CSRD), the new energy standard scheme that is under development and the Transparency Act have all been particularly high on the agenda in 2022 and will likely continue to be so in the years to come.	Non-compliance with these new standards and regulations impose business risks in terms of loss of attractivity and reputation, and the implications of e.g., the EU Taxonomy may have an impact on future property values	Entra works continuously to monitor and implement new standards and regulations. Entra has incorporated and is reporting on the Transparency Act in 2022. Entra is well on track towards reporting in accordance with the EU Taxonomy, and has work ongoing to adapt to the CSRD	6 8 10 13
Equality, diversity and inclusion	Equal opportunities and diversity are an integral part of Entra's standards. Entra believes in the benefits of diversity, and this goal is incorporated into Entra's recruitment and talent development procedures and is reflected in the composition of senior management	There is a growing view that a lack of diversity and inclusion in the workforce is a strategic business risk. Both in terms of limitation in the business innovation and understanding of markets and society, as well as from an employer brand perspective.	Different expertise and experience contribute positively to Entra's development and to a broader and better basis for decision-making. Entra believes that a business characterised by diversity is more innovative and copes better with challenges than overly homogenous businesses do. The company therefore has clear goals that its organisation should be characterised by diversity and be free from discrimination and harassment.	3 5 8 10
Human Rights	Entra is committed to develop an organisational culture which respects and supports internationally recognised human rights. Entra supports all internationally recognised human rights standards such as the United Nations Guiding Principles on Business and Human Rights, as well as relevant international conventions and standards such as those of the International Labour Organisation	Entra performs risk assessments for its entire value chain and facilitates action plans to reduce any identified risk. Entra has identified suppliers that perform work on Entra's construction sites and cleaning vendors as high-risk suppliers within social responsibility and follow-up this sector accordingly.	Entra does not accept discrimination or bullying in the company or in its value chain. Everyone is to be treated with respect, irrespective of gender, religion, age, ethnicity, nationality, any disability, or sexual orientation. Entra has a Human Rights policy, and human rights are included in guidelines and management tools, including those dealing with fundamental values, ethical guidelines and socially responsible procurement	3 5 8 10
Nature and eco systems	More than two thirds of the world's population is expected to be living in cities by 2050. The impact on nature and biodiversity must be included in the decision making processes whether in the design and construction of a building or the development of a district.	Biodiversity can often represent a challenge in real estate development and may impose significant cost for cities and real estate developers, particularly on green field developments	Biodiversity contributes to making cities more pleasant and desirable to live in. Improving quality of life, and well-being, reducing heat islands and retention of rainwater are examples of the positive effects on nature and biodiversity in a city. Avoidance of building materials that are threatened with extinction, such as tropical wood in materials and furniture is important on a global scale.	3 12 13 15

Strategy score card and key performance indicators

In addition to targets and KPIs set within different business units, Entra's Board sets overarching KPIs on an annual basis. The KPIs are based on Entra's three strategic pillars: profitable growth, high customer satisfaction and environmental leadership. The environmental leadership pillar is for the scorecard extended to reflect Entra's broad focus on sustainability. These KPIs seek to drive and measure the most important focus areas and form the basis for the annual bonus for all employees.

KPI	Target 2023	Target 2022	Result 2022
Profitable growth			
Net operating income margin (incl. admin. cost) (%) [1]	TBD	≥ 84.1%	85.0%
Return on equity (three-year rolling pre-tax) (%)	≥ 6.0	≥ 5.3	19.0
High customer satisfaction			
Customer satisfaction score (area weighted)	≥ 84	≥ 84	84
Sustainability			
Energy consumption per sqm	≤ 121	≤ 126	121
Waste sorting (%)	≥ 81.5 (Property management 70%/ Projects 93%)	≥ 80.5 (Property management 70%/ Projects 91%)	81.5 (Property management 70%/ Projects 94%)
Number of reported precautionary safety incidents in property management	≥ 2.5 reported precautionary safety incidents per person in property management per month	No injuries in and around our buildings involving sick leave absence with more than three days sick leave, where Entra can be held responsible	0
Number of reported unwanted events in project development	≥ 2.5 reported unwanted events per 1000 working hours per project	No injuries in our construction projects involving more than 16 days of sick leave.	5

[1] Administrative costs are for the calculation of the KPI adjusted for non-recurring effects not related to the ongoing business of Entra

Key ESG metrics

	2022	2021	2020	2019	2018
Resource efficiency in property management portfolio					
Energy consumption (kWh/sqm/L12M)	126	131	123	136	145
Change in energy consumption year on year, like for like	-1%	5.6%	-10.1%	-2.8%	2.9%
Energy consumption – temperature adjusted (kWh/sqm/L12M)	121	123	118	135	142
Fossil free energy in property management portfolio					
Share of produced green energy in % of energy consumption	1.3%	1.5%	1.4%	0.9%	0.2%
Guarantees of origin green energy in % of energy consumption	100%	100%	100%	100%	100%
Waste management					
Waste in property management (kg/sqm/L12M)	3.2	2.5	2.7	3.6	3.7
Waste sorting in % property management	70%	69%	71%	65%	61%
Waste sorting in % in project development portfolio	94%	95%	92%	94%	85%
Water management					
Water consumption (m^3/sqm/L12M)	0.2	0.2	0.2	0.3	0.3
BREEAM NOR/BREEAM-In-Use certification of property portfolio					
Certified properties, % of sqm	60%	51%	51%	29%	21%
Certified properties, number of properties	39	28	24	18	12
Certified properties, % of rental income	56%	60%	54%	35%	27%
Certified properties, % of property values	58%	53%	52%	38%	31%
ESG benchmarks					
GRESB points / stars awarded (out of 5 possible)	90	92/5	87/5	84/4	81/4
EPRA Sustainability Benchmark	GOLD	GOLD	GOLD	GOLD	GOLD
Environment Lighthouse award ("Miljøfyrtårn")	Yes	Yes	Yes	Yes	Yes
MSCI ESG Rating	AAA	AAA	NA	NA	NA
EU Taxonomy eligible	100%				
Share of green financing (green bonds or bank loans)	45%	69%	48%	32%	10%
Social					
Number of full-time employees	208	174	186	174	152
Diversity (% women/men)	36/64	37/63	38/62	38/62	30/70
Sick leave (% of total days L12M)	2.9%	2.6%	3.1%	2.6%	4.2%
Injuries with long term absence ongoing projects	5	1	0	0	3
Accidents with lost time ongoing projects (per mill. hrs. L12M)	4.9	8.1	4.7	2.0	6.9

Environment

Environmental leadership is one of Entra's three strategic pillars, and Entra has over the last decades developed a corporate culture with a strong environmental focus throughout the entire company. Entra's work to prevent climate change is built on the precautionary principle, and the company's environmental leadership has become well-known among its stakeholders. The environmental commitment contributes to attracting the best and most competent resources.

Entra is committed to contribute to the transition towards a low carbon society, and the overarching target is to become a Net Zero Carbon company within 2030. Entra's definition of Net Zero Carbon include:

- Scope 1 and 2 emissions (Entra includes tenants energy consumption in Scope 2)
- Emission from waste and water in property management (Scope 3 emissions)
- Embodied carbon from newbuild projects and large redevelopments (Scope 3 emissions). Embodied carbon refers to emissions arising from manufacturing, transportation and installation of building materials

This is an ambitious target that needs focused work to reduce both direct and indirect emissions throughout the entire value chain.

To reach this target, Entra has developed an environmental strategy with a 360° approach, which includes targets and strategies for 1) the property portfolio and property management, 2) the development projects, 3) the organisation, and 4) the company's stakeholders.

The property portfolio

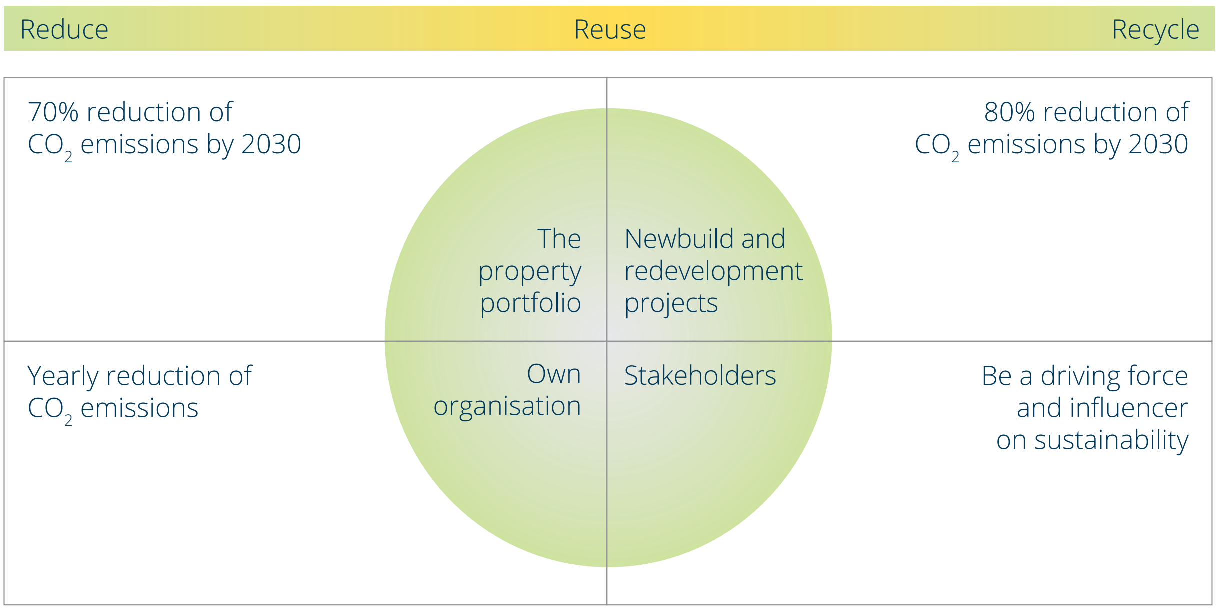
Reducing CO_2 emissions from property management and operations are essential for Entra to reach the overarching target of becoming net zero carbon by 2030. When considering the total emissions from refrigerants, energy consumption, waste and water from the property portfolio in 2022, 67 per cent of the CO_2 emissions stem from energy consumption. The second largest source of CO_2 emissions is waste, which accounted for 27 per cent of the total emissions from the property portfolio in 2022.

In addition to focusing on reduction of CO_2 emissions, Entra has a strong focus on managing all environmental impacts from property management in an efficient manner. Among other things, this includes circular principles in operations, adapting buildings to be fit for future climate scenarios, and an increased focus on biodiversity. Having a sustainable property portfolio is critical for future-proofing the business, reducing operational costs, and ensuring the best product for customers.

Main target

Entra's main target for the management portfolio is to reduce CO_2 emissions by 70 per cent by 2030, from a 2015 baseline. The target is set based on the methodology of the Science Based Targets initiative (SBTi). From 2021 to 2022, Entra reduced its CO_2 intensity from Scope 1 and 2 emissions from 4.0 kg CO_2e/sqm to 3.6 kg CO_2e/sqm. Entra includes energy consumption from tenants in Scope 2. If the Scope 3 emissions from waste and water is included the reduction was from 5.2 kg CO_2e/sqm to 5.0 kg CO_2 e/sqm.

Our environment strategy



CO_2 emissions from management portfolio

Entra continuously works towards greater insight in CO_2 emissions from the property portfolio. In addition to calculating emissions from refrigerants, energy consumption, waste and water from the property portfolio, Entra has in 2022 broadened its CO_2 calculation to include emissions from Scope 3, hereunder from purchased goods and services. For Entra the main part of the emissions within this category stems from goods and services purchased in the management portfolio, the majority in connection with tenant adaptations and refurbishments. The Scope 3 emissions from purchased goods and services are calculated using a spend based method.

Focus areas

- Reduce portfolio energy consumption
- Reduce waste quantities and increase waste sorting
- Increase the percentage of buildings in the property portfolio which can be proven sustainable through objective criteria.
- Responsible use of resources and increased biodiversity in property management.
- Produce energy from renewable sources
- Reduce water consumption
- Phase out refrigerants with high GWP

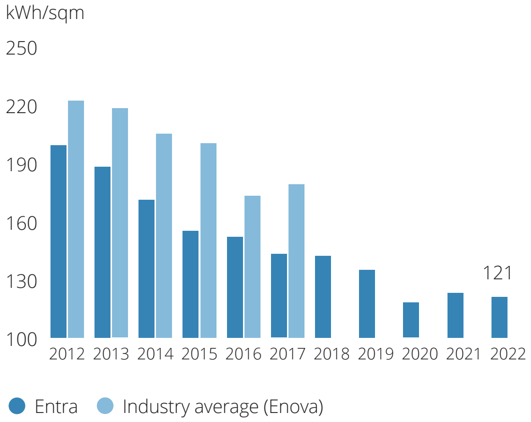
Reduce portfolio energy consumption

As part of the Net Zero Carbon strategy, Entra has set ambitious yearly targets for energy reduction in the property portfolio.

For more than 20 years Entra has worked diligently to reduce the energy consumption in its portfolio. From 2011 to 2022 the energy consumption was reduced from 202 kWh/sqm to 121 kWh/sqm. The short-term target and KPI for 2023 is 121 kWh/sqm. At the same time, work continues to reduce the peak load on the energy grid.

Focused and systematic work and technical upgrades over time are important drivers for how Entra has succeeded in this work,

Energy consumption



Internal measurement method derivates from EPRA methodology as it adjusts for differences in e.g. outside temperature.

supported by the energy management system which has made it possible to measure, compare and follow up various initiatives. Over time Entra has built and strengthened a corporate culture where energy management is an integrated part of the operating organisation. The company has operational staff with high technical competence who focus on deviations and energy use. Entra is now at a level where continued reductions in consumption primarily will be driven through technological development and continuous improvements in the portfolio.

Over time, several green measures have been implemented in the portfolio, amongst others through green benefit agreements together with tenants, as further described on page 64. This has been an important contributor to succeeding with energy reductions. This type of investment usually has a long payback period, and Entra has adopted a slightly lower return requirement for investments that contribute to energy reduction or other environmental measures.

EMISSION FROM MANAGEMENT PORTFOLIO					Absolute performance (Abs)		Like-for-like by property type (LfL)	
EPRA Code	Units of measure	Indicator			2021	2022	2021	2022
GREENHOUSE GAS EMISSIONS								
GHG-Dir-Abs	annual tonnes CO_2e	Direct	Scope 1		179	312	179	310
GHG-Indir-Abs	annual tonnes CO_2e	Indirect/location based	Scope 2		3 876	4 342	3 816	3 406
GHG-Int	**kg CO_2e / sqm / year**	**GHG emissions intensity**	**GHG Scope 1 and 2 intensity from building energy**		**4.00**	**3.59**	**3.97**	**3.92**
GHG-Indir-Abs	annual tonnes CO_2e	Indirect	*Scope 3	1. Goods and services purchased	NA	29 271	NA	29 271
				5. Waste and water generated in operations	1 226	1 812	1 160	1 287
			Scope 3 total		1 226	31 082	1 160	30 557
			Scope 1+2+3		5 281	35 736	5 155	34 273
	No. of applicable properties		*Energy and associated GHG disclosure coverage*		*67 out of 84*	*81 out of 91*	*64 out of 71*	*57 out of 65*
	%		*Proportion of energy and associated GHG estimated*		*0%*	*0%*	*0%*	*0%*
GREENHOUSE GAS EMISSIONS								
GHG-Indir-Abs	annual tonnes CO_2e	Indirect/market based	*Scope 2		9 960	13 928	9 914	9 616

Data Qualifying Note

1: GHG Scope 2: Alternative Electricity emission - Market based method (Guarantee of Origin) according to GHG-Protocol. Corrections 2021 emission due to calculation error.

2: GHG Scope 3: The following Scope 3 emissions are not considered relevant for Entra Management Portfolio: 2. Capital Goods, 3. Fuel and energy-related activities, 4. Transportation and distribution, 6. Business Travel, 7. Employee commutes, 8. Leases assets upstream, 9. Downstream transportation and distribution, 10. Prosessing of sold products, 11. Use of sold products, 12. End prosessing of sold products, 13 Leased assets downstream, 14. Franchise, 15. Investments.

3: GHG Scope 3: In 2022 Entra included emissions from purchased goods and services in management portfolio.


AUS

Reduce waste quantities and increase waste sorting

In addition to reducing emissions from energy consumption, Entra works actively to reduce emissions from waste as this constitutes some 27 per cent of the CO_2 emissions from the property portfolio.

The focus is on optimising waste management and solutions for waste sorting and collection as this is essential to enable optimal reuse or recycling of the waste. Targets are set for waste sorting in each asset, and the overall target for 2022 was 70 per cent waste sorting, which was also achieved. For 2023 the target is set at 70 per cent.

Furthermore, Entra strives to reduce the quantity of waste in buildings and looks for solutions for multi-use and reuse. Examples of this in the management portfolio are paperless offices, a reduction in food waste from canteens, as well as a focus on reuse in relation to tenant alterations.

In order to succeed in reducing waste from tenants' exclusive areas, including waste from canteens, it is necessary to collect data about the waste that is generated from individual tenants. Today, the data is collected at a building level. Enhanced data insight can help to follow-up and motivate each tenant individually based on their specific needs. At the end of 2022, Entra started a pilot project for collecting waste data together with the proptech company Carrot, to solve the lack of waste data by collecting and visualising it with their software. The main purpose of the pilot project is to identify relevant ways to use the waste data at tenant level to achieve increased sorting rates and reduce waste quantities.

Sustainable assets

Entra targets to increase the percentage of buildings in the property portfolio which can be proven sustainable through objective criteria. It is necessary to have a thorough insight of the sustainability of all the company's assets and management of the assets to reach the goals for the property portfolio set by the environmental strategy. Because of this, Entra works systematically to identify the sustainability performance of all buildings, and has set a goal to continuously increase the percentage of buildings in the portfolio which can be proven sustainable through objective criteria such as the EU Taxonomy alignment and BREEAM certifications.

EU Taxonomy alignment

The technical screening criteria and the "do no significant harm" criteria for "Construction of new buildings", "Renovation of existing buildings", and "Acquisition and ownership of buildings" in the EU Taxonomy are relevant for Entra and are used as a set of objective criteria when mapping out the sustainability performance of the property portfolio and investments in the future. 100 per cent of Entra's rental revenues and operating costs are taxonomy eligible.

In Norway, the EU Taxonomy is applicable from 1 January 2023. However, the necessary national criteria for fully-fledged reporting are not fully defined in Norway as of February 2023. Nevertheless, Entra has made assumptions for its reporting for 2022 as to what the criteria will be, based on the conclusions from relevant industry forums that are described below.

Chapter 7.7 in the EU Taxonomy refers to the top 15 per cent of the national building stock with regard to energy demand. As of February 2023, there are no national guidelines or statistics that define what is required to qualify as top 15 per cent in Norway. Entra's approach for reporting on revenues and operating expenses from properties under management for 2022 is thus based on a report written by the technical consulting firm Multiconsult on behalf of Kredittforeningen for Sparebanker (KfS) and Eiendomskreditt[1]. In this report, Multiconsult has developed a methodology for identifying the top 15 per cent of the national building stock in Norway for different building types. The report concludes that non-residential buildings which correspond to energy standard C or better are likely to be within the top 15 per cent of the national building stock.

There is further uncertainty in the criteria related to revenue and operating expenses coming from properties under management. If properties in the portfolio that were built as new buildings met the criteria for the activity described in "7.1 Construction of new buildings" at the time they were built, or if a renovation of an existing building met the criteria for the activity described in "7.2 Renovation of existing buildings" at the time it was renovated, it is unclear whether revenue and operating expenses for these properties are then considered EU Taxonomy aligned moving forward or if the buildings need to comply with criteria outlined in "7.7 Acquisition and ownership of buildings" to be seen as EU Taxonomy aligned.

Since the above is uncertain, the properties and subsequently all of Entra's revenue and operating expenses from properties under management have been mapped using the criteria for "Acquisition and ownership of existing buildings".

According to these criteria, and with the above mentioned definition of the top 15 per cent of the national building stock, 59 per cent of Entra's revenues and 45 per cent of Entra's operating expenses are likely aligned with the EU Taxonomy.

This methodology could, however, be on the conservative side and thus a higher share of Entra's assets could classify as compliant with the EU Taxonomy than what results from the methodology developed by Multiconsult and currently used in Entra's reporting.

When it comes to Entra's capital expenditure, the main part stems from investments in new construction and renovations and the acquisition cost of properties. The EU Taxonomy Annex 1 chapter 7.1 technical screening criteria state that the primary energy demand of a new construction must be 10 per cent lower than the national Nearly Zero Energy Building (nZEB) requirement. An official nZEB definition was not concluded until February 2023 in Norway. Entra will thus incorporate this and present numbers for alignment of its capital expenditure in the annual report for 2023.

[1] Report_KfSEiendomskreditt_01_v02.pdf

Additionally, criteria for "7.3 Installation, maintenance and repair of energy efficiency equipment", "7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)", "7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings" and "7.6 Installation, maintenance and repair of renewable energy technologies" in the EU Taxonomy are highly relevant for Entra's operating organisation as the company continues to invest and take measures to improve the sustainability performance of each building. Expenses related to these activities will be included in the reporting for 2023.

Alignment with minimum social safeguards

To qualify as a sustainable activity under the EU Taxonomy, certain minimum social safeguards must be complied with. Entra has a Human Rights Policy and focuses specifically on risks related to health and safety and other working conditions for workers in its supply chain. In this respect, Entra carries out risk mapping and assessment of human rights risks in its supply chain. The company follows up with increased attention on projects identified as high risk, and regularly carries out audits of suppliers and contractors. For further information see the separate section on social issues. Entra expects it would fulfil requirements relating to minimum social safeguards.

BREEAM certification

In addition to the criteria from the EU Taxonomy, Entra uses BREEAM-NOR for newbuilds and redevelopment projects and BREEAM In-Use in the management portfolio to screen and certify projects and the property portfolio in accordance with criteria set out by those schemes.

For all its existing buildings, the company works on assessing and benchmarking the performance of the buildings against best practice with BREEAM In-Use criteria.

BREEAM is holistic and robust, and the assessment process helps in recognising sustainable features and identifying measures that can be implemented in order to further improve the sustainability performance of the portfolio. This leads to better informed management decisions and continuous follow-up of the properties.

As of 31 December 2022, Entra has BREEAM-NOR certified 23 of its newbuild and development projects and has another four in process. Entra has BREEAM-In-Use certified the asset performance and management of 27 buildings in the portfolio and has another nine BREEAM-In-Use certifications ongoing as of year-end 2022.

Responsible use of resources and increased biodiversity in the property portfolio

Contributing to responsible use of physical resources in the operation of the company's properties is important, and Entra, as an environmental leader in the real estate industry, aims to be a frontrunner when it comes to the circular economy and repair and reuse of assets. Amongst other things, this approach decreases CO_2 emissions, enables the realisation of circular economy principles, and contributes to reduced use of raw materials and further degradation of nature.

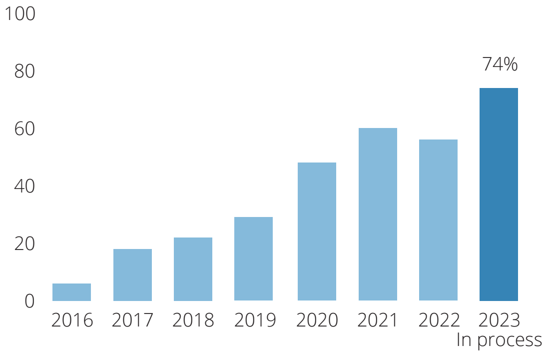
The aim is to identify and log the inventory in our assets, making it easier for the facility managers and project leaders for retrofitting of office spaces to plan for repair, refurbishment and renovation using physical resources that are already available. This work needs greater attention going forward, and in 2023, a strategy will be prepared for circularity and reuse in the organisation.

Entra also wants to encourage and facilitate the reuse of tenant's physical resources and has, as an example, provided small areas in selected buildings for materials to be placed and made available for other tenants to reuse. We plan to expand such initiatives in the years to come.

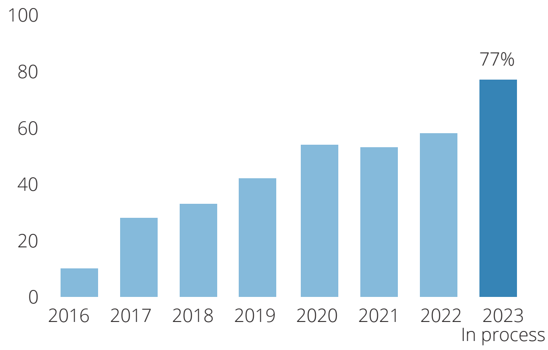
BREEAM certification of the portfolio

Percentage share of portfolio certified in accordance with BREEAM NOR/BREEAM In-Use Very Good or better

BY RENTAL INCOME



BY VALUE



Entra has increased its focus on biodiversity and aims to improve the biodiversity at all its properties. It will also strive to be involved in neighbourhood initiatives for creating and maintaining green lungs in the urban areas in immediate proximity to its buildings. Proximity to elements of the natural environment creates a positive impact on people and supports improvements in health and wellbeing. At the same time, green areas provide habitats for species that are needed in urban areas to maintain local biodiversity.

Energy from renewable sources

Emissions resulting from energy consumption in 2022 amounted to 67 per cent of the total emissions from the management portfolio. To reduce these emissions, measures to reduce the energy demand of all assets is crucial, but in addition to this, it is a part of Entra's strategy to increase the amount of energy produced from renewable sources on-site. In Entra's property portfolio there are six buildings with solar panels, including Nygårdsgaten 91 and 93 which is a new built property completed in December 2022. The total solar energy produced at these sites was 1,333 MWh in 2022.

Entra will gradually produce more renewable energy through new development projects, redevelopment projects and by installing solar panels on the roofs and facades of existing buildings. In Q4 of 2022, the company evaluated the roof surfaces of all properties to assess the potential to install more solar panels to increase the amount of renewable on-site energy production. The work on detailing and installing the most suitable solar installations will continue in 2023. For all roofs which are identified as less appropriate for solar panels, alternative solutions such as blue-green roofs for better stormwater management and increased biodiversity, are considered.

In order to compensate for emissions from electricity used in Entra's buildings and make its business close to climate neutral in 2022, Entra bought guarantees of origin ("green power") corresponding to the electricity consumption of the buildings for 2022.

Reduce water consumption

Entra focuses on reducing water consumption. The aim is to minimise water wastage due to possible leakages and have meters to monitor water use in the company's buildings, which is followed up through the asset management system. Where possible, automated leak detection systems are installed as well as flow control devices that regulate water supply to demand. Whenever tenants are responsible for their own equipment, they are required to install water-efficient equipment.

Nevertheless, the water consumption for the property portfolio increased from 0.15 m^3 per square metre in 2021 to 0.21 m^3

PERFORMANCE IN 2022

Focus area	Performance 2022
Reduce portfolio energy consumption	Entra has reduced energy consumption in its portfolio from 202 kWh/sqm in 2011 to 121 kWh/sqm in 2022, which corresponds to a 40 per cent reduction.
Reduce waste and increase waste sorting	The target rate of sorting for 2022 was 70 per cent for Entra's property portfolio. Entra's waste sorting rate in 2022 was 70 per cent. In 2022, Entra began a pilot project to collect waste data and identify ways to reduce waste quantities.
Increase the percentage of buildings in the property portfolio which can be proven sustainable through objective criteria.	The percentage of the property portfolio value which is BREEAM certified or in the process of being certified has increased from 69 per cent in 2021 to 77 per cent in 2022.
Use resources responsibly and increase biodiversity in property management.	Entra considers contributing to responsible use of physical resources in the operation of its properties as important, and always considers repair and reuse above anything else. Entra has increased its focus on biodiversity and aims to improve the biodiversity at all its properties.
Produce more energy from renewable sources	In Entra's property portfolio there are 6 buildings with solar panels, including Nygårdsgaten 91 and 93 which is a new development finished in December of 2022. The total produced solar energy at these sites was 1,333 MWh in 2022.
Reduce water consumption	The water consumption for the property portfolio increased from 0.15 m^3 per square metre in 2021 to 0.21 m^3 per square metre in 2022. Looking back to the last full normal year, 2019, there was a decrease from 0.29 m^3 per square metre.
Phase out refrigerants with high GWP	In 2022, the redevelopment projects St. Olavs Plass 5 and Tordenskiolds gate 12 were incorporated in the property portfolio. Both buildings are equipped with refrigerant equipment using propane as a refrigerant. Additionally, two systems with a large refrigerant charge have been replaced.

per square metre in 2022. However, comparing these last years is ambiguous due to the Covid-19 pandemic which caused lockdowns in Norway in large parts of 2020, 2021 as well as early in 2022. When comparing water consumption in 2022 to the last full normal year, 2019, there has been a decrease from 0.29 m^3 per square metre.

Phasing out refrigerants with high GWP

Less than 1 per cent of the yearly CO_2 emissions from the property portfolio stems from leakage of refrigerants. To reduce these emissions, Entra has established a plan for phasing out of the refrigerants with high global warming potential (GWP) as they contribute to CO_2 emissions if there are leakages in the systems. The plan takes into account the remaining life of the technical equipment that utilises the specific refrigerant, as it is not seen as sustainable to replace technical equipment which is fully functioning. Monitoring and closely following all equipment to avoid leakage, is done by Entra's operational organisation. The technical equipment which has reached its service life is replaced by installations which use low-GWP refrigerants.

In 2022, the redevelopment projects St. Olavs plass 5 and Tordenskiolds gate 12 were incorporated in the property portfolio. Both buildings are equipped with refrigerant equipment using propane as a refrigerant. Additionally, two systems with a large refrigerant charge have been replaced.

Low carbon project development

Reducing emissions from refurbishments and project development is where Entra can make the largest contribution to CO_2 reductions. The indirect CO_2 emissions from purchased goods and services account for several times the level stemming from operations and management of buildings. Entra has further developed its environmental strategy for project development during 2022 and set new and ambitious targets.

Main goal

By 2030, the life cycle CO_2 emissions from project development are to be reduced by 80 per cent compared to the 2020 industry average. In CO_2 reporting for project development, embodied carbon is included, as well as 60 years of operation and maintenance of the asset, and decommissioning after 60 years. The framework developed from FutureBuilt is the basis for the calculations and, going forward, Entra will target FutureBuilt criteria in new-build and redevelopment projects.

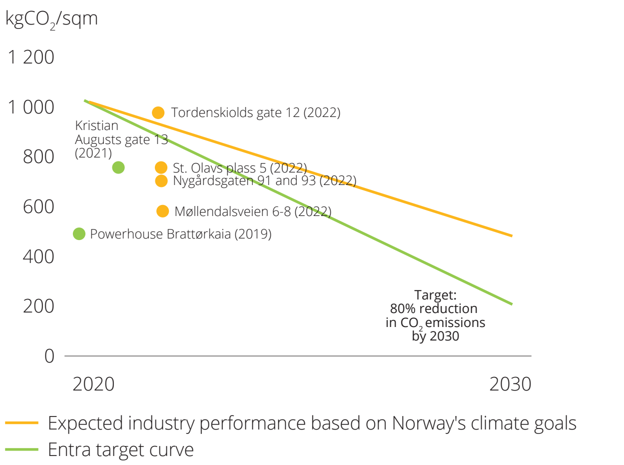
Focus areas

- Develop zero emission buildings by 2030.
- Build energy efficient buildings which comply with the EU Taxonomy.
- BREEAM-NOR certify newbuilds to level Excellent or better and redevelopments to level Very Good or better.
- Responsible use of resources.
- Increased biodiversity.

Develop zero emission buildings by 2030

Developing zero emission buildings over the lifecycle of a building requires innovative and best-practice solutions for operational energy use, as well as low emission materials. The remaining emissions must be compensated through energy production.

Entra will continue to request low emission materials to reduce waste and to have close to 100 per cent waste sorting in construction projects. In redevelopment projects, the focus will be on reuse of inventory and materials, and to improve energy



EMISSION FROM PROJECT DEVELOPMENT					Absolute performance (Abs)	
EPRA Code	Units of measure	Indicator			2021	2022
GREENHOUSE GAS EMISSIONS						
GHG-Indir-Abs	annual tonnes CO_2e	Indirect	*Scope 3	1. Goods and services purchased/ embodied carbon materials	NA	5 859
				1. Goods and services purchased/ Spend based	NA	1 167
			Scope 3 total		NA	7 025
	%		*Proportion of energy and associated GHG estimated*		*0%*	*0%*

Data Qualifying Note

1: GHG Scope 3: Embodied carbon emission from materials and construction activities (A1-A5 in accordance with NS3720) related to the four projects finalised in 2022.

2: GHG Scope 3: Spend based method includes only initiation phase services in development projects.

St. Olavs plass 5
(Photo: Torleif Kvinnesland)

St.Olavs plass 5 was designed by the well-known architect Erling Viksjø and originally constructed in 1967. The building is located in the Oslo city centre and was renovated in 2022. The renovation works included additional insulation, new energy-efficient technical installations and new windows. Even though the building is listed and thus limited the alternatives for energy saving solutions, energy use was improved by more than 50 per cent, and the building was improved from energy performance certificate E to B.

The grey roof was replaced with a green roof which contributes positively to the biodiversity in the area. The building is targeting BREEAM-NOR Very Good and has achieved a CO_2 reduction from embodied carbon of 50 per cent compared to a newbuild.

efficiency. Entra strives to build with robust, reusable materials and installations as well as build with flexibility to be fit for future adaptation to the evolving needs of tenants. Entra also focuses on future reuse in the installation techniques used in its buildings to enable future "gentle" dismantling and re-use.

All development projects in Entra are required to report on CO_2 emissions and these are continuously measured against the annual goals to ensure that the company is in line to reach the target for 2030. The CO_2 emissions from embodied carbon in completed projects and in 2022 are included in Entra's scope 3 emissions.

Build energy efficient buildings compliant with the EU Taxonomy

Entra is a leader in Norway in developing environmentally sustainable buildings and has for many years had high environmental ambitions in all development projects. In cooperation with the Powerhouse alliance, Entra has redeveloped five older buildings to energy-positive buildings, "Powerhouses", at Kjørbo in Sandvika. At Brattørkaia in Trondheim, a new-built Powerhouse was finalised and opened in 2019. A Powerhouse produces more energy than it uses over its lifetime, including the emissions from materials used for construction and demolition. In practice, the buildings therefore act as local power stations that deliver environmentally friendly energy. Entra has thus contributed to increasing the focus of the entire industry to consider "virtually zero use of energy" on both new buildings and redevelopment projects.

The overall target for delivered energy in Entra is 30-40 kWh/sqm for newbuilds and energy standard A. For redevelopment projects, Entra's target is to obtain at least a 35 per cent reduction in energy consumption compared to before renovation. Entra aims to implement a high proportion of renewable energy in its projects.

In 2022, Entra completed four projects, of which three were redevelopment projects. This supports the company's increased focus on circular solutions. The projects have low CO_2 emissions due to the reuse of load-bearing structures which typically consist of concrete with a high carbon footprint. At the same time, Entra has maintained a high focus on energy efficiency throughout the construction period to ensure an end-product with a lower carbon footprint from energy use over the building's lifetime.

The EU taxonomy sets requirements for energy use in new developments and redevelopments as well as criteria for climate change adaptation, water use, circular economy,

PERFORMANCE IN 2022

Focus area	Performance 2022
Reduce CO_2 emissions from projects by 80% by 2030	CO_2 emission reports have been prepared for all development projects completed in 2022. The results show that the average CO_2 emissions for 2022 were 13 per cent lower than the target for project developments in the year 2022.
Build energy-efficient buildings which comply with all requirements in the EU Taxonomy.	Entra completed one newbuild project in 2022, Nygårdsgaten 91 and 93 with solar panels to supply renewable electricity for the tenants in the building. This project achieved energy standard A. Entra completed three redevelopment projects in 2022. St. Olavs Plass 5 increased its energy performance by more than 50 per cent, from energy standard E to B. Tordenskiolds gate 12 is a listed building with strict limitations regarding re-insulation and changes to the exterior. Despite the restrictions, the building increased its energy efficiency by 23 per cent compared to before renovation. Møllendalsveien 6-8 increased its energy performance to energy standard B. Going forward, Entra will maintain a specific focus on the requirements of the EU Taxonomy in all its development projects. Checklists have been established for compliance in all projects, but the final definitions from the Norwegian government necessary to interpret the EU Taxonomy have not yet been finalised.
BREEAM-NOR certify newbuilds to level Excellent or better and refurbishments to level Very Good or better.	23 of Entra's properties have received a BREEAM-NOR certificate, where 21 have received a final certification. 11 buildings have achieved BREEAM-NOR Excellent, 10 buildings have achieved BREEAM-NOR Very Good, and two buildings have achieved BREEAM-NOR Outstanding. In total 40 per cent of the portfolio values are currently BREEAM-NOR certified. For the projects completed in 2022, two out of four will be BREEAM-NOR certified. The other two did not comply with the criteria to qualify for BREEAM-NOR due to the project scope and will therefore undergo a BREEAM In-Use certification as soon as possible with the aim of BREEAM In-Use Excellent.
Responsible use of resources	Three redevelopment projects were completed in 2022. These projects have a high proportion of reuse incorporated in the projects as the structural systems, facades, interior etc. are reused in the completed project. Entra had an average construction rate of waste sorting of 94 per cent for development projects in 2022. Entra requires water-efficient installations in all relevant water equipment and products. Further, Entra seeks to find efficient and appropriate solutions for re-using rainwater.
Increased biodiversity	Entra works to find good solutions for increasing biodiversity in each project. In completed projects in 2022, green roofs have been installed and other measures will be continuously assessed.

pollution and biodiversity. Entra maintains detailed focus on these criteria in all development projects to ensure a broader sustainability.

BREEAM-NOR certification

Entra BREEAM-NOR certifies all new buildings and redevelopments within scope to minimum level Excellent for newbuilds and Very Good for redevelopments. BREEAM-NOR provides a holistic approach to project development and ensures that all aspects of sustainability are included in Entra's project planning and construction. The third-party verification through the BREEAM assessor confirms that the end-product is sustainable. Entra has achieved the highest certification level of BREEAM-NOR Outstanding for two properties – Powerhouse Kjørbo and Powerhouse Brattørkaia.

In February 2022, BREEAM-NOR version 6.0 New Construction was released. This updated BREEAM-NOR scheme has introduced more focus on circular economy, biodiversity and CO_2 reduction. Entra plans to implement the updated BREEAM-NOR requirements in its new development projects.

Responsible use of resources

Entra has a particular focus on reducing and minimising construction waste and aims to keep materials and products in the circular loop. The long-term goal is to achieve close to 100 per cent waste sorting in development projects. At the same time, Entra acknowledges that it is equally important to work on reducing the waste quantities from construction sites. Moving forward, it will be essential to work with various stakeholders to reduce waste quantities and maintain a high sorting rate. Entra's target sorting rate for construction waste for 2022 was 92 per cent, which was exceeded by 2 percentage points. The target for waste sorting in construction projects in 2023 is 93 per cent.

To succeed with the ambitious targets Entra has set for CO_2 reductions, it is important to succeed with re-use and circular solutions. There is increased focus on circular construction materials in the industry, which creates new products and solutions that need to be tested. Entra actively seeks to work with partners to help develop the best and most CO_2 effective solutions for the future.

Entra sets high requirements for water-efficient equipment in all its projects to reduce water usage. There is also a focus on ways to manage rainwater to use as a resource for watering the exterior landscape, thereby reducing surface water run-off. In all projects Entra seeks to implement the relevant measures to ensure that the building is adapted to the climate of the future.

Increased biodiversity

The majority of Entra's properties and projects are located in city centres and on previously developed land. This means that the company does not remove any existing important biodiversity habitats when it initiates new projects. Entra always conducts an analysis of the biodiversity value of an existing property before any construction starts and requires all projects to at least maintain the biodiversity compared to the before-situation. This contributes to a better local environment for species and habitats as well as better buildings for the company's tenants.

Own organisation

As a large real estate company, the most important measures to reduce CO_2 emissions and contribute to climate change adaptation are taken within property management and project development. However, to maintain the position as an environmental leader in the industry and to achieve climate neutrality, it is also essential for Entra to maintain a high focus on environmental issues within its own organisation.

EMISSION FROM OWN ORGANISATION					Absolute performance (Abs)	
EPRA Code	Units of measure	Indicator			2021	2022
GREENHOUSE GAS EMISSIONS						
GHG-Dir-Abs	annual tonnes CO_2e	Direct	Scope 1		-	-
GHG-Indir-Abs	annual tonnes CO_2e	Indirect/location based	Scope 2		17	17
GHG-Int	**kg CO_2e / sqm / year**	**GHG emissions intensity**	**GHG Scope 1 and 2 intensity from building energy**		**4.20**	**4.04**
GHG-Indir-Abs	annual tonnes CO_2e	Indirect	*Scope 3	1. Goods and services purchased	NA	946
				5. Waste and water generated in operations	7	8
				6. Business travel	11	66
				7. Employee commutes	NA	1
			Scope 3 total		18	1 021
			Scope 1+2+3		35	1 038
	No. of applicable properties		*Energy and associated GHG disclosure coverage*		*3 out of 3*	*3 out of 3*
	%		*Proportion of energy and associated GHG estimated*		*0%*	*0%*

Data Qualifying Note

1: Entra discloses the environmental impact of its own occupation separately within its sustainability reporting. As Entra is a tenant at properties within its own management portfolio, this data is also included in the total management portfolio consumption.

2: GHG Scope 3: 1. Goods and service purchased Own Organisation are all calculated under HQ.

3: GHG Scope 3: 6. Business Travel and 7. Employee Commutes Own Organisation are all calculated under HQ.

4: GHG Scope 3: The following Scope 3 emissions are not considered relevant for Entra Own Organisation: 2. Capital Goods, 3. Fuel and energy-related activities, 4. Transportation and distribution, 8. Leases assets upstream, 9. Downstream transportation and distribution, 10. Prosessing of sold products, 11. Use of sold products, 12. End prosessing of sold products, 13 Leased assets downstream, 14. Franchise, 15. Investments.

5: Employees commuting, 143 out of 208 respondents to company survey in 2022

Main goal
Every year Entra has a goal to reduce the CO_2 emissions linked to its own operations and organisation. Entra is currently mapping the emissions from its own organisation, including scope 1, 2 and 3. The findings will be used to set reduction targets moving forward.

Focus areas
- Reduce CO_2 emissions from own organisation
- Strengthen environmental awareness in the corporate culture
- Be an environmentally certified organisation

Reduce CO_2 emissions from own organisation
In previous years, Entra has reported on CO_2 emissions from energy, waste and water consumption in the headquarter building in Oslo. In 2022, it also included emissions from its offices in Bergen and Trondheim. Additionally, CO_2 emissions from air travel, transportation of employees to and from work and scope 3 emissions from other purchased goods and services have been calculated and reported with spend-based emissions factors. This all adds up to total emissions of 1,036 tCO_2e in 2022.

Entra continuously strives to find ways to reduce its own CO_2 emissions and will use the mapping of emissions from 2022 to identify specific measures for emission reduction in the years to come.

Environmental awareness in corporate culture
Entra has a corporate culture where environmental awareness is strongly embedded at all levels in the organisation. Entra continuously seeks to develop this further and use as a lever in implementing an even broader environmental focus. All employees in Entra are expected to contribute, influence, and continuously search for solutions to solve environmental challenges. Keeping the issue at the forefront of employees' minds helps to raise awareness and to focus on the most effective reduction measures within property management and project development.

Entra strives to attract the best employees and actively seeks to develop employee competence through R&D projects, education and training. It is a strategic priority for Entra to stimulate this type of competence to increase both employees' and Entra's overall expertise within the field. Entra works actively to increase environmental engagement and responsibility among its employees and acknowledges that there is still much to gain on the way towards climate neutrality from improved focus and competence within the subject.

Eco-Lighthouse certification
To enable Entra to document, track and improve systematic work within environmental issues, Entra is certified in accordance with the Norwegian environmental management certification scheme "Miljøfyrtårn" (Eco-Lighthouse). The third-party certification of Entra's environmental work is important in order to gain trust and credibility and to help the company to act as a role model in relation to its tenants' environmental focus.

Miljøfyrtårn®

PERFORMANCE IN 2022

Focus area	Performance 2022
Reduce CO_2 emissions from own organisation	Entra's Scope 2 CO_2 emissions, energy intensity at own office space, reduced from 4.20 kg CO_2e/sqm in 2021 to 4.04 kg CO_2e/sqm in 2022.
	Emissions stemming from waste and water consumption increased from 7 to 8 tonnes CO_2e from 2021 to 2022.
	Emissions from business travel increased from 11 tonnes CO_2e in 2021 to 66 tonnes CO_2e in 2022. This is partly caused by more travelling after the pandemic, but the main reason for the increase is due to more comprehensive data collection from the new internal travel expense system.
	In 2022, Entra has collected data and calculated emissions from transportation of employees to and from work for the first time.
	Scope 3 emissions from other purchased goods and services are calculated and reported with spend-based emissions factors for the first time.
Environmental awareness in corporate culture	Environmental issues and strategies are presented and discussed at company townhall meetings.
	Performance on environmental targets for the property portfolio and projects are used as internal KPIs for Entra's employees.
Environmental certification of own organisation	Entra is certified in accordance with the Norwegian environmental management certification scheme "Miljøfyrtårn" (Eco-Lighthouse).

Stakeholders

Entra continuously works on influencing its surroundings and setting high requirements for customers, suppliers, and other stakeholders to increase the focus on environmentally friendly buildings. In cooperation with all stakeholders, Entra will seek new and sustainable solutions.

Main goal

Entra is recognised as a driving force within sustainability in the Norwegian real estate industry and how it influences its surroundings.

Focus areas

- Customers: Work together with tenants to prioritise sustainability at each individual building by focusing on CO_2 reduction, environmentally friendly buildings and operations, reuse and waste minimisation.
- Suppliers: 100 per cent of framework suppliers and large suppliers are required to follow Entra's procurement environmental requirements.
- The real estate industry: Be a pioneer in project development, challenge existing solutions, and share expertise and experience with the industry.
- Society and public authorities: Contribute to environmentally friendly and sustainable urban development.

Customers

Entra works actively with its tenants to help them make the most environmentally friendly choices.

Entra works to increase awareness of the environment among its building users. This includes the tenants, workers who provides services at the building and all visitors. The aim is to implement environmental measures that are visible and inspiring for the people that work in and visit our buildings, such as finding solutions together with the lunch restaurants to reduce food waste and remove unnecessary packaging. We also work on enabling the implementation of environmental measures, both by tenants individually and in cooperation with Entra. In several buildings, TV screens have been installed to keep tenants informed about current energy use or rate of waste sorting. Entra also provides several of its tenants with expertise and information with regard to their own sustainability reporting.

In addition, Entra focuses on waste reduction, reuse and recycling when making tenant alterations and furnishing premises and common areas to reduce both its own and tenants' carbon footprint.

Green Benefit Agreements and environmental addendum to leases with tenants

These agreements are Entra's own scheme for working with customers on environmental measures. Entra's role is to identify the potential measures together with customers, cover the initial investment costs and implement the measures. Customers refund the cost through an increased rent for a set period on the basis that the customer's share of operating costs is reduced by more than the increase in rent. Once the initial investment has been paid down, the customer receives the benefit through lower common costs, and Entra owns a more energy efficient asset. Since 2011, Entra has signed more than 100 Green Benefit Agreements with its tenants.

Entra has implemented an addendum to the leasing contract with tenants that states that both the tenant and Entra shall collaborate to increase and develop the environmental standard of the asset throughout the leasing period. The agreement includes improvements in energy efficiency, changes to the building layout and implementation of new technical installations. The addendum allows for Entra to conduct effective measures to improve the sustainability of the building.

Suppliers

Entra always endeavours to influence and set requirements for its suppliers to contribute to the green transition in the real estate industry. Specifically, this means that Entra puts environmental matters on the agenda in meetings with counterparties and seeks to work with companies with a credible environmental profile. Entra sets environmental requirements for its suppliers and partners through conditions on purchasing and social responsibility.

Entra seeks to challenge its suppliers to develop better and more environmentally friendly solutions. All large suppliers must document that they have an environmental management system as well as a strategy for sustainability for their company. In development projects, all contractors must also have targets for their CO_2 reduction to qualify for delivering services to Entra.

Entra has imposed a total prohibition on the use of materials hazardous to health and the environment that are on the Substance of Very High Concern (SVHC) list, and works towards emission-free construction sites.

The real estate industry

In recent years, there has been increased focus on the reuse of building materials. Entra completed the first circular development project in Norway, Kristian Augusts gate 13, in 2021. The knowledge and insights gained from this project have been shared and communicated in relevant forums, and Entra is implementing the key solutions from the project in ongoing projects to increase the share of reuse in projects and the portfolio. The world has limited resources, and it is important to decrease the amount of waste produced and increase the share of reuse of products and materials. Entra has entered into a pilot project with Madaster, an online registry for materials and building products, to facilitate future reuse of materials instead of demolition and waste production.

Entra participates actively in various technical bodies, industry cooperation and industry organisations such as Futurebuilt, Næring for Klima, Norwegian Green Building Council, Norsk Eiendom, National knowledge arena for reuse in the construction industry and Norges Bygg og Eiendomsforening (NBEF). Entra has signed "The New Roadmap towards 2050 for the

The local electrical bus charging as part of Brattørkaia Microgrid.

Property Sector" established by Grønn Byggallianse and Norsk Eiendom. Entra has also signed up for Oslo European Green Capital Industry Challenges and has participated in several R&D projects such as "Svalvent" together with Sintef.

Society and public authorities

Entra is engaged in the local areas surrounding its buildings and strives to make its buildings feel inclusive and welcoming for all building users. The company works together with local communities and authorities to create good solutions for everyone.

In the early phase of development projects and urban development projects, Entra seeks to develop individual projects in connection with their surroundings to ensure optimised and efficient utilisation of common infrastructure.

With Entra's ambitious energy reduction targets, the company explores different possibilities for energy exchange with neighbouring buildings. Entra's recognised energy-positive building in Trondheim, Powerhouse Brattørkaia, produces more electricity than the building needs itself. Therefore, Entra is involved in a large-scale pilot project, Brattørkaia Microgrid. The project is part of the EU smart cities and communities project Positive CityExChange (+CityxChange) where the aim is to develop and demonstrate innovative solutions for a green energy shift with more efficient use of energy – smart energy neighbourhoods.

The key parts of the project are a mixture of extensive solar PV (solar cell electricity), a large battery storage system for surplus PV production, heat pumps, advanced energy resource/consumer integration and management, and an innovative solution for trading locally generated electricity (local energy and flexibility market- LFM).

Other measures include planning for location and design of power plants, supply of district heating and cooling, common solutions for waste, minimisation and/or streamlining of traffic and logistics, as well as standard solutions for cluster technology.

PERFORMANCE IN 2022

Focus area	Performance 2022
Customers Work together with tenants to prioritise sustainability at each individual building by focusing on CO_2 reduction, environmentally friendly buildings and operations, reuse and waste minimisation.	Entra continuously considers ways to make its buildings more sustainable together with its tenants. In several buildings TV screens have been installed to keep tenants informed about the current energy use or rate of waste sorting. Identify environmental measures and sign “green benefit agreements” with tenants. Going forward, Entra will further increase its efforts to work with tenants to meet their needs with regard to sustainability in their office. Entra work to identify and collect information about the CO_2 emissions from tenant adaptations and will strive to minimise this impact in the years to come. A tool to calculate the CO_2 emissions from tenant adaptations and the CO_2 reductions from choosing reused materials and interiors will be developed in 2023. Entra plans to visualise tenant’s carbon footprint in buildings to raise awareness of the current situation and the effect of measures implemented in the building.
Suppliers 100% of framework suppliers and large suppliers must follow Entra’s environmental requirements.	In 2022 Entra continued to use and enforce environmental requirements in procurement conditions. The use of materials that are hazardous to health and environment has been prohibited Environmental matters are included on the agenda in meetings and contracts with suppliers.
The real estate industry Be a pioneer in project development, challenge existing solutions, and share competence and experience with the industry.	Entra actively give lectures and presentations where it shares its experience from its buildings, provides guided tours of buildings and participates in the relevant industry forums. Entra actively looks for opportunities to challenge the existing solutions and strives to reduce CO_2 emissions as much as possible in each project and each existing building. In 2022 Entra established a pilot project for the use of the software program ‘Madaster’ to increase its knowledge with regard to future reuse and decommissioning of buildings. A large number of guided tours have been given of the Powerhouses and the circular redevelopment project in Kristian Augusts gate 13 in which Entra has shared its experience with national and international guests. Entra works actively with the innovation programme Futurebuilt in its project developments to seek the most innovative solutions for development projects.
Society and public authorities Contribute to environmentally friendly and sustainable urban development.	Entra contributes to relevant environmental solutions in property and urban development, with good transport and energy solutions, climate adaptation and greater biological diversity Entra actively works together with local authorities to create good urban development in central locations. Entra participates and engages in consultation processes for new building directives. In 2022, Entra specifically provided a consultation response for a new model for sharing surplus electricity production ("modell for deling av overskuddsproduksjon"). Entra is continuously sharing its experience and expertise from the Microgrid-project in Trondheim and other pilot projects to interested parties and in international and national forums.

Climate risks and scenario analysis

Climate change and environmental damage are two of the most dramatic known challenges facing the world today, and many countries are already feeling the effects. In the Nordic countries, the most relevant changes to be expected are in the form of a projected rise in sea level, milder winters, and increased intensity of extreme rainfall. A direct consequence of these changes are increased challenges related to surface water and flooding.

In 2021, Entra, together with Norconsult, assessed in detail the climate risks facing Entra's buildings. Entra has used a scenario-based approach in analysing climate risks, in accordance with the TCFD framework, and mitigating actions are prioritised based on a cost-benefit analysis. Entra aims continuously to monitor and mitigate climate related risk, as with other risk factors facing the company.

The scenarios used

Entra has used three different scenarios (SSP1-RCP2.6, SSP2-RCP4.5, SSP3-RCP7.0) for temperature and wind related risks. Future sea level rises are based on scenario RCP8.5 for the period 2081-2100. Future changes in rainfall intensity and flood flows in 2100 are based on the relevant regional profile from the Norwegian Centre for Climate Services. For transition risk Entra has used a holistic analysis using a Monte Carlo simulation to ensure that the correlation between the possible future scenarios is taken into account.

Critical input parameters, assumptions, and analytical choices for the scenarios used

Described below under Climate adaption.

Time frames used for scenarios

The time frames are short (2020 – 2049), medium (2050 – 2079) and long (2080 – 2099).

The TCFD framework distinguishes between two categories of climate related risk: 1) risk related to the physical impacts of climate changes, and 2) risk related to the transition to a low-carbon-society.

In the current studies, the impacts in category 1 have been found to be of minor consequence. Analyses in the studies have covered changes in risks related to water, wind, temperature and possible outcomes such as wildfires and landslides. These are all events that cause physical consequences, and Entra therefore treats them as physical climate risk.

The expected effects of climate change have been quantified in terms of net present value to assess if and to what extent mitigating measures should be performed at each property. Uncertainty analyses are included within the assessment in order to gain insight into the volatility and effects caused by a lack of data and/or poor data quality. Overall, the portfolio has high robustness to physical climate changes. Both the extent of and number of required physical mitigating actions have been assessed to be limited.

A similar approach has been used to identify the transition risk. During 2021, this analysis was performed at the portfolio level. In terms of net present risk, rapid changes in demand for office space and changes in the accepted lifespan of the buildings in the portfolio are found to be of most importance and relevance. This key insight is now included in Entra's risk management process, and the company will continue to monitor and address these new perspectives.

Entra acknowledges that there is considerable uncertainty ahead and will continue to develop processes to gain more insight into and knowledge of climate change and the consequences that are related to it. Entra has an active approach to assessing, monitoring, and following up climate related risks. Climate risk, together with other risks, is a regular topic at Board meetings.

Actions and follow-up plans from the assessments are being acted upon by the organisation, including, but not limited to, ensuring that Entra's asset portfolio is prepared for the possible challenges ahead.

With the data at hand, Entra can continue to make better decisions and will focus on how to make most efficient use of and implement the new information into its business model. The most important skill for Entra in this respect will be the ability to change and adapt.

Climate adaptation

To adapt, one needs to understand both the expected changes to come and the possibilities that new technology may bring. During 2021, Entra mapped and analysed the physical climate risk to 75 of its properties. The goal is to meet every risk with the correct level of mitigation measures in order to ensure a suitable balance between investments, effect and potential risk.

The method used for mapping and analysing climate risks is in accordance with the requirements given in Breeam In-Use version 6, the EU Taxonomy Annex 2 and the TCFD criteria. The analysis covers the subjects Rsl 01, Rsl 03 and Rsl 06 in Breeam In-Use and the table in Appendix A to Annex 2 in the EU Taxonomy, which is shown on the next page.

It is important to analyse the climate-related hazards in a correct and reliable manner. The analyses are undertaken by competent experts in the following disciplines:

- Hydrology
- Geotechnics
- Engineering geology
- Hydrogeology
- Meteorology
- Risk management
- Building physics

	Temperature-related	Wind-related	Water-related	Solid mass-related
Chronic	Changing temperature (air, freshwater, marine water)	Changing wind patterns	Changing precipitation patterns and types (rain, hail, snow/ice)	Coastal erosion
	Heat stress		Precipitation of hydrological variability	Soil degradation
	Temperature variability		Ocean acidification	Soil erosion
	Permafrost thawing		Saline intrusion	Solifluction
			Sea lever rise	
			Water stress	
Acute	Heat wave	Cyclone, hurricane, typhoon	Drought	Avalanche
	Cold wave/frost	Storm (including blizzards, dust and sandstorms)	Heavy precipitation (rain, hail, snow/ice)	Landslide
	Wildfire	Tornado	Flood (coastal fluival, pluvial, ground water)	Subsidence
			Glacial lake outburst	

Analysis of climate risk and possible future scenarios is not something that should be done only once. It is a continuous process where Entra acknowledges the importance of staying up to date with available information and knowledge. By regularly updating its understanding of these factors, Entra is able not only to react to, but proactively to plan, its adaption to the changing climate.

Future climate scenarios
The EU Taxonomy states that assessment of climate-related risk should be:

"(...) performed using the highest available resolution, state-of-the-art climate projections across the existing range of future scenarios consistent with the expected lifetime of the activity, including, at least, 10 to 30 year climate projections scenarios for major investments."

State-of-the-art climate projections are based on climate data which have been produced by using the Shared Socioeconomic Pathways (SSP) and Representative Concentration Pathways (RCP) for the Coupled Model Intercomparison Project 6 (CMIP6). CMIP6 is a collection of global climate model simulations which are used in the UN climate panel's newest assessment reports (AR6). The models used in this project are MPI-ESM1-2-HR and CESM2, which are considered to give the most correct results for Scandinavia. Simulations with the regional scale Weather Research and Forecasting Model (WRF) have been used to downscale the data from the two selected climate models to a smaller grid. The following combinations of scenarios have been used for the global climate model simulations and are gathered data from:

- SSP1-RCP2.6
- SSP2-RCP4.5
- SSP3-RCP7.0

The simulations have been run through a historical period (1990 – 2014) and a future period (2015 – 2100) for each scenario, giving a total of six sets of climate data (two models with three scenarios each).

The climate data have been controlled against actual historical measurements, and the model which gave the best fit has been used to analyse the different scenarios and different 30- or 20-year periods in the future. The climate data have then been used for temperature-related risk and wind-related risk. Changes in wind and temperature have been considered for three scenarios for short (2020 – 2049), medium (2050 – 2079) and long (2080 – 2099) time horizons.

Entra, together with its advisors, has used the state-of-the-art models described above for temperature- and wind-related climate risk to ensure that its analysis is based on the most up to date projections. For water-related and solid mass-related climate risks, the models are based on more uncertain input and assessment of these risks is therefore based on other methods, described in the relevant chapters below.

Temperature related climate risk
Based on climate data from one of the climate models described in the previous section, CESM2 assessments have been made to examine how the net energy requirements for a building might change in the future if the external temperatures change.

The assessments were done with the same reference building for offices which forms the basis for the net energy requirements in the Regulations on technical requirements for construction works (TEK17). This makes it possible to compare results to those achieved using the climate data typically used today.

Using the reference building as a basis, three different building models were constructed. Each model represents a different building standard in terms of structural properties and technical installations:

- New building (TEK17)
- Intermediate level (TEK 07)
- Older buildings

This made it possible to consider how sensitive buildings from different time periods are to changes in temperature. For example, the energy consumption in an older building is more dependent on temperature than in a new building. This is due to a greater heating need because the requirements for thermal insulation, technical installations etc. at the time of construction were less strict than they are today. Assessments have been made for both Oslo and Bergen for the time period 2020-2050, with the three emission scenarios described in the previous chapter - SSP1-RCP2.6, SSP2-RCP4.5 and SSP3-RCP7.0.

There are uncertainties associated with the climate model simulations. One of them is related to the projected cooling over the North Atlantic Ocean suggested by the CESM2 model, resulting in lower temperatures in some scenarios, in particular for Bergen. The climate models involved in CMIP6 strongly diverge over whether such a significant cooling will occur.

Given that Entra owns office buildings in coastal cities in Norway, the results of the simulations and calculations show that temperature related risks for Entra's portfolio are low, rather showing temperature related opportunities due to lower energy demand.

Wind related risk

Using the future climate scenarios described above, an analysis of the expected future wind climate for Oslo and Bergen has been performed. Based on the level of detail and the climate data on which the analyses are based, it is considered that the wind climate for these two cities could be represented by the climate data for Eastern Norway and Western Norway/Central Norway. Combined, these climate data will be representative for all cities where Entra has properties.

The two climate models MPI-ESM1-2-HR and CESM2 form the basis for the analyses that have been carried out for wind climate. Wind climate data has been extracted from both climate models for Oslo and Bergen, with three different emission scenarios, as described earlier. To assess the accuracy of the models, the simulated historic wind climate data from the two climate models have been compared to actual historical wind climate data from Oslo and Bergen.

Furthermore, average wind and 50-year return values for wind speed have been calculated for both Oslo and Bergen for each of the three emission scenarios. These values have been compared to the historical climate data from the climate models. Wind rose diagrams have also been prepared for the two cities at each of the three emission scenarios, for the time periods 2020-2049, 2050-2079 and 2080-2099.

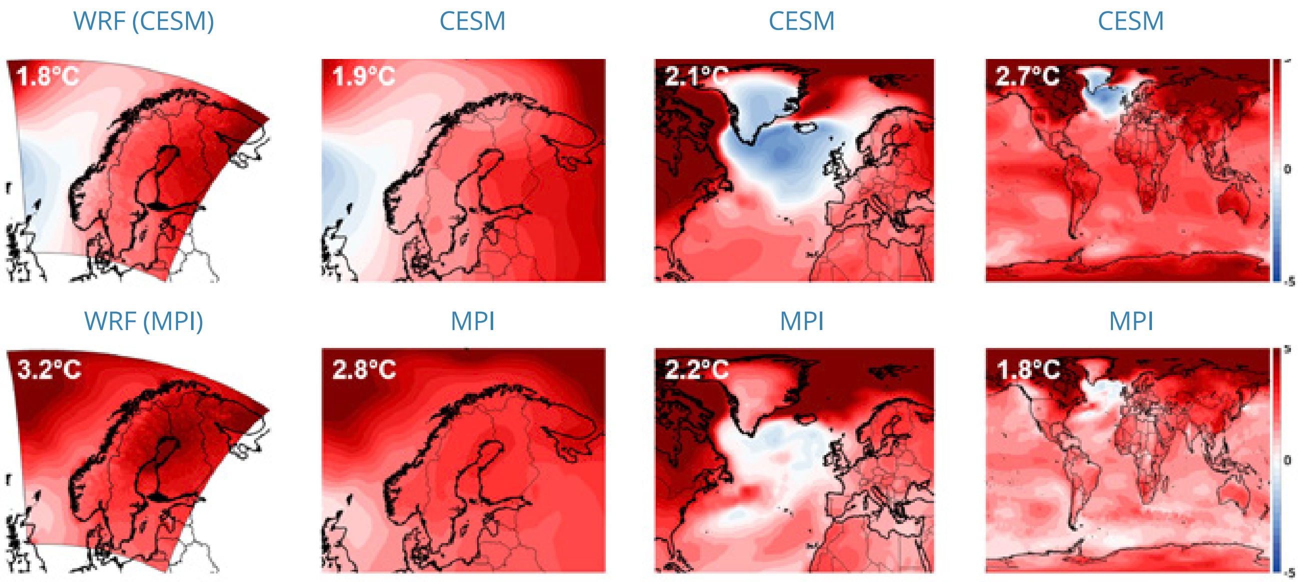


Figure. Changes in surface temperature during winter (December-February) from period 1990 – 2009 and 2080 – 2099 for scenario SSP2 (4.5). The colours represent the mean increase for each of the maps. Source: CICERO (Icebox).

In addition, an analysis of extreme wind has been performed, represented by a 99th percentile, for both cities and using both climate models.

The extreme wind values found from the climate models were significantly lower than expected, and a simple correction of the wind climate data for each city and climate model was therefore made. The simulated historical climate data from the climate models have been adjusted against a set of climate data from the weather model WRF for the same period of time. This resulted in a correction matrix which was applied to the wind climate data from the different emission scenarios.

The results from the wind climate analysis show no clear trend for future mean values and return values. There are tendencies towards a reduction in mean wind speed, but there are insufficient grounds to reach firm conclusions. This is in accordance with the report Climate in Norway 2100 from the Norwegian Centre for Climate Services, which concludes that very small changes in mean wind and extreme wind can be expected, based on the same emission scenarios used for these assessments. When it comes to wind roses, they only show minor changes in wind speed and direction over time with the different emission scenarios.

The assessments show low wind related risk for Entra's portfolio since wind patterns and wind speed will probably not change significantly in the future.

Mass related risk

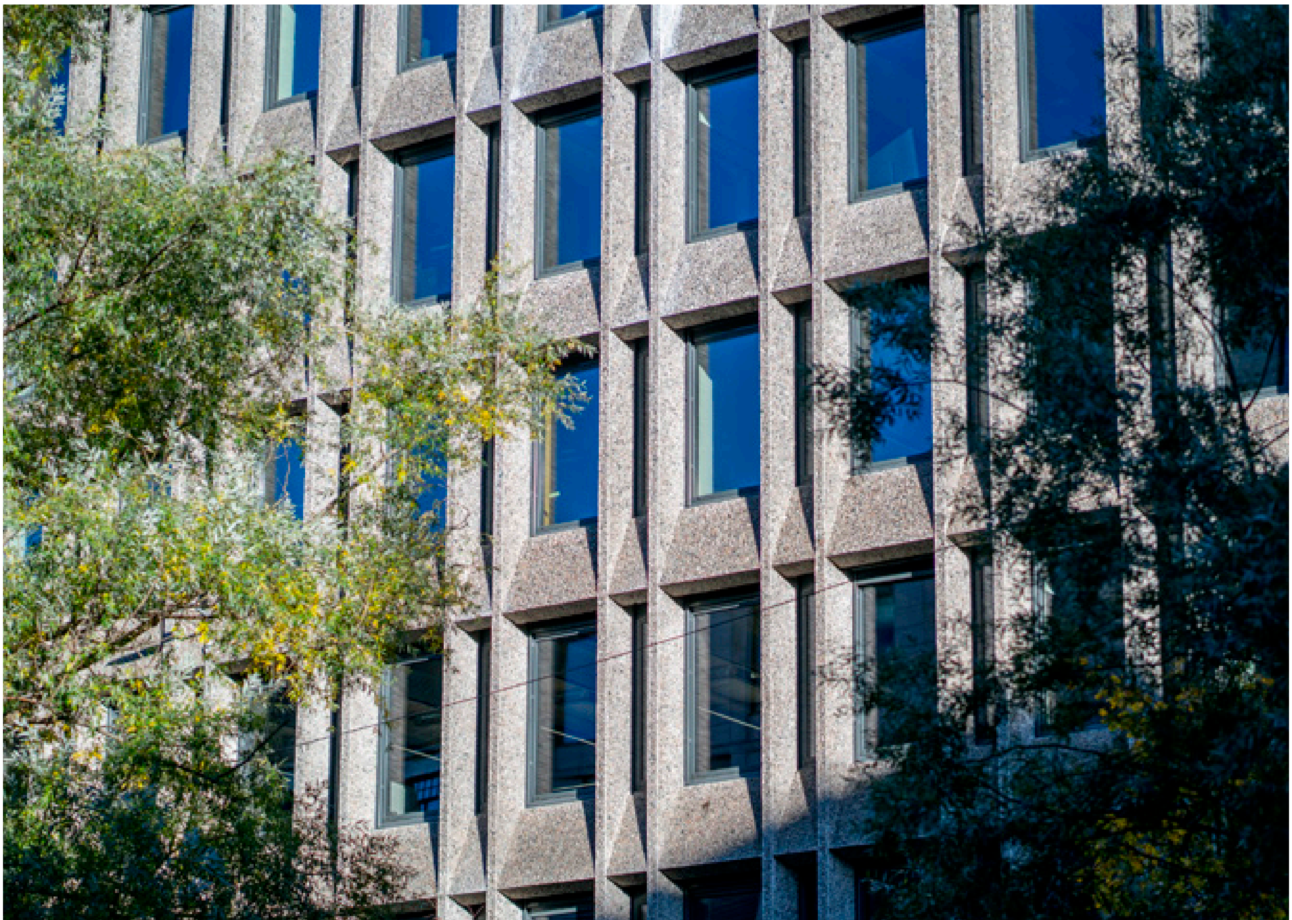
The methods and acceptance criteria used to analyse mass related risk are found in the Regulations on technical requirements for construction works (TEK17) and Norwegian Water Resources and Energy Directorates (NVE) guidelines on quick clay landslide safety (veileder Nr. 1/2019 Sikkerhet mot kvikkleireskred).

According to acceptance criteria in TEK17, Entra's properties must be assessed with an annual probability of different landslides, avalanches and rockslides of less than a 5000-year return period (safety class S3). Assessments regarding quick clay landslides are done by using special criteria based on consequence (tiltakskategori K4).

An initial assessment of the hazard related to quick clay landslides, avalanches and rockslides has been undertaken by an expert group with geotechnical and geological competence. Hazards related to individual buildings are then studied closer to determine risk. NVE has mapped different types of landslides, avalanche and rockslides that are used to identify and determine the degree of hazard and consequence for areas that are potentially exposed.

NVE has also mapped quick clay zones displaying the degree of hazard, consequence and risk of quick clay landslides. These maps together with geotechnical reports that are available for the individual buildings or clusters of buildings are then studied and NVEs guidelines are used to determine actual risk.

The assessments show low mass related risk for Entra's portfolio.



Water related risk

The risk of flooding to each of Entra's properties has been assessed for both existing and future climate scenarios. The risk of flooding from a variety of sources (tidal, fluvial, surface water, sewers, groundwater and reservoirs) has been assessed.

Flood risk has been assessed based on a review of existing information on flood risk and a qualitative assessment by flood risk experts. Where available, flood risk maps produced by NVE (The Norwegian Water Resources and Energy Directorate), Kartverket (The Norwegian Mapping Authority) or local authorities have been used. ScalgoLive has also been used to identify local pathways for surface water flow and upstream catchment areas. Existing and future sea levels are provided by The Norwegian Mapping Authority, based on data from the Norwegian Directorate for Civil Protection (DSB). Future sea level rises are based on scenario RCP8.5 for the period 2081-2100. Sea levels are expected to rise by between 46 cm (Oslo) and 78 cm (Stavanger) in the cities where Entra has properties. Future changes in rainfall intensity and flood flows in 2100 are based on the relevant regional profile from the Norwegian Centre for Climate Services. In the Oslo area, short-term rainfall intensity is expected to increase by up to 50 per cent, whilst flood flows in larger rivers may increase by around 20 per cent.

In accordance with BREEAM, properties with an annual probability of flooding greater than 0.5 per cent (200-year return period) have been assessed as being high risk, whereas properties with an annual probability of flooding of less than 0.1 per cent (1000-year return period) have been assessed as low risk. Existing mitigation measures (for example non-return valves, waterproofing of basements etc.) have been taken into account when assessing flood risk. Changes in flood risk due to climate change and potential mitigation measures have been identified for each building.

There are several cost drives related to physical climate risk. The various scenarios may influence several drivers at the same time. A distinction is also made between direct and indirect consequences. In the analysis consequences for third parties such as clients and owners of equipment stored in or on the properties were also included. Regardless of the cause, most of the risk is related to direct damage to the property and equipment. In the study, cleaning and refurbishing of affected areas are generalised, while expensive technical equipment is mapped and assessed for each property. Examples of technical equipment that is included in the analysis are:

- Main electrical intake
- Electrical distribution units
- Generators and UPS
- Ventilation main units
- Heating units
- Electrical transformers

In addition, third party entities such as server rooms, archives, storerooms, shops and parking areas are included as cost items. Indirect downtime for repair and re-construction is also included. The cost level has been assessed by experts and compared to similar historical events. For each risk element, an affected area is calculated based on the building footprint, localisation and floors below ground level. This is then used to compute the consequence for each property.

The risk can thus be estimated and quantified based on the assessed probability of occurrence for each property as determined by the climate experts. The expected effects of climate change have been quantified in terms of net present value to assess if and what mitigating measures should be carried out at each property. Uncertainty analysis is included within the assessment in order to gain insight into the volatility and effects caused by a lack of data and/or poor data quality.

Overall, the portfolio is considered to have high resilience to flooding.

Transition risks and opportunities

In addition to physical climate risk, Entra has started to assess the climate-related transition risks and opportunities for the portfolio in accordance with BREEAM In-use issue Rsl 07.

The purpose of the assessment has been to evaluate financial risks and opportunities for Entra's operations related to the transition to an economy with lower CO_2 emissions. As recommended in the TCFD framework, the considered transition risks are related to politics, technology, market and reputation.

To identify relevant risks and opportunities, information was obtained from several platforms identifying topics considered relevant in terms of significance for a real estate company's existing building.

Consequently, a large amount of the potential transition risks and the potential impact were identified. Climate-related transition risks are often complex, uncertain, and dependent on other risks. A goal for the process has therefore been to identify the key drivers that influence the risk and the mechanisms that connect them. To ensure that the correlation between the possible future scenarios is taken into account, a holistic analysis was applied and carried out with a Monte Carlo simulation. Important drivers that have been identified are:

- Changes in energy cost
- Changes in demand for space
- Changes in construction and rehabilitation cost
- Changes in quality needs
- Changes in demand for reporting and analysis
- Changes in Entra's reputation

This analysis has been performed at a portfolio level. Based on the scenarios in the TCFD framework, distributions for each of the drivers have been estimated. This is not an exact science, but is thought to be a satisfactory representation of the risk probability space for the upcoming years and will yield detailed information on which drivers and possible scenarios bring the most volatility.

This key insight is now included in Entra's risk management process, and Entra will continue to develop further processes to gather data, monitor and address these new perspectives.

Social

The social welfare system in Norway is considered best in class and is built on a tax funded model and public services that provide social security to the population from cradle to grave. This includes parental leave, public childcare, education and healthcare provided for free or heavily subsidised. Employer's national insurance contributions are taxes which Entra as employer must pay for its employees as part of the financing of the National Insurance Scheme. Generally, all persons who are either resident or working as employees in Norway are compulsorily insured under the National Insurance Scheme. Persons insured under the National Insurance Scheme are entitled to old-age pension, survivors' pension, disability benefit, basic benefit and attendance benefit in case of disablement, technical aids etc., work assessment allowance, occupational injury benefits, benefits to single parents, cash benefits in case of sickness, maternity, adoption and unemployment, medical benefits in case of sickness and maternity and funeral grant.

Entra is a socially responsible company and has established a number of relevant procedures and initiatives in its daily operations. Entra's focus areas involve its employees and their working environment, human rights, health and safety, urban development, and community engagement. Entra works actively, in a targeted and systematic manner, to promote equality and prevent discrimination in the workplace. Entra sets requirements for its own operations as well as for suppliers and partners. When evaluating new initiatives, Entra seeks partners and suppliers with common values and targets.

Motivated and responsible employees

Entra strives to develop a value-based culture characterised by the company's core values: "Innovative, Responsible, Hands-on, and One team". The core values and Entra's principles for leadership are closely connected to behaviour and following up and developing the company's employees. Emphasis is put on employee motivation, which is considered to form the basis for an individual's desire and willingness to perform and thus to contribute to the development of the company. Employees are offered opportunities for personal and professional development through close dialogue with, and follow-up by, their immediate superior. It is fundamental that employees consider Entra to be a good and attractive place to work.

Health and working environment

Entra aims to be a health-promoting workplace and implements a range of measures to contribute to the health and wellbeing of its employees. All employees are offered annual health checks and a broad range of health services through Entra's occupational health service and health insurance. The perception of wellbeing is monitored through a yearly employee-survey with a wellbeing-index, where topics regarding inclusion, discrimination, psychological safety and the physical/psychosocial workplace are covered. Entra also has an internal sports club where employees on a voluntary basis engage in social activities and several sports outside working hours such as hiking, golf, running, squash, skiing and yoga.

Sick leave in Entra in 2022 was 2.9 per cent. This is low compared to a country average of 6.8 per cent in 2022. The objective is a continued low level of sick leave.

Workers' rights

Entra complies with established standards and employment legislation. Entra is a member of the Confederation of Norwegian Enterprise, and tariff agreements have been established with employee organisations. Negotiations with employee representatives and follow-up in the event of an operational change or restructuring comply with Norwegian law.

Safety officer, working environment committee and Board representation

Entra's employees have elected safety officers, one of whom is appointed Chief Safety Officer. Their main function is to take care of employee's interests in matters that relate to the working environment. The safety officers are elected among employees with experience and knowledge of the working conditions in the company for a two-year period. The safety officers have regular meetings with Entra's HSE team.

Entra also has a working environment committee in accordance with Norwegian legislation. This is a decision-making and advisory body, and its most important function is to work for a safe working environment. The committee considers issues on its own initiative and at the request of the safety officers. All employees can contact the committee. The working environment committee consists of members from company management and representatives of the employees. Entra's current working environment committee consists of the CEO, the EVP of HR and Communication, the Head of HSE and a person elected by the employees.

Employees in Entra are free to organise themselves, and many are members of labour associations. Entra has established an accord with the Norwegian Engineers and Managers Association (FLT).

Employees are represented on Entra's Board with two employee-elected members, who are are normally employees organised in one of the labour associations.

Information on employee participation and consultation is given on www.entra.no. All new employees receive information on this topic through an introductory health and safety course and ongoing training.

Employee relationship and employee engagement

Each year, Entra carries out an employee job engagement survey. In recent years including 2022, Entra has used a standardised survey from Ennova. The survey gives a score both for the level of motivation and satisfaction of employees and the factors that drive their behaviour and attitudes. Entra's score is compared with a representative national benchmark (GELx) and a benchmark "top in class" of the 25 per cent best in Ennova's client database. In 2022, Entra had an employee motivation and engagement score of 78. Even with a decrease of one point from 2021, the score is significantly above the national benchmark GELx score of 73, but one point short of "top in class". Important measures for maintaining and developing employee engagement are clarification of roles and responsibilities, targets to ensure alignment of tasks and Entra's strategic goals, establishing an effective organisation and measures to increase communication between business units.

Employee demographics

The Board of Entra consists of four men and three women, of whom the Chair is a man. The senior management team in Entra consists of three women and four men, of whom the CEO is a woman. Of all other managers in Entra, 44 per cent are women and 56 per cent are men.

At the end of 2022, Entra employed 133 men and 75 women. In addition, it had six temporary employees as of end 2022, of whom two were women. Of the five employees working part-time four are men and one is a woman. All have voluntarily decided to work part-time as part of Entra's policy for seniors and early retirement or are employed part-time because of studies.

The average age of employees in Entra is 47.1 years and the median is 44 years, in a range from 18 to 69.

Average parental leave in 2022 was approximately seventeen weeks for men and twenty-five weeks for women.

Recruitment

Entra has professional recruitment processes that ensure transparency and equal opportunities. Most recruitment is handled using internal resources and is managed by the HR department. A recruitment process in Entra is a structured process which includes an analysis of the job description in order to phrase the advertisement in the best manner to attract the right candidates, a relevant and position-adapted case-study for the candidate to solve, and a final interview with both the direct manager and their superior manager.

GENDER EQUALITY IN ENTRA ASA – KEY METRICS

	2022	2021	2020
Gender distribution among employees (women/men)	75/133	64/110	70/116
Employee level 1 gender distribution (women/men) [1]	2/5	2/5	3/4
Employee level 2 gender distribution (women/men)	25/32	23/24	24/31
Employee level 3 gender distribution (women/men)	48/96	39/81	42/79
Employee average age	44.8	45	-
Employee level 1 average age [1]	52.1	50.6	-
Employee level 2 average age	45.6	46.1	-
Employee level 3 average age	44.2	44.3	-
Women's earning in relation to men's (all employees at Entra)	108%	106%	96%
Women's salary in relation to men's at employee level 1 [1]	111%	111%	101%
Women's salary in relation to men's at employee level 2	96%	93%	89%
Women's salary in relation to men's at employee level 3	112%	105%	97%
Women's bonus in relation to men's (all employees)	111%	105%	110%
Women's bonus in relation to men's at employee level 1 [1]	150%	108%	125%
Women's bonus in relation to men's at employee level 2	95%	88%	82%
Women's bonus in relation to men's at employee level 3	107%	93%	105%
Sick leave (women/men)	3.3%/2.7%	4.1%/1.7%	5.4%/1.8%
Absence for sick children, number of days (women/men)	69/76	40.5/52.2	34.1/24
Average weeks of parental leave taken (women/men)	25/15	25/15	18/14
Number of employees working part-time (women/men)	1/4	1/5	2/3
Number of employees involuntarily working part-time (women/men)	0/0	0/0	0/0
Number of employees in temporarily positions (women/men)	2/4	1/4	2/2

Employee level 1 = top management
Employee level 2 = managerial positions
Employee level 3 = other employees

[1] The key metrics for 2022 reflects the status as of 31 December 2022. The gender distribution on employee level 1 as of the date of this report is 3/4.

During a recruitment process, Entra aims to be open-minded, and all job advertisements invite everyone with the right competence to apply for a position. When recruiting for senior or key positions in Entra, the aim is that both sexes are represented in the final interview round. This applies for both internal and external recruitment and, if needed, targeted recruitment processes are used to fulfil this goal. Furthermore, Entra strives to attract younger employees within property management to secure continuity and enable the transfer of experience. During 2022, Entra onboarded 44 new employees, of whom 16 were women and 28 men. Most recruitment processes in 2022 stemmed from the acquisition of Oslo Areal and a decision to strengthen competence within workplace strategy, real estate development and sustainability. The employee turnover rate in 2022 was low at six per cent.

Developing competence and engagement

Entra has HR processes where performance review, talent and succession planning and development plans are closely linked. This includes a dedicated development plan in accordance with each employee's ambitions and potential.

Employees are evaluated based on achievements, ambitions and potential based on specific criteria, including achievement of specific goals and compliance with Entra's values. This evaluation is part of a process whereby Entra builds its talent pool and secures succession planning.

Entra has also developed a training and competence policy relevant for most positions. Some courses and training are offered to all or most of the employees, others are specifically related to roles within property management.

Entra's value chain is broad and imposes significant requirements regarding relevant experience and expertise. Entra therefore acknowledges individual employee's needs for ongoing professional training suited to his/her area of work and has developed the "Entra School" to provide education and training programmes for all levels of the organisation. This includes an introduction course for new employees to enable employees to view their role in the company in a wider context and an internal management and key talent development programme that runs for 1.5 years and focuses on the responsibilities and challenges of a management role. Ethics training occupies a central position in the introduction course and through annual dilemma training programmes.

Work-Life balance

Entra seeks to facilitate a good work-life balance based on the ambitions, life phases and family situation of its employees. Entra acts in compliance with the laws and collective agreements that regulate the various leave schemes and have implemented solutions that are easy to use if applying for a leave or time-off. Employee benefits, such as flexible working hours and full pay during illness and parental leave regardless of the National Insurance scheme limits, are important measures in the efforts to ensure equal opportunities.

Regular working hours are 37.5 hours per week, with a core time from 09:00 to 15:00. Employees in senior positions or in special independent positions have exemptions from the rules of the Working Environment Act § 10.2. Entra seeks to minimise the amount of overtime, but extra work is expected to be done during hectic periods. There is a mutual understanding of this in the company and that flexible working hours or a day-off can be provided during less intense periods.

Facilitation

As far as practically possible, Entra seeks to facilitate the different needs of all employees. The premises are universally designed with sufficient space and accessibility for wheelchair users. Workplaces are designed in accordance with the Workplace Regulations 4-2: § 2-4, which ensures that the workplace design takes disability into account.

Wages and working conditions

Entra has developed a policy for compensation and benefits that ensures that employees with a similar position and at the same level are assessed according to specific and similar criteria to ensure equality. There is equality in the remuneration of men and women, and all employees are included in a collective bonus scheme. All employees are included in the same insurance schemes, and there is an equal pension scheme based on the salary level. Entra has no employees involuntarily working part-time.

Annual salary and tariff settlement in Entra follows a standardised process based on central negotiations with the union representatives and involves individual evaluation of the employee by their immediate superior based on standardised criteria. This process ensures consistent and performance-based salary adjustments. Evaluation and salary adjustments are reviewed by HR and the CEO. Entra monitors salary levels through external benchmarks, in addition to internal benchmarks of positions involving similar responsibility.

Equality and diversity

Different expertise and experience contribute positively to Entra's development and to a broader and better basis for decision-making. Equal opportunities and diversity are an integral part of Entra's standards. Entra believes in the benefits of diversity, and this is incorporated into the company's recruitment procedures and is reflected in the composition of senior management. Entra strives for diversity on a broad basis, including gender, age, background, identity, education and nationality.

Diversity thus is an important part of Entra's social responsibility programme, and the measures adopted to attract necessary competence. In general, social responsibility is also an important reputation factor when it comes to attracting a new generation of competent employees. Entra has worked actively with diversity for many years and has had a particular focus on:

- Achieving a more balanced distribution of age composition in property management, which historically has been over-represented with men of high age.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- Increasing the proportion of women in our defined group of talents and key personnel.
- In general, increasing the diversity of employees and facilitating an inclusive workplace that enables the company to establish and retain a more diverse organisation

The work with diversity and gender equality in Entra is structured through:

- HR reporting: Annual reporting from HR to senior management and the Board, hereunder the status for achievement of HR targets and plans and targets for the year to come.
- Practice and policy: All practices that address diversity are anchored with senior management and the Board. Entra's ethical guidelines cover diversity, discrimination and harassment, including procedures for whistleblowing both internally and through an external law firm.

Entra's work for diversity is also given weight through procurement of products and services. Requirements for diversity are set for providers of external legal services and facility management services. The company has structured and professional HR procedures that ensure follow-up of employees through the various phases of employment as well as safeguarding against all kinds of discrimination.

Identified focus areas

Entra is in the process of further developing its recruitment strategy to focus on age and gender balance and fulfil a diversity analysis for the specific departments that are recruiting.

To assist future recruitment of young people, Entra participates in the Norwegian public education system's apprenticeship scheme. The public apprenticeship is a two-year programme, and the employer must be approved by the county municipality. Entra became an approved employer in 2021 and employed its first apprentice the same year, and the second apprentice in 2022. Some departments in Entra already work with educational institutions or directly with students as supervisors and by giving lectures.

Potential risks of discrimination

The main risk of discrimination in Entra is viewed to be unconscious discrimination. This is a risk that can never be eliminated, but which will be assessed and acted upon if it occurs. When starting new initiatives, Entra will also train managers on how to succeed with inclusion.

Measures implemented to counter discrimination and contributing to increased equality and diversity

Entra works on a continuous basis to ensure equal treatment of its employees and to further enhance diversity through its recruitment strategy. For 2023, Entra has planned the following measures in relation to equality and diversity:

- Use recruitment processes to actively increase diversity in Entra, and make targeted searches to expand the candidate pools
- Include equality and discrimination as regular agenda items in meetings of the working environment committee (AMU) to share an overview of areas of possible discrimination and get input from union and safety representatives on how current HR processes can be improved.
- Use data and third-party expertise to have the best possible processes regarding discrimination, diversity and equality
- Continue courses and events to increase competence in diversity and inclusion.

Evaluation of the work with diversity

Entra's efforts to increase the proportion of female employees and young employees have yielded results. Entra has an organisation characterised by equality. Diversity is an important part of Entra's social responsibility work, and several measures have been implemented to contribute to increased equality and diversity.

Achievements in 2022

- Implemented diversity questions in the annual employee engagement survey
- Established a wellbeing-index in the annual employee engagement survey. The index includes issues regarding the physical, psychological and psychosocial working environment, in addition to working conditions.
- Anchored the diversity policy in the senior management team
- Anchored goals for the work with inclusion, diversity and discrimination
- Started basic training within inclusion, diversity and psychological safety for all managers

Targets for 2023

Entra seeks to maintain high employee engagement and targets a continued high score in the employee job engagement survey.

Entra actively seeks to increase the share of women within property management year-on-year. The challenge has historically been that there has been less interest from women in jobs that have required expertise within technical building operations and management. During the last years, we have adjusted the phrasing of job advertisements, amended the definition of the roles and targeted search processes to attract female candidates whilst maintaining the quality of applicants. In 2022 however, the number of women in this area decreased due to voluntarily turnover. It will be difficult to achieve a 50 per cent share of women in property management as this area comprises almost one third of Entra's employees and as the pool of applicants for new positions still has a majority of men. Entra's ambition is to have a relatively equal share of women and men in the rest of the company, and in areas involving professionally qualified staff and future managers. In 2021, 47 per cent of the people in this category were women, and there were 44 per cent women in senior positions (Level 2). The overall goal is to have representation of women and men between 40 per cent-60 per cent.

To achieve the targets, management has defined measures on how to hire and develop employees. Such measures include, amongst others, a policy to include both sexes in the final interview round for key positions, programmes to develop talent and leadership skills as well as coaching that seeks to encourage and promote female talent.

Entra also has an overall target to increase diversity in the organisation (for example by recruiting from outside existing majority staff segments) and to be perceived as an inclusive workplace.

Ethics, integrity and transparency

Entra's operations follow the UN's guiding principles for responsible business and human rights and the OECD's guidelines for responsible business. Entra complies with the Transparency Act. An information channel to receive general inquiries from the public is available on https://entra.no/purchasing-in-entra/ and a separate statement of Entra's due diligence assessments in accordance with the Transparency Act will also be published here. This is also integrated into the company's management systems and routines through:

- Entra's ESG strategy
- Ethical guidelines and employee training
- Internal and external whistle blowing routines
- Human Rights policy
- Sustainability and risk management in the supply chain
- Health and safety policies and routines

Entra complies with Norwegian legislation for health, environment and safety in the workplace and for equality and the absence of discrimination. Entra expects the same from its suppliers and business partners, including that all employees and others affected by Entra's business are treated with respect and dignity. Entra expects suppliers and business partners to act with seriousness and diligence to avoid damage and negative consequences for people. All of Entra's suppliers must comply with international human rights standards and the ILO's core conventions for decent working conditions. Entra communicates this expectation through its purchasing conditions and qualification requirements for suppliers.

Entra carries out regular risk assessments related to any negative consequences and risks for people related to our business operations. In connection with Entra's due diligence process, risk is assessed for both its own operations and activities, business partners and for the supply chain.

Ethical guidelines and employee training

Entra's ethical guidelines are built on the principles of equal opportunities for all, concern for the environment, and a society view that emphasises ethics, transparency, honesty and sincerity. The long-term success of the Group is based on trust. To maintain this trust, Entra must ensure that its behaviour is consistent with its corporate values. The Group's ethical guidelines describe the way Entra is to treat its stakeholders and the behaviour which is expected of its employees. The ethical guidelines provide guidance and support to the Group and its employees in decision making and problem-solving processes.

The ethical guidelines are incorporated in the management development programme and are evaluated by the Board on an annual basis. Entra creates ethical awareness through training programmes, including an e-learning programme, and all employees and the Board are required to review the ethical guidelines annually.

In 2017, Entra implemented dilemma training in ethics for its employees that has continued since. The dilemma training is part of the introduction course for new employees, and there is an annual target that all employees should complete such online training each year. 100 per cent of the employees as well as the Board completed the online training course in 2022.

New employees participate in procurement training covering processes, guidelines and tools for implementing best practice and fair procurement processes. Anti-corruption measures are also covered on these training courses.

Whistle blowing routines

Entra has established routines. Internal questions about ethics, harassment, whistleblowing etc. can be directed to the Entra's Compliance Officer. The Compliance Officer reports on any matters to the board at least twice a year.

Questions can also be raised anonymously to an independent, experienced law firm with a duty of confidentiality in order to lower the threshold for an employee compared with having to contact a member of staff in Entra. A direct point of contact on such matters to an external law firm is available on www.entra.no and on Entra's intranet. There have been no such whistle-blowing incidents reported in 2022.

Human Rights Policy

Entra is committed to developing an organisational culture which respects and supports internationally recognised human rights. Entra support all internationally recognised human rights standards such as the United Nations Guiding Principles on Business and Human Rights, as well as relevant international conventions and standards such as those of the International Labour Organisation. Our commitment to the realisation of human rights is set out in the Group's Human Rights Policy and its Social Strategy. Key human rights issues and due diligence procedures are embedded in internal risk assessment processes and guidelines, as well as being addressed explicitly in documents such as the Socially Responsible Purchasing Guidelines. Entra reports on its performance in the annual ESG report based on the criteria appropriate to Entra in the Global Reporting Initiative.

Entra does not accept discrimination or bullying in the workplace. Everyone is to be treated with respect, irrespective of gender, religion, age, ethnicity, nationality, any disability or sexual orientation. To secure compliance, Entra has a Human Rights policy, and human rights are included in guidelines and management tools, including those dealing with fundamental values, ethical guidelines, socially responsible procurement and through the focus on HSE and the working environment. Entra provides its employees with opportunities for professional and personal development and facilitates training to ensure that employees have the right competence and can use their expertise and assume responsibility. Entra demonstrates respect for its employees' private life and meets the requirements for personal data protection (GDPR) through secure ICT and HR systems.

Entra's supply chain

Entra spends more than 2 billion per year on external suppliers. The main suppliers are the largest construction companies in Norway and their sub-suppliers such as carpenters, electricians and plumbers. In property management, the largest suppliers are facility service suppliers such as canteen operations and cleaning services. Entra has signed framework agreements with its largest suppliers which mainly comprise large Norwegian companies.

Within property operation and management, Entra has entered into strategic framework agreements within segments such as electrical, ventilation and plumbing, telecommunications and automation and other installations. Entra also has long-term framework agreements within cleaning, canteen management and reception services. At the end of 2022, Entra had more than 110 suppliers with framework agreements involving a purchasing volume of approximately 600 million a year. In this segment, almost all counterparties are Norwegian companies, and only a small number of ICT suppliers are from countries outside Norway.

Entra's Supplier Policy sets requirements for competition and follows the principle of equal treatment of suppliers. Entra has strict pre-qualification requirements and follows up suppliers based on risk mapping and influence in terms of purchasing volume.

Entra maintains a regular dialogue with strategic suppliers and clearly communicates its own expectations relating to values, human rights, decent working conditions, and the identified risks in the industry, both before and after entering into a contract.

Entra also invites selected suppliers to meetings to discuss a joint approach to the challenges facing the industry. The main purpose is to create an established arena for dialogue and cooperation that will focus on meeting the sector's challenges related to working conditions, corruption and workplace crime.

Risk management in the supply chain

There is considered to be limited risk associated with rights to exercise freedom of association and collective bargaining, and the use of child labour and/or forced labour in Entra's direct supply chain when goods and services are purchased in Norway. However, there may be increased risk further down the supply chain for contractors that procure goods and services or input factors for production from areas outside Western Europe. Entra has started work on mapping this.

When it comes to the risk of violations of pay and working conditions, it is with the subcontractors for the large development projects that Entra has identified the greatest risk and where the most resources are deployed to achieve compliance.

Identified areas and risk factors:

- Social dumping
  - Employees may have employment contracts that do not comply with the Working Environment Act
  - Violation of working time and overtime regulations
  - Employees who are not paid their rightful salary/overtime payment.
  - Part-time workers who do not have the same conditions and rights as permanent employees
- HSE deviations
  - Smaller companies/self-employed individuals may have limited resources to develop management systems for quality and HSE
  - Time pressure on the construction site can increase the risk of HSE deviations and serious accidents
  - Language problems can lead to misunderstandings regarding safety procedures
- Crime in working life
  - Fake/illegal companies further down the supply chain that invoice for undeclared work
  - Evasion of taxes and fees by unscrupulous firms that might give them an advantages in new tender processes
  - Salaries paid to non-Norwegian workers can be characterised as "fictitious loans" from the employer

Entra's measures, systems and tools to stop, prevent or limit negative consequences from the identified risks in our supply chain can be divided into the following areas: Supplier follow-up and contract follow-up, Supplier qualification requirement, Supplier audits and Supplier reviews.

Supplier qualification requirements

Entra has elaborated its requirements and expectations of its suppliers regarding social responsibility, the environment, human rights and sustainability in its ethical guidelines for suppliers in the document "Socially responsible procurement" which is available at www.entra.no. Acceptance of the document and its content is a minimum requirement for all suppliers and subcontractors who deliver goods and services to Entra properties. The document is an integral part of all enquiries, construction contracts and orders issued on behalf of Entra's property portfolio.

The document covers topics such as:

- Human rights, sustainable development and environmental considerations when choosing materials
- External environment (local environment) and focus on energy and environmental savings
- HES on construction sites
- Well-functioning working conditions and labour rights
- Financial status and solvency
- Business ethics and relationships

Entra also sets further requirements for contractors who use subcontractors in its projects.

- StartBank: Contractors and their subcontractors must be registered in the StartBank register. This gives Entra an overview of the organisation's financial situation, management systems, and payment of taxes and public fees.
- For work that takes place on a construction site, the contractor may use one area with a subcontractor. For turnkey contracts (NS8407) or contracts that exceed 20 million, up to two subcontractors are permitted.
- The contractor shall only use hired personnel from a staffing company registered with the Norwegian Labour Inspection Authority.
- The contractor is to be up to date with VAT and tax payments, as documented with a certificate no older than six months.
- All workers are to carry a valid HSES card (identification card) when they work in Entra's premises/construction site.
- The contractor has procedures, routines and rights to control and obtain payslips and employment contracts for its own and hired personnel and subcontractors.
- Hired personnel must have similar conditions as permanent employees
- The work to be carried out under the contract is the subject of a collective tariff agreement according to the Application of Collective Agreements Act. The contractor guarantees that all employees of the contractor (who directly contribute to the fulfilment of the contract) shall at least have a salary and working conditions as provided in the respective collective tariff agreement for construction sites, electrical trades and cleaning work in Norway.

Supplier audits

Entra's most important tool in avoiding compliance breaches is to carry out supplier audits and supplier controls. It is mainly through controls that the company gains valuable knowledge about the actual conditions surrounding identified risks.

Entra carries out audits of its operations on an annual basis. The audits seek to ensure that the business complies with Norwegian law and that the principles in Entra's guidelines for socially responsible purchasing and HSE routines are adhered to.

An annual audit plan is set up in collaboration with a group from Procurement, HSE, Project Development and Compliance.

Risk factors in Entra's operations, the supply chain and HSE risk are the main focus of the audits. The audit plan is prepared based on risks assessed by reference to the following:

- Project/property/supplier size and complexity
- Contract conditions, contract model and supplier selection
- The results of changes, previously performed audits and controls
- Project organisation
- Start and lifetime of the project

There are no set criteria for the number of audits to be carried out each year, although there is typically a correlation with the number of projects in the portfolio. All major construction projects and large refurbishment projects are audited at least once during the project's lifetime.

In addition, a selection of subcontractors is made for occasional control, where we check the pay and working conditions of 2-3 employees/contracted staff engaged on an assignment for Entra. In recent years, Entra has prioritised these checks, as it has been found over time that the biggest violations of decent working conditions are further down the value chain of our main suppliers.

During 2022, seven supplier audits and five HSE audits were carried out.

In connection with audits and controls, we have altogether checked the pay and working conditions of some 26 persons working for suppliers in Entra's supply chain.

The inspections were carried out by a combination of internal personnel and external audit companies, and the reports were thoroughly evaluated together with handling of deviations, observations and suggestions for improvements.

If deviations are discovered in the supply chain, this is followed up through dialogue with the relevant supplier and relevant stakeholders, such as trade unions and the main contractor. If deviations and breaches are not addressed or resolved within a reasonable time period this can lead to the contract being suspended. For serious deviations that involve gross examples of labour exploitation/social dumping, Entra will terminate the contract and prohibit the subcontractors from working on the construction site.

Supplier reviews

Entra seeks to expand its knowledge of how its suppliers relate to the requirements of the Transparency Act ("Åpenhetsloven") and the company's ethical guidelines for Socially Responsible Procurement. It also seeks more insight into risk factors that apply to input factors in the suppliers' value chain.

In order to survey its supply chain, Entra has submitted a survey to suppliers that are considered to be at-risk suppliers. To facilitate this, Factlines is used. This is a web-based tool that provides the exchange of information between the parties in the supply chain, and helps Entra to identify and assess risks in the chain.

Recipients of the survey are suppliers of goods and services within Entra's identified risk segments from which the annual purchasing volume exceeds NOK 200,000. In the survey, suppliers must respond about conditions surrounding human rights and decent working conditions in their value chain. They must also provide information about whether they have an overview and systems to control the suppliers in their own value chains. In the case of suppliers where it is found in the risk mapping that they lack control systems or do not provide sufficient information, further documentation is requested in relation to how Entra's requirements are met.

Topics covered in the survey:

- Social responsibility, strategy and guidelines
- Supply chain: follow-up, insight and control
- Risk assessment and countries, areas, input factors that are relevant.
- Management systems in the business
- Working conditions
- Environment and conflict minerals
- Anti-corruption

Using the survey reports, Entra seeks to identify and assess risks in the supply chain, and where necessary to make improvements together with its suppliers.

Health, Safety and Environment (HSE)

HSE work is central to Entra in all parts of the value chain. It shall be safe to visit and work in Entra's properties and projects. HSE is well established as a natural part of the day-to-day operations, including being part of the bonus scheme for all employees. It is a focus area at all levels of the organisation and thus recognised widely in the organisation as a personal responsibility of all employees.

Entra's HSE strategy involves systematic work with:

- HSE in the daily operation of the buildings
- HSE in development projects
- HSE for own employees

The internal HSE policy in Entra has the following targets:

- It shall be safe to work, visit and stay in and around Entra's properties and construction projects
- For own employees, Entra shall have a health-promoting work environment where no one will be injured or sick because of their work

Entra undertakes systematic HSE training of its employees where different positions receive different training. All new employees are given an introduction to the HSE system after joining the company.

Special training on the operation of buildings is given to property managers. This involves training in fire protection, conflict management, FSE course (electricial installations) and work at heights. Entra's project managers receive training in Entra's routines for ensuring HSE in the building projects as part of their introduction to Entra.

Senior management are involved in practical HSE work and are expected to take the lead through behaviour and leadership. As part of this, a review of the latest HSE report is regularly on the agenda at senior management and Board meetings. HSE status is also an important item on the agenda at all employee townhall meetings.

The perception of HSE for Entra's employees is closely monitored in various ways, including the annual health checks, in which employees are asked to answer questions regarding their perception of HSE. Another way was introduced in 2022 through the 'the well-being index' in the annual employee survey (ref. the section above on "Health and work environment").

Entra works actively to increase awareness with regard to the registration of all types of incidents, including accidents and near misses. The reporting of incidents is important to prevent potential accidents and to increase awareness internally among Entra's employees, suppliers and customers.

Entra has an occupational health and safety management system covering all parts of its business in accordance with applicable Norwegian legislation. The Working Environment Act, with its regulations, sets conditions in a number of areas:

- Regulations concerning organisation, management and employee participation ("Forskrift om organisering, ledelse og medvirkning")
- The workplace regulations ("Arbeidsplassforskriften")
- Regulations concerning performance of work ("Forskrift om utførelse av arbeid")
- Regulations concerning action and limit values ("Forskrift om tiltaks- og grenseverdier")
- Internal control regulations ("Internkontrollforskriften")
- Construction client regulations ("Byggherreforskriften")
- Regulations concerning HSE-cards ("Forskrift om HMS-kort")

The HSE system has also been developed and implemented based on risk management and risk analyses at different levels of the organisation. The system primarily covers Entra's workplaces and Entra's employees. However, Entra also has HSE requirements on its suppliers and their subcontractors. In general, Entra requires that its social responsibility requirements, which involve HSE requirements, are implemented throughout the chain of suppliers.

Entra has contracted an occupational health service (OAS) for its own employees, and Entra's OAS is an officially approved organisation for such services.

Among other things, the OAS provides:

- Annual health checks of employees
- Vaccinations
- Ergonomic evaluations
- Emergency stand-by arrangements
- Input to the working environment committee

Targets and status

HSE targets are also included in the Group KPIs with a focus on avoiding serious accidents.

The HSE targets for 2022 were:

- There shall be no injuries in and around our buildings where Entra can be held responsible involving sick leave absence of more than three days, and
- there shall be no injuries in our construction projects involving more than 16 days of sick leave.

Incidents are reported to the Chief Executive Officer and to the Board. Serious incidents are investigated to see what lessons can be learned and are an important element in further strengthening the HSE work.

In 2022, there were five injuries involving sick leave absence in our construction projects that involved more than 16 days sick leave. This number, and the total number of days of absence due to such injuries, was higher than in previous years. There are no obvious reasons for this development except that project activity was at an all-time high in 2021/2022, both when it comes to the number of projects and the total number of work hours on construction sites.

There were no injuries involving sick leave absence in and around our buildings in 2022 where Entra can be held responsible.

Entra performs regular HSE audits of both development projects and management properties. In 2022, Entra performed five HSE related audits. Three of these were related to the management of properties. One of the five was related to Entra's development projects, and one combined HSE and social responsibility.

Urban development

Entra's strategy is to invest in clusters close to public communication hubs in the three largest cities of Norway: Oslo and the surrounding area, Bergen and Trondheim. Entra aims to contribute to urban clusters that are attractive, inclusive, and accessible for office users, residents, and all other relevant parties. To be located close to major public communication hubs contributes to less use of private cars to the benefit of public transport and environment-friendly alternatives such as bicycles.

For Entra, urban development includes creating a good atmosphere and secure surroundings in and around its buildings for

the benefit of tenants, visitors and others who pass through the area. Entra ensures that the space around its buildings and building sites is neat, clean, and attractive. Entra works to get a mix of activities on the ground floors within its property clusters to create life and variation among visitors and users of its buildings. Where applicable, Entra considers how to activate the ground floors of its buildings to contribute to activity on street level.

Entra emphasises the importance of a good dialogue with partners, competitors, and other stakeholders in its work on urban development. Entra involves neighbours, local politicians and others who live or work in the proximty of Entra's new buildings and refurbishments. Such involvement may constitue of meetings and correspondence with neighbours, open meetings, information to the local press and a one-on-one dialogue with selected target groups.

Examples of areas and buildings where Entra has contributed to positive urban development are in Tullinkvartalet, Sundtkvartalet and at Tøyen in Oslo, at Papirbredden in Drammen, Brattørkaia in Trondheim, and Media Citiy in Bergen. In the years to come, Entra will also be actively involved in the urban development of Bryn and the areas around the central station in Oslo and around Sandvika on the western fringe of Oslo.

Community engagement

Community engagement has been an important part of Entra's ESG work for many years and in total Entra was involved in community engagement in relation to some 60 properties, or around 60 per cent of its portfolio, in 2022. The major initiatives are described below.

Entra has been a sponsor of the Church City Mission ("Kirkens bymisjon") in Norway since 2014. Entra's financial support to, and dialogue with, the Church City Mission strengthens the constructive measures that the Church City Mission is carrying out in connection with social challenges in the cities covered by the agreement. In Oslo, Entra is, among other initiatives, involved in the "Neighbour cooperation" project. This involves several companies located in the Oslo city centre working to create a safer and better local environment for all those passing through the area and contributes to increased employment to disadvantaged groups that are currently out of work. Entra is actively involved in annual campaigns to provide Christmas dinners for the homeless and lonley. The Church City Mission has also provided valuable insight in the planning of activities towards selected target groups in Entra's work with social sustainability initiatives as part of the urban development In Oslo.

For 21 consecutive years, Entra has also been a key sponsor of Ridderrennet, a global winter sports competition for disabled persons that is arranged in Norway.

During the autumn of 2021, Entra entered a pilot project with Sisters in Business (SiB). SiB is a social entrepreneur that creates work for immigrant women through local textile production and repair of clothes. SiB has succeeded in providing work to women who have found it difficult to enter the labour market. The pilot took place at two of Entra's buildings, giving our tenants the opportunity to have different clothes repaired for free or buy textile products produced by SiB. All tenants that used the services provided by SiB were also encouraged to contribute to the Church City Mission instead of paying for the service. During the pilot, our tenants potentially saved 10.5 tonnes of CO_2e, on repairing clothes. Entra continued the project with Sisters in Business in 2022 and organised a "repair-week" in one of our buildings in Sandvika, saving potentially 3.5 tonnes of CO_2e.

In 2023, Entra will continue to evaluate how its cooperation with the Church City Mission and Sisters in Business can be further developed. Community engagement, hereunder initiatives within social sustainability and new initiatives that contribute to and support employment of young people and disadvantaged groups, is a particular focus area in Entra's social strategy.

In 2022, Entra finalised the development of the Tullin area, and in January 2022, Entra, together with partners, established the Tullin Association. During 2022, several initiatives for the area were carried out such as cultural activities for children, backyard concerts, music and yoga events.

As a result of Russia's invasion of Ukraine in 2022, many refugees arrived in Oslo and at Helsfyr where Entra owns a cluster of properties. In addition to providing monetary support to Ukraine, Entra immediately built a new playground for children at Helsfyr.

Governance

Board's Corporate Governance statement

Entra's Board of Directors ("the Board") actively adheres to good corporate governance standards and works to ensure that Entra complies with the requirements of section 3-3 b of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance of October 2021, issued by the Norwegian Corporate Governance Board (NUES). This is done by ensuring that good governance is an integral part of the decision-making process in matters dealt with by the Board. Moreover, Entra's corporate governance standards are subject to at least annual assessment and discussion by the Board.

Compliance with the Norwegian Code of Practice for Corporate Governance

CORPORATE GOVERNANCE IN ENTRA

	Compliance with the Code	Reference
1. The Board of Directors' Corporate Governance statement	●	Page 84
2. Business	●	Page 12-39
3. Equity and dividends	●	Page 92
4. Equal treatment of shareholders and transactions with related parties	●	Page 93
5. Free transferability	●	Page 92
6. General meeting	[1] ●	Page 93
7. Nomination Committee	●	Page 93-94
8. Board composition and independence	●	Page 87, 89
9. The work of the Board	●	Page 87-89
10. Risk management and internal controls	●	Page 88-89
11. Remuneration of the Board	●	Page 89-92
12. Remuneration of Senior Executives	●	Page 89-92
13. Information and communication	●	Page 88
14. Takeover bids	●	Page 93
15. Auditor	●	Page 94

[1] Minor deviation, cf. section 6 below.

Roles and responsibilities

Board of Directors

- Responsible for the long-term success of Entra
- Sets the overall strategy and oversee its implementation
- Provides leadership and direction to the Group on its values and ethics
- Responsible for corporate goverance
- Sets risk appetite and investment strategies
- Determines significant investments, acquisitions and disposals
- Responsible for risk management
- Responsible for financial performance, financial management and financial reporting
- Appoints core executive management positions

Audit Committee

Preparatory body supporting the Board on the exercise of its responsibilities relating to:

- Financial reporting
- Internal controls and financial reporting processes
- Compliance with ethical guidelines
- Overall risk management
- Review of the performance and independence of the auditor
- Preparing the audit tender processes, and giving the Board a recommendation on the election of auditor

Remuneration Committee

Preparatory body supporting the Board on the exercise of its responsibilities relating to:

- Remuneration packages and employment terms of the CEO and other Senior Executives
- Oversight of remuneration practices for all employees

Nomination Committee

- Reviews structure, size and compostion of the Board and its Committees
- Leads Board appointment processes
- Ensures shareholders' views are taken into account
- Recommends appointments to the Board

CEO

- Leads the executive team and responsible for the overall management of Entra
- Articulates vision, values and purpose
- Develops and implements strategy
- Responsible for the overall performance of the business

Executive management

- Supports the CEO on the implementation of strategy, financial performance and management of the group

Management committees

- Investment committee
- Sustainability committee
- Compliance

Board activity

Eight regular board meetings are scheduled each year. Additional meetings are held on an ad hoc basis as required. Eleven board meetings were held in 2022. The calendar below sets out the main topics discussed at each regular board meeting.

February

- Financial and operational performance
- HSE report
- Transactions and investments
- Annual results and the Q4 report
- Portfolio valuation
- Management remuneration, STI and LTI
- Portfolio investments

March

- Financial and operational performance
- HSE report
- Transactions and investments
- Annual results and Annual report
- Going concern and viability statement
- ESG strategy and reporting
- ICT and cyber security update
- Annual general meeting proposal
- Remuneration report

April

- Financial and operational performance
- HSE report
- Transactions and investments
- Q1 report
- Portfolio valuation
- CEO and Board Committees instructions
- Compliance
- Procurement and vendor Review
- HR Review and succession planning
- General remuneration principles

June

- Financial and operational performance
- HSE report
- Transactions and investments
- Portfolio review and site visits Trondheim
- Board meeting calendar
- Project Development Review
- CEO and Board Committee instructions
- Compliance
- Risk matrix review
- Letting and office market insight
- Outside-in perspective on Entra - external guests

July

- Financial and operational performance,
- Half year report
- HSE report
- Transactions and investments
- Portfolio valuation

September

- Financial and operational performance
- HSE report
- Transactions and investments
- ICT and cyber security Review
- Board self assessment
- Portfolio review and site visits Bergen
- Strategy review
  - Macro economic outlook
  - Financial outlook
  - Portfolio rotation and divestments
  - Portfolio strategy
  - Customer strategy

October

- Financial and operational performance
- Semi-annual dividend
- Q3 report
- HSE report
- Transactions and investments
- Portfolio valuation
- Strategy session
  - Environmental strategy
  - Social sustainability strategy
  - Macro: Scandinavian real estate market
- Competence development
- KPI targets for next year
- Board evaluation

December

- Financial and operational performance
- HSE report
- Transactions and investments
- Budget scenarios / financial model
- Financing plan and policy
- Investment policy
- Financial outlook
- Risk review
- Customer satisfaction survey
- Employer satisfaction survey
- KPI targets for next year
- ESG strategy and reporting
- CEO Review
- Strategic interest in Entra
- Compliance
- Succession planning top management
- Portfolio review and site visits Sandvika

BOARD REPRESENTATION AND PARTICIPATION IN BOARD MEETINGS AND COMMITTEES IN 2022

	Board meetings	Audit committee	Remuneration committee	Board tenure since	Up for election
Ottar Ertzeid [1] (Chair)	7		3	2022	AGM 2024
Hege Toft Karlsen (Vice Chair)	11	8		2021	AGM 2024
Joacim Sjöberg [1]	7		3	2022	AGM 2024
Widar Salbuvik	11	8		2016	AGM 2024
Camilla AC Tepfers	11			2019	AGM 2024
Marit Rasmussen	11			2020	2024
Erling Nedkvitne	11		6	2018	2024

[1] Since AGM April 2022. Joacim Sjöberg is a board member and currently the acting CEO of Castellum AB. Sjöberg is not considered independent according to the Norwegian Code of Practice for Corporate Governance.

The Board's work

The Chair of the Board chairs board meetings. The Board has a Vice Chair who chairs meetings when the Chair cannot or should not lead the work of the Board. All directors receive information about the Group's operational and financial progress in advance of the Board meetings. Entra's business plan, strategy and risk are regularly reviewed and evaluated by the Board to ensure that the company creates value for shareholders in a sustainable manner. The Board draws up and adopts an annual plan, including topics for the Board meetings. Ordinarily, the CEO proposes the agenda for each individual Board meeting. The final agenda is decided in consultation between the CEO and the Chair of the Board. In addition to the directors, Board meetings are attended by the CEO, CFO, other EVPs as needed, and the Chief Legal Officer (secretary of the Board). Other participants are called in on an ad-hoc basis. The Board decides on matters of material importance to the Group. These include, but are not limited to, approval of the annual and quarterly financial statements, strategies and strategic plans, the approval of significant investments, the approval of significant contracts and the approval of substantial acquisitions and divestments. When carrying out this work, the Board also considers the financial, social and environmental aspects.

The Board receives quarterly reports and presentations on the Group's operational and financial status. The reports describe progress and status in the Group's operative and administrative functions during the reporting period. The individual business units hold meetings with the CEO and CFO to review operating activities prior to and in connection with such reporting. The reports form the basis for internal control, communication on status and necessary measures. The quarterly reports are reviewed at board meetings and form the basis for the external financial reporting.

Each year the Board and its committees assess their own work and way of working as a basis for reviewing the need for changes and other measures. This assessment includes an evaluation of the Board's expertise, collectively and for each member, and how well the Board works as a team.

Monitoring and control of financial reporting

Procedures have been established for financial reporting that involve carrying out a review of significant estimates, provisions, and accruals in conjunction with preparation of the quarterly and annual financial statements. Memorandums are prepared for significant accounting assessments and non-routine transactions, and are discussed in the Audit Committee prior to the board meetings. The valuation of the Group's properties is subject to a separate review and assessment at management level at the close of each quarter. This involves, among other things, holding meetings with the external appraisers conducting quarterly valuations of Entra's investment properties, with a particular emphasis on discussing perceptions of the market, risk premiums and documentation.

The Group reconciles and documents all balance sheet items in the group companies each quarter. Balance sheet items such as bank deposits, receivables, non-current assets, and liabilities are subject to thorough reviews. Loans, interest rates and interest rate hedging are subject to manual reconciliation each month. Ongoing projects are reviewed on a quarterly basis by the Project Development department. Rental income and other significant profit and loss items are subject to reconciliation each quarter. All reconciliations are reviewed and quality assured, as well as being analysed against the Group's forecasts and previous accounting periods.

Management reports significant operational and financial matters to the Board at the board meetings. Any significant matters and situations that arise outside board meetings are discussed with the Chair of the Board and if necessary additional board meetings are held.

In connection with the quarterly reporting, the Group's external auditor conducts a review of the financial reporting, without issuing a review report.

The Group's quarterly and annual financial statements are reviewed by the Audit Committee before they are considered by the Board. As part of this process, management prepares a memorandum for the Audit Committee that describes significant accounting and financial assessments made during the quarter. The Audit Committee annually reviews the external auditor's audit report, as well as the findings and assessments of reviews and audits in conjunction with interim and annual reports, if applicable. Any key audit matters and significant issues in the auditor's report are presented to the whole Board.

Financial management
The Group is managed by means of financial and operational targets linked to results and their development, the return on equity and the weighted average cost of capital, the management of the debt portfolio and the return on the property portfolio. Risk assessments and profitability calculations are performed when acquiring or divesting assets and on commencement of development projects in accordance with the Group's calculation model and required rate of return. The expected net present value and other key financial metrics of development projects are monitored throughout the course of each project. Long-term projections are made of expected financial developments as a component of the Group's risk management, using a model with detailed assumptions concerning the business's results, cash flow and balance sheet. The projections take into account cyclical developments in the economy, financial parameters and the property market. Scenarios and simulations are prepared for various developments. The simulations provide insightful information for the Board and management in their monitoring of developments in key balance sheet figures and cash flows.

Allocation of capital and the attitude towards risk are important parameters for guiding financial operations. Entra's finance policy contains a framework for the day-to-day management of the Group's financial risk. Principles have been defined for borrowing and for management of liquidity risk, interest rate risk, credit risk and counterparty risk. The Group's model for financial projections is updated regularly. Quarterly reports are made in accordance with the management guidelines for the financial operations, and to the Board through the quarterly business report.

Systematic monitoring of the general economic situation and its impact on the Group's financial risk is carried out. Based on expected development in the economy and analysis of the Group's financial position, expected development in both short-term and long-term interest rates, the strategy for interest rate positioning, capital requirements and planned financing activities are discussed, as well as opportunities in the financing market.

Financial reporting and communication
The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the EU. Entra's reporting fulfils statutory requirements and provides sufficient information to allow the company's stakeholders to form an accurate picture of the business. Entra reports in accordance with the rules laid down by the Norwegian Securities Trading Act, as well as with the requirements specified by the Oslo Stock Exchange for companies with listed shares and bonds.

Entra provides its shareholders, the Oslo Stock Exchange and the financial market in general with timely, consistent and precise information. Such information is given in the form of annual reports, quarterly reports, stock exchange notices and investor presentations and meetings. The Board has set an IR policy for Entra's reporting of financial and other information.

Entra considers it important to inform shareholders about the Group's development and economic and financial status. Management members (the CEO, CFO and Investor Relations Manager) are available for discussions with shareholders in order to develop a balanced understanding of such shareholders' situation and focus, subject however to the provisions in legislation and regulations. Management ensures that shareholders' viewpoints are communicated to the whole Board.

The Board has approved regulations relating to the handling of inside information and trading in the company's shares. Primary insiders require internal clearance by the Chief Legal Officer before they buy or sell Entra shares.

Risk management
The Board is responsible for ensuring that the Group's business, financial reporting and asset management are subject to adequate control and in accordance with applicable law. Entra's risk management is to support the Group's strategic and financial goals and help the Group avoid events that may have an adverse impact on the Group's operations, financial situation and reputation. This is further elaborated on pages 28-39 in the Annual Report.

Internal control and compliance
The Board reviews at least twice per year the Group's risk and internal control activities, including compliance. This, combined with the management's risk assessments and information on ongoing measures, enables the Board to judge whether the Group's risk management procedures are satisfactory. Risk management and internal controls are also considered by the Board's Audit Committee.

Entra works systematically to ensure continuous improvement of its internal controls linked to financial reporting and efficient operations. The Group has a proactive approach towards risk management, and potential risks are identified, assessed, quantified and managed. This is further elaborated in the section on Risk Management.

In consultation with the Audit Committee, management defines areas where the Group conducts reviews of internal controls. Both internal and external resources are used on these reviews. The results of the most important reviews related to internal control are presented to the Audit Committee and the Board on at least an annual basis. An internal control plan is presented to the Board.

The Group follows up issues relating to ethical guidelines and corporate social responsibility. The environmental perspective is an integral part of the assessments made in connection with the Group's potential investments. Special requirements have been defined for the Group's suppliers in the document "Socially Responsible Procurement", and a supplier verification process is conducted each year to ensure that the Group's suppliers are familiar with and adhere to the contractual conditions. This is further elaborated under the section "Ethics and anti-corruption".

The Group's Chief Compliance Officer (CCO), reporting directly to the Board , is responsible for ensuring that Entra has implemented a compliance programme that will ensure that it is compliant with regulatory and legal requirements as well as internal policies and bylaws. The CCO performs an annual review of the Group's governing documents, including guidelines for ethical conduct, procurement, sustainability, anti-corruption, data protection and privacy, and supports the Board and the CEO in ensuring that these guidelines are implemented and enforced.

Whistleblowing mechanisms and channels

The Chief Compliance Officer is responsible for the Group's internal and external whistleblowing channels. The external channel is directly linked to an external law firm and contact details are available at www.entra.no. The Board is provided at least semi-annual reports on compliance related matters.

Conflicts of interest

As of date Fastighets AB Balder hold shares, in its own name and through nominees, equalling 39.98 per cent of the shares in Entra and thus had negative control. Castellum AB hold shares equalling 33.33 per cent of the shares in Entra. Fastighets AB Balder is not represented at the Board but Erik Selin, the CEO and majority shareholder, is represented at the nomination committee. Joacim Sjöberg is a board member and currently the acting CEO of Castellum AB, and is also represented on the Board of Entra. The Board has set guidelines in order to prevent , mitigate or handle potential conflicts of interest. In the event of disqualification, Sjöberg will resign when considering the specific board case.

Board committees

The Board has established an Audit Committee and a Remuneration Committee. The Board has established mandates for the work of the committees, which are subject to annual review. In accordance with their respective mandates, the Audit Committee and the Remuneration Committee are to have two or three qualified shareholder representatives from the current Board. The representatives are elected by the Board for two years at a time. In case of Board changes during the election period affecting members of the Audit Committee or Remuneration Committee, the period lasts until the representative is next up for election as a Board member. The committees assist the Board with preparing its work, but decisions are taken by the whole Board.

Audit Committee

The Audit Committee acts as a preparatory body and supports the Board in assessing the integrity of Entra's financial reporting, internal controls and financial reporting processes, ESG reporting, compliance with ethical guidelines, overall risk management and review of the performance and independence of the auditor. The CFO, the Head of Group Accounting, the Group Controller and the Head of Accounting (secretary of the Audit Committee) attend as representatives from management. The Group's auditor also participates in all meetings. Other members of the management team attend as required. The Chair of the Audit Committee reports on the significant assessments discussed in an Audit Committee meeting at the first following board meeting. The Board further has access to the minutes from each Audit Committee meeting. The Audit Committee has an established calendar of meetings, and eight meetings were held in 2022.

Remuneration Committee

The purpose of the Remuneration Committee is to act as a preparatory body for the Board's consideration of compensation issues. The Remuneration Committee's main task is to prepare the Board's consideration of matters relating to the salary and employment terms of the CEO and Senior Executives, as well as changes to them. In addition, the Remuneration Committee prepares the Board's consideration of principle issues relating to salary levels, result-related pay schemes (including share schemes), the pension scheme/conditions, employment contracts and similar for the Senior Executives of Entra, as well as other matters relating to compensation that are of particular importance for the Group's competitive position, profile, ability to recruit, reputation etc. The CEO discusses the handling of individual conditions of Senior Executives with the Remuneration Committee. The Remuneration Committee furthermore discusses and presents proposals to the Board on guidelines for the remuneration of Senior Executives, prepares the report on salaries and other remuneration to Senior Executive personnel and the Board pursuant to Section 6-16b of the Public Companies Act, and deals with other statutory reporting requirements.

The Remuneration Committee is composed of the Chair of the Board and one or two members of the Board and is to be independent of Senior Executives. The CEO and EVP HR & Communication attend as management representatives. The CEO does not participate in discussions on issues that affect the CEO personally or matters that relate to the Senior Executives as a whole. The Group's Chief Legal Officer acts as the committee's secretary. Six meetings were held in 2022.

Salaries and remuneration of Board and Senior Executives

Remuneration of Board and Senior Executives

Pursuant to section 6-16a of the Public Companies Act, the Board presents guidelines on the determination of salaries and other remuneration of the Board and Senior Executives, defined as the CEO and other members of the management team, to the Annual General Meeting for approval. The following guidelines were approved by the 2022 Annual General Meeting.

Guidelines for management remuneration

Remuneration of Senior Executives is based on the following general principles:

- Entra shall be a professional organisation that attracts and retains skilled personnel and develops the competence of its staff. Entra thus needs to use remuneration, including competitive salaries, in order to ensure that the Group can recruit and retain competent and attractive expertise
- Moderation in the level of salaries of the Group's employees
- Management remuneration shall be competitive, but not leading
- The fixed salary shall be the main element of the remuneration, but all remuneration elements shall be considered in total
- The targets for any performance-related pay scheme shall be objective, measurable and definable, and there should be a clear correlation between the Group's business goals and the targets in such a performance-related pay scheme
- Senior Executive remuneration shall be transparent and in line with the principles of good corporate governance

Process for determination of remuneration

The Board has established a separate Remuneration Committee. The Remuneration Committee functions as an advisory body for the Board and the CEO and is responsible primarily for:

- Making recommendations to the Board based on the committee's evaluation of the principles and systems underlying the remuneration of the CEO and other Senior Executives
- Making recommendations to the Board based on the committee's evaluation of the overall remuneration of the CEO, including the annual basis for bonus payments and bonus payments actually made
- Assisting the CEO in determining the remuneration of the other Senior Executives
- Advising the Board and the CEO in compensation matters that the committee finds to be of material or principle importance for Entra

Determination of remuneration in 2022

The guidelines for management remuneration set forth above form the basis for all remuneration of Senior Executives. Furthermore, the following principles applied for 2022 and apply up until the Annual General Meeting in 2023.

The total remuneration of the CEO and other Senior Executives consists of a fixed package of salary and benefits supplemented by performance-based bonuses, share-based long-term incentive plans, employee share plans, and pension and insurance arrangements.

Fixed remuneration

The fixed remuneration provided to Senior Executives includes a base salary (which is the main element of remuneration) and benefits in kind such as a car allowance, mileage agreements and telephone. The Senior Executives also have insurance coverage and other benefits in line with what is offered to the other employees in the Company in accordance with collective agreements, legislation and normal practice in Norwegian companies.

Performance-related pay

The Group operates performance-related pay schemes for Senior Executives. For the Group's Senior Executives, performance-related pay in 2022 includes a cash-cased variable pay scheme ("STI" – Short-Term Incentive) and a share-based variable incentive scheme ("LTI" – Long-Term Incentive).

STI scheme

The STI scheme is based on yearly performance on set targets at Group level in accordance with Board approved scorecards for 2022, as well as predefined personal targets for the year. The scorecard for 2022 consist of the following KPIs and topics:

- NOI margin (net operating income less administrative cost/ rental income)
- Customer satisfaction score
- Energy consumption
- Waste management
- HSE (health, safety and the environment)
- Employee satisfaction
- Compliance

For the CEO and the deputy CEO the STI scheme has a maximum limit of 50 per cent of base salary and for other Senior Executives the maximum limit is 30 per cent of base salary.

LTI scheme

The LTI scheme is based on two Key Performance Indicators (KPIs); Return on Equity before tax (RoE) and Total Shareholder Return (TSR), each weighting 50 per cent. The Board believes that these KPIs align the interest of Senior Executives and shareholders in a beneficial manner, even though both KPIs are also influenced by external factors beyond the control of management.

Actual performance is determined on a linear target scale between a hurdle at 100 per cent and a cap at 120 per cent for both KPIs.

1. Return on Equity: three-year average RoE before tax compared to a target determined by the Board.
2. Total Shareholder Return: three-year Entra TSR performance compared to the performance of the FTSE EPRA/NAREIT index.

Overview of remuneration scale LTI scheme 2022

			Maximum LTI result CEO and Deputy CEO (%) [1]	Maximum LTI result Senior Executives (%) [1]
Target achived	100	120		
RoE	5.5	6.6	30	20
TSR	100% of index	120% of index	30	20
Result LTI	**0**	**100**	**60**	**40**

[1] Calculated as actual achieved RoE & TSR divided by target RoE & TSR ("Result"). This Result is compared to the applicable target scale and if between 100 and 120 per cent, the linear percentage achievement is multiplied with the maximum 2022 result. I.e., if the Result is 110 per cent on the target scale, 2022 remuneration is calculated by 50 per cent multiplied by maximum 2022 result of 40 per cent and 60 per cent for Senior Executives and CEO/ Deputy CEO, respectively.

The LTI remuneration will be distributed in shares which will have a graded vesting period of three to five years after settlement, whereof 1/3 is vested after three years, another 1/3 after four years and the remaining 1/3 after five years. LTI remuneration is not included in the basis for pensionable salary, and there is a cap on share price increase under the LTI scheme at 200 per cent share price increase.

In the event of the occurrence of a Change of Control , each share distributed under the LTI scheme will become fully transferable immediately.

Reclaiming performance-related pay

The company has the right to demand the repayment of any performance-related remuneration that has been paid on the basis of facts that were self-evidently incorrect, or as the result of misleading information supplied by the individual in question. If an individual's employment contract is terminated, the company has the right to reclaim unvested shares awarded under the LTI scheme.

Share purchase scheme
The CEO and other Senior Executives are eligible to participate fully in Entra's discounted employee share purchase scheme on the same terms as all other employees.

Pension benefits
The CEO and other Senior Executives have a contribution-based service pension on the same terms as other employees. The contributions are 6 per cent of salaries between 0 G and 7.1 G and 16 per cent of salaries from 7.1 G to 12 G.

Board compensation for Senior Executives
The CEO and certain other Senior Executives have a number of internal directorships in subsidiaries and partly-owned companies. They do not receive any remuneration for these directorships.

Severance package arrangements
The CEO has the right to six months' severance pay based on the base salary in cases where the Board takes the initiative to terminate the employment. No other Senior Executives have pre-agreed severance pay agreements.

Board remuneration
The general meeting determines each year the remuneration of the Board based on the Nomination Committee's proposal. The Board's remuneration shall reflect the Board's responsibilities, expertise, and use of time and the complexity of the business. Remuneration is not dependent on results and no share options are issued to Board members.

Board members or companies to which they are connected shall not normally undertake separate assignments for the Group in addition to the Board appointment. If they nevertheless do, the whole Board is to be informed, and the fees for such assignments are to be approved by the Board. If remuneration is paid above the normal Board fee, this is to be specified in the annual report.

Employee-elected members of the Board receive fees in line with shareholder-elected Board members.

Deviation from the Guidelines
The Board may decide to deviate entirely or partly from the Guidelines in individual cases provided that there are special circumstances that make such deviation necessary in order to satisfy the long-term interests of the Company or to ensure the financial viability of the Company.

Annual remuneration report
Pursuant to Section 6-16b of the Public Companies Act, a report on salaries and other remuneration to Senior Executive personnel and the Board is to be presented at the Annual General Meeting. The report is also available on Entra's website.

Remuneration of the Board in 2022

Board remuneration in 2022

In 2022 the Board received remuneration in accordance with the Nomination Committee's proposal, approved by the AGM. No remuneration was paid above the Board fee approved by the AGM.

All amounts in NOK thousand	Board fees	Committee fees	Total remuneration 2022 [1]
Ottar Ertzeid, Chair from 22 April 2022	367	46	414
Hege Toft Karlsen, Vice Chair, from 23 April 2021	288	77	365
Widar Salbuvik	288	102	390
Camilla AC Tepfers	288	-	288
Joacim Sjöberg from 22 April 2022	202	32	235
Erling Nedkvitne, employee representative [2]	288	46	334
Marit Rasmussen, employee representative from 30 April 2020 [2]	288	-	288
Siri Hatlen, Chair until 22 April 2022	156	20	176
Kjell Bjordal, Vice Chair until 22 April 2022	86	14	100
Total [1]	**2 254**	**337**	**2 591**

1 The overview of the remuneration of the Board of Directors shows remuneration earned in the financial year.
2 Does not include ordinary salary.

Remuneration of Senior Executives in 2022

Determination of the remuneration of Senior Executives for 2022 has been carried out in accordance with the guidelines approved by the AGM on 22 April 2022. The base salary of the Senior Executives increased on average by 3.7 per cent in 2022. Performance-related pay for 2021 was determined and paid in 2022 based on the principles determined in 2021. Performance-related pay for 2022 is determined and paid in 2023 based on the principles determined in 2022.

The annual compensation ratio [1] was 7.1 and the change in annual compensation ratio [2] was -1.2.

OVERVIEW OF TOTAL REMUNERATION TO SENIOR EXECUTIVES IN 2022

All amounts in NOK thousand	Base salary	Paid salaries [1]	Cash-based variable remune-ration [2]	Share-based variable remune-ration [3]	Pension costs	Other benefits [4]	Total remune-ration
Sonja Horn, CEO	3 802	4 041	1 416	1 340	133	184	7 114
Anders Olstad, CFO and Deputy CEO	3 194	3 401	1 243	1 104	133	179	6 059
Kjetil Hoff, COO	2 288	2 378	536	497	133	149	3 693
Per Ola Ulseth, EVP Project Development	2 128	2 213	505	521	133	154	3 527
Tore Bakken, EVP Market & Commercial Real Estate Development	2 108	2 193	444	520	133	153	3 443
Kristine Marie Hilberg, EVP HR & Organisation	1 726	1 794	416	358	133	143	2 843
Hallgeir Østrem, EVP Legal and Procurement	2 649	2 733	629	277	133	166	3 939
Total	**17 897**	**18 753**	**5 190**	**4 617**	**930**	**1 129**	**30 618**

1 The main difference between base salary and paid salaries is that paid salaries includes holiday pay on cash-based variable remuneration.

2 Includes the provision based on targets met in 2022, which will be paid out in 2023.

3 The LTI scheme for 2022 has a graded vesting period of three to five years after the settlement date in 2023, whereof 1/3 is vested after three years, another 1/3 after four years and the remaining 1/3 after five years. LTI is reported on expensed basis. As such, the earned LTI for 2022 also includes a portion of LTI earned in previous years.

4 Other benefits includes benefits in kind such as a car allowance, telephone and insurance coverage.

The above amounts are subject to National Insurance contributions of 14.1 per cent. No loans were given by Entra to senior executives at 31 December 2022.

Equity and shareholders

Entra has only one share class. Each share carries one vote and otherwise has equal rights including the right to participate in general meetings.

Free transferability

The shares are freely negotiable, with the exception of shares purchased by employees at a discount, and shares allocated in connection with the company's long-term incentive (LTI) scheme, see the section on Salaries and remuneration of the Board and Senior Executives above. The Articles of Association place no restrictions on voting, ownership or negotiability of the shares.

Equity and dividend

At 31 December 2022, the Group's book equity was 31,671 million (33,571 million), representing an equity ratio of 39 per cent (48 per cent). The Board considers this to be satisfactory by reference to the Group's goals, strategy and risk profile. At any given time, Entra's financial strength and exposure is considered in the light of its objectives, strategy and risk profile.

The Board targets to pay out dividends corresponding to approximately 60 per cent of the Group's Cash Earnings on a semi-annual basis. Cash Earnings is defined as net income from property management less tax payable.

Board authorisations

Capital increase

The Board has been authorised to increase Entra's share capital by up to NOK 18,213,205, equivalent to 10 per cent of the share capital. The authorisation may be used on one or several occasions. The authorisation may be used in order to strengthen the company's equity and to cover capital needs in connection with business opportunities. The authorisation is valid until the Annual General Meeting in 2023 and will in all cases expire on 30 June 2023.

The shareholders' preferential rights to subscribe for shares pursuant to section 10-4 of the Public Companies Act may be set aside, cf. section 10 5. The authorisation includes share capital increases by contribution in kind and a right to allow the company to incur special obligations, cf. section 10-2 of the Public Companies Act. The authorisation does not include resolutions on mergers pursuant to section 13-5 of the Public Companies Act

Purchase of own shares

The Board has been authorised on behalf of the company to acquire Entra shares in the market with an aggregate par value of up to NOK 9,106, 603, equivalent to approximately 5 per cent of the company's share capital. Treasury shares acquired under this authorisation may only be disposed of by way of

1 Annual total compensation for the organisation's highest paid-individual / Median annual total compensation for all of the organisation's employees excluding the highest-paid individual, as defined by GRI.

2 Percentage increase in annual total compensation for the organisation's highest paid-individual / Median percentage increase in annual total compensation for all of the organization's employees excluding the highest-paid individual, as defined by GRI.

a subsequent cancellation in connection with a share capital decrease, cf. section 12-1 (1) no. 2 of the Public Companies Act. The lowest and highest price to be paid per share is NOK 50 and NOK 300, respectively. The company's acquisition and divestment of its own shares is to be carried out on a stock exchange or otherwise at a trading price and in accordance with generally accepted principles for equal treatment of shareholders. The authorisation is valid until the Annual General Meeting in 2023 and will in all cases expire on 30 June 2023.

The Board has also been authorised on behalf of the company to acquire up to 500,000 shares in Entra on behalf of the company with an aggregate par value of up to NOK 500,000, equivalent to approximately 0.27 per cent of the company's share capital, for a maximum purchase price of up to NOK 150,000,000. Shares may be acquired for the purpose of implementing the company's share scheme for all employees in the Group and the long-term share incentive scheme for members of the senior management in the Group. The lowest and highest price to be paid per share is NOK 50 and NOK 300, respectively. The company's acquisition of its own shares is to be carried out on a stock exchange or otherwise at a trading price and in accordance with generally accepted principles for equal treatment of shareholders. Divestment is to be carried out in accordance with the purposes set out above, or on a stock exchange or otherwise at a trading price and in accordance with generally accepted principles for equal treatment of shareholders. The authorisation is valid until the Annual General Meeting in 2023 and will in all cases expire on 30 June 2023.

Equal treatment of shareholders and transactions with related parties

In the case of a material transaction between Entra and a shareholder, a shareholder's parent company, a Board member, a Senior Executive, or persons related to them, the Board is to ensure that the transaction is supported by a valuation from an independent third party. This does not apply when the general meeting is to consider the matter in accordance with the rules in the Public Companies Act. An independent valuation is also to be provided in the case of transactions between companies in the same group where there are minority shareholders in such companies.

The Board is not aware of any transactions in 2022 between the company and shareholders, directors, executive personnel or parties closely related to such individuals that could be described as material transactions.

Takeover bids

The Board has an approved set of guidelines for takeover bids and will handle such situations in accordance with Norwegian law and the Norwegian Code of Practice for Corporate Governance. In a bid situation, Entra's Board and Senior Executives have a responsibility to help ensure that shareholders are treated equally, and that the Group's business activities are not disrupted unnecessarily. The Board will not hinder or obstruct takeover bids for Entra's assets or shares. The Board will ensure that shareholders are given sufficient information and time to form an opinion on an offer. If a takeover offer is received, the Board will issue a statement making a recommendation as to whether shareholders should or should not accept the offer. The guidelines have been followed during transactions in recent years involving the acquisition of a strategic interest in Entra.

General meeting

The Board is to arrange for as many shareholders as possible to be able to exercise their rights to participate in Entra's general meetings, and for the General Meeting to be an effective meeting place for shareholders and the Board, through, among other things, ensuring that:

- agenda documents are sufficiently detailed for shareholders to be able to take a position on all matters that are to be considered;
- the deadline for notice of attendance is set as close to the meeting as practically possible and in accordance with the provisions in the Articles of Association;
- the Board and Chair of the Nomination Committee attend the general meeting;
- routines are in place to ensure that the General Meeting can elect an independent person to chair the General Meeting; and
- the General Meeting is able to vote on each item, hereunder for individual candidates for appointment to the Group's governing bodies.

Shareholders who are not able to be present at a general meeting shall be given the opportunity to vote through a proxy or through electronic participation. Entra is to:

- give information on the procedure for attending by proxy;
- appoint a person who can vote for shareholders as proxy; and
- prepare a proxy form, which as far as possible is laid out in such a way that votes can be given for each matter that is to be considered and candidates who are to be elected.

The entire Board of Entra has not usually attended the Annual General Meeting as the items on the agenda of the Annual General Meeting have not required this. The Chair of the Board is always present, and other Board members participate on an ad-hoc basis. From the Group's perspective, this is sufficient.

Nomination Committee

Article 6 of the Group's Articles of Association states that the company shall have a Nomination Committee composed of up to five members.

The members of the Nomination Committee, including the Chair, are elected by the general meeting for a period of up to two years. Members of the Nomination Committee are to be shareholders or representatives of shareholders and the committee is to be composed so that broad shareholder interests are represented. Efforts are to be made to ensure both sexes is represented in the Nomination Committee.

The Nomination Committee is to give its recommendation to the general meeting regarding election of shareholder-elected members to the Board and the Nomination Committee, as well as the remuneration payable to members of the Board and the Nomination Committee. The remuneration of members of the Nomination Committee is determined by the General Meeting, and the General Meeting may adopt instructions for the Nomination Committee. The Nomination Committee ensures that shareholders' views are taken into account when qualified members are nominated to the governing bodies of Entra, and shareholders are invited to provide input to the Nomination Committee.

None of the Nomination Committee's members represents Entra's management or Board. Erik Selin, the CEO and largest shareholder in Fastighets AB Balder is one of three members of the Nomination Committee. Fastighets AB Balder holds shares, in its own name and through nominees, equaling 39.98 per cent of the shares in Entra ASA and thus has negative control. The Nomination Committee is considered to have a composition that reflects the common interest of the community of shareholders.

See www.entra.no for more information on the members of the Group's Nomination Committee and the Nomination Committee's contact details.

Auditor

The Audit Committee evaluates and makes a recommendation to the Board and the general meeting regarding the choice of external auditor. When evaluating the auditor, emphasis is placed on the firm's qualifications, capacity and the auditor's fee. The General Meeting elects the Group's auditor. Since 2012, Entra's auditor has been Deloitte. Roger Furholm has been the partner in charge of Deloitte's audit team since 2021.

Plan for the auditor's work

Each year the auditor presents a plan for the execution of the auditor's work to the Audit Committee that in turn informs the Board of its most important aspects.

Auditor's relationship to the Board

The auditor attends all meetings of the Audit Committee, as well as the Board meeting in which the annual report and financial statements are considered and adopted. At the meetings, the auditor goes through any significant changes in the Group's accounting principles, the evaluation of material accounting estimates and any material matters where there has been disagreement between the auditor and the management. There is one annual meeting with the Audit Committee and the auditor, and one meeting with the whole Board and the auditor, which is not attended by representatives from the management.

Auditor's review of the Group's internal controls and financial reporting

When presenting the results of the audit to the Audit Committee, the auditor also presents an assessment of the Group's internal controls, identified weaknesses and proposals for improvements. The auditor summarises the findings and assessments of the annual audit for Group management and the Audit Committee. Material issues if applicable are summarised for the Board.

Auditor's independence

Each year the auditor's independence is assessed by the Audit Committee. The Board has drawn up guidelines on the engagement of the external auditor, governing what work the auditor can do for the Group in view of the requirement for independence. Any major assignments other than statutory audits are approved by the Audit Committee in advance. Management informs the Audit Committee of all additional services supplied by the external auditor at each Audit Committee meeting.

Audit firm rotation

Entra is required to initiate a tender process for the appointment of the external auditor every 10 years. As a public limited company, Entra is not allowed to have the same external auditor for more than 20 consecutive years.

In 2021, a tender process for the external audit of Entra was conducted following which the Board recommended to the Annual General Meeting on 22 April 2022 that Deloitte continued as auditor. The Annual General Meeting voted in favour on the Board's recommendation.

General meeting

The auditor attends the Annual General Meeting for consideration of the annual financial statements. The auditor's fee for the statutory audit and other services is approved by the Annual General Meeting.

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To the Board for Directors

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON ENTRA'S ESG REPORT FOR 2022

This Independent Auditor's Limited Assurance Report to the Board of Directors of Entra ASA (Entra) relates to selected information in the ESG section, GRI Index and EPRA Sustainability Performance Measures (the "Selected Information") within the Entra - Annual Report for the reporting period ended 31 December 2022.

Our assurance conclusion

Based on our procedures described in this report, and evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information, as listed below has not been prepared, in all material respects, in accordance with the Applicable Criteria.

Scope of our work

Entra engaged Deloitte AS to provide an Independent Limited Assurance Report in accordance with International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)), issued by the International Auditing and Assurance Standards Board ("IAASB") and our agreed terms of engagement.

The Selected Information in scope of our engagement, as presented in the Annual Report, for the period ended 31 December 2022 is as follows:

Selected Information in the Annual Report	Applicable Criteria
ESG Section, Chapter ESG, Environment and Social, except information about EU taxonomy	Reporting in accordance with the GRI Standards 2021, pursuant to Entra's disclosures under the Global Reporting Initiative (GRI) Index in chapter GRI Index. EPRA Sustainability Best Practices Recommendations (sBPR) - Performance Measures for Environment and Social.
ESG Section, Chapter Governance	Reporting in accordance with the GRI Standards 2021, pursuant to Entra's disclosures under the Global Reporting Initiative (GRI) Index in chapter GRI Index. The Norwegian Code of Practice for Corporate Governance (NUES)
GRI Index	Reporting in accordance with the GRI Standards 2021, pursuant to Entra's disclosures under the Global Reporting Initiative (GRI) Index in chapter GRI Index.
EPRA Sustainability Performance Measures	EPRA Sustainability Best Practices Recommendations (sBPR) - Performance Measures for Environment and Social.

In relation to the Selected Information, as listed in the above table, the Selected Information needs to be read and understood together with the Applicable Criteria.

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Inherent limitations of the Selected Information

We obtained limited assurance over the preparation of the Selected Information in accordance with the Applicable Criteria. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

The Board of Director's responsibilities

The Board of Directors are responsible for:

- Selecting and establishing the Applicable Criteria.
- Preparing, measuring, presenting and reporting the Selected Information in accordance with the Applicable Criteria.
- Publishing the Applicable Criteria publicly, where it is not publicly available, in advance of, or at the same time as, the publication of the Selected Information.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error.
- Providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of the services.
- Confirming to us through written representations that you have provided us with all information relevant to our services of which you are aware, and that the measurement or evaluation of the underlying subject matter against the Applicable Criteria, including that all relevant matters, are reflected in the Selected Information.

Our responsibilities

We are responsible for:

- Planning and performing procedures to obtain sufficient appropriate evidence in order to express an independent limited assurance conclusion on the Selected Information.
- Communicating matters that may be relevant to the Selected Information to the appropriate party including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the Selected Information.
- Reporting our conclusion in the form of an independent limited Assurance Report to the Board of Directors.

Our independence and quality management

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We apply the International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Key procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the description of activities undertaken in respect of the Selected Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out the limited assurance engagement on the description of activities undertaken in respect of the Selected Information, we performed the following procedures:

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- Obtained an understanding of Entra's systems and processes for the identification, processing and controls associated with the Selected information including an understanding of Entras materiality analysis to identify material sustainability aspects.
- Made inquiries with relevant personnel to obtain an understanding of the process for collecting and reporting the Selected Information, and relevant internal controls; but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
- Assessed potential risks of material misstatements
- Performed limited substantive testing on a selective basis of the Applicable Criteria to test whether data has been appropriately measured, recorded, collated and reported.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Oslo, 2 March 2023
Deloitte AS

Roger Furholm
State Authorised Public Accountant (Norway)

Frank Dahl
Sustainability expert

(This document is signed electronically)

Board of Directors



	Ottar Ertzeid	Hege Toft Karlsen	Widar Salbuvik
Board position	*Chair*	*Vice Chair*	*Board member*
Born	1965	1969	1958
Nationality	Norwegian	Norwegian	Norwegian
Gender	Male	Female	Male
Member of the Board since	2022	2021	2016
Number of shares in Entra	0	0	20 000
Education	MSc in Business ("Siviløkonom") from BI Norwegian Business school	Law master degree from the University in Bergen, Attorney-at-law and AMP from Harvard Business School	Graduate Programme in Economics and Business Administration from the Norwegian School of Economics (NHH)
Executive and non-executive positions	Ertzeid has experience from senior executive positions in DNB such as Head of DNB Markets and Group CFO. He serves as vice chair in Verdipapirenes Sikringsfond, Argentum and Dextra Artes and as board member in DNB Livsforsiking and Luminor Bank	Toft Karlsen is CEO of Eika Gruppen and has previously held various senior executive positions in Gjensidige Forsikring ASA. She serves as board member in Vipps og BankID BankAxept	Salbuvik is an independent business advisor and investor and was previously CEO of Pareto AS. He also serves as chair of the board of Asset Buyout Partners, HR-Gruppen Capus, Sabar, Vindsteg, Breiangen and Havfonn. He is vice chair in Bjørnøen and Kings Bay and board member in Rana Utvikling, Zeiner Eiendom and Mo Industripark

Previous experience	Ottar Ertzeid	Hege Toft Karlsen	Widar Salbuvik
CEO		●	●
Property industry			●
Project Management			
Technology management	●	●	●
Environment and CSR	●	●	●
Financing and stock market	●	●	●
Transactions and M&A	●	●	●
Accounting	●	●	●

			
Joacim Sjöberg	**Camilla AC Tepfers**	**Marit Rasmussen**	**Erling Nedkvitne**
Board member	*Board member*	*Board member, employee representative*	*Board member, employee representative*
1964	1969	1976	1962
Swedish	Norwegian	Norwegian	Norwegian
Male	Female	Female	Male
2022	2019	2020	2018
0	0	454	14 533
Master of Law/LLM University of Stockholm	MSc from the Norwegian University of Science and Technology (NTNU)	Market Communication from BI Norwegian Business school	MSc degree from University of Glasgow, Business Administration candidate from BI Norwegian Business school
Sjöberg has experience from executive positions within investment banking and real estate advisory services. He is currently an investor and mananger of his own investment company. He serves as board member of Castellum, Wästbygg Gruppen and KlaraBo Sverige. Sjöberg is currently the acting CEO of Castellum	Tepfers serves as co-founder and partner of inFuture. She has previous experience as EVP of Innovation at DnB NOR and Senior VP at DnB eDevelopment. She has been a Lecturer at Norwegian University of Science and Tehcnology (NTNU) and a consultant with Icon Medialab. She serves as member of the board of directors of SpareBank1 SR-Bank, Dyreparken Utvikling, InFuture and Polaris Media	Rasmussen is a property manager in Entra and has previously held positions within management, sales and marketing at Kolonihagen Bakeri, HR consultant in Sodexo and sales and marketing in Norpet and Zoomiljø Engros	Nedkvitne is a Category Manager in Entra and has previously held positions as Procurement Manager in Caverion, Segment Manager in Onninen, European Product Marketing Manager in Omron Europe, Technical Manager in Omron Norway, and Project Manager in Siemens
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Report of the Board of Directors 2022

2022 was a year of solid portfolio growth and rental income was up by 26 per cent, mainly driven by the acquisition of the Oslo Areal portfolio in January 2022. Operating results were impacted by higher financing costs stemming from a combination of more debt and higher interest rates, and as a result, net income from property management was up by five per cent in 2022. The Board proposes to pay a semi-annual dividend of NOK 2.50 per share for the second half of 2022 and thus NOK 5.10 per share for the full year, which equals the dividend paid for 2021.

Entra is one of Norway's leading commercial real estate companies, focusing on large, high-quality, flexible and environment-friendly office properties in clusters around central public transportation hubs in the largest cities in Norway. Entra has its head office in Oslo, where approximately 70 per cent of the assets are located.

Entra had rental income of 3,158 million (2,508 million) in 2022. Net operating income was 2,895 million (2,274 million) and net income from property management was 1,603 million (1,534 million). Net negative value changes were 2,046 million (positive 5,264 million) and loss before tax was 467 million (profit of 6,825 million).

Entra's operations in 2022 were only marginally impacted by Covid-19. Employers are still seeking attractive and central locations and are reshaping offices to become more inviting social spaces that encourage face-to-face collaboration, creativity, and serendipitous interactions, which benefits office property owners like Entra. The demand for offices particularly in Oslo is still strong, driven by a combination of positive employment growth and limited supply of new office capacity.

Entra's tenant base is robust with a WAULT of 6.3 years and a solid backbone of public tenants, comprising 56 per cent of revenues. Entra signed new and renegotiated leases with an annual rent totalling 412 million. Net letting for the year was 56 million.

In January 2022, Entra closed the acquisition of the Oslo Areal portfolio, the largest real estate transaction in Norway to date. The Oslo Areal portfolio consisted of 17 properties located within Entra's existing clusters in Oslo and Sandvika. The transaction significantly increased Entra's exposure to Oslo by adding 225,100 sqm to the management portfolio and enhanced and expanded Entra's project development pipeline for the years to come. In January, Entra also divested its 50 per cent share in Hinna Park Eiendom, with a management portfolio of 67,000 sqm, to SVG Property. As part of the settlement, Entra received 15 per cent of the shares in SVG Property. The acquisition of Oslo Areal increased Entra's leverage. Combined with higher Nibor interest rates on floating rate debt, the financing expenses increased significantly during the year. During the summer, Entra initiated a process to strengthen the balance sheet, which resulted in signing of sales agreements for four properties in December, with a total transaction value of 1.9 billion, in line with book values. The divestment of three of the properties closed in December, while the fourth will be closed in June 2023. In addition, the property Borkenveien 1-3 in Sandvika was divested as the tenant exercised the option to acquire the property. Entra has initiated further asset disposals that will be carried out in 2023.

An important lever for securing profitable growth for Entra is through project development, and Entra normally has 5-10 per cent of the portfolio in project development. During the year, Entra finalised the redevelopment projects St. Olavs plass 5 and Tordenskiolds gate 12 in Central Oslo, the redevelopment project Møllendalsveien 6-8 in Bergen and the newbuild project Nygårdsgaten 91-93 in Bergen. Further, Entra started the refurbishment projects Vahls gate 1-3 in Oslo and Brattørkaia 13B in Trondheim, and the redevelopment project Kongens gate 87 in Trondheim.

In 2022, the Board has had a particular focus on asset rotation, financing, capital discipline and capital allocation. The Board has worked closely with management to implement necessary measures to mitigate the effects of the turbulent financial markets, to ensure that Entra also in the future has a robust financial position. The Board has further supervised management and monitored the Group's business in accordance with good corporate governance. This includes a focus on organisational development, business strategy, hereunder new and ongoing development projects, HSE, ICT and cyber risk, climate risk, ESG strategy and compliance.

Statement of comprehensive income, balance sheet and statement of cash flows

Results

Rental income was up by 26 per cent from 2,508 million in 2021 to 3,158 million in 2022. The increased rental income is explained in the table below.

All amounts in NOK million	
Rental income previous period	2 508
Acquisitions	510
Divestments	-89
Finalised development projects	149
Vacated properties for redevelopment	-12
CPI growth	114
Like-for-like growth above CPI	-19
Other	-3
Rental income	**3 158**

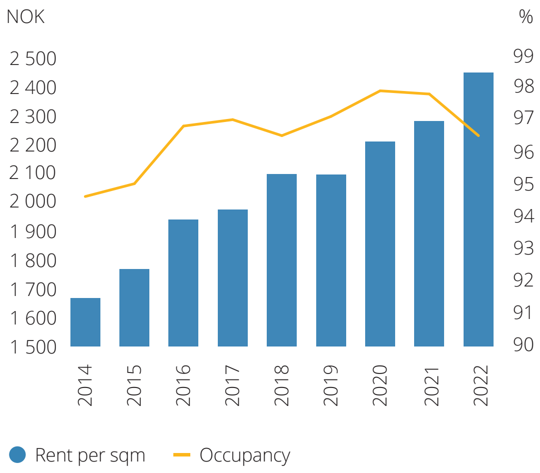
The acquisition of the Oslo Areal portfolio contributed with 444 million compared to last year, and the acquisition of Møllendalsveien 1A and Lars Hilles gate 19 in Bergen, and Fyrstikkalléen 1 and Universitetsgata 11 (Hotel Savoy) in Oslo contributed with rental income of 66 million compared to last year. The divestment of Tollbodallmenningen 2A in Bergen, Konggata 51 in Drammen, Borkenveien 1-3 in Sandvika, Karenslyst allé 8 A and B in Oslo and the Hinna Park portfolio in Stavanger reduced rental income in by 89 million.

Net contribution from development projects was 137 million compared to last year. The completion of the redevelopment projects St. Olavs plass 5, Tordenskiolds gate 12 and Møllendalsveien 6-8 and the newbuild project Nygårdsgaten 91 and 93, and full-year effect of Universitetsgata 2, Universitetsgata 7-9, Kristian Augusts gate 13, Kristian Augusts gate 11, Hagegata 22-24 and Grønland 32 finalised in 2021, contributed a total of 149 million on rental income compared to last year. However, Kongens gate 87 and Brattørkaia 13B in Trondheim and Vahls gate 1-3 in Oslo have been vacated in the same period for redevelopment and has thus reduced the rental income by 12 million.

Nearly all of Entra's lease contracts are 100 per cent linked to positive changes in CPI. The annual adjustment is mostly made on a November to November basis. CPI growth came in at 5.1 per cent with effect from 1 January 2022 and 6.5 per cent with effect on rental income from 1 January 2023.

The occupancy rate was 96.5 per cent (97.8 per cent) as of 31 December 2022. The market rental income assessment of vacant space as of 31.12.22 was estimated to 126 million on an annualised basis.

Rent (12m rolling) per sqm and occupancy rate



Operating costs amounted to 263 million (234 million) and are split as follows:

All amounts in NOK million	2022	2021
Maintenance	22	29
Tax, leasehold and insurance	70	64
Letting and property administration	101	89
Direct property costs	69	52
Operating costs	**263**	**234**

The acquisition of the Oslo Areal portfolio in January 2022 accounted for an increase of 31 million compared to last year, of which 13 million is classified as letting and property administration expenses. The increase in direct property costs is mainly driven by energy costs in vacant areas where Entra bears the costs. For areas occupied by tenants, the tenants are paying the full energy costs.

As a consequence of the effects explained above, net operating income came in at 2,895 million (2,274 million) in 2022.

Other revenues totalled 112 million (73 million) and other costs amounted to 85 million (43 million) in 2022. Other revenues and other costs mainly consist of additional services provided to tenants and income and costs related to inventory properties (properties in the Bryn portfolio which is expected to be zoned for residential development and subsequently sold to a third party at a predetermined price).

Administrative expenses amounted to 210 million (210 million) in 2022. This includes 15 million in one-off costs related to the acquisition of Oslo Areal, while the amount for 2021 included advisory fees related to the strategic interest for Entra.

Entra's share of profit from associates and JVs was -37 million (19 million) in 2022, mainly due to a negative value change in the joint venture Galleri Oslo Invest of 10 million and negative operating results in other JVs. These effects are partly offset by a gain on the sale of the JV Hinna Park Facility Management of 6 million.

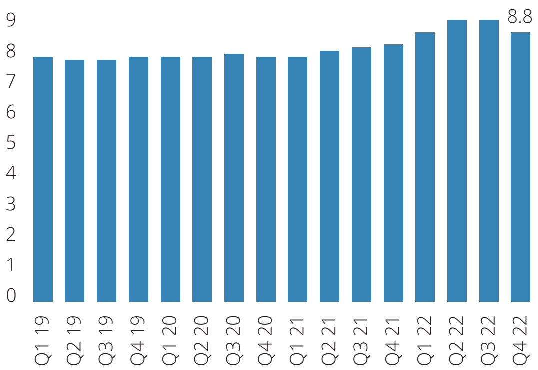
Net realised financials amounted to -1,095 million (-551 million) and are composed as follows:

All amounts in NOK million	2022	2021
Interest and other finance income	18	7
Interest and other finance expense	-1 113	-558
Net realised financials	**-1 095**	**-551**

Net income came in at 1,579 million (1,561 million). When including only the income from property management in the results from JVs, the net income from property management was 1,603 million (1,534 million) for 2022. Reference is made to the alternative performance measures section of this report for calculation of the net income from property management.

Net income from property management per share

Annualised, rolling 4 quarters



The valuation of the property portfolio resulted in a net negative value change of -2,519 million (positive 5,057 million) for the financial year 2022. Whilst the property values were written up with 2,837 million in the first quarter of 2022 to reach peak valuations for the year, the portfolio value during the last three quarters of the year was reduced with 5,356 million. The negative value change was predominantly due to an adjustment of the appraisers' estimated required rate of return, with offsetting effects on the value changes from factors such as higher than estimated CPI adjustments, strong development in market rents, reduced risk in the project portfolio, and letting effects.

Net changes in the value of financial instruments totalled 473 million (206 million) in 2022, mainly driven by higher long-term interest rates.

Tax payable was 31 million (19 million) in 2022, of which 18 million is related to a one-off reassessment of a tax statement for 2019, which cannot be offset by tax loss carry forward accrued in 2021 and 2022. The remaining tax payable is related to the partly owned entity Papirbredden in Drammen. The change in deferred tax was -71 million (-1,433 million). The effective tax rate in the quarter is less than the Norwegian corporate income tax rate of 22 per cent. No reduction in deferred tax liability is recognised on subsequent negative value changes below cost for investment properties acquired in transactions accounted for as asset acquisitions on initial recognition, if the changes are within the unrecognised deferred tax liabilities.

Loss before tax was 467 million (profit of 6,825 million) whereas loss after tax was 569 million (profit of 5,373 million). Total comprehensive income for the period was 557 million (5,351 million).

Balance sheet

The Group's assets amounted to 82,162 million (70,292 million) as of 31.12.22. Of this, investment properties, including investment properties held for sale, amounted to 78,634 million (67,655 million). The increase is mainly driven by the acquisition of Oslo Areal, which was recognised as an asset acquisition.

Investments in associates and JVs were 891 million (872 million) at 31.12.22, an increase of 19 million from 31.12.21 as the acquisition of a JV included in the Oslo Areal portfolio was partly offset by dividends from OSU.

Long-term receivables and other assets increased to 646 million (225 million) at the end of 2022, mainly due to Entra receiving 15 per cent of the shares in SVG Property as part settlement for the divestment of Hinna Park Eiendom in the first quarter of 2022.

Inventory properties of 472 million (469 million) relates to the properties expected to be zoned for residential development at Bryn in Oslo, and subsequently sold to a third party at a predetermined price.

Borrowings were 40,515 million (25,992 million) as of 31.12.22, of which 22,413 million were bank financing, 17,282 million were bonds outstanding and 820 million were commercial papers.

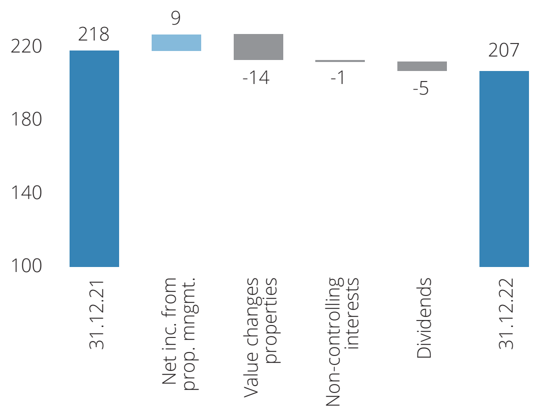
Book equity totalled 31,671 million (33,571 million). As at 31.12.22, EPRA NRV per share was 207 (218) and EPRA NTA 205 (216).

Cash flows

Net cash flows from operating activities came to 1,509 million (1,488 million) in 2022. The increase from net income from

EPRA NRV

Per share



property management is partly offset by working capital movements.

The net cash flows from investment activities was -14,459 million (-5,865 million), of which purchase of investment properties of -13,465 million and investments in associates and JVs of -166 million mainly is related to the acquisition of the Oslo Areal portfolio. The cash effect from investment in and upgrading of investment properties was -2,745 million (-2,078 million). Proceeds from property transactions of 1,824 million (42 million) is related to the divestment of the partly owned company Hinna Park Eiendom in Stavanger, and the properties Borkenveien 1-3 in Sandvika, Karenslyst allé 8 A and B in Oslo and Konggata 51 in Drammen.

Net cash flows from financing activities was 12,867 million (4,469 million) in 2022.

Net proceeds of interest bearing debt was 13,901 million (5,460 million) in 2022. During 2022, Entra had a net increase in bank financing of 16,826 million, partly offset by a net decrease in bond and commercial paper financing of 2,345 million and 580 million, respectively.

Dividends paid amounted to 947 million (911 million) in 2022. For 2022, Entra paid dividends of NOK 2.60 per share to the shareholders for the first six months and has proposed NOK 2.50 per share for the second half year. For the financial year 2022, Entra will thus have paid out NOK 5.10 per share, equal to dividend per share for 2021.

Dividends paid to non-controlling interests was 82 million (70 million) in 2022. The dividends were paid to the non-controlling interests in Entra OPF Utvikling and Papirbredden Eiendom.

The net change in cash and cash equivalents was -83 million (92 million) for 2022.

Going concern

The financial statements have been prepared based on the going concern assumption, and the Board confirms that this assumption is valid. The company is in a healthy financial position and has good liquidity.

Financial structure and exposure

Entra has a well-staggered debt maturity profile and a diversified financing mix with an ample supply of unutilised credit facilities. The Group's financing mix comprises of both bank credit facilities and capital markets instruments, and with no exotic debt instruments.

Entra has strong relationships and continuous dialogues with five of the top six Nordic banks, and, as evidenced in Entra's securing 5 billion in additional funding from three banks in September 2022, we assess that the bank market is open and supportive to our funding needs. Entra has a strong presence in the Norwegian debt capital market as one of the largest issuers in Norwegian kroner. Entra has a Moody's investment grade rating Baa1 (Negative Outlook). The credit rating contributes to Entra's credit availability and enables Entra to maintain a robust debt maturity profile.

The Group has historically had a conservative financial strategy that secured financial flexibility when opportunities arose. In 2022, Entra utilised this flexibility to acquire the Oslo Areal portfolio in a debt-financed transaction. The transaction increased Entra's loan-to-value ratio and decreased the interest coverage ratio, effects that were further impacted by higher interest rates and upwards pressure on yields during the year. However, these ratios are fully manageable in light of Entra's high-quality assets with limited residual risk, a very strong tenant mix on long WAULTs and Entra's competitive access to funding. Entra nevertheless initiated a process to strengthen its balance sheet during the year.

As a general principle, Entra's financing is primarily based on negative pledge of the Group's assets, which enables a broad and flexible financing mix.

The debt capital markets funding accounted for 45 per cent (79 per cent) of the total interest bearing debt, with bank funding representing the remaining part of the financing mix. "Green financing" is well established within real estate finance, and as of 31 December 2022, 45 per cent of Entra's financing was "green".

The Group's liquid assets amounted to 226 million (309 million) as of 31 December 2022. In addition, the Group had committed, unutilised credit facilities totalling 6,460 million (8,830 million). The Group's average nominal interest rate as of 31 December 2022 was 3.70 per cent (2.25 per cent), and 49 per cent (47 per cent) of the Group's total interest bearing debt was subject to fixed interest rates. Entra's loan-to-value ratio, measured by effective leverage, increased to 50.1 per cent (38.4 per cent) at year-end 2022 and the interest coverage ratio decreased to 2.48 (3.68).

Corporate governance

Entra's Board has approved guidelines for good corporate governance in accordance with the Norwegian Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board (NUES).

The corporate governance section of this annual report on pages 84-94 provides a more detailed description of the corporate governance principles and reporting pursuant to Section 3-3b of the Norwegian Accounting Act.

Entra has directors and officers liability insurance for the Group and subsidiaries. The insurance covers the Board's and the management's legal personal liability for financial damage caused by the performance of their duties.

Health, safety & environment

It should be safe to work, visit and live in and around Entra's properties and development projects. Entra's goal of being a zero-harm workplace for people, the environment and society underpins all the Group's health, safety and environmental work. HSE is an important focus area for the Board. The Board is satisfied with the dedicated HSE work in the organisation and the initiatives taken to prevent serious incidents.

In 2022, Entra had no incidents in the management portfolio which led to injuries involving sick leave absence, but there were five injuries involving sick leave absence of more than 16 days in Entra's development projects. The Board will follow up the HSE risks closely in 2023.

Absence due to illness in Entra was 2.9 per cent in 2022, compared to 2.6 per cent in 2021. This is low compared to a country average of 6.5 [1]. Cooperation with the employee organisations is good and constructive and yields a positive contribution to the operation of the Group.

Sustainability

To operate its business in a sustainable manner is of key strategic importance to Entra. Entra's ESG report can be found on pages 42-96.

100 per cent of Entra's rental revenues and operating costs are EU Taxonomy eligible. In Norway, the EU Taxonomy is applicable from 1 January 2023. However, the necessary national criteria for reporting are not fully defined as of March 2023. Nevertheless, Entra has made assumptions for its reporting for 2022 as to what the criteria will be, based on the conclusions from relevant industry forums.

The ESG report is further compiled and aligned using three reporting frameworks: The EPRA Best Practices Recommendations on Sustainability Reporting, the Global Reporting Initiative Standards (GRI) and the Task Force of Climate-related Financial Disclosures (TCFD). Entra has also reviewed the UN Sustainable Development Goals for its business. Entra's reporting pursuant to the Transparency Act is referenced on page 77 in the ESG report.

Equality and diversity

Entra aims to be an attractive workplace where all employees feel that they are respected for who they are, regardless of gender, age, ethnicity, personal beliefs, education, sexual orientation and nationality. The Board believes in the benefits of diversity, and this goal is incorporated into Entra's recruitment procedures and is reflected in the composition of management. Information on Entra's efforts to increase diversity and reporting pursuant to the Equality and Anti-Discrimination Act is included in the ESG report.

At 31 December 2022, 36 per cent (37 per cent) of the Group's 208 employees were women and 64 per cent (63 per cent) were men. 44 per cent of employees in managerial positions were women. Two out of seven of the Senior Executives were women, and three of seven of the Board members were women.

Risks associated with the business

The Board assesses risk on an ongoing basis, primarily through a semi-annual comprehensive review of the Group's risk matrix, which includes assessments of all risk factors in collaboration with all levels of the organization. Each risk factor is described and presented with the possible negative outcome given an increased probability of a situation to occur. The risk assessment also includes a broad description on how Entra monitors and work to mitigate the risks, as well as an assessment of the changes in the last period on each risk factor.

Entra's main risk factors, both financial and non-financial, are described on pages 28-39.

Shareholder information

Entra's share capital is NOK 182,132,055 divided into 182,132,055 shares, with each share having a nominal value of NOK 1.00. All shares have been issued in accordance with the Norwegian Public Limited Companies Act and are fully paid. Entra has one class of shares. All shares provide equal rights, including the right to any dividends. Each of the shares carries one vote. There are no share options or other rights to subscribe for or acquire shares issued by Entra.

Outstanding shares at 31 December 2022 totalled 182,132,055 (182,129,968) as Entra held no (2,087) treasury shares.

As of 31 December 2022, Fastighets AB Balder held shares, in its own name and through nominees, equalling 39.9 per cent of the shares in Entra ASA and thus had negative control. Castellum AB held shares equalling 33.3 per cent of the shares in Entra.

As of 31 December 2022, Entra had 5,144 shareholders. Norwegian investors held eleven per cent of the share capital. The 10 largest shareholders as registered in Euronext VPS on 31 December 2022 were:

[1] Source: Statistics Norway: Sickness absence Q3 2022.

Shareholder	Shareholding %
Castellum AB	33.3%
Fastighets AB Balder	27.5%
Skandinaviska Enskilda Banken (nominee)	6.9%
Skandinaviska Enskilda Banken	1.6%
SEB CMU/SECFIN pooled account	1.5%
Danske Bank (nominee)	1.4%
State Street Bank (nominee)	1.4%
Goldman Sachs International (nominee)	1.1%
Danske Invest Norske Aksjer Institusjon II	0.9%
The Bank of New York Mellon (nominee)	0.8%
Total 10 largest shareholders	**76.4%**

Profit for the year and allocations

In 2022, the parent company Entra ASA made a profit after tax of 434 million (160 million), as set out in the financial statements prepared in accordance with the Norwegian Accounting Act and Norwegian generally accepted accounting principles.

In accordance with the defined dividend policy of paying out approximately 60 per cent of Cash Earnings for the Group, defined as net income from property management less tax payable, the Board proposes that Entra ASA distributes a dividend of 455 million (474 million) corresponding to 2.50 per share (2.60 per share) for the last six months of 2022. The proposed dividend exceeds profit after tax for the year, and the variance is deducted from retained earnings.

The Board confirms that the company has sufficient equity and liquidity following payment of the proposed dividend.

Outlook

Russia's invasion of Ukraine and the following geopolitical uncertainty has, in addition to the human tragedy, added momentum to already high inflation levels. Central banks, trying to mitigate the inflation, hiked key policy rates, and higher interest rates are making an impact on the economies. Whilst it is difficult to make meaningful assessments of the actual impact on the global economy, higher energy prices, benefitting Norway as a whole, have provided further stimulus to an already strong Norwegian economy, and Norway still stands out on a significantly more positive tangent than almost all other countries.

Both Norwegian market data and Entra's experience suggest only marginal impact from Covid-19 on demand for office space. Employers are seeking attractive, central locations and reshaping offices to become more inviting social spaces that encourage face-to-face collaboration, creativity, and serendipitous interactions, which will benefit office property owners like Entra.

The demand for offices particularly in Oslo is still strong, driven by a combination of positive employment growth and limited supply of new office capacity, the latter following limited start of new office projects during recent years. Entra is thus well positioned in a solid Norwegian economy and a property market with low office vacancy rates and expectations for continued rental growth. And, as proven during the pandemic, Entra's high quality tenants provide a stable and solid fundament for Entra's future revenues and cash flow.

Interest rates and credit margins have during 2022 moved sharply upwards, which impacts capital intensive industries like the real estate industry. Real estate companies with relatively short debt maturities, high volumes of debt maturing in the near future, exotic debt structures and higher gearing are particularly impacted both in terms of availability of funding and increased cost of debt. Even though Entra is in a different situation, our cost of debt has also increased significantly, but is expected to stabilise around current levels in the next quarters.

Entra's high credit quality and strong and long-lasting relationship with its five Nordic partner banks, as evidenced by the company's securing another five billion in new bank facilities in the third quarter, new commercial papers issued during the fourth quarter of 2022, and two bond issues and five commercial paper issues in January and February of 2023, is expected to contribute to competitive access to funding also going forward.

The Central Bank of Norway was one of the very first central banks to raise policy rates, and to signal that they are now approaching peak levels in this business cycle. The policy rate was kept unchanged at 2.75 per cent in January and is according to the Central Bank of Norway expected to level out around 3.00 per cent during the first half of 2023.

The value of Entra's property portfolio has decreased by 6.5 per cent since peak valuations in Q1 2022, and 3 per cent since Q4 2021, with an effective net yield expansion since Q1 of 42 basis points. CPI growth of 6.5 per cent in 2022, that is 98 per cent implemented into Entra's tenant contracts from 1 January 2023, and an expected continued positive rental market, supported by limited new construction activity, particularly in Oslo, should provide a mitigating force to potentially higher yield levels. The commercial real estate market is one of few asset classes that provide investors with inflation protection.

The 1.9 billion divestment in December of four assets in line with book values to three different investors indicate that the Norwegian transaction market is still active and that Entra's assets are attractive for several types of buyers. Nevertheless, we note continued uncertainty amongst investors primarily driven by increased financing costs.

Sustainability has been an integrated part of Entra's business model for more than 15 years. Entra is working actively to reduce the CO_2 footprint of its property portfolio and has a firm ambition to become a Net Zero Carbon company by 2030. A significant part of the management portfolio is, or in the process of being, BREEAM certified, and Entra with its modern asset portfolio is thus well positioned for the upcoming EU regulations.

Entra has a strong balance sheet, a well staggered debt maturity profile with limited amounts of debt maturing in the near future, and a diversified financing mix with an ample supply of unutilised credit facilities. Entra will continue to optimize its high-quality management and project portfolio through asset rotation, and with strong focus on capital discipline and capital allocation. Entra will focus on its recognised role as an urban developer and leverage its competitive advantages and ESG leadership.

Uncertainty particularly in the financial markets will likely prevail also in the time to come. However, Entra, operating in a strong Norwegian economy with modern, flexible and environmentally friendly assets located in attractive clusters near public transportation hubs, a solid tenant base with long lease contracts, a strong financial position, and an attractive project pipeline for future growth, has a proven and resilient business profile that is well positioned for the future.

Oslo, 2 March 2023
The Board of Entra ASA

This document is signed electronically

Ottar Ertzeid Chair of the Board	Hege Toft Karlsen Vice Chair	Widar Salbuvik Board member
Joacim Sjöberg Board member	Camilla AC Tepfers Board member	Marit Rasmussen Board member
Erling Nedkvitne Board member		Sonja Horn CEO

Consolidated financial statements Entra ASA

Statement of comprehensive income 1 January to 31 December

All amounts in NOK million

	Note	2022	2021
Rental income	5, 6	3 158	2 508
Operating costs	9	-263	-234
Net operating income		**2 895**	**2 274**
Other revenues	10	112	73
Other costs	11	-85	-43
Administrative costs	12	-210	-210
Share of profit from associates and JVs	17	-37	19
Net realised financials	14	-1 095	-551
Net income		**1 579**	**1 561**
- of which net income from property management		**1 603**	**1 534**
Changes in value of investment properties	16	-2 519	5 057
Changes in value of financial instruments	7, 24	473	206
Profit before tax		**-467**	**6 825**
Tax payable	25	-31	-19
Change in deferred tax	25	-71	-1 433
Profit for the year		**-569**	**5 373**
Actuarial gains and losses not to be reclassified	26	16	-29
Change in deferred tax on comprehensive income	25	-4	6
Total comprehensive income for the year		**-557**	**5 351**
Profit attributable to:			
Equity holders of the Company		-634	5 064
Non-controlling interest		65	309
Total comprehensive income attributable to:			
Equity holders of the Company		-621	5 042
Non-controlling interest		65	309
Earnings per share			
Continuing operations			
Basic=Diluted (NOK)	33	-3.41	27.68

Notes 1 through to 35 form an integral part of the consolidated financial statements.

Balance sheet – assets

All amounts in NOK million

	Note	31.12.2022	31.12.2021
NON-CURRENT ASSETS			
Intangible assets	15	-	109
Investment properties	16	77 404	67 568
Other operating assets	15	16	28
Investments in associates and JVs	17	891	872
Financial derivatives	7	698	254
Long-term receivables and other assets	18	646	225
TOTAL NON-CURRENT ASSETS		**79 655**	**69 056**
CURRENT ASSETS			
Inventory properties	19	472	469
Trade receivables	20	56	77
Other receivables and other current assets	21	525	295
Cash and bank deposits	22	226	309
TOTAL CURRENT ASSETS		**1 278**	**1 149**
Investment properties held for sale	16	1 230	87
TOTAL ASSETS		**82 162**	**70 292**

Notes 1 through to 35 form an integral part of the consolidated financial statements.

Balance sheet – equity and liabilities

All amounts in NOK million

	Note	31.12.2022	31.12.2021
EQUITY			
Shareholders' equity	23, 34	29 693	31 263
Non-controlling interests	30	1 978	2 308
TOTAL EQUITY		**31 671**	**33 571**
LIABILITIES			
Borrowings	4, 24	38 091	22 788
Deferred tax liability	25	8 216	8 307
Financial derivatives	7	310	355
Other non-current liabilities	27, 28	673	650
Total non-current liabilities		**47 291**	**32 099**
Borrowings	4, 24	2 423	3 791
Trade payables		355	465
Other current liabilities	29	421	367
Total current liabilities		**3 200**	**4 622**
TOTAL LIABILITIES		**50 490**	**36 722**
TOTAL EQUITY AND LIABILITIES		**82 162**	**70 292**

Notes 1 through to 35 form an integral part of the consolidated financial statements.

Oslo, 2 March 2023
The Board of Entra ASA

This document is signed electronically

Ottar Ertzeid
Chair of the Board

Hege Toft Karlsen
Vice Chair

Widar Salbuvik
Board member

Joacim Sjöberg
Board member

Camilla AC Tepfers
Board member

Marit Rasmussen
Board member

Erling Nedkvitne
Board member

Sonja Horn
CEO

Statement of changes in equity

All amounts in NOK million

	Share capital	Treasury shares	Other paid-in capital	Retained earnings	Non-controlling interest	Total equity
Equity 31.12.2020	**182**	**-**	**3 524**	**23 430**	**2 069**	**29 205**
Profit for period	-	-	-	5 064	309	5 373
Other comprehensive income	-	-	-	-23	-	-23
Dividend	-	-	-	-911	-70	-981
Net equity effect of LTI & employee share saving scheme	-	-	-	-4	-	-4
Equity 31.12.2021	**182**	**-**	**3 524**	**27 557**	**2 308**	**33 571**
Profit for period	-	-	-	-634	65	-569
Other comprehensive income	-	-	-	12	-	12
Dividend	-	-	-	-947	-76	-1 023
Divestment of subsidiary with non-controlling interests	-	-	-	-	-318	-318
Net equity effect of LTI & employee share saving schemes	-	-	-	-1	-	-1
Net equity effect of demerger and merger	-	-	-	-	-	-
Equity 31.12.2022	**182**	**-**	**3 524**	**25 987**	**1 978**	**31 671**

Notes 1 through to 35 form an integral part of the consolidated financial statements.

Statement of cash flows
1 January to 31 December

All amounts in NOK million

	Note	2022	2021
Profit before tax		-467	6 825
Income tax paid	25	-43	-11
Net expensed interest and fees on loans and leases	14	1 096	551
Net interest and fees paid on loans and leases		-985	-603
Share of profit from associates and jointly controlled entities	17	37	-19
Depreciation and amortisation	15	4	5
Changes in value of investment properties	16	2 519	-5 057
Changes in value of financial instruments	7, 24	-473	-206
Changes in working capital		-179	3
Net cash flow from operating activities		**1 509**	**1 488**
Proceeds from property transactions		1 824	42
Acquisition of investment properties	16	-13 465	-3 540
Investment in and upgrades of investment properties	16	-2 745	-2 078
Investment in inventory properties	19	-4	-7
Acquisition of intangible and other non-current assets	15	-5	-13
Net payment financial assets		-23	70
Net payment of loans to associates and JVs		-3	-16
Investments in associates and JVs	17	-166	-476
Dividends from associates and JVs	17	128	152
Net cash flow from investment activities		**-14 459**	**-5 865**
Proceeds interest bearing debt	24	30 900	23 348
Repayment interest bearing debt	24	-16 999	-17 888
Repayment of lease liabilities	27	-5	-10
Dividends paid	34	-947	-911
Dividends paid to non-controlling interests		-82	-70
Net cash flow from financing activities		**12 867**	**4 469**
Change in cash and cash equivalents		-83	92
Cash and cash equivalents at beginning of period		309	217
Cash and cash equivalents at end of period		**226**	**309**

Notes 1 through to 35 form an integral part of the consolidated financial statements.

Summary of Notes

Notes

NOTE 1 GENERAL INFORMATION

Entra ASA ("the Company") is listed on Oslo Stock Exchange with the ticker ENTRA. The Company and its subsidiaries (together "Entra" or "the Group") is one of Norway's leading commercial real estate companies, focusing on high-quality, flexible office buildings with central locations. The Group owns and manages 102 (96) buildings with a total area of approximately 1.6 million (1.5 million) square metres. As of 31.12.22 the real estate portfolio had a market value of around 79 billion (68 billion). The public sector represents 56 per cent (56 per cent) of the total customer portfolio. Entra's strategic areas are Oslo (including Sandvika and Drammen), Bergen and Trondheim. Entra has its head office in Oslo.

The consolidated financial statements were adopted by the Company's Board on 2 March 2023.

NOTE 2 ACCOUNTING PRINCIPLES

ACCOUNTING PRINCIPLES

The most important accounting principles applied in the preparation of the annual financial statements are described below. These principles are applied in the same way for all periods presented, unless otherwise indicated in the description.

BASIC PRINCIPLES

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations by the IFRS Interpretation Committee (IFRIC), as adopted by the EU, as well as additional Norwegian reporting requirements pursuant to the Norwegian Accounting Act.

The consolidated financial statements have been prepared on the basis of the historical cost principle, with the following modifications: investment properties as well as certain financial instruments have been measured at fair value. Financial instruments measured at fair value include the Group's derivatives.

Presenting the accounts in accordance with IFRS requires the management to make certain assessments and assumptions. The application of the Group's accounting principles also requires management to exercise judgement. Estimates and subjective judgements are based on past experience and other factors that are considered appropriate. Actual results may deviate from these estimates.

Estimates and underlying assumptions are continuously reassessed. Changes in accounting estimates are recognised in the period in which the changes occur if they apply only to that period. If the changes also apply to future periods, the impact is distributed over the current and future periods. Note 3 provides details on material items in the financial statements that are based on a significant amount of subjective judgement.

The consolidated financial statements have been presented on the assumption of the Group being a going concern.

Application of new and revised International Financial Reporting Standards (IFRSs) in 2022

New and amended standards adopted by the Group

The accounting policies adopted, and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The amendment had no impact on the consolidated financial statements.

New standards and interpretations not yet adopted by the Group

None of the new accounting standards or interpretations that have not yet come into effect are expected to have a significant impact on the Group's consolidated financial statements.

CONSOLIDATION PRINCIPLES

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether the Group's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and/or
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including vote patterns at previous shareholder's meetings.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method is used to account for purchases of subsidiaries that constitute a business. The consideration given is measured at the fair value of the transferred assets, the equity instruments that have been issued, liabilities assumed on the transfer of control and direct costs relating to the actual purchase. The cost of acquisition also includes the fair value of all assets or liabilities that are the result of an agreement on contingent consideration.

Identifiable purchased assets, assumed liabilities and contingent liabilities are recognised at fair value on the date of acquisition. The costs associated with the business combination are expensed when they are incurred.

If the aggregate of the consideration, the carrying amount of non-controlling interests and the fair value on the acquisition date of any previously held ownership interests exceeds the fair value of the acquired entity's identifiable net assets, the difference is capitalised as goodwill. If the aggregate is less than the company's net assets, the difference is immediately recognised in profit or loss.

Contingent consideration is recognised at fair value on the date of acquisition. Subsequent changes in the fair value of the contingent consideration are recognised in profit or loss or recognised as a change in other comprehensive income (OCI), if the contingent consideration is classified as an asset or a liability. Contingent consideration classified as equity is not remeasured, and subsequent settlement is recognised in equity.

For accounting purposes, acquisitions of subsidiaries that do not constitute a business as defined in IFRS 3, such as acquisitions where substantially all of the fair value of the gross assets acquired is concentrated in a single property or group of similar properties, are treated as asset acquisitions. The cost of acquisition is then attributed to the individual identifiable assets and liabilities based on their relative fair values on the acquisition date. Expenses associated with the transaction are capitalised on the investment property. Such acquisitions are transactions to which the initial recognition exemption according to IAS 12 would apply, and no deferred tax would be recognised for taxable temporary differences for the assets and liabilities acquired.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. For a subsidiary where main asset is an investment property, the net gain or loss associated with the loss of control of the subsidiary is presented as change in value of investment properties. Any investment retained is recognised at fair value.

Intra-group transactions, balances and unrealised gains are eliminated. Unrealised losses are eliminated, but are considered evidence of impairment in terms of writing down the value of the transferred asset. If necessary, the accounting policies at subsidiaries are changed in order to bring them into line with the Group's accounting policies.

Transactions with non-controlling interests

Transactions with non-controlling interests in subsidiaries are treated as equity transactions. If shares are acquired from a non-controlling interest, the difference between the payment and the proportion of the carrying amount of the subsidiary's net assets attributable to the shares is recognised in the equity of the parent company's owners. Gains and losses arising from the sale of shares to non-controlling interests are similarly recognised in equity.

If the Group loses control, any residual holding is remeasured at fair value through profit or loss (FVTPL). Thereafter, the fair value is used as the acquisition cost for accounting purposes, and the holding is treated as an investment in an associate, in a jointly controlled entity or in a financial asset. Amounts previously included in OCI that relate to the company are treated as if the Group had disposed the underlying asset and liability. This may result in amounts that were previously included in OCI being reclassified to the income statement.

Joint arrangements

Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures. In a joint arrangement, no single party controls the arrangement on its own. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Entra classifies its investments based on an analysis of the degree of control and the underlying facts. This includes an assessment of voting rights, ownership structure and the relative strength, purchase and sale rights controlled by Entra and other shareholders. Each individual investment is assessed. Upon changes in underlying facts and circumstances, a new assessment is made as to whether this is still a joint venture. Changes in contractual rights and obligations relating to the underlying asset or debt and changes in the shareholder agreement might lead to a shift in the accounting method.

In joint ventures, the Group's share of the companies' profit/loss after tax, adjusted for amortisation of excess value, are presented on a separate line in the consolidated income statement. Where necessary, the accounts of joint ventures have been brought into line with the Group's accounting policies. Joint ventures are recognised in the consolidated accounts using the equity method, often referred to as one-line consolidation, and presented as non-current assets.

A transaction that entails a change of control from an investment in a joint venture to an investment in a subsidiary is treated as a realisation and requires that a gain/loss at the time of derecognition of the joint venture has to be calculated and recognised in the income statement. Equity transactions in a joint venture is presented as an equity transaction in the Group's statement of changes in equity.

Associates

Associates are companies over which the Group has significant influence but not control or joint control. Significant influence normally exists where the Group's investment represents between 20 and 50 per cent of the capital with voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Investments in associates include any excess values and goodwill identified at the time of acquisition, less any subsequent impairment losses.

The Group's share of the profit and loss of associates is recognised and added to the carrying amount of the investments. The Group's share of the comprehensive income of associates is recognised in the Group's comprehensive income and added to the carrying amount of the investments. The Group does not recognise its share of a loss if this would result in a negative carrying amount for the investment (including the entity's unsecured receivables), unless the Group has taken over obligations or made payments on behalf of the associate.

The Group's share of unrealised gains on transactions between the Group and its associates is eliminated. This also applies to unrealized losses, unless there is a permanent loss of value. Where necessary, the accounts of associates have been brought into line with the Group's accounting policies. Gains and losses arising from the dilution of ownership interests in associates are recognised in profit or loss.

If the Group no longer has significant influence, any residual holding is remeasured at FVTPL. Thereafter, the fair value is used as the acquisition cost for accounting purposes, and the holding is treated as a financial asset. Amounts relating to the company that were previously recognised in comprehensive income are treated as if the associate had disposed of the underlying assets and liabilities. This may result in amounts that were previously included in other comprehensive income being reclassified to the income statement. If the Group reduces its shareholding but retains significant influence, a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to the income statement.

INVESTMENT PROPERTY

Investment properties include completed investment properties and investment properties under construction. Investment properties are held with the aim of achieving a long-term return from rental income or increase in value, or both. Investment properties are recognised at fair value, based on market values estimated by independent appraisers.

Initial measurement also takes into consideration the property's cost price, which includes direct transaction costs such as document duty and other public duties, legal fees and due diligence costs. Transaction costs associated with properties acquired through business combinations (as defined in IFRS 3) are expensed.

Subsequent expenditure is added to the investment property's carrying amount if it is probable that future financial benefits associated with the expenditure will flow to the Group and the expense can be measured reliably. Other maintenance costs are recorded through the income statement in the period in which they are incurred. When investment properties are divested, the difference between the net sales proceeds and carrying amount is recognised as change in value of investment properties.

Investment properties are valued at each reporting date. The values are estimated by independent appraisers, and the carrying amount of the investment properties are based on the average of the appraisers' valuations. The valuations are based on each individual property's assumed future cash flows, and property values are arrived at by discounting cash flows with an individual risk-adjusted required rate of return.

The required rate of return for each property is defined as being a long-term risk-free interest rate plus a property-specific risk supplement. The latter is defined on the basis of the property segment to which the property belongs, its location, standard, occupancy rate, tenants' financial reliability and remaining lease term. Known market transactions with similar properties in the same geographical area are also taken into consideration.

Changes in fair value, including gains and losses on sale of investment properties, are recognised as "Changes in value of investment properties".

Investment properties held for sale

Investment properties are classified as held for sale if their carrying amount will be recovered through a sales transaction rather than through their continuing use. This condition is regarded as met if the sale is highly probable and the investment property is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets. For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the investment property, and an active programme to locate a buyer and complete the plan must have been initiated. Further, the investment property must be actively marketed for sale at a price that is reasonable in relation to its current fair value. In addition, the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification. Investment properties classified as held for sale are measured at fair value in the same way as other investment properties.

Borrowing costs

Borrowing costs for capital used to finance investment properties under construction are capitalised under the asset in question. When calculating the capitalised borrowing costs, the average interest rate on the company's debt portfolio over the course of the year is used, unless there is separate financing for the specific project. In such cases the specific borrowing cost for the loan in question is used. When calculating the average interest rate to be used for the capitalisation of borrowing costs, loans taken out for specific projects are not included.

REVENUE RECOGNITION

Revenue from lease contracts

The Group enters into lease agreements as a lessor with respect to its investment properties. Lease contracts where a significant proportion of the risks and benefits of ownership remain with Entra are classified as operating leases. Revenue recognition under a lease commences at the commencement of the lease. Rent payments for the leases are recognised in a straight line over the duration of the lease.

In negotiating a new or renewed operating lease, Entra may provide incentives for the lessee to enter into the agreement. Examples of such incentives are rent exemptions or the reimbursement or assumption by the lessor of costs of the lessee (such as relocation costs, leasehold improvement and costs associated with a pre-existing lease commitment of the lessee). Entra recognises the aggregate benefit of incentives as a reduction of rental income over the lease on a straight-line basis. The accrued loss of rent or costs is presented under other assets. Payments relating to the termination of contracts are recognised in the period from the contract being entered into until the date of its termination. Rental income encompasses the fair value of the payments received for services that fall within the ordinary activities of the company. Rental income is presented net of VAT, rebates and discounts.

Rental income from letting of inventory properties is presented as "Other revenues".

Costs for shared services provided to the tenants by external parties do not affect the result beyond costs for vacant premises and an administrative premium recognised as rental income. Shared costs are charged to tenants and presented net with payments on account from tenants. Shared costs are settled after the balance sheet date.

Revenue from contracts with customers

In determining the basis for revenue recognition from contracts with customers, the Group identifies the distinct performance obligations under the contracts, allocate the transaction price to each identified performance obligation and account for revenue as each performance obligation is met.

Revenue from development of commercial properties, including transactions that are structured as sale of shares, are recognised over time according to the stage of completion if the buyer does not have the right to cancel a contract, and the Group as a seller can require a buyer to pay the consideration agreed in the contract even if the buyer acts to terminate a contract. A project's stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as percentage of total estimated costs. Contract assets related to non-invoiced revenue from such construction contracts are included in "Other receivables and other current assets".

Revenue from development of inventory properties for sale is recognised when the properties are handed over to the customer as the Group does not have an enforceable right to collect payment for the benefits performed to date.

Service income for additional services to tenants is recognised in the period the service is performed.

FINANCIAL INSTRUMENTS

A financial instrument is defined as being any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial instruments are recognised on the transaction date, i.e., the date on which the Group commits to buying or selling the asset. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, and FVTPL. For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest" (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Further, the financial assets shall be held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows. The majority of the Group's financial assets are classified as measured at amortised cost.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade and other current receivables, cash and cash equivalents and other financial assets.

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, and financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Derivatives, including separated embedded derivatives, are also classified as held at FVTPL unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL. The Group has elected not to present subsequent changes in the fair value of its equity investments in OCI, and investments in equity instruments are consequently measured at FVTPL.

The Group recognises an allowance for expected credit losses on all debt instruments not held at FVTPL. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Financial liabilities are classified upon initial recognition as financial liabilities at FVTPL and financial liabilities at amortised cost. Financial liabilities at FVTPL comprise interest rate derivatives. Financial liabilities at amortised cost consist of liabilities that do not fall under the category at FVTPL.

Trade receivables, contract assets and other financial assets

Trade receivables, contract assets and other financial assets are classified as financial assets measured at amortised cost. Interest is ignored if it is insignificant. The Group applies the simplified approach in IFRS 9 to measure the loss allowance at lifetime expected credit losses. A provision for bad debt is determined by estimating expected credit losses with reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the current reporting period. Any subsequent payments received against accounts for which a provision has previously been made are recognised in the income statement. Trade receivables, contract assets and other financial assets are classified as current assets, unless they are due more than twelve months after the balance sheet date. If so, they are classified as non-current assets.

Cash and cash equivalents
Cash and cash equivalents consist of bank deposits and other short-term, highly liquid investments with an original term to maturity of no more than three months.

Financial derivatives
The Group uses derivatives to manage its interest rate risk. Derivatives are initially recognised at fair value on the date on which the contract was signed, and subsequently at fair value. Gains or losses on remeasurement at fair value are recognised in the income statement. Regular payments are presented as interest and other finance expenses. Changes in the value of the derivatives are presented under "Changes in value of financial instruments".

The fair value of interest rate swaps is the estimated amount the Group would receive or pay to redeem the contracts on the balance sheet date. This amount will depend on interest rates and the contracts' remaining term to maturity. The derivatives are classified on the balance sheet as current or non-current, depending on whether they are expected to be redeemed under or over 12 months from the balance sheet date.

Trade payables and other non-interest bearing financial liabilities
Trade payables and other non-interest bearing liabilities are classified as financial liabilities at amortised cost, and are measured at fair value upon initial recognition, and subsequently at amortised cost using the effective interest rate method. Interest is ignored if it is insignificant.

Interest-bearing liabilities
Interest-bearing liabilities are classified as financial liabilities at amortised cost, and are measured at fair value upon initial recognition, and subsequently at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as net realised financials in the statement of profit or loss. The liabilities are measured at their nominal value when the effect of discounting is immaterial.

Interest bearing liabilities are classified as current liabilities when the debt is due for repayment less than 12 months from the balance sheet date.

LEASE CONTRACTS (THE GROUP AS A LESSEE)
The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease contracts in which it is the lessee, except for leases with a lease term of 12 months or less, and leases of low value assets (such as vehicles and technical and office equipment), for which the Group applies the applicable recognition exemptions. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Only fixed payments are included in the initial measurement of the lease liability, and the lease term corresponds to the non-terminable period. The discount rate used to calculate the lease liability is determined, for each asset, based on the Group's incremental borrowing rate for leases with less than 15 years until maturity. For leases with more than 15 years until maturity, the discount rate is based on the properties' net yields, adjusted for features that affect Entra's incremental borrowing rate, such as tenant-specific factors and the length of the lease. The lease liability is presented as part of other liabilities in the balance sheet.

For lease contracts where the leased properties meet the definition of investment properties in IAS 40, Entra applies the fair value model to the associated right-of-use assets. The right-of-use assets are measured by discounting the assumed future cash flows under the lease contracts. The discount rate used to calculate the right-of-use asset may be different from the discount rate used to calculate the lease liability. The right-of-use assets are presented as part of investment properties in the balance sheet.

INTANGIBLE ASSETS
Goodwill
Goodwill is the difference between the cost and the fair value of the Group's share of net identifiable assets in an entity on the acquisition date. Goodwill arising from the acquisition of subsidiaries that constitute a business as defined in IFRS 3, is classified as an intangible asset. Gains and losses on the sale of an operation include the carrying amount of goodwill relating to the sold operation. Goodwill arising from the purchase of shares in associates and jointly controlled entities is included under the investment in the associate or jointly controlled entity, and is tested for impairment as part of the carrying amount of the investment. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

PENSIONS
The Group has both defined benefit and defined contribution pension schemes. A defined benefit pension scheme is a pension arrangement that defines the pension payment an employee will receive on retirement. The pension benefit payable is dependent on a number of factors, such as the employee's age, number of years of membership in the Norwegian Public Service Pension Fund and salary level. The recognised pension obligation relating to defined benefit plans is the present value of the defined benefit on the balance sheet date less the fair value of the plan assets, calculated annually by an independent actuary.

Changes to benefits payable under the pension plan are recognised in the income statement as they arise. Actuarial gains/losses resulting from new information or changes to actuarial assumptions are recognised to comprehensive income in the period they arise.

Contributions to defined contributions plans are recognised in the income statement in the period in which they accrue.

SHARE BASED PAYMENTS

The Group has a share-based incentive program for senior executives ("LTI"). The LTI scheme is reported in accordance with IFRS 2. LTI remuneration is share-based and has a graded vesting period of three to five years after settlement, whereof 1/3 is vested after three years, another 1/3 after four years and the remaining 1/3 after five years. The fair value at the grant date is measured applying Black-Scholes (BS) based on the market price. The fair value of the shares allocated through the LTI is calculated on the basis of the share price at grant date. The amount is recognised as payroll expenses and accrued for in the period from the grant date to the date when the shares are without any restrictions.

SHARE DISCOUNTS

Sales of shares to employees in Entra's share saving scheme are reported in accordance with IFRS 2. The recognised discount is calculated as the difference between market price and purchase price at the time of purchase, taking into account the agreed lock-in period for the shares. The effect of the agreed lock-in period is calculated as the value of a put option using the BS model. The assumptions relating to volatility are based on the actual fluctuations in the price of Entra's shares. There is no vesting period on the shares or the right to acquire shares. The share of the discount that represents the difference between the calculated BS value and the market value of the shares is recognised against equity and the remaining discount, which represents the difference between the paid amount for the shares by the employees and the BS value, is recognised as payroll expenses at the time of allocation.

TAX

The tax expense consists of tax payable and deferred tax. Tax is charged to the income statement, except where it relates to items that are recognised in OCI or directly in equity. In such cases, the tax is either recognised in OCI or directly in equity.

Deferred tax is calculated using the liability method for all temporary differences between the tax values and consolidated accounting values of assets and liabilities. Deferred tax liabilities are not calculated and recognised upon initial recognition of assets or liabilities obtained through an acquisition of a subsidiary not classified as a business combination. No reduction in deferred tax liability is recognised on subsequent negative value changes below cost for investment properties acquired in transactions accounted for as asset acquisitions on initial recognition, if the changes are within the unrecognised deferred tax liabilities.

Deferred tax is defined using tax rates and laws which are enacted on the balance sheet date, and which are expected to be used when the deferred tax asset is realised or when the deferred tax is utilised. A deferred tax asset is recognised to the extent that it is likely that future taxable profit will be available against which the temporary differences can be offset.

Deferred tax is calculated and provided or reduced in the event of adjustments to the value of investment properties at a nominal tax rate of 22 per cent, reflecting the tax rate that would be applied on a direct sale of a property. Should a sale of a property be structured as a disposal of the subsidiary holding the asset, a different tax rate may apply. Currently, sales of companies are tax exempt in Norway.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in jointly controlled entities, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary difference will not be reversed in the foreseeable future.

PROVISIONS

The Group recognises provisions for legal claims when a legal or self-imposed obligation exists as a result of past events, when it is likely that an outflow of resources will be required to settle the obligation and its amount can be estimated with a sufficient degree of reliability.

In cases where there are several obligations of the same nature, the likelihood of settlement is determined by assessing the Group as a whole. A provision for the Group is recognised even if there is little likelihood of settlement of the Group's individual elements.

Provisions are measured at the present value of expected payments to settle an obligation. A discount rate before tax is used which reflects the present market situation. Any increase in an obligation as a result of a changed time value is reported as a financial expense. A provision for onerous contracts is recognised when the expected benefits to be derived by Entra from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

INVENTORY PROPERTIES

The Group's inventory properties comprise residential projects under zoning, development and construction. The residential projects under development and construction are intended for sale in the ordinary course of business. Properties under zoning for residential purposes may be handed over to other residential developers. Where the Group constructs the residential projects, the individual units are handed over to the purchaser when they are completed. Inventory properties may comprise properties held for resale, properties under development and construction, and completed units which are not sold. Inventory properties are measured at the lower of cost and net realisable value.

OTHER OPERATING ASSETS (EQUIPMENT)

Other operating assets are recognised at acquisition cost, less depreciation. The acquisition cost includes costs directly related to the acquisition of the asset. Other operating assets are depreciated in a straight line over their anticipated remaining useful life.

The assets' remaining useful life and residual value are reassessed on each balance sheet date and changed if necessary. If the carrying amount of an asset is higher than its recoverable amount, the value of the asset is written down to the recoverable amount.

Gains and losses on disposals are recognised through profit or loss, and are calculated as the difference between the sales price and the carrying amount at the time of disposal.

CURRENCY

The Group's presentation currency is NOK. This is also the functional currency of the parent company and all its subsidiaries.

Foreign currency transactions are translated to NOK at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date. Non-monetary items that are measured at cost in a foreign currency are translated to NOK using the exchange rate on the transaction date. Non-monetary items that are measured at fair value in a foreign currency are translated to NOK using the exchange rate on the balance sheet date. Exchange rate fluctuations are recognised in profit or loss as they arise.

SEGMENT INFORMATION

Operating segments are reported in the same way as in internal reports to the Group's highest decision-making authority. The Group's highest decision-making authority, which is responsible for allocating resources and assessing the profitability of the operating segments, has been identified as the Board of Directors and the CEO.

STATEMENT OF CASH FLOWS

The statement of cash flows is prepared using the indirect method. This means that the statement is based on the Group's profit before tax in order to present cash flows from operating, investing and financing activities respectively. Interest on leases and net interest and fees paid on loans are presented as operating cash flows. Dividends paid to shareholders and non-controlling interests are presented under financing activities.

DIVIDENDS

Entra has a policy of semi-annual dividends. Dividend payments to the company's shareholders for the first half year are classified as debt from the date on which a resolution regarding the dividend is passed by the Board of Directors. Dividend payments to the company's shareholders for the second half year are classified as debt from the date on which a resolution regarding the dividend is passed by the Annual General Meeting.

NOTE 3 CRITICAL ACCOUNTING ESTIMATES AND SUBJECTIVE JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make a number of estimates and judgements that affect the reported amounts of revenues, expenses, assets and liabilities and may differ from future actual results. The estimates and judgements that are considered most critical and that have a significant inherent risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

ACCOUNTING ESTIMATES

Fair value of investment properties

Investment properties are measured at their fair value based on external, independent valuations.

Each quarter, all of Entra's investment properties are valued by two independent, external appraisers. The valuations as of 31 December 2022 were obtained from Newsec and Cushman & Wakefield Realkapital, and the market value of the portfolio in Entra's balance sheet is based on the average of the appraisers' valuation. The valuations are performed on a property-by-property basis, assuming that the properties are sold individually over time. The valuations are performed using the discounted cash flow method, which involves discounting future cash flows over a specified period using an estimated discount rate and then adding a residual value at the end of the period. Future cash flows are calculated on the basis of cash flows from signed leases, as well as estimated future cash flows based on an expected market rent at the end of the lease terms. The fair value of investment properties is therefore mainly affected by expected market rents, discount rates, inflation and capex.

The market rent for each property takes into account the property's location, situation, technical standard and leases signed for comparable properties in the area. For the duration of existing lease terms, the discount rate is mainly based on an assessment of the individual tenants' financial solidity and classification. After the end of the lease term, cash flows are discounted using a discount rate that takes into account the risks relating to letting and location. Inflation is estimated using the consensus of a selection of banks and official statistics. The project portfolio and development sites are valued based on the same principles, but with deduction for remaining investments and perceived risks as of valuation date, including, but not limited to, construction and letting risks. Unzoned land is valued based on the appraisers' assumptions on the market value of the land using the best estimate on the zoning and development process.

When carrying out their valuations, the appraisers receive comprehensive details on the properties, lease contracts, floor space and details of any vacant premises, and up-to-date and comprehensive information about all ongoing and planned projects. The appraisers also normally conduct site visits of all properties every year. Any uncertainties relating to the properties, projects and leases are also clarified verbally and in writing as and when required. Entra's management performs internal controls to ensure that all relevant information is included in the valuations and in order to fully understand the changes in value of investment properties from the previous period end.

The information provided to the appraisers on a quarterly basis includes sustainability and energy related information on the properties such as the properties' energy consumption, energy performance certificates, main source of heating, BREEAM classification and planned investments in energy saving measures, with an estimate of the associated savings. The estimated effect of this information is reflected in the capex estimates, expected future market rents and the discount rates.

The appraisers perform their valuations on the basis of the information they have received, and estimate future market rents, yields, inflation and other relevant parameters. Each individual property is assessed in terms of its market position, rental income (contractual rents versus market rents) and ownership costs, with estimates being made for anticipated vacancy levels and the need for alterations and upgrades. The remaining term of the leases is also assessed for risk, along with any special clauses in the contracts. Each property is also compared with recently sold properties in the same segment (location, type of property, technical standard, mix of tenants etc.).

Properties representing approximately 77 per cent of the market value of Entra's properties are, or are in the process of being, BREEAM certified. Environment-friendly office properties is in high demand in the letting market, and also in the property transaction market, considering the slow-down in the transaction market during the second half of 2022. The appraisers monitor the transaction market closely, and current transaction market trends indicate that the potential short-term adverse effect on the market values of Entra's property portfolio due to climate-related risks, including physical and transition risks, is limited.

Market transactions serve as important reference points for the appraisers, and the recent slow-down in the property transaction market has increased the level of uncertainty in the valuations. There has however in the last months of 2022 been agreed and completed transactions of relevance for Entra's portfolio, including the four properties sold by Entra in December 2022, which supports the valuations as of 31 December 2022.

The table below shows to what extent the value of the management property portfolio is affected by market rents and exit yields (market yields), assuming that all other factors are equal. However, there are interrelationships between these variables, and it is expected that a change in one variable may influence the other variable.

Value change (NOK million)[1]		% Δ Yield						
		-0.75%	-0.50%	-0.25%	-	0.25%	0.50%	0.75%
% Δ Market rent	-10.0%	9 499	3 153	-2 354	-7 178	-11 439	-15 230	-18 625
	-5.0%	14 063	7 345	1 517	-3 589	-8 098	-12 110	-15 702
	-	18 627	11 538	5 387	-	-4 757	-8 989	-12 778
	5.0%	23 192	15 730	9 257	3 589	-1 417	-5 869	-9 854
	10.0%	27 756	19 922	13 128	7 178	1 924	-2 748	-6 930

1 Estimates by Newsec in conjunction with valuations as of 31 December 2022.

Fair value of financial derivatives

The Group uses interest rate derivatives and fixed rate loans to manage the interest rate risk. The financial derivatives are valued at fair value in the Group's balance sheet. See note 8 for further information on the valuation of the Group's financial derivatives.

SUBJECTIVE JUDGEMENTS

Consolidation of entity in which the Group holds less than a majority of shares

Entra considers that it controls Entra OPF Utvikling AS with a 50 per cent holding in the company. In this assessment, Entra has considered all relevant facts and circumstances in assessing whether the voting rights are sufficient to give Entra power over the company. A key consideration is whether Entra has the practical ability to unilaterally direct the relevant activities that affect the amount of Entra's return. The relevant activities, including property management, ongoing maintenance and minor redevelopment projects, are directed by the Board of Directors in the company. The shareholder agreement includes certain provisions that restricts Entra from making significant changes to the business of the company. These provisions are not considered to give the co-investors power over the company, and are only considered to be protective rights. As Entra shall appoint the Chair of the Board of the company and the Chair has a double vote in the Board of Directors, Entra has concluded it controls this company.

Accounting for acquisition

On 12 January 2022, Entra acquired 100 per cent of the share capital of Oslo Areal AS, a non-listed company with a portfolio of 17 properties located within Entra's existing clusters, with the intention to give Entra control over those properties. Entra has applied the concentration test in IFRS 3 to the acquisition and concluded that it constitutes an acquisition of assets as substantially all of the fair value is concentrated in a group of similar identifiable assets, office properties within the same geographical area.

NOTE 4 FINANCIAL RISK MANAGEMENT

All amounts in NOK million

Governance structure, exposure and reporting

The Board of Entra ASA has defined limits for the financial exposure of the Group through the financial policy. The financial policy regulates the following:

- Allocation of responsibility for financial management
- Overall limits and principles for management of financial exposure
- Principles for borrowing
- Definitions of financial risk parameters and key controls that must be in place to ensure adequate risk management
- Requirements for reporting and monitoring. The Group's overall financial risk exposure is reported regularly to the Board.

There is a responsibility and authority matrix for the Finance department, which defines authority for the day-to-day management of financial transactions within the overall framework of financial management.

The Group must ensure that there is adequate operational risk management and internal control through clear areas of responsibility and allocation of duties. The procedures relate in particular to the management of financial exposure and the division of responsibility between the various roles in the Finance department and the department's financial systems. There are guidelines for managing financial exposure, which include checklists related to the control of current transactions.

The finance department is continuously assessing the Group's financial risks and opportunities. Projections and simulations are made in the corporate financial model based on key assumptions on macroeconomic development, financial parameters and the property market. The simulations are intended to provide information for the Board and management in their monitoring of key financial figures for the Group.

The Group's finance strategy shall ensure that the Group has financial flexibility and that it achieves competitive financial terms. The Group is exposed to financial risk and has defined the following relevant risk areas:

- Financing risk
- Capital management and solvency
- Interest rate risk
- Credit/counterparty risk
- Currency risk

Financing risk

Financing risk is the risk that the Group will be unable to meet its financial obligations when they are due and that financing will not be available at a reasonable price.

The Group seeks to limit financing risk through:

- minimum level of committed capital to cover refinancing requirements
- average time to maturity requirements for the group's financing
- the use of various credit markets and counterparties
- diversified maturity structure for the Group's financing

Capital management and solvency

The main purpose of the Group's capital management is to maintain a good balance between debt and equity, in order to maximise the value of the shares in the Group, while also maintaining a good credit rating and obtaining loan terms with lenders that reflect the risk profile of the Group. The Group has defined a target for the loan-to-value ratio which shall not exceed 50 per cent over time. There are covenants in the Group's loan agreements that specify requirements in relation to the company's financial strength.

Interest rate risk

Interest rate risk arises from the interest-bearing debt being affected by changes in market rates. Interest rate risk affects the Group's cash flows and the market value of the Group's liabilities. The main purpose of the Group's interest rate strategy is to ensure that the Group achieves the desired balance between the interest expense and interest rate risk. The Group's interest rate risk is managed within the following financial policy requirements:

- minimum 40 per cent of the interest-bearing debt to be hedged at fixed interest rate.
- average remaining time to maturity for interest rate hedges in the interval 2-6 years.
- diversification of the maturity structure for fixed interest rates.

Credit and counterparty risk

Stable, predictable and long-term access to capital is critical for Entra. Entra considers that the ability of creditors to behave predictably over the long term is often dependent on their creditworthiness. For this reason, Entra wants the Group's creditors to be of a strong credit quality and has established credit rating limits for the Group's creditors. The credit ratings of the Group's financial counterparties are continuously monitored. The fair value of all financial derivative assets as of 31 December 2022 was 698 million (254 million).

Trade receivables at 31 December 2022 was 56 million (77 million), external loans was 110 million (3 million) and other long-term receivables was 92 million (85 million). The concentration of credit risk with respect to trade debtors is assessed to be low, as the majority of Entra's customers are paying their rent in advance. The creditworthiness of counterparties in construction contracts that give rise to contract assets and contracts with debtors that give rise to other receivables are thoroughly evaluated before entering into the contracts.

Cash and bank deposits at 31 December 2022 amounted to 226 million (309 million). The deposits were placed with financial institutions with A-/A3 or better credit ratings.

Currency risk

The Group shall not incur any currency risk. The Group did not have any currency exposure on 31 December 2022.

Financial covenants

There are covenants in the Group's bank loan agreements specifying that the interest cover ratio (ICR) may not fall below 1.4 and that the loan-to-value of property (LTV) may not exceed 75 per cent. As of 31 December 2022, the Group was not in breach of any covenants.

There are no covenants in relation to the Group's bond or commercial paper loans, but there are clauses of cross-default.

MATURITY PROFILE OF ALL FINANCIAL INSTRUMENTS

	REMAINING TERM								
31.12.2022	Under 3 months	4-12 months	1-2 years	2-4 years	4-6 years	6-8 years	8-10 years	Over 10 years	Total
Interest-bearing bank loans – principal	-	-	6 560	13 315	1 500	500	500	-	22 375
Interest-bearing bank loans – amortising	6	18	18	26	-	-	-	-	68
Interest-bearing bank loans – estimated interest	238	715	895	953	98	62	21	-	2 983
Bonds – principal	425	1 154	924	5 629	2 594	6 815	-	-	17 541
Bonds – estimated interest	126	408	454	813	541	349	-	-	2 691
Commercial paper – principal	820	-	-	-	-	-	-	-	820
Commercial paper – estimated interest	7	-	-	-	-	-	-	-	7
Interest rate derivative liabilities	-8	57	58	109	83	16	-	-	316
Interest rate derivative assets	-16	-77	-83	-113	-23	-40	-	-	-351
Lease liabilities	4	13	17	28	28	28	27	621	765
Trade payables	355	-	-	-	-	-	-	-	355
Other financial liabilities	78	-	-	-	-	-	-	-	78
Total	**2 036**	**2 288**	**8 843**	**20 760**	**4 821**	**7 730**	**547**	**621**	**47 648**

	REMAINING TERM								
31.12.2021	Under 3 months	4-12 months	1-2 years	2-4 years	4-6 years	6-8 years	8-10 years	Over 10 years	Total
Interest-bearing bank loans – principal	-	-	988	1 661	1 845	500	500	-	5 494
Interest-bearing bank loans – amortising	11	34	35	30	12	-	-	-	123
Interest-bearing bank loans – estimated interest	28	83	101	143	70	32	16	-	473
Bonds – principal	-	2 345	1 579	2 524	4 623	4 900	3 915	-	19 886
Bonds – estimated interest	84	324	364	615	471	344	107	-	2 310
Commercial paper – principal	500	900	-	-	-	-	-	-	1 400
Commercial paper – estimated interest	2	5	-	-	-	-	-	-	8
Interest rate derivative liabilities	6	75	76	127	26	-25	-21	-	266
Interest rate derivative assets	-4	-13	-28	-31	-40	-35	-33	-	-184
Lease liabilities	6	15	21	42	26	20	20	362	511
Trade payables	465	-	-	-	-	-	-	-	465
Other financial liabilities	50	-	-	-	-	-	-	-	50
Total	**1 149**	**3 769**	**3 136**	**5 112**	**7 034**	**5 736**	**4 503**	**362**	**30 800**

The table is based on undiscounted contractual cash flows. The maturity analysis is based on the earliest possible redemption for instruments where the counterparty has a choice as to when to redeem the instrument. Estimated interest is based on the interest rate on the individual loan/ instrument on the balance sheet date. In order to manage its liquidity risk, the Group has available, unutilised credit facilities with Norwegian and international banks, as well as available liquid assets.

UNUTILISED CREDIT FACILITIES

	TERM TO MATURITY								
31.12.2022	Under 3 months	4-12 months	1-2 years	2-4 years	4-6 years	6-8 years	8-10 years	Over 10 years	Total
Unutilised credit facilities	-	-	180	6 280	-	-	-	-	6 460
Total unutilised credit facilities	**-**	**-**	**180**	**6 280**	**-**	**-**	**-**	**-**	**6 460**

UNUTILISED CREDIT FACILITIES

31.12.2021	TERM TO MATURITY Under 3 months	4-12 months	1-2 years	2-4 years	4-6 years	6-8 years	8-10 years	Over 10 years	Total
Unutilised credit facilities	-	-	-	4 580	4 250	-	-	-	8 830
Total unutilised credit facilities	**-**	**-**	**-**	**4 580**	**4 250**	**-**	**-**	**-**	**8 830**

At 31 December 2022, the Group had 184 million (277 million) of available liquid assets. See Note 22.

Interest rate risk
49 per cent of the Group's liabilities are subject to fixed interest rates at 31 December 2022, compared to 47 per cent at 31 December 2021. The Group uses a variety of derivatives to adapt its portfolio to the chosen fixed rate structure. The choice of fixed interest profile is based on an evaluation of the Group's financial strength and its ability to generate long-term, stable cash flow.

At 31 December 2022, the weighted average remaining term to maturity was 2.6 years (3.1 years). The average nominal interest rate was 3.70 per cent (2.25 per cent) at 31 December 2022. As of 31 December 2022, Entra's portfolio of fixed interest rate hedges had a total volume of 22,334 million (16,866 million) and an average term to maturity of 4.7 years (4.8 years).

The table below shows the nominal value of outstanding current and non-current interest-bearing debt including derivatives.

MATURITY STRUCTURE OF THE GROUP'S EXPOSURE TO NOMINAL INTEREST RATE RISK

As at 31.12.2022	31.12.2023	31.12.2024	31.12.2026	31.12.2028	31.12.2030	31.12.2032	31.12.2032+	
Term to maturity	Up to 1 year	1-2 years	2-4 years	4-6 years	6-8 years	8-10 years	Over 10 years	Total
Percentage	5.9	18.4	46.5	10.0	17.9	1.2	-	100
Amount	2 399	7 504	18 992	4 094	7 315	500	-	40 804

As at 31.12.2021	31.12.2022	31.12.2023	31.12.2025	31.12.2027	31.12.2029	31.12.2031	31.12.2031+	
Term to maturity	Up to 1 year	1-2 years	2-4 years	4-6 years	6-8 years	8-10 years	Over 10 years	Total
Percentage	13.9	9.7	15.7	24.3	20.1	16.4	-	100
Amount	3 745	2 599	4 216	6 528	5 400	4 415	-	26 903

KEY FIGURES FOR THE GROUP'S FINANCIAL INSTRUMENTS

	2022	2021
Nominal value of interest rate derivatives on the balance sheet date [1]	21 010	15 160
of which		
- Fixed-to-variable swaps [1]	3 900	4 300
- Variable-to-Fixed swaps	17 110	10 860
Range of fixed interest rates	From 0.890% to 5.640%	From 1.1050% to 5.640%
Variable rate basis	NIBOR	NIBOR
Average fixed rate excl. forward starting swaps	2.15%	1.99%
Average fixed rate incl. forward starting swaps	2.18%	1.64%

[1] 3 900 million (4 300 million) of swaps linked to the fixed-interest bonds issued by the Group are included in the volume of interest rate swaps. These bonds are swapped to a variable rate in order to ensure that the Group is in a position to manage its interest rate fixing independently of the bonds. The real volume used for interest rate fixing is therefore 17 110 million (10 860 million). At 31 December 2022, the Group has no interest rate options or option-related products.

NOTE 5 RISK LEASE MANAGEMENT

All amounts in NOK million

The Group mainly enters into lease contracts with fixed rent for the lease of property. Lease payments for the majority (98 per cent) of the contracts include 100 per cent CPI adjustments.

THE GROUP'S FUTURE ACCUMULATED RENT FROM NON-TERMINABLE OPERATIONAL LEASE CONTRACTS AT 31.12.

	2022	2021
≤ 1 year	3 168	2 792
1 year < 2 years	2 799	2 612
2 year < 3 years	2 497	2 384
3 year < 4 years	2 230	2 186
4 year < 5 years	2 026	1 904
≥ 5 years	9 400	8 773
Total [1]	**22 120**	**20 651**

THE GROUP'S LEASE CONTRACTS AT 31.12 HAVE THE FOLLOWING MATURITY STRUCTURE MEASURED IN ANNUAL RENT [1]

	2022			2021		
Remaining term	No. of contracts	Contract rent	Contract rent, %	No. of contracts	Contract rent	Contract rent, %
≤ 1 year	340	367	10	197	187	6
1 year < 5 years	284	1 142	32	238	955	33
5 years < 10 years	149	1 385	39	120	1 078	37
≥ 10 years	46	642	18	48	689	24
Total	**819**	**3 535**	**100**	**603**	**2 910**	**100**

The table above shows the remaining non-terminable contractual rent for current leases without taking into account the impact of any options.

[1] The rent is stated as the annualised contractual rent, and is therefore not reconcilable with the rental income for the year for accounting purposes.

OTHER PARAMETERS RELATING TO THE GROUP'S LEASE PORTFOLIO

	2022				2021			
	Area (sqm)	Occupancy (%)	Wault (yrs)	Share of public sector tenants (%)	Area (sqm)	Occupancy (%)	Wault (yrs)	Share of public sector tenants (%)
Oslo	846 196	96.1	6.1	51	635 820	97.8	7.2	55
Bergen	141 951	96.4	4.6	85	115 695	98.0	5.0	51
Trondheim	152 190	97.1	5.6	61	152 188	98.7	6.3	77
Sandvika	132 785	98.3	6.2	46	98 989	99.6	6.8	54
Drammen	68 660	95.8	9.3	98	69 421	99.1	8.5	86
Stavanger	54 216	99.4	7.6	94	121 404	94.1	6.0	49
Total management portfolio	**1 395 998**	**96.5**	**6.1**	**58**	**1 193 517**	**97.8**	**6.8**	**58**
Project portfolio	110 040		10.0	37	154 090		9.6	36
Regulated development sites	89 587		0.5	-	109 847		0.4	-
Total property portfolio	**1 595 625**		**6.3**	**56**	**1 457 453**		**7.1**	**56**

On account of the high occupancy rate, the high proportion of public sector tenants and the relatively long average remaining contract term, the risk to the Group's cash flow is considered low. There is no significant effect of the Covid-19 pandemic on rental income in 2022.

NOTE 6 SEGMENT INFORMATION

All amounts in NOK million

The Group has one main operational unit, led by the COO. The property portfolio is divided into six different geographic areas in Oslo, Bergen, Trondheim, Sandvika, Drammen and Sandvika, with management teams monitoring and following upon each area. The geographic units are supported by a Market and Property Development division and a Project Development division. In addition, Entra has group and support functions within accounting, finance, legal, investment, ICT, procurement, communication and HR.

The geographic areas do not have their own profit responsibility. The geographical areas are instead followed up on economical and non-economical key figures ("key performance indicators"). These key figures are analysed and reported by geographic area to the chief operating decision maker, that is the Board and CEO, for the purpose of resource allocation and assessment of segment performance. Hence, the Group report the segment information based upon these six geographic areas.

	No. of properties	Area	Occupancy	Wault	Market value		12 month rolling rent		Net yield	Market rent	
31.12.2022	(#)	(sqm)	(%)	(yrs)	(NOKm)	(NOK/sqm)	(NOKm)	(NOK/sqm)	(%)	(NOKm)	(NOK/sqm)
Oslo	52	846 196	96.1	6.1	52 683	62 259	2 270	2 683	4.01	2 422	2 862
Bergen	10	141 951	96.4	4.6	6 931	48 824	332	2 336	4.37	368	2 593
Trondheim	10	152 190	97.1	5.6	5 591	36 735	322	2 119	5.39	301	1 979
Sandvika	10	132 785	98.3	6.2	4 612	34 729	264	1 985	5.42	244	1 837
Drammen	7	68 660	95.8	9.3	2 591	37 734	139	2 019	4.97	131	1 901
Stavanger	2	54 216	99.4	7.6	1 567	28 905	94	1 739	5.46	101	1 862
Total management portfolio	**91**	**1 395 998**	**96.5**	**6.1**	**73 974**	**52 990**	**3 421**	**2 450**	**4.30**	**3 567**	**2 555**
Project portfolio	8	110 040		10.0	4 031	36 636					
Regulated development sites	3	89 587		0.5	566	6 315					
Total property portfolio	**102**	**1 595 625**		**6.3**	**78 571**	**49 242**					

The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 31.12.22 corresponds to 6.7 per cent of market rent.

The Groups 20 largest tenants accounts for approximately 45 per cent of the Group's total rental income. The Group does not have any tenants contributing to more than 10 per cent of the Group's rental income.

	No. of properties	Area	Occupancy	Wault	Market value		12 month rolling rent		Net yield	Market rent	
31.12.2021	(#)	(sqm)	(%)	(yrs)	(NOKm)	(NOK/sqm)	(NOKm)	(NOK/sqm)	(%)	(NOKm)	(NOK/sqm)
Oslo	38	635 820	97.8	7.2	39 729	62 485	1 683	2 647	3.96	1 732	2 724
Trondheim	10	152 188	98.7	6.3	5 589	36 722	297	1 953	5.01	278	1 826
Bergen	8	115 695	98.0	5.0	5 560	48 056	251	2 168	4.16	292	2 523
Sandvika	9	98 989	99.6	6.8	3 267	33 006	177	1 783	5.14	159	1 608
Stavanger	7	121 404	94.1	6.0	3 249	26 762	175	1 441	4.89	189	1 559
Drammen	8	69 421	99.1	8.5	2 707	38 991	141	2 034	4.94	133	1 923
Total management portfolio	**80**	**1 193 517**	**97.8**	**6.8**	**60 101**	**50 356**	**2 724**	**2 282**	**4.24**	**2 784**	**2 332**
Project portfolio	11	154 090		9.6	6 463	41 943					
Regulated development sites	5	109 847		0.4	984	8 956					
Total property portfolio	**96**	**1 457 453**		**7.1**	**67 547**	**46 346**					

NOTE 7 CATEGORIES OF FINANCIAL INSTRUMENTS

All amounts in NOK million

31.12.2022	Financial assets at amortised cost	Financial assets at FVTPL	Total		Financial liabilities at FVTPL	Financial liabilities at amortised cost	Total
Assets				**Liabilities**			
Financial investments				Interest-bearing non-current liabilities		38 091	**38 091**
- shares		344	**344**	Interest-bearing current liabilities		2 423	**2 423**
- other financial assets	191		**191**	Lease liabilities		268	**268**
Financial derivatives		698	**698**	Financial derivatives	310		**310**
Trade receivables	56		**56**	Other non-current liabilities		89	**89**
Other current receivables	525		**525**	Trade payables		355	**355**
Cash and cash equivalents	226		**226**	Other current liabilities		105	**105**
Total financial assets	**997**	**1 042**	**2 040**	**Total financial liabilities**	**310**	**41 332**	**41 642**

31.12.2021	Financial assets at amortised cost	Financial assets at FVTPL	Total		Financial liabilities at FVTPL	Financial liabilities at amortised cost	Total
Assets				**Liabilities**			
Financial investments				Interest-bearing non-current liabilities		22 788	**22 788**
- shares		32	**32**	Interest-bearing current liabilities		3 791	**3 791**
- other financial assets	88		**88**	Lease liabilities		221	**221**
Financial derivatives		254	**254**	Financial derivatives	355		**355**
Trade receivables	77		**77**	Other non-current liabilities		154	**154**
Other current receivables	295		**295**	Trade payables		465	**465**
Cash and cash equivalents	309		**309**	Other current liabilities		87	**87**
Total financial assets	**768**	**286**	**1 054**	**Total financial liabilities**	**355**	**27 506**	**27 860**

NOTE 8 INFORMATION ABOUT FAIR VALUE

All amounts in NOK million

Investment properties are valued at fair value based on independent external valuations. Financial derivatives are measured at fair value using valuation methods where the significant parameters are obtained from quoted market data. Refer to note 3 for further information on techniques applied in the measurement of fair value of investment properties and derivatives.

The Group uses the following hierarchy to classify assets and liabilities, based on the valuation methods used to measure and disclose their fair value.

Level 1: Quoted (unadjusted) prices in active markets for identical assets and liabilities.
Level 2: Other techniques where all of the parameters that have a significant impact on measuring fair value are either directly or indirectly observable.
Level 3: Valuation techniques that use parameters that significantly affect the valuation, but which are not observable.

ASSETS MEASURED AT FAIR VALUE

	31.12.2022	Level 1	Level 2	Level 3
Assets at fair value through profit or loss				
- Investment properties	77 404	-	-	77 404
- Investment properties held for sale	1 230	-	-	1 230
- Derivatives	698	-	698	-
- Equity instruments	344	-	-	344
Total	**79 676**	**-**	**698**	**78 977**

LIABILITIES MEASURED AT FAIR VALUE

	31.12.2022	Level 1	Level 2	Level 3
Liabilities at fair value through profit or loss				
- Derivatives	310	-	310	-
Total	**310**	**-**	**310**	**-**

ASSETS MEASURED AT FAIR VALUE

	31.12.2021	Level 1	Level 2	Level 3
Assets at fair value through profit or loss				
- Investment properties	67 568	-	-	67 568
- Investment properties held for sale	87	-	-	87
- Derivatives	254	-	254	-
- Equity instruments	32	-	-	32
Total	**67 941**	**-**	**254**	**67 687**

LIABILITIES MEASURED AT FAIR VALUE

	31.12.2021	Level 1	Level 2	Level 3
Liabilities at fair value through profit or loss				
- Derivatives	355	-	355	-
Total	**355**	**-**	**355**	**-**

INFORMATION ABOUT THE FAIR VALUE OF FINANCIAL ASSETS MEASURED AT AMORTISED COST

	2022		2021	
	Fair value	Carrying amount	Fair value	Carrying amount
Loans to associates and jointly controlled entities	8	8	13	13
Other financial assets	191	191	88	88
Trade receivables	56	56	77	77
Total	**255**	**255**	**178**	**178**

INFORMATION ABOUT THE FAIR VALUE OF FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

	2022		2021	
	Fair value	Carrying amount	Fair value	Carrying amount
Seller's credit and withheld purchase price	89	89	86	86
Subordinated loans	-	-	65	65
Total	**89**	**89**	**151**	**151**

The difference between the fair value and the amortised cost of interest-bearing liabilities is described in note 24. Other financial liabilities, except for the amounts above, are short term and the difference between the fair value and the amortised cost is marginal.

NOTE 9 OPERATING COSTS

All amounts in NOK million

	2022	2021
Operating costs		
Maintenance	22	29
Tax, leasehold, insurance	70	64
Letting and property administration	101	89
Direct property costs	69	52
Total operating costs	**263**	**234**

NOTE 10 OTHER REVENUES

All amounts in NOK million

	2022	2021
Other revenues		
Sale of additional services provided to tenants	80	46
Rental income from inventory properties	26	25
Other revenues	6	2
Total other revenues	**112**	**73**

NOTE 11 OTHER COSTS

All amounts in NOK million

	2022	2021
Other costs		
Costs related to additional services provided to tenants	56	25
Costs related to inventory properties	12	14
Other costs	17	4
Total other costs	**85**	**43**

NOTE 12 ADMINISTRATIVE COSTS

All amounts in NOK million

	2022	2021
Administrative costs		
Payroll and personnel expenses	135	117
Office expenses, furnishings and equipment	37	34
Consultancy fees	27	52
Other administrative owner costs	11	7
Total administrative costs	**210**	**210**

NOTE 13 PERSONNEL COSTS

All amounts in NOK million

	2022	2021
Salaries, performance-related pay and other taxable benefits [1]	237	213
Employers' National Insurance contributions	36	31
Pension expenses	23	15
Other personnel costs	8	11
Total personnel costs	**304**	**271**
Of which capitalised on projects under development	-58	-55
Of which shared costs distributed amongst tenants	-62	-51
Total payroll and personnel costs	**184**	**165**
Of which classified as part of administrative costs	135	117
Of which classified as part of Letting and property administration under Operating expenses	49	47
Number of full-time equivalents	205	174
Number of employees at 31.12.	208	177

[1] Salaries, performance-related pay and other taxable benefits includes a 24 million (19 million) provision for performance-related pay for all employees in 2022, which has not yet been paid out.

REMUNERATION OF SENIOR EXECUTIVES

The total remuneration of the CEO and other Senior Executives consists of a fixed package of salary and benefits supplemented by cash-based (STI - Short-Term Incentive) and share-based (LTI - Long-Term Incentive) variable remuneration plans, share purchase scheme (on the same terms as all other employees), pension and insurance arrangements. For further details on Entra's compensation policy and practice, refer to pages 89 to 92 in the corporate governance section of this annual report.

OVERVIEW OF TOTAL REMUNERATION OF SENIOR EXECUTIVES IN 2022

All amounts in NOK thousand	Base salary[1]	Paid salaries[2]	Cash-based variable remune-ration[3]	Share-based variable remune-ration[4]	Pension costs	Other benefits[5]	Total remuneration 2022
Sonja Horn, CEO	3 802	4 041	1 416	1 340	133	184	7 114
Anders Olstad, CFO and Deputy CEO	3 194	3 401	1 243	1 104	133	179	6 059
Kjetil Hoff, COO	2 288	2 378	536	497	133	149	3 693
Per Ola Ulseth, EVP Project Development	2 128	2 213	505	521	133	154	3 527
Tore Bakken, EVP Market and Commercial Real Estate Development	2 108	2 193	444	520	133	153	3 443
Kristine Marie Hilberg, EVP HR and Organisation	1 726	1 794	416	358	133	143	2 843
Hallgeir Østrem, EVP Legal and Procurement	2 649	2 733	629	277	133	166	3 939
Total	**17 897**	**18 753**	**5 190**	**4 617**	**930**	**1 129**	**30 618**

1 Base salary reflects the annual base salary as of 31 December.

2 The main difference between base salary and paid salaries is that paid salaries includes holiday pay on cash-based variable remuneration.

3 Includes the provision based on targets met in 2022, which will be paid out in 2023.

4 The LTI scheme for 2022 has a graded vesting period of three to five years after the settlement date in 2023, whereof 1/3 is vested after three years, another 1/3 after four years and the remaining 1/3 after five years. LTI is reported on expensed basis. As such, the earned LTI for 2022 also includes a portion of LTI earned in previous years.

5 Other benefits include benefits in kind such as a car allowance, telephone and insurance coverage.

The above amounts are subject to National Insurance contributions of 14.1 per cent.
No loans were given by Entra to senior executives as of 31 December 2022.

OVERVIEW OF TOTAL REMUNERATION OF SENIOR EXECUTIVES IN 2021

All amounts in NOK thousand	Base salary[1]	Paid salaries[2]	Cash-based variable remune-ration[3]	Share-based variable remune-ration[4]	Pension costs	Other benefits[5]	Total remuneration 2021
Sonja Horn, CEO	3 666	3 841	2 519	1 042	127	135	7 663
Anders Olstad, CFO and Deputy CEO	3 080	3 238	2 162	885	127	135	6 547
Kjetil Hoff, COO	2 207	2 262	514	337	127	135	3 375
Per Ola Ulseth, EVP Project Development	2 053	2 108	486	402	127	135	3 257
Tore Bakken, EVP Market and Commercial Real Estate Development	2 053	2 109	487	373	127	135	3 230
Kristine Marie Hilberg, EVP HR and Organisation	1 643	1 687	385	237	127	135	2 571
Hallgeir Østrem, EVP Legal and Procurement from 1 July 2021[6]	2 554	1 277	294	92	63	68	1 794
Åse Lunde, EVP Digitalisation and Business Development until 30 June 2021	-	1 746	-	671	127	135	2 679
Total	**17 259**	**18 269**	**6 845**	**4 040**	**950**	**1 013**	**31 117**

1 Base salary reflects the annual base salary as of 31 December.

2 The main difference between base salary and paid salaries is that paid salaries includes holiday pay on cash-based variable remuneration.

3 Includes the provision based on targets met in 2021, paid out in 2022.

4 The LTI scheme for 2021 has a graded vesting period of three to five years after the settlement date in 2022, whereof 1/3 is vested after three years, another 1/3 after four years and the remaining 1/3 after five years. LTI is reported on expensed basis. As such, the earned LTI for 2021 also includes a portion of LTI earned in previous years.

5 Other benefits include benefits in kind such as a car allowance, telephone and insurance coverage.

6 Total remuneration reflects remuneration for the six months period Hallgeir Østrem has been EVP Legal and Procurement.

The above amounts are subject to National Insurance contributions of 14.1 per cent.
No loans were given by Entra to senior executives as of 31 December 2021.

All amounts in NOK thousand	Board fees	Committee fees	Total remuneration 2022 [1]	Total remuneration 2021 [1]
Board				
Ottar Ertzeid, Chair from 22 April 2022	367	46	414	-
Hege Toft Karlsen, from 23 April 2021	288	77	365	245
Widar Salbuvik	288	102	390	360
Camilla AC Tepfers	288	-	288	268
Joacim Sjöberg from 22 April 2022	202	32	235	-
Erling Nedkvitne, employee representative [2]	288	46	334	308
Marit Rasmussen, employee representative from 30 April 2020 [2]	288	-	288	268
Siri Hatlen, Chair until 22 April 2022	156	20	176	562
Kjell Bjordal until 22 April 2022	86	14	100	324
Benedicte Schilbred Fasmer until 23 April 2021	-	-	-	75
Total [1]	**2 254**	**337**	**2 591**	**2 409**

1 The overview of the remuneration of the Board of Directors shows remuneration earned in the financial year.

2 Does not include ordinary salary.

The Board and committee members received no other compensation than what is set out in the table.
The above amounts are subject to National Insurance contributions of 14.1 per cent.

NOTE 14 NET REALISED FINANCIALS

All amounts in NOK million

	2022	2021
Interest income	13	6
Other finance income	4	1
Interest expenses on borrowings	-1 067	-541
- of which capitalised borrowing costs	59	42
Interest expenses on lease liabilities (note 27)	-12	-11
Commitment fees	-15	-19
Other finance expenses	-78	-30
Total interest and other finance expense	**-1 095**	**-551**
Average interest on capitalised borrowing costs	3.23%	2.33%

NOTE 15 INTANGIBLE ASSETS AND OTHER OPERATING ASSETS

All amounts in NOK million

	2022			2021		
	Intangible assets	Goodwill	Equipment	Intangible assets	Goodwill	Equipment
Acquisition cost at 01.01.	8	146	51	8	146	35
Acquisitions	-	-	5	-	-	16
Reclassified to financial lease	-	-	-13	-	-	-
Disposals [1]	-8	-146	-1	-	-	-
Acquisition cost at 31.12.	**-**	**-**	**42**	**8**	**146**	**51**
Accumulated depreciation and write-downs at 01.01.	8	37	23	8	37	18
Depreciation and write-downs	-	-	4	-	-	5
Disposals [1]	-8	-37	-0	-	-	-
Accumulated depreciation and write-downs at 31.12.	**-**	**-**	**26**	**8**	**37**	**23**
Carrying amount at 31.12.	**-**	**-**	**16**	**-**	**109**	**28**

[1] Disposals of intangible assets and goodwill are related to the divestment of the subsidiary Hinna Park Eiendom.

NOTE 16 INVESTMENT PROPERTIES

All amounts in NOK million

VALUE OF INVESTMENT PROPERTIES

	2022	2021
Closing balance at 31.12 previous period	67 655	56 867
Purchase of investment properties	13 531	3 500
Investment in the property portefolio	2 563	2 224
Capitalised borrowing costs	59	42
Sale of investment properties	-2 654	-35
Change in value from investment properties	-2 519	5 057
Closing balance at 31.12	**78 634**	**67 655**
Of which investment properties held for sale	1 230	87
Investment properties	**77 404**	**67 568**

Investment properties are valued at fair value based on independent external valuations. The valuation method is included at level 3 in the valuation hierarchy. Reference is made to note 8.

For information about valuations and fair value calculations for investment properties, see note 3. The Group has certain right-of-use assets classified as investment properties, refer to note 27 for further information.

The property Sørkedalsveien 6 in Oslo is classified as held for sale on 31 December 2022 as an agreement to divest the asset was signed in December 2022 with expected closing in June 2023.

Certain other of the Group's properties are subject to purchase options, as described below.

Pursuant to the lease agreements entered into between Entra and the Norwegian Ministry of Culture on 22 April 2005, 15 October 2003 and 30 June 2005, respectively, the tenant has an option to acquire the three buildings comprising the National Library in Henrik Ibsens gate 110/Observatoriegaten 1 in Oslo (the refurbished buildings "Magasinet" and "Halvbroren"). The tenant has the right to acquire the refurbished buildings at expiry of each 25 year lease period (expiring on 6 June 2030 and 31 December 2029, respectively). The leases include an unlimited number of 25-year extension periods, at market rents. Further, the tenant has the right, upon six months' notice, to acquire "Halvbroren" if the tenant itself leases and uses more than 50 per cent of the building. As of 31 December 2022, the tenant leased and used more of the building than the threshold. The purchase price for all three buildings shall equal the market value of the buildings based on the capitalised future rental income based on the assumption that the lease agreements are continuously prolonged in accordance with the renewal clause in the lease agreements.

Pursuant to the ground lease agreement entered into between Entra and Oslo Havn KF on 4 October 1979 relating to the Langkaia 1 in Oslo, the ground lessor has an option to acquire the buildings without any compensation and free of any encumbrances upon expiry of the ground lease agreement on 1 January 2031. The right-of-use asset is presented as part of investment properties on the balance sheet. As the right-of-use asset is valued based on the cash flow until expiry of the ground lease agreement (i.e., no residual value), there will be an ongoing decrease in the balance sheet value until expiry.

Pursuant to the lease agreement entered into between Entra and the University of Oslo ("UiO") on 16 June 2016, the tenant has an option to acquire the property Kristian Augusts gate 15-21 (building and land) in Oslo in 2034 and in 2044. The purchase price shall be based on a gross market yield at time of calling the option and valued at a remaining wault of fifteen years of the lease agreement. The gross yield has a cap at 5.25 per cent (gross yield < 5.25 per cent). The option to acquire must be called twelve months ahead of the two points in time at the latest. If the option to acquire is called at the first possible point in time (after 15 years), the remaining rent compensation paid by UiO to Entra regarding St. Olavs Plass 5 (previous lease agreement), must be paid in full together with the purchase price for the property.

Pursuant to the lease agreement and option agreement entered into between Entra and BI Norwegian Business School ("BI") on 15 February 2016, the tenant has an option to acquire the company which owns the building Brattørkaia 16 in Trondheim in the years 2028, 2033 and 2038. The purchase price shall be based on a pre-agreed net yield. The net rent at the time of exercising the option, includes value added tax (vat) compensation. The option to acquire must be called twelve months ahead of the four points in time at the latest.

Entra is developing a newbuild project in Holtermanns veg 1-13 in Trondheim, where the Norwegian Broadcasting Corporation (NRK) have signed a lease contract for 9 600 sqm. NRK will acquire 49 per cent of the SPV owing the rented section at estimated project completion in 2025.

NOTE 17 ASSOCIATES AND JOINTLY CONTROLLED ENTITES

All amounts in NOK million

Investments in associates and jointly controlled entities are recognised using the equity method.

31.12.2022	Acquisition date	Business office	Shareholding/ voting rights (%)
Associated companies			
Ullandhaug Energi AS	07.07.2009	Stavanger	44.00
H2O Eiendom AS	02.12.2019	Oslo	25.00
Galleri Oslo Utvikling AS	24.10.2022	Oslo	46.77
Galleriet Drift AS	31.03.2022	Oslo	46.77
Jointly controlled entities			
Oslo S Utvikling AS	01.07.2004	Oslo	50.00
Rebel U2 AS	10.10.2019	Oslo	50.00
Galleri Oslo Invest AS	12.01.2022	Oslo	33.33

31.12.2021	Acquisition date	Business office	Shareholding/ voting rights (%)
Associated companies			
Ullandhaug Energi AS	07.07.2009	Stavanger	44.00
H2O Eiendom AS	02.12.2019	Oslo	25.00
Jointly controlled entities			
Oslo S Utvikling AS	01.07.2004	Oslo	50.00
Hinna Park Facility Management AS	18.11.2016	Stavanger	50.00
Rebel U2 AS	10.10.2019	Oslo	50.00

MOVEMENT IN CARRYING AMOUNT OF ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

	Classification	Carrying amount 31.12.2021	Share of profit for 2022	Capital injection/ reduction/	Investment in or divestment of company	Carrying amount 31.12.2022
Galleri Oslo Invest AS	Jointly controlled entity	-	-6	-	163	157
Oslo S Utvikling AS	Jointly controlled entity	850	-25	-125	-	701
Rebel U2 AS [1]	Jointly controlled entity	-	-	-	-	-
Other jointly controlled entities and associates		22	9	9	-6	33
Total associates and jointly controlled entities		**872**	**-22**	**-116**	**157**	**891**

[1] Entra's share of Rebel U2 AS' negative total comprehensive income for 2022 is recognised as a reduction in the carrying value of Entra's loan to Rebel U2 AS, which is considered part of the Group's interests in Rebel U2 AS.

MOVEMENT IN CARRYING AMOUNT OF ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

	Classification	Carrying amount 31.12.2020	Share of profit for 2021	Capital injection/ reduction/	Investment in or divestment of company	Carrying amount 31.12.2021
Oslo S Utvikling AS	Jointly controlled entity	493	32	-150	476	850
Rebel U2 AS	Jointly controlled entity	11	-11	-	-	-
Other jointly controlled entities and associates		22	2	-2	-	22
Total associates and jointly controlled entities		**527**	**22**	**-152**	**476**	**872**

[1] Changes in value consist of interest rate hedging instruments, plus calculated deferred tax on the change.

AGGREGATE FINANCIAL INFORMATION FOR ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

(Figures stated refer to Entra's ownership interest)

	2022	2021
Revenue	70	220
Net operating income	21	9
Net income	**-43**	**26**
Net value changes	-10	-
Profit before tax	**-53**	**26**
Tax expense	11	-7
Profit after tax	**-42**	**19**
Total comprehensive income [1]	**-42**	**19**
Total assets	2 476	1 884
Shareholders equity	877	872
Non-controlling interests	42	42
Total liabilities	1 557	969

[1] In addtion to Entra's ownership interest in Total comprehensive income for 2022, a gain of 6 million due to the sale of the JV Hinna Park Facility Management AS was recognised as Share of profit from associates and JVs.

SUMMARISED FINANCIAL INFORMATION FOR SIGNIFICANT ASSOCIATES AND JOINTLY CONTROLLED ENTITIES (100 PER CENT)

Oslo S Utvikling AS is a property development company that is undertaking primarily residential development in Bjørvika in Oslo's CBD East. In July 2021, Entra increased its share in OSU from 33.3 per cent to 50 per cent.

Rebel U2 AS is the operator of the technology hub in Universitetsgata 2 in Oslo. The company offers full-service solutions, flexible and short-term leases, co-working facilities as well as conference and event activity.

Galleri Oslo Invest AS is a joint venture with the two other owners of Schweigaards gate 6-14 in Oslo ("Galleri Oslo"), owning and managing 10.6 per cent of the property.

	Oslo S Utvikling AS		Rebel U2 AS		Galleri Oslo Invest AS [1]
	2022	2021	2022	2021	2022
Income statement:					
Revenue	13	565	117	28	10
Cost of sales	-22	-382	-73	-31	-1
Administrative costs	-45	-44	-24	-14	-1
Net realised financials	-10	-1	-59	-20	-
Net income	**-64**	**138**	**-38**	**-37**	**8**
Changes in value of investment properties	-	-	-	-	-31
Changes in value of financial instruments	-	-	-	-	-
Profit before tax	**-64**	**138**	**-38**	**-37**	**-23**
Tax expense	12	-33	8	8	5
Profit for the year	**-51**	**105**	**-30**	**-29**	**-18**
Total comprehensive income	**-51**	**105**	**-30**	**-29**	**-18**
Realisation of excess value	-	-	-	-	-
Entra's share of total comprehensive income	**-25**	**32**	**-15**	**-14**	**-6**
Balance sheet:					
Current assets	**3 333**	**2 455**	**29**	**44**	**18**
of which cash and cash equivalents	53	52	16	31	15
Non-current assets	**51**	**8**	**667**	**695**	**463**
Current liabilities	**2 226**	**186**	**63**	**58**	**6**
of which current financial liabilities other than accounts payable and provisions	1 715	-	-	-	-
Non-current liabilities	**149**	**968**	**682**	**700**	**-**
of which non-current financial liabilities other than accounts payable and provisions	-	647	-	-	-
Net assets	**1 008**	**1 310**	**-48**	**-18**	**474**
of which attributable to non-controlling interests	83	85	-	-	-

RECONCILIATION OF CARRYING AMOUNT

	Oslo S Utvikling AS		Rebel U2 AS		Galleri Oslo Invest AS [1]
	2022	2021	2022	2021	2022
Net assets attributable to equity holders of the JV	926	1 225	-48	-18	474
Entra's shareholding in the JV	463	613	-24	-9	157
Excess value	238	238	-	-	-
Carrying amount of Entra's shareholding	**701**	**850**	**-**	**-**	**157**

NOTE 18 LONG-TERM RECEIVABLES AND OTHER ASSETS

All amounts in NOK million

	2022	2021
External loans	110	3
Other long-term receivables	82	85
Financial assets at FVTPL	344	32
Other assets	111	105
Total long-term receivables and other assets	**646**	**225**

NOTE 19 INVENTORY PROPERTIES

Entra owns a development site at Bryn in Oslo. As part of the acquisition of the site, JM Norge AS agreed to acquire land expected to be zoned for residential development subject to detailed plan. The properties expected to be zoned for residential development are Østensjøveien 29 and Brynsveien 1, 2-4, 3, 6, 8 and 12. See notes 10 and 11 for information on rental income from letting of the properties and the related property costs.

NOTE 20 TRADE RECEIVABLES

All amounts in NOK million

TRADE RECEIVABLES

	2022	2021
Trade receivables	65	85
Provision for bad debts	-9	-8
Net trade receivables	**56**	**77**

Except the trade receivables from the joint venture Rebel U2 AS (see note 31 for further information), there is no concentration of credit risk with respect to trade debtors as the majority of Entra's customers are paying rent in advance.

The age analysis of these trade receivables is as follows:

	2022	2021
Up to 3 months	29	41
Over 3 months	30	21
Total overdue	**59**	**62**

NOTE 21 OTHER RECEIVABLES AND OTHER CURRENT ASSETS

All amounts in NOK million

OTHER RECEIVABLES

	2022	2021
Accrued interest	77	62
Accrued income, not invoiced	74	35
Advance payments and accruals	55	23
Other current receivables and assets	319	174
Total other receivables and other current assets	**525**	**295**

NOTE 22 CASH AND BANK DEPOSITS

All amounts in NOK million

	2022	2021
Bank deposits	184	277
Restricted bank deposits	42	31
Total bank deposits	**226**	**309**

Restricted bank deposits relate to the withholding tax account and guarantees for loans.

NOTE 23 SHARE CAPITAL AND SHAREHOLDER INFORMATION

Entra's share capital is 182,132,055 divided into 182,132,055 shares, with each share having a par value of 1.00. All the shares have been issued in accordance with the Norwegian Public Limited Companies Act and are fully paid. Entra has one class of shares. All shares provide equal rights, including the right to any dividends. Each of the shares carries one vote. There are no share options or other rights to subscribe for or acquire shares issued by Entra. At 31 December 2022, Entra owns none (2,087) of its own shares and has a total of 182,132,055 (182,129,968) shares outstanding.

At 31 December 2022, Entra had 5,144 shareholders (4,524 shareholders). Norwegian investors held 11 per cent (10 per cent) of the share capital and foreign investors 89 per cent (90 per cent).

	Number of shares	Par value (NOK)	Share capital (NOK million)
31 December 2021	182 132 055	1	182
31 December 2022	182 132 055	1	182

Paid-in capital amounts to 3,706 million (3,706 million) and consists of 182 million (182 million) in share capital, of which nil (nil) is related to treasury shares, and 3,524 million (3,524 million) in other paid-in capital.

Entra ASA has a share purchase scheme, offering all employees, including senior executives, the opportunity to purchase shares in Entra ASA at a discounted price. The shares are subject to two-year lock-in period. The purchase price in the employee offering was calculated as the volume weighted average share price the last 30 days (VWAP) until and including 21 April 2022 less a 25 per cent discount. A total of 51,185 (72,473) shares were acquired and sold to the employees in connection with the share purchase scheme in May 2022. In addition, a total of 22,914 (25,248) shares were awarded to senior executives in March 2022.

For other changes in shareholders' equity, see the consolidated statements of changes in equity.

The 20 largest shareholders as registered in the VPS as of 31 December 2022 were as follows:

Shareholder	No of shares per 31.12.2022	Shareholding %	Country
Castellum AB	60 710 624	33.3%	Sweden
Fastighets AB Balder [1]	50 000 000	27.5%	Sweden
Skandinaviska Enskilda Banken (nominee)	12 577 772	6.9%	Sweden
Skandinaviska Enskilda Banken	2 917 091	1.6%	Sweden
SEB CMU/SECFIN pooled account	2 697 424	1.5%	Sweden
Danske Bank (nominee)	2 626 346	1.4%	Sweden
State Street Bank and Trust (nominee)	2 544 459	1.4%	United States
Goldman Sachs International (nominee)	2 031 766	1.1%	United Kingdom
Danske Invest Norske Aksjer Institusjon II	1 680 605	0.9%	Norway
The Bank of New York Mellon (nominee)	1 465 474	0.8%	The Netherlands
Folketrygdfondet	1 349 342	0.7%	Norway
State Street Bank and Trust (nominee)	1 184 329	0.7%	United States
JPMorgan Chase Bank (nominee)	1 098 941	0.6%	United States
Telenor Pensjonskasse	1 043 014	0.6%	Norway
Gjensidige Forsikring	1 000 000	0.5%	Norway
Citibank (nominee)	893 625	0.5%	Ireland
Citibank (nominee)	861 805	0.5%	Ireland
The Bank of New York Mellon (nominee)	777 541	0.4%	United Kingdom
Danske Invest Norske Aksjer Institusjon I	763 472	0.4%	Norway
J.P. Morgan (nominee)	750 000	0.4%	Finland
Total 20 largest shareholders	**148 973 630**	**81.8%**	
Total	**182 132 055**	**100.0**	

[1] As of 31 December 2022, Fastighets AB Balder held shares, in its own name and through nominees, equalling 39.9 per cent of the shares.

SHARES HELD BY BOARD OF DIRECTORS AND SENIOR EXECUTIVES AT 31.12. [1]

Shareholder	Position	Number of shares 2022	Number of shares 2021
Board of directors			
Ottar Ertzeid	Chair from 22 April 2022	-	
Hege Toft Karlsen	Vice Chair	-	-
Widar Salbuvik	Board member	20 000	20 000
Joakim Sjöberg	Board member since 22 April 2022	-	
Camilla AC Tepfers	Board member	-	-
Marit Rasmussen	Employee representative	454	454
Erling Nedkvitne	Employee representative	14 533	13 406
Siri Hatlen	Chair until 22 April 2022		1 163
Kjell Bjordal	Vice Chair until 22 April 2022		50 000
Senior executives			
Sonja Horn	CEO	46 721	38 491
Anders Olstad	CFO and Deputy CEO	75 236	68 142
Kjetil Hoff	COO	11 119	7 141
Per Ola Ulseth	EVP Project Development	12 878	9 099
Hallgeir Østrem	EVP Legal and Procurement from	16 622	13 841
Tore Bakken	EVP Market and Commercial Real Estate Development	8 985	6 333
Kristine Marie Hilberg	EVP HR and Organisation	8 042	5 921
Shares held by board of directors and senior executives		**214 590**	**233 991**

[1] Shareholding is stated in the table above only if the person has been a director or senior executive at 31.12 the applicable year.

NOTE 24 INTEREST BEARING LIABILITIES AND ACCRUED INTEREST

All amounts in NOK million

NON-CURRENT BORROWINGS

	Nominal value 2022	Market value 2022	Carrying amount 2022	Nominal value 2021	Market value 2021	Carrying amount 2021
Bank loans	22 419	22 419	22 388	5 572	5 572	5 551
Bonds	15 962	14 283	15 703	17 541	17 213	17 237
Total non-current borrowings	**38 381**	**36 702**	**38 091**	**23 113**	**22 785**	**22 788**

CURRENT BORROWINGS

	Nominal value 2022	Market value 2022	Carrying amount 2022	Nominal value 2021	Market value 2021	Carrying amount 2021
Bank loans	24	24	24	46	46	46
Bonds	1 579	1 572	1 579	2 345	2 354	2 345
Commercial papers	820	820	820	1 400	1 400	1 400
Total current borrowings	**2 423**	**2 416**	**2 423**	**3 791**	**3 800**	**3 791**

The average credit margin on the Group's borrowings at 31.12.2022 was 0.91 per cent (0.84 per cent).

CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	31 December 2021	New liabilities	Repayment	Reclassification	Net amortisation effects	Change in fair value	Other non-cash movements	31 December 2022
Non-current borrowings	22 788	28 480	-11 609	-1 603	36	-	-	38 091
Current borrowings	3 791	2 420	-5 391	1 603	-	-	-	2 423
Non-current lease liabilities	210	-	-	-	-	-	53	264
Current lease liabilities	10	-	-5	-	-	-	-1	5
Financial derivatives	101	-	-	-	-	-488	-	-387
Total liabilities from financing activities	**26 900**	**30 900**	**-17 004**	**-**	**36**	**-488**	**52**	**40 396**

THE GROUP'S BONDS AND COMMERCIAL PAPERS ARE SUBJECT TO THE FOLLOWING TERMS

THE GROUP'S BONDS AT 31.12.2022

ISIN	Issue limit	Coupon rate	Term to maturity	Amount issued [1]	Net balance [1]
NO0010670995	1 500	5.00%	08.02.2023	500	425
NO0010766389	1 500	2.45%	02.06.2023	1 100	470
NO0010774797	1 500	3M Nibor + 0.94%	22.09.2023	1 200	684
NO0010789464	1 500	3M Nibor + 0.86%	20.03.2024	1 195	924
NO0010852692	1 500	3M Nibor + 0.83%	22.05.2025	1 450	600
NO0010852684	1 500	2.79%	22.05.2026	1 200	579
NO0011094625	3 000	3M Nibor + 0.12%	10.09.2026	2 300	2 300
NO0011094641	4 000	2.00%	10.09.2029	1 400	1 400
NO0010886856	2 000	3M Nibor + 1.10%	29.06.2027	2 000	594
NO0010895964	2 000	1.66%	21.04.2028	2 000	2 000
NO0011017147	3 000	3M Nibor + 0.40%	07.06.2029	1 500	1 500
NO0011094633	3 000	1.50%	10.09.2026	1 150	1 150
NO0011041535	3 000	2.49%	01.02.2030	1 000	1 000
NO0010282031	1 100	4.62%	29.05.2030	1 100	1 100
NO0011079808	4 000	3M Nibor + 0.55%	20.11.2030	1 815	1 815
NO0011011256	2 000	1.96%	28.11.2025	1 000	1 000
					17 541

THE GROUP'S COMMERCIAL PAPERS AT 31.12.2022

ISIN	Issue limit	Coupon rate	Term to maturity	Amount issued [1]	Net balance [1]
NO0012787250	170	4.20%	16.01.2023	170	170
NO0012793928	200	4.37%	27.03.2023	200	200
NO0012768508	450	4.79%	15.02.2023	450	450
					820

THE GROUP'S BONDS AT 31.12.2021

ISIN	Issue limit	Coupon rate	Term to maturity	Amount issued [1]	Net balance [1]
NO0010740061	1 500	2.45%	13.06.2022	1 200	1 182
NO0010811649	1 500	3M Nibor + 0.72%	14.10.2022	1 300	1 163
NO0010670995	1 500	5.00%	08.02.2023	500	425
NO0010766389	1 500	2.45%	02.06.2023	1 100	470
NO0010774797	1 500	3M Nibor + 0.94%	22.09.2023	1 200	684
NO0010789464	1 500	3M Nibor + 0.86%	20.03.2024	1 195	924
NO0010852692	1 500	3M Nibor + 0.83%	22.05.2025	1 450	600
NO0010852684	1 500	2.79%	22.05.2026	1 200	579
NO0011094625	3 000	3M Nibor + 0.12%	10.09.2026	2 300	2 300
NO0011094641	4 000	2.00%	10.09.2029	1 400	1 400
NO0010886856	2 000	3M Nibor + 1.10%	29.06.2027	2 000	594
NO0010895964	2 000	1.66%	21.04.2028	2 000	2 000
NO0011017147	3 000	3M Nibor + 0.40%	07.06.2029	1 500	1 500
NO0011094633	3 000	1.50%	10.09.2026	1 150	1 150
NO0011041535	3 000	2.49%	01.02.2030	1 000	1 000
NO0010282031	1 100	4.62%	29.05.2030	1 100	1 100
NO0011079808	4 000	3M Nibor + 0.55%	20.11.2030	1 815	1 815
NO0011011256	2 000	1.96%	28.11.2025	1 000	1 000
					19 886

[1] Nominal values.

THE GROUP'S COMMERCIAL PAPERS AT 31.12.2021

ISIN	Issue limit	Coupon rate	Term to maturity	Amount issued [1]	Net balance [1]
NO0011108292	500	0.94%	23.03.2022	500	500
NO0011128944	600	1.02%	21.04.2022	300	300
NO0011160376	600	1.20%	24.05.2022	600	600
					1 400

[1] Nominal values.

SECURED FINANCING

Entra's financing is mainly based on negative pledge of the Group's assets, which enables a broad and flexible financing mix. However, secured financing is arranged for part of the Group's assets according to defined carve-out clauses in the loan agreements.

SECURED FINANCING AT 31.12.2022

	Pledged assets	Secured debt instruments	Utilised secured debt instruments
Partly-owned assets	2 307	653	653
Wholly-owned assets	10 593	6 100	1 100
Total secured financing	**12 900**	**6 753**	**1 753**

SECURED FINANCING AT 31.12.2021

	Pledged assets	Secured debt instruments	Utilised secured debt instruments
Partly-owned assets	4 219	1 697	1 697
Wholly-owned assets	2 449	1 100	1 100
Total secured financing	**6 668**	**2 797**	**2 797**

NOTE 25 TAX

All amounts in NOK million

INCOME TAX EXPENSE

	2022	2021
Tax payable	31	19
Change in deferred tax on profit and loss	71	1 433
Change in deferred tax on comprehensive income	4	-6
Income tax expense	**106**	**1 445**

INCOME TAX PAYABLE IS CALCULATED AS FOLLOWS

	2022	2021
Profit before tax	-467	6 825
Share of profit/loss at associates and jointly controlled entities	37	-19
Other permanent differences	-149	27
Net effect of aquired losses carried forward in asset acquisitions	-19	-274
Effect of negative revaluation below cost on asset acquisitions [1]	1 066	-
Changes in temporary differences	-699	-6 436
Changes in loss carry-forwards	374	-49
Profit for tax purposes	**143**	**73**
Tax payable on the balance sheet	14	16
Tax payable on the balance sheet	**14**	**16**

[1] No reduction in deferred tax liability is recognised on subsequent negative value changes below cost for investment properties acquired in transactions accounted for as asset acquisitions on initial recognition, if the changes are within the unrecognised deferred tax liabilities.

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	2022	%	2021	%
Profit for accounting purposes multiplied by nominal tax rate	-103	22.0	1 501	22.0
Tax on share of profit/loss at associates and jointly controlled entities	8	-1.7	-4	-0.1
Tax on permanent differences [1]	202	-43.2	6	0.1
Tax effect of re-measurement of recoverability of acquired tax losses	-4	0.9	-54	-0.8
Profit/loss on disposal of deferred tax	-	-	3	0.4
Tax expense for accounting purposes	**103**	**-22.1**	**1 452**	**21.7**

[1] The permanent differences in 2022 includes 235 million related to the negative revaluation below cost on asset acquisitions.

DEFERRED INCOME TAX

The Group has offset deferred tax assets and deferred tax liabilities on the balance sheet as the Group has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority. The following net value was recognised:

	2022	2021
Deferred tax liability	8 573	8 604
Deferred tax assets	356	298
Net deferred tax	**8 216**	**8 307**

The Group has not recognised a cumulative deferred tax liability in the amount of 2,180 million (362 million) relating to acquisitions of subsidiaries, which were accounted for as acquisitions of assets of groups of assets.

CHANGE IN DEFERRED TAX (+)/DEFERRED TAX ASSETS (-)

	Non-current assets	Financial instruments	Current assets	Gains/ losses account	Provisions	Losses carried forward [1]	Total
01.01.2021	**7 124**	**-68**	**49**	**19**	**-52**	**-158**	**6 914**
Recognised in profit and loss	1 409	50	8	-3	3	11	1 476
Recognised in comprehensive income	-	-	-	-	-6	-	-6
Losses carried forward acquired in asset acquisitions	-	-	-	-	-	-77	-77
31.12.2021	**8 532**	**-17**	**56**	**15**	**-55**	**-224**	**8 307**
Recognised in profit and loss	79	101	-6	-1	-21	-82	70
Recognised in comprehensive income	-	-	-	-	4	-	4
Losses carried forward acquired in asset acquisitions	-	-	1	-	-	-	1
Derecognition of tax positions in subsidiaries sold	-187	-	-	-2	9	14	-165
31.12.2022	**8 425**	**83**	**52**	**13**	**-64**	**-293**	**8 216**

[1] At year-end 2022, the losses carried forward for the Group's wholly-owned subsidiaries was 168 million (74 million).

NOTE 26 PENSIONS

All amounts in NOK million

The Group's pension scheme for new employees is a defined contribution scheme. The defined contribution scheme includes 199 (168) employees in the Group. The defined benefit pension scheme for the Group cover a total of 8 (13) current employees, 1 (nil) former employee and 73 (74) pensioners.

The Group also has a contractual early-retirement scheme (AFP) from the age 62. At 31 December 2022, 3 (5) former employees had chosen to make use of the AFP scheme. The net pension liabilities associated with the AFP scheme amounted to 5 million (8 million), which is included under total pension liabilities in the table below.

The Group's pension scheme satisfies the requirements of the Norwegian Act on Compulsory Occupational Pensions.

The cost for the accounting period shows the employees' pension entitlement of the agreed future pension in the financial year.

THE BALANCE SHEET LIABILITIES HAVE BEEN CALCULATED AS FOLLOWS

	2022	2021
Present value of accrued pension liabilities in defined-benefit schemes in unit trusts	214	229
Fair value of pension scheme assets	-129	-130
Employers' NICs accrued	12	14
Net pension liabilities on the balance sheet at 31.12	**97**	**112**

TOTAL COST RECOGNISED IN THE INCOME STATEMENT

	2022	2021
Cost of pension benefits accrued during current period	2	1
Contribution scheme	22	20
Total pension benefits accrued during the period	**24**	**22**
Net interest expense	2	1
Total pension benefits accrued in income statement	**26**	**23**
Actuarial losses (-)/gains (+) accrued in comprehensive income	-16	29
Total pension benefits accrued	**10**	**52**

The actuarial assumptions are based on generally accepted assumptions in the insurance industry with regard to demographic factors. The pension scheme assets are invested in government bonds.

NOTE 27 LEASES

THE GROUP AS A LESSEE

The Group has entered into certain operating leases of ground, parking lots and buildings classified as investment properties, with remaining lease terms between 9 and 80 years. The Group applies the fair value model to right-of-use assets associated with the property lease contracts. Right-of-use assets included in investment properties at 31 December 2022 was 1,131 million (1,003 million).

The majority of the lease payments for Langkaia 1 in Oslo, where the lease agreement expires on 1 January 2031, are based on the turnover of the property. Only the fixed parts of the lease payments are included in the lease liability. Variable, turnover based lease payments for the property is included in Operating costs.

See note 24 for details on the movements in lease liabilities during the period.

Set out below are the amounts recognised in profit or loss:

	2022	2021
Interest expense on lease liabilities	12	11
Expense relating to leases of low-value assets and short-term leases	3	1
Variable lease payments	11	16
Total amount recognised in profit or loss	**26**	**28**

The Group had total cash outflows for leases of 31 million in 2021 (37 million).

Refer to note 4 for maturity profile of the Group's lease liabilities based on contractual undiscounted payments as at 31 December 2022.

THE GROUP AS A LESSOR

The Group has entered into operating leases on its investment property portfolio. Refer to note 5 for the Group's future accumulated rent from non-terminable operational lease contracts, maturity structure and further details relating to the Group's lease portfolio.

NOTE 28 OTHER NON-CURRENT LIABILITIES

All amounts in NOK million

	2022	2021
Lease liabilities (note 27)	264	210
Pension liabilities (note 26)	97	112
Prepayments from customers	78	85
Subordinated loans	-	65
Seller's credit and withheld purchase price	89	90
Other non-current liabilities	146	88
Total non-current liabilities	**673**	**650**

NOTE 29 OTHER CURRENT LIABILITIES

All amounts in NOK million

	2022	2021
Accrued interest	237	154
Tenant prepayments	61	115
Lease liabilities (note 27)	5	10
Holiday pay owed	23	20
Public taxes and duties	26	17
Income tax payable	14	16
Provisions for current liabilities	27	22
Other liabilities	28	13
Total other current liabilites	**421**	**367**

NOTE 30 SUBSIDIARIES

All amounts in NOK million

The Group comprises the following legal entities at 31 December 2022. All subsidiaries are incorporated in Norway.

Subsidiaries of Entra ASA			
Akersgata 34-36 AS	Entra OPF Utvikling AS [2]	Langkaia 1 AS	St. Olavs plass 5 AS
Akersgata 51 AS	Entra Service AS	Lars Hilles gate 19 AS	Stenersgata 1 AS
Biskop Gunnerus' gate 14A AS	Entra Simpli AS	Lars Hilles gate 25 AS	Stenersgata Parkering AS
Biskop Gunnerus' gate 6 AS	Entra Utleie AS	Lilletorget 1 AS	Sundtkvartalet AS
Bispen AS	Fredrik Selmers vei 4 AS	Malmskriverveien 18-20 AS	Surtningssue AS
Brattørkaia 13B AS	Fredrik Selmers vei 6 AS	Malmskriverveien 2-4 AS	Tordenskiolds gate 12 AS
Brattørkaia AS	Fyrstikkalléen 1 AS	Marken 37 AS	Tullinkvartalet AS
Brynsengfaret 4 og 6 AS	Grensesvingen 26 AS	Møllendalsveien 1A AS	Tvetenveien 22 AS
Brynsengfaret 6CD AS	Grønland 32 AS	Møllendalsveien 6-8 AS	Universitetsgata 2 AS
Cort Adelers gate 30 AS	Hagegata 22-24 AS	Nils Hansens vei 20 AS	Universitetsgata 1-9 AS
Drammensveien 134 AS	Hardangerjøkulen AS [4]	Nonnesetergaten 4 AS	Vahls gate 1-3 AS
Drammensveien 134 P-Hus AS	Holtermanns veg 1-13 AS	Nygårdsgaten 93-97 AS	Valkendorfsgaten 6 AS
Drammensveien 134 Utearealer AS	Holtermanns veg 70 AS	Otto Sverdrups plass 4 AS	Verkstedveien 1 Monier AS
Dronningens gate 2 AS	Kaigaten 9 AS	Papirbredden Eiendom AS [1]	Verkstedveien 3 AS
Entra Bryn AS [3]	Keysers gate 13 AS	Professor Olav Hanssens vei 10 AS	Wexelsplass Garasje AS
Entra Eiendom AS	Kjørboparken AS	Savoy Holding AS	
Entra Felleskost AS	Kongens gate 87 AS	Schweigaards gate 15 AS	
Entra Kultur 1 AS	Kristian Augusts gate 13 AS	Schweigaards gate 15B AS	
Entra Labs AS	Lagårdsveien 6 AS	Schweigaards gate 16 AS	
Shares in subsidiaries owned through subsidiaries:			
Papirbredden Eiendom AS [1]	**Entra OPF Utvikling AS [2]**	**Entra Bryn AS [3]**	**Hardangerjøkulen AS [4]**
Grønland 51 AS	Entra OPF Utvikling Holding AS	Brynseng Eiendom AS	Blåisen AS
Grønland 56 AS	Lars Hilles gate 30 Holding AS	Brynsveien 11/13 Eiendom AS	Christian Krohgs gate 10 AS
Grønland 58 AS	Allehelgens gate 6 Holding AS	Brynsveien 5 AS	Christian Krohgs gate 2 AS
Grønland 60 AS	Lars Hilles gate 30 AS	Østensjøveien 39/41 AS	Drammensveien 131 AS
Kreftings gate 33 AS	Allehelgens gate 6 AS	Østensjøveien 43 AS	Grensesvingen 7 Eiendom AS
		Bryn Boligselskap AS	Grensesvingen 7 ANS
		Brynsveien 1 AS	Grenseveien 78 B AS
		Brynsveien 2-4 AS	Karenslyst allé 7 AS
		Brynsveien 3 Eiendom AS	Løkketangen 2-14B AS
		Brynsveien 3A ANS	Nedre Vollgate 11 AS
		Brynsveien 3B ANS	Pilestredet 33 AS
		Brynsveien 6 og 12 AS	Schweigaards gate 6-14 AS
		Østensjøveien 29 AS	Storgata 51 Oslo AS
			Sørkedalsveien 6 AS
			Tordenskioldsgate 6 AS
			Tullins gate 2 AS
			Tullinsgt 2 ANS
			Vestfjordgaten 4 AS

[1] Papirbredden Eiendom AS is owned by Entra ASA with voting and owner shares of 60 per cent and Drammen Municipality with 40 per cent.

[2] Entra ASA owns 50 per cent of the shares in Entra OPF Utvikling AS. The remaining 50 per cent is owned by Oslo Pensjonsforsikring AS.

NON-CONTROLLING INTERESTS

The following tables summarises the information relating to each of the Group's subsidiaries that have non-controlling interests (NCI), before any intra-group eliminations with the Group.

31.12.2022	Papirbredden Eiendom AS	Entra OPF Utvikling AS	Total
NCI ownership interests	40%	50%	
Rental income	112	151	263
Net operating income	107	136	243
Net income	**81**	**134**	**216**
Changes in value of investment properties	-19	-36	-56
Changes in value of financial instruments	9	-	9
Profit before tax	**70**	**98**	**168**
Tax	-15	-21	-36
Profit for the period	**55**	**77**	**132**
Profit allocated to NCI [1]	**22**	**39**	**60**
Current assets	14	28	42
Non-current assets	2 307	3 256	5 563
Current liabilities	48	4	61
Non-current liabilities	981	356	1 337
Equity	**1 292**	**2 924**	**4 206**
Equity attributable to NCI	**517**	**1 462**	**1 978**
Net cash flows from operating activities	62	133	195
Net cash flows from investment activities	-8	-	-8
Net cash flows from financing activities	-61	-125	-186
Change in cash and cash equivalents	**-6**	**8**	**2**

[1] In addition to the profit in the table above, a profit of 5 million in Hinna Park Eiendom AS, which was sold in 2022, was allocated to NCI.

31.12.2021	Papirbredden Eiendom AS	Hinna Park Eiendom AS	Entra OPF Utvikling AS	Total
NCI ownership interests	40%	50%	50%	
Rental income	114	97	141	351
Net operating income	109	85	121	315
Net income	**89**	**35**	**119**	**243**
Changes in value of investment properties	129	243	200	572
Changes in value of financial instruments	8	8	-	16
Profit before tax	**226**	**286**	**320**	**831**
Tax	-50	-59	-69	-178
Profit for the period	**177**	**226**	**250**	**653**
Profit allocated to NCI	**71**	**113**	**125**	**309**
Current assets	16	34	21	71
Non-current assets	2 318	2 083	3 291	7 693
Current liabilities	49	49	6	105
Non-current liabilities	1 013	1 441	335	2 789
Equity	**1 272**	**628**	**2 970**	**4 870**
Equity attributable to NCI	**509**	**314**	**1 485**	**2 308**
Net cash flows from operating activities	71	32	118	220
Net cash flows from investment activities	-7	-503	-10	-520
Net cash flows from financing activities	-61	470	-110	300
Change in cash and cash equivalents	**3**	**-1**	**-2**	**-1**

See note 3 for considerations regarding consolidation of entities in which the Group holds less than a majority of shares.

NOTE 31 RELATED PARTIES

All amounts in NOK million

The Group's transactions and balances with associates and jointly controlled entities in 2022 is mainly related to rental income, administrative fees, loans, interest payments on loans and dividends.

	2022	2021
Income statement		
Rental income	85	37
Other revenues	4	2
Dividends	128	152
Balance sheet		
Receivables	28	42
Loans	8	13

NOTE 32 AUDITOR'S FEE

All amounts in NOK thousand

	2022	2021
Statutory audit	3 197	2 773
Tax advice	-	-
Other services not related to auditing	-	-
Other assurance services	734	304
Total auditor's fee (excl. VAT)	**3 932**	**3 078**

NOTE 33 EARNINGS PER SHARE

Basic earnings per share is calcuated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the year.

Entra has not issued options or other financial instruments which have a dilutive effect on outstanding shares.

	2022	2021
Total comprehensive income for the year attributable to equity holders of Entra (NOKm)	-621	5 042
Average number of outstanding shares	182 129 877	182 127 420
Basic earnings per share (NOK)	-3.41	27.68

NOTE 34 DIVIDEND PER SHARE AND DIVIDEND POLICY

Entra targets distribution of approximately 60 per cent of the Group's Cash Earnings in dividends. Refer to the alternative performance measures section of the annual report for calculation of Cash Earnings.

Entra's dividend policy is based on semi-annual dividend payments. In line with the dividend policy, the Board of Entra will propose to distribute a semi-annual dividend of 2.50 (2.60) per share for the second half of 2022. In October 2022, Entra paid out 2.60 per share (2.50 per share) for the first six months of 2022. For the financial year 2022, Entra will thus, pending approval from the Annual General Meeting, have paid out NOK 5.10 per share (5.10 per share), corresponding to 59 per cent of Cash Earnings.

Dividend payments to the company's shareholders for the second half year are classified as debt from the date on which a resolution regarding the dividend is passed by the Annual General Meeting.

NOTE 35 SUBSEQUENT EVENTS

In March 2023, Entra sold the property Grønland 32 in Drammen for a price above book values as of 31 December 2022.

Parent company financial statements Entra ASA

Statement of income
1 January to 31 December

All amounts in NOK million

	Note	2022	2021
Sales revenue	3	167	147
Rental income	3	-	10
Total revenue		**167**	**157**
Payroll and related costs	4	-285	-264
Depreciation	10	-2	-9
Other operating costs	5, 6	-89	-118
Total operating costs		**-376**	**-392**
Operating profit		**-209**	**-234**
Income from investment in subsidiaries		2 091	592
Income from investments in associates and jointly controlled entities		128	152
Interest income from Group companies		280	130
Other financial income	7	306	80
Interest expense from Group companies		-47	-1
Interest expense		-1 018	-474
Other financial costs	8	-1 096	-105
Net financials		**644**	**374**
Profit before tax		**435**	**140**
Tax expense	9	-	20
Profit for the year		**434**	**160**

Balance sheet – assets

All amounts in NOK million

	Note	31.12.2022	31.12.2021
NON-CURRENT ASSETS			
Deferred tax assets	9	27	31
Total intangible assets		**27**	**31**
Property and equipment	10	8	137
Total property & equipment		**8**	**137**
Investment in subsidiaries	11	33 177	22 725
Investments in associates and jointly controlled entities	11	700	700
Loans to associates and jointly controlled entities	12	26	17
Investment in shares		322	32
Loans to Group companies	12, 17	9 886	7 124
Other long-term receivables and other assets	12	147	49
Total non-current financial assets		**44 257**	**30 646**
Total non-current assets		**44 292**	**30 814**
CURRENT ASSETS			
Trade receivables		4	2
Receivables on Group companies	17	2 092	570
Other current receivables		196	145
Total current receivables		**2 291**	**717**
Cash and bank deposits		168	235
Total current assets		**2 459**	**952**
TOTAL ASSETS		**46 751**	**31 766**

Balance sheet – equity and liabilities

All amounts in NOK million

	Note	31.12.2022	31.12.2021
EQUITY			
Share capital	13, 14	182	182
Share premium reserve	13	2 595	2 595
Other paid-in capital	13	929	929
Total paid-in capital		**3 706**	**3 706**
Retained earnings	13	292	775
Total equity		**3 998**	**4 481**
NON-CURRENT LIABILITIES			
Borrowings	15	36 363	20 039
Pension liability	16	91	111
Other non-current liabilities		6	4
Total non-current liabilities		**36 461**	**20 154**
CURRENT LIABILITIES			
Borrowings	15	2 399	3 745
Trade payables		11	35
Liabilities to Group companies	17	3 139	2 689
Proposed dividend		455	474
Other current liabilites		289	188
Total current liabilities		**6 293**	**7 131**
Total liabilities		**42 753**	**27 285**
TOTAL EQUITY AND LIABILITIES		**46 751**	**31 766**

Oslo, 2 March 2023
The Board of Entra ASA

This document is signed electronically

Ottar Ertzeid
Chair of the Board

Hege Toft Karlsen
Vice Chair

Widar Salbuvik
Board member

Joacim Sjöberg
Board member

Camilla AC Tepfers
Board member

Marit Rasmussen
Board member

Erling Nedkvitne
Board member

Sonja Horn
CEO

Statement of cash flows
1 January to 31 December

All amounts in NOK million

	2022	2021
Profit before tax	435	140
Taxes paid	-	-10
Net expensed interest and fees on loans	1 101	550
Net interest and fees paid on loans	-1 006	-570
Income from investment in subsidiaries, associates and joint controlled entities	-2 092	-748
Gain and loss on sale of shares	-298	-76
Depreciation of non-current assets	2	9
Impairment of financial assets	1 005	-
Change in working capital	-29	-13
Net cash flow from operating activities	**-882**	**-718**
Payment for the purchase of properties	-	-134
Proceeds from sale of subsidiaries	189	111
Payments made on investments in subsidiaries	-10 134	-1 817
Payments made on investments in associates and jointly controlled entities	-	-476
Proceeds from sale of associates and jointly controlled entities	11	-
Proceeds from subsidiaries - Group contribution/dividend/repayment of equity	639	1 170
Proceeds from associates and jointly controlled entities - dividends	128	152
Payments/repayments other shares	-23	-
Proceeds/repayments from loans to subsidiaries	4	-132
Proceeds/repayments made on loans to associates and jointly controlled entities	-3	-16
Purchase of equipment and other assets	-7	-11
Proceeds/repayments from loans to external	-43	61
Net change in cash pool balance	-3 942	-2 382
Net cash flow from investing activities	**-13 180**	**-3 472**
Proceeds interest bearing debt	30 900	23 039
Repayment interest bearing debt	-15 958	-17 844
Dividends paid	-947	-911
Net cash flow from financing activities	**13 995**	**4 285**
Change in cash and cash equivalents	-67	95
Cash and cash equivalents at beginning of period	235	141
Cash and cash equivalents at end of year	**168**	**235**

Summary of Notes

Notes

NOTE 1 GENERAL INFORMATION

Entra ASA ("the Company") is listed on Oslo Stock Exchange with the ticker ENTRA. The Company and its subsidiaries (together ""Entra" or "the Group"") is one of Norway's leading commercial real estate companies, focusing on high-quality, flexible office buildings with central locations on public communication hubs in the biggest cities in Norway. The Group owns and manages 102 (96) buildings with a total area of approximately 1.6 million (1.5 million) square metres. As of 31.12.22 the real estate portfolio had a market value of around 79 billion (68 billion). The public sector represents 56 per cent (56 per cent) of the total customer portfolio. Entra's strategic areas are Oslo (including Sandvika and Drammen), Bergen and Trondheim. Entra has its head office in Oslo.

The financial statements were adopted by the Company's Board on 2 March 2023.

NOTE 2 ACCOUNTING PRINCIPLES

ACCOUNTING PRINCIPLES
The most important accounting principles applied in the preparation of the annual financial statements are described below. These principles are applied in the same way for all periods presented, unless otherwise indicated in the description.

Basic principles
The annual financial statements have been prepared in accordance with Norwegian Accounting Act of 1998 and good accounting practice (NGAAP).

The annual financial statements have been prepared on the basis of the historical cost principle.

Presenting the accounts in accordance with NGAAP requires the management to make certain assessments and assumptions. The application of the company's accounting principles also requires management to exercise judgement. Estimates and subjective judgements are based on past experience and other factors that are considered appropriate. Actual results may deviate from these estimates.

Estimates and underlying assumptions are continuously reassessed. Changes in accounting estimates are recognised in the period in which the changes occur if they apply only to that period. If the changes also apply to future periods, the impact is distributed over the current and future periods.

The annual financial statements have been presented on the assumption of the business being a going concern.

General principles for measurement and classification of assets and liabilities
Assets intended for long-term ownership or use are classified as non-current assets. Other assets are classified as current assets. Receivables that are repayable within a year are classified as current assets. When classifying non-current and current liabilities, equivalent criteria have been applied.

Current assets are valued at the lower of the acquisition cost and fair value.

Income recognition
Revenue is recognised when it is earned, i.e. when the claim to remuneration arises. This occurs when the service is performed, i.e., as the work is being done. The revenue is recognised with the value of the remuneration at the time of transaction.

Costs
Costs are normally reported in the same period as the related income. Where there is no clear link between expenditure and the income, allocation is determined on the basis of assessment criteria.

Currency
The presentation currency is NOK. This is also the functional currency of the company.

Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items on the balance sheet are translated at the exchange rate on the balance sheet date.

Property and equipment
Property and equipment are recognised at acquisition cost on the balance sheet and are depreciated to a schedule over the anticipated useful life of the assets. The acquisition cost includes costs directly related to the acquisition of the asset. Direct maintenance of property and equipment is recognised in the income statement on an ongoing basis. Additions or improvements are added to the asset's cost price and are depreciated in line with the asset.

Subsidiaries
Investments in subsidiaries are included in the company accounts using the cost method. Investments are written down to their fair value if the reduction in value is other than temporary and the write-down appears to be necessary in accordance with generally accepted accounting principles.

Dividends and Group contributions from subsidiaries are recognised as income from the investment in the subsidiary in the year that the allocation is made by the subsidiary. Dividends and Group contributions from subsidiaries that exceed the retained earnings over the period of ownership are considered as repayments of the acquisition cost.

Jointly controlled entities and associates
Jointly controlled entities are entities where the company shares control with other parties, and where an agreement between the parties ensures that strategic decisions on financial and operating policies are unanimous. This applies to companies where a shareholder agreement ensures joint control of the business.

Associates are entities over which the company has significant influence but not control. Significant influence normally exists where the company's investment represents between 20 and 50 per cent of the capital with voting rights.

Investments in jointly controlled entities and associates are included in the company accounts using the cost method. Investments are written down to their fair value if the reduction in value is other than temporary and the write-down appears to be necessary in accordance with generally accepted accounting principles.

Trade receivables
Trade receivables and other receivables are reported at nominal value after deduction of loss provisions. Loss provisions are made on the basis of an individual assessment of each receivables.

Cash and cash equivalents
Cash and cash equivalents consist of bank deposits and other short-term, highly liquid investments with an original term to maturity of no more than three months.

The company has an account in a Group cash pooling arrangement and finances its subsidiaries' liquidity requirements.

Non-current liabilities
Non-current liabilities are shown on the balance sheet at nominal value on the initial date. Premiums and discounts in connection with taking on non-current liabilities, as well as arrangement fees, are accrued over the period of the loan. Similarly, in the event of the repurchase of bonds, premiums and discounts are accrued over the remaining term to maturity for the relevant liabilities.

All of the company's debt is subject to variable rates (including any fixed rate bonds, which are swapped to a variable rate). The company has then used interest rate swaps to convert its debt to fixed rate loans with varying maturities. For information on maturities, please see Note 15. The company accrues these interest-rate swaps in such a way that the fixed rate is expensed in the income statement. On the termination of interest rate swap agreements, the profit or loss is accrued over the remaining term to maturity of the agreement in question.

The company has chosen to apply accounting principles which mean that changes in the value of the company's interest rate swaps are not recognised in the income statement. Hedged items are carried at their nominal value.

In general, the Group's financing is based on negative pledge clauses.

Pension
The company has both a defined-benefit pension scheme and a defined contribution pension-scheme. A defined benefit pension scheme is a pension arrangement that defines the pension payment an employee will receive on retirement. The guarantee means that employees will receive at least 66 per cent of their pension qualifying salary. Any income over and above 12 times the National Insurance Scheme's basic amount is not included in the qualifying salary. The pension benefit payable is based on the employee's salary, average percentage of full-time equivalents and length of service (30 years' service qualifies for a full pension)

The recognised pension obligation relating to defined-benefit plans is the present value of the defined-benefit on the balance sheet date less the fair value of the plan assets. The gross pension obligation is calculated annually by an independent actuary using the projected credit unit method. The gross obligation is discounted using a discount rate based on bonds with preference rights, which mature around the same time as the related pension obligations.

Changes to benefits payable under the pension plan are recognised in the income statement as they arise.

Actuarial gains/losses resulting from new information or changes to actuarial assumptions are recognised against equity.

Defined contribution schemes comprise arrangements whereby the company makes annual contributions to the employees' pension plans, and where the future pension is determined by the amount of the contributions and the return on the pension plan assets. In the defined contribution schemes, the cost is equal to the contributions to the employees' pension savings in the accounting period and are recognised in the income statement in the period in which they accrue.

Tax
The tax expense consists of tax payable and deferred tax. Tax is charged to the income statement, except where it relates to items that are recognised directly in equity. In such cases, the tax is recognised directly in the balance.

Deferred tax is calculated using the liability method for all temporary differences between the tax values and accounting values of assets and liabilities. Deferred tax is defined using tax rates and laws which are enacted or likely to be enacted on the balance sheet date, and which are expected to be used when the deferred tax asset is realised or when the deferred tax is utilised.

A deferred tax asset is recognised to the extent that it is likely that future taxable profit will be available against which the temporary differences can be offset.

In principle, deferred tax is not calculated on temporary differences arising from investments in subsidiaries. This does not apply in cases where the company is not in control of when the temporary differences will be reversed, and it is probable that they will be reversed in the foreseeable future.

Statement of cash flows
The statement of cash flows is prepared using the indirect method. This means that the statement is based on the company's profit before tax in order to present cash flows from operating, investing and financing activities respectively. Dividends paid to shareholders are presented under financing activities.

Dividends
Dividend payments to the company's shareholders for the fiscal year are classified as debt at the balancesheet date.

Group
Entra ASA is the parent company of a group of companies.

NOTE 3 SALES REVENUE

Sales revenue consists of property management services, project development services and administrative services provided to subsidiaries, associates and jointly controlled entities. All services are delivered in Norway.

NOTE 4 PAYROLL AND RELATED COSTS

All amounts in NOK million

	2022	2021
Salaries, performance-related pay and other taxable benefits [1]	212	198
Employers' National Insurance contributions	34	32
Pension expenses	27	19
Other personnel costs	12	16
Total payroll and related costs	**285**	**264**
Number of full-time equivalents	205	171
Number of employees at 31.12.	208	174

[1] See note 13 Personnel Costs to the consolidated financial statements for information and details related to remuneration for senior executives and the Board of Directors.

NOTE 5 OTHER OPERATING COSTS

All amounts in NOK million

	2022	2021
Cost of renting premises	22	20
Consultancy fees	16	49
Office expenses and equipment	27	24
Other costs	24	25
Total other operating costs	**89**	**118**

NOTE 6 AUDITOR'S FEE

All amounts in NOK thousand

	2022	2021
Statutory audit	1 075	1 054
Tax advice	-	-
Other assurance services	634	225
Total remuneration to auditor (excluding VAT)	**1 709**	**1 280**

NOTE 7 OTHER FINANCIAL INCOME

All amounts in NOK million

	2022	2021
Gain on sale of shares	298	76
Other interest income	8	4
Total other financial income	**306**	**80**

NOTE 8 OTHER FINANCIAL COSTS

All amounts in NOK million

	2022	2021
Fees and premiums	81	77
Impairment of financial assets	1 005	0
Other financial costs	10	28
Total other financial costs	**1 096**	**105**

NOTE 9 TAX

All amounts in NOK million

	2022	2021
Tax expense		
Tax payable	-	-
Change in deferred tax recognised in profit and loss	-	-20
Total tax expense	**-**	**-20**
Income tax payable is calculated as follows		
Profit before tax	435	140
Dividend received	-273	-188
Other permanent differences	-164	-42
Change in temporary differences	38	28
Change in loss carry-forwards	-35	63
Profit for tax purposes	**-**	**-**
Tax payable (22%)	-	-

CHANGE IN DEFERRED TAX (+)/DEFERRED TAX ASSETS (-)

	Non-current assets	Financial instruments	Gains/losses account	Provisions	Loss carried forward	Total
31.12.2020	**-5**	**6**	**22**	**-26**	**-**	**-4**
Recognised in profit and loss	-	-2	-4	-7	-14	-27
Recognised in equity	-	-	-	1	-	1
31.12.2021	**-5**	**4**	**17**	**-33**	**-14**	**-31**
Recognised in profit and loss	1	-6	-3	1	8	-
Recognised in equity	-	-	-	3	-	3
31.12.2022	**-4**	**-2**	**14**	**-29**	**-6**	**-27**

The tax on profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits as follows:

	2022	%	2021	%
Profit for accounting purposes multiplied by nominal tax rate	96	22.0%	31	22.0%
Tax on dividend	-60	-13.8%	-41	-29.6%
Tax on permanent differences	-35	-8.3%	-9	-6.7%
Tax expenses for accounting purposes	**-**	**-0.1%**	**-20**	**-14.3%**

NOTE 10 PROPERTY AND EQUIPMENT

All amounts in NOK million

	Land	Buildings	Equipment	Property and equipment
Acquisition cost at 01.01.2022	24	113	17	154
Acquisition	-	-	4	4
Demerger [1]	-24	-113	-	-137
Acquisition cost at 31.12.2022	**-**	**-**	**21**	**21**
Accumulated depreciation at 01.01.2022	-	-6	-11	-17
Depreciation	-	-	-2	-2
Demerger [1]	-	6	-	6
Accumulated depreciation at 31.12.2022	**-**	**-**	**-13**	**-13**
Carrying amount at 31.12.2022	**-**	**-**	**8**	**8**
Anticipated useful life		20-50 years	3-5 years	
Depreciation schedule		linear	linear	

[1] In August 2022, a demerger and a subsequent merger was implemented for the intra-group transfer of the Company's directly owned property, Lagårdsveien 6 in Stavanger, to the wholly owned subsidiary Lagårdsveien 6 AS. Refer to note 13 for further information.

NOTE 11 SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES

Investments in subsidiaries, jointly controlled entities and associates are recognised using the cost-method.

SUBSIDIARIES

	Acquisition date	Business office	Shareholding/ voting rights %
Akersgata 34-36 AS	01.06.2015	Oslo	100
Akersgata 51 AS	11.12.2019	Oslo	100
Biskop Gunnerus' gate 14A AS	26.03.2001	Oslo	100
Biskop Gunnerus' gate 6 AS	05.01.2015	Oslo	100
Bispen AS	24.10.2007	Oslo	100
Brattørkaia 13B AS	31.12.2016	Oslo	100
Brattørkaia AS	31.01.2006	Oslo	100
Brynsengfaret 4 og 6 AS	01.01.2014	Oslo	100
Brynsengfaret 6CD AS	11.12.2019	Oslo	100
Cort Adelers gate 30 AS	11.12.2019	Oslo	100
Drammensveien 134 AS	01.09.2016	Oslo	100
Drammensveien 134 P-Hus AS	01.09.2016	Oslo	100
Drammensveien 134 Utearealer AS	01.09.2016	Oslo	100
Dronningens gate 2 AS	11.12.2019	Oslo	100
Entra Bryn AS	16.05.2018	Oslo	100
Entra Eiendom AS	24.04.2012	Oslo	100
Entra Felleskost AS	01.06.2015	Oslo	100
Entra Kultur 1 AS	28.02.2002	Oslo	100
Entra Labs AS	01.04.2020	Oslo	100
Entra OPF Utvikling AS	21.04.2012	Oslo	50
Entra Service AS	01.06.2015	Oslo	100
Entra Simpli AS	01.04.2020	Oslo	100
Entra Utleie AS	02.06.2005	Oslo	100
Fredrik Selmers vei 4 AS	01.06.2015	Oslo	100
Fredrik Selmers vei 6 AS	11.12.2019	Oslo	100
Fyrstikkalléen 1 AS	25.06.2021	Oslo	100
Grensesvingen 26 AS	11.12.2019	Oslo	100
Grønland 32 AS	11.12.2019	Oslo	100
Hagegata 22-24 AS	01.10.2008	Oslo	100
Hardangerjøkulen AS	12.01.2022	Oslo	100
Holtermanns veg 1-13 AS	24.09.2010	Oslo	100
Holtermanns veg 70 AS	22.12.2015	Oslo	100
Kaigaten 9 AS	11.12.2019	Oslo	100
Keysers gate 13 AS	11.12.2019	Oslo	100
Kjørboparken AS	21.12.2005	Oslo	100
Kongens gate 87 AS	11.12.2019	Oslo	100
Kristian Augusts gate 13 AS	20.01.2017	Oslo	100
Lagårdsveien 6 AS	18.11.2020	Oslo	100
Langkaia 1 AS	21.11.2003	Oslo	100
Lars Hilles gate 19 AS	05.07.2021	Oslo	100
Lars Hilles gate 25 AS	01.08.2016	Oslo	100
Lilletorget 1 AS	01.07.2014	Oslo	100
Malmskriverveien 18-20 AS	11.12.2019	Oslo	100
Malmskriverveien 2-4 AS	11.12.2019	Oslo	100
Marken 37 AS	20.10.2016	Oslo	100
Møllendalsveien 1A AS	07.04.2021	Oslo	100
Møllendalsveien 6-8 AS	02.12.2019	Oslo	100

Subsidiaries continued

	Acquisition date	Business office	Shareholding/ voting rights %
Nils Hansens vei 20 AS	03.04.2018	Oslo	100
Nonnesetergaten 4 AS	10.02.2003	Oslo	100
Nygårdsgaten 93-97 AS	11.05.2018	Oslo	100
Otto Sverdrups plass 4 AS	01.06.2015	Oslo	100
Papirbredden Eiendom AS	12.01.2011	Oslo	60
Professor Olav Hanssens vei 10 AS	20.10.2016	Oslo	100
Savoy Holding AS	13.07.2021	Oslo	100
Schweigaards gate 15 AS	01.01.2014	Oslo	100
Schweigaards gate 15B AS	20.09.2000	Oslo	100
Schweigaards gate 16 AS	20.02.2013	Oslo	100
St. Olavs plass 5 AS	04.12.2018	Oslo	100
Stenersgata 1 AS	19.02.2016	Oslo	100
Stenersgata Parkering AS	19.10.2016	Oslo	100
Sundtkvartalet AS	19.06.2014	Oslo	100
Surtningssue AS	11.12.2019	Oslo	100
Tordenskiolds gate 12 AS	05.01.2015	Oslo	100
Tullinkvartalet AS	21.11.2011	Oslo	100
Tvetenveien 22 AS	11.12.2019	Oslo	100
Universitetsgata 2 AS	03.09.2001	Oslo	100
Universitetsgata 1-9 AS	01.04.2012	Oslo	100
Vahls gate 1-3 AS	27.04.2017	Oslo	100
Valkendorfsgaten 6 AS	05.01.2015	Oslo	100
Verkstedveien 1 Monier AS	01.09.2016	Oslo	100
Verkstedveien 3 AS	01.09.2016	Oslo	100
Wexelsplass Garasje AS	11.06.2012	Oslo	100

JOINTLY CONTROLLED ENTITIES

	Acquisition date	Business office	Shareholding/ voting rights %
Oslo S Utvikling AS	01.07.2004	Oslo	50

ASSOCIATED COMPANIES

	Acquisition date	Business office	Shareholding/ voting rights %
Ullandhaug Energi AS	07.07.2009	Stavanger	44
H2O Eiendom AS	02.12.2019	Oslo	25

NOTE 12 RECEIVABLES WHICH FALL DUE AFTER MORE THAN ONE YEAR

All amounts in NOK million

	2022	2021
Loans to associates and jointly controlled entities	26	17
Loans to Group companies	9 886	6 974
Receivable buy-out agreement	8	10
Total	**9 920**	**7 000**

NOTE 13 EQUITY

All amounts in NOK million

	Share capital	Own shares	Share premium reserve	Other paid-in capital	Retained earnings	Total equity
Equity at 31.12.2020	**182**	**-**	**2 595**	**929**	**1 571**	**5 276**
Profit for the year	-	-	-	-	160	160
Equity effect of actuarial gains and losses	-	-	-	-	-23	-23
Additional dividend	-	-	-	-	-455	-455
Proposed dividend	-	-	-	-	-474	-474
Net equity effect of LTI and employee share saving scheme	-	-	-	-	-4	-4
Equity at 31.12.2021	**182**	**-**	**2 595**	**929**	**775**	**4 481**
Profit for the year	-	-	-	-	434	434
Equity effect of actuarial gains and losses	-	-	-	-	12	12
Demerger [1]	2	-	24	9	98	132
Merger [1]	-2	-	-24	-9	-97	-131
Additional dividend	-	-	-	-	-474	-474
Proposed dividend	-	-	-	-	-455	-455
Net equity effect of LTI and employee share saving scheme	-	-	-	-	-1	-1
Equity at 31.12.2022	**182**	**-**	**2 595**	**929**	**292**	**3 998**

[1] In August 2022, a demerger and a subsequent merger was implemented for the intra-group transfer of the Company's directly owned property, Lagårdsveien 6 in Stavanger, to the wholly owned subsidiary Lagårdsveien 6 AS. The property was transferred to an intermediary company by way of a demerger, and the intermediary company was immediately thereafter merged with Lagårdsveien 6 AS by way of a triangular merger. The demerger resulted in the share capital of Entra being reduced through a reduction of the nominal value per share, and thereafter subsequently increased by the same amount upon completion of the triangular merger. The net positive equity effect of the transaction is offset by a corresponding negative equity effect in the subsidiary Lagårdsveien 6 AS.

NOTE 14 SHARE CAPITAL AND SHAREHOLDER INFORMATION

Entra's share capital is 182,132,055 divided into 182,132,055 shares, with each share having a par value of 1.00. All the shares have been issued in accordance with the Norwegian Public Limited Companies Act and are fully paid. Entra has one class of shares. All shares provide equal rights, including the right to any dividends. Each of the shares carries one vote. There are no share options or other rights to subscribe for or acquire shares issued by Entra. At 31 December, Entra owns none (2,087) of its own shares and has a total of 182,132,055 (182,129,968) shares outstanding.

As of 31 December 2022 Entra had 5,144 shareholders (4,524 shareholders). Norwegian investors held 11 per cent (10 per cent) of the share capital and foreign investors 89 per cent (90 per cent) at 31 December 2022.

	No. of shares	Share capital (NOKm)	Share premium (NOKm)	Par value (NOK)
End of year 31.12.2021	182 132 055	182	2 595	1
End of year 31.12.2022	182 132 055	182	2 595	1

The Company has a share purchase scheme, offering all employees, including senior executives, the opportunity to purchase shares in Entra ASA at a discounted price. The shares are subject to two-year lock-in period. The purchase price in the employee offering was calculated as the volume weighted average share price the last 30 days (VWAP) until and including 21 April 2022 less a 25 per cent discount. A total of 51,185 (72,473) shares were acquired and sold to the employees in connection with the share purchase scheme in May 2022. In addition, a total of 22,914 (25,248) shares were awarded to senior executives in March 2022.

The 20 largest shareholders as registered in the VPS as of 31 December 2022 were as follows:

Shareholder	No. of shares per 31.12.2022	Shareholding %	Country
Castellum AB	60 710 624	33.3%	Sweden
Fastighets AB Balder [1]	50 000 000	27.5%	Sweden
Skandinaviska Enskilda Banken (nominee)	12 577 772	6.9%	Sweden
Skandinaviska Enskilda Banken	2 917 091	1.6%	Sweden
SEB CMU/SECFIN pooled account	2 697 424	1.5%	Sweden
Danske Bank (nominee)	2 626 346	1.4%	Sweden
State Street Bank and Trust (nominee)	2 544 459	1.4%	United States
Goldman Sachs International (nominee)	2 031 766	1.1%	United Kingdom
Danske Invest Norske Aksjer Institusjon II	1 680 605	0.9%	Norway
The Bank of New York Mellon (nominee)	1 465 474	0.8%	The Netherlands
Folketrygdfondet	1 349 342	0.7%	Norway
State Street Bank and Trust (nominee)	1 184 329	0.7%	United States
JPMorgan Chase Bank (nominee)	1 098 941	0.6%	United States
Telenor Pensjonskasse	1 043 014	0.6%	Norway
Gjensidige Forsikring	1 000 000	0.5%	Norway
Citibank (nominee)	893 625	0.5%	Ireland
Citibank (nominee)	861 805	0.5%	Ireland
The Bank of New York Mellon	777 541	0.4%	United Kingdom
Danske Invest Norske Aksjer Institusjon I	763 472	0.4%	Norway
J.P. Morgan (nominee)	750 000	0.4%	Finland
Total 20 largest shareholders	**148 973 630**	**81.8%**	
Total	**182 132 055**	**100.0%**	

[1] As of 31 December 2022, Fastighets AB Balder held shares, in its own name and through nominees, equalling 39.9 per cent of the shares.

SHARES HELD BY BOARD OF DIRECTORS AND SENIOR EXECUTIVE AT 31.12. [1]

Shareholder	Position	Number of shares 2022	Number of shares 2021
Board of directors			
Ottar Ertzeid	Chair from 22 April 2022	-	
Hege Toft Karlsen	Vice Chair	-	-
Widar Salbuvik	Board member	20 000	20 000
Joakim Sjöberg	Board member from 22 April 2022	-	
Camilla AC Tepfers	Board member	-	-
Marit Rasmussen	Employee representative	454	454
Erling Nedkvitne	Employee representative	14 533	13 406
Siri Hatlen	Chair until 22 April 2022		1 163
Kjell Bjordal	Vice Chair until 22 April 2022		50 000
Senior executives			
Sonja Horn	CEO	46 721	38 491
Anders Olstad	CFO and Deputy CEO	75 236	68 142
Kjetil Hoff	COO	11 119	7 141
Per Ola Ulseth	EVP Project Development	12 878	9 099
Hallgeir Østrem	EVP Legal and Procurement	16 622	13 841
Tore Bakken	EVP Market and Commercial Real Estate Development	8 985	6 333
Kristine Marie Hilberg	EVP HR and Organisation	8 042	5 921
Shares held by board of directors and senior executives		**214 590**	**233 991**

[1] Share holding is stated in the table above only if the person has been a director or senior executive at 31.12 the applicable year.

NOTE 15 BORROWINGS AND OTHER FINANCIAL INSTRUMENTS

All amounts in NOK million

	Carrying amount 2022	Nominal value 2022	Carrying amount 2021	Nominal value 2021
Non-current borrowings				
Bank loans	21 760	21 790	3 902	3 920
Bond loans	14 603	14 862	16 137	16 441
Total non-current borrowings	**36 363**	**36 652**	**20 039**	**20 361**
Current borrowings				
Bond loans	1 579	1 579	2 345	2 345
Commercial papers	820	820	1 400	1 400
Total current borrowings	**2 399**	**2 399**	**3 745**	**3 745**

MATURITY STRUCTURE OF NON-CURRENT BORROWINGS

Year	Nominal value 2022	Nominal value 2021
2022	-	-
2023	-	-
2024	7 244	1 579
2025	7 100	924
2026	11 499	3 020
2027	2 094	4 029
Later than 5 years	8 715	10 809
Total	**36 652**	**20 361**

UNUTILISED CREDIT FACILITIES

At 31 December 2022, the maturity structure of the Company's unutilised credit facilities was as follows:

MATURITY STRUCTURE OF COMMITTED, UNUTILISED CREDIT FACILITIES

Year	Loan amount 2022	Loan amount 2021
2023	-	-
2024	180	1 500
2025	-	3 080
2026	6 280	4 250
2027	-	-
Total	**6 460**	**8 830**

SPECIAL TERMS AND CONDITIONS IN ENTRA ASA'S LOAN AGREEMENTS

In general, the financing is based on negative pledge clauses.

LOANS AND INTEREST RATE HEDGES

Interest rate hedging at the Company is part of the Group's overall risk management, and must be viewed in that context. Interest rate positions should support the company's strategic development, risk profile and anticipated future market interest rates based on the Group's interest rate view. The Group's guidelines on managing interest rate risk are expressed as a preferred interest rate structure (standard portfolio).

At 31 December 2022 the weighted average remaining term to maturity of interest rate hedges was 2.7 years (3.4 years). The company's average interest rate was 3.68 per cent (2.25 per cent) at 31 December 2022. The change in average interest rate mainly stems from higher market interest rates. The average effective interest rate of the debt portfolio was 3.82 per cent at 31 December 2022.

THE COMPANY'S PORTFOLIO OF LOANS AND INTEREST RATE HEDGES HAVE THE FOLLOWING INTEREST RATE MATURITY PROFILE

			Forward starting swaps [1]		
	%	Fixed interest 2022	Amount	Interest rate (%)	Tenor (years)
Up to 1 year	67	25 972	7 000	2.18	6.5
1-2 years	3	1 300			
2-4 years	20	7 829	1 400	2.51	7
4-6 years	5	2 050			
6-8 years	5	1 800			
Over 8 years	0	100			
Total	**100**	**39 051**	**8 400**	**2.23**	**6.6**

[1] The table displays future starting point, notional principle amount, average fixed rate and tenor for forward starting swaps.

The effect of interest rate hedges is shown in the income statement. The fair value of the company's portfolio of interest rate hedges is not shown on the balance sheet.

INTEREST-BEARING DEBT ASSOCIATED WITH HEDGING ACTIVITIES

The Company uses interest rate derivatives and fixed rate loans to manage the interest rate risk associated with the company's interest bearing debt financing.

The Company's borrowings consists of bank loans, as well as commercial papers and bonds. The bank loans and commercial papers are subject to variable and short-term fixed interest rates, respectively. The company has issued both fixed-rate and variable-rate bonds. Certain outstanding fixed-rate bonds are hedged using fixed-to-variable interest rate swaps. As a result, the hedged bonds are classified as part of the company's portfolio of variable rate loans. Fixed rate bonds without hedging amounted per 31 December 2022 to 5,299 million. These bonds are fixed rate and are included as part of the company's cash flow hedges.

NOT VALUE HEDGED FIXED RATE BONDS IN 2022

	Maturity	Nominal value	Market value
ISIN NO0010766389	02.06.2023	470	466
ISIN NO0010852684	22.05.2026	279	259
ISIN NO0010895964	21.04.2028	1 000	829
ISIN NO0011011256	28.11.2025	1 000	914
ISIN NO0011094633	10.09.2026	1 150	1 007
ISIN NO0011094641	10.09.2029	1 400	1 127
Total		**5 299**	**4 601**

The Company's exposure to variable interest rates is hedged for cash flow risk using variable-to-fixed interest rate swaps.

CASH FLOW HEDGING

The Company's debt is directly or indirectly subject to variable interest rates. The Company uses variable-to-fixed interest rate derivatives to manage the Company's interest rate risk. Cash flows are hedged by matching the terms and volumes of the interest rate derivatives with the expected maturity profile of the company's interest bearing debt. The expected maturity profile of the Company's interest bearing debt is based on an assessment of the need to refinance existing debt and to obtain additional financing.

The table below shows that after taking into account cash flow hedges, 51 per cent (52 per cent) of the company's interest bearing liabilities are effectively subject to fixed interest rates.

Changes in NIBOR rates will therefore affect the interest expense on 49 per cent (48 per cent) of the company's interest bearing debt.

CASH FLOW HEDGING

	2022	2021
Hedged item		
Variable interest rate liabilities	39 051	24 106
Hedge		
Interest rate swaps (variable-to-fixed)	20 079	12 424
Hedge ratio (unhedged position)	**18 972**	**11 682**
Hedge ratio (% hedged)	**51%**	**52%**

Changes in the cash flow hedges over the financial year:

CHANGE IN VALUE

	2022	2021
Opening balance - market value of liability	213	625
Change in value	-763	-412
Closing balance - market value of liability	**-549**	**213**

The fair value of the company's interest rate swaps used as cash flow hedges specifies the present value of the contractual fixed-interest rate agreements. The present value represents the market value of the company's liabilities to the counterparty of the interest rate swaps. The change in value over the financial year represents the change in the market value of liabilities. The reason for the increase in the company's market value of liabilities for 2022 is mainly due to higher interest rates.

FAIR VALUE HEDGING

The Company has the following fair value hedges for the company's outstanding fixed-rate bonds:

FAIR VALUE HEDGING 2022

	Total	Maturity structure up to 1 year	Maturity structure 1-5 years	Maturity structure > 5 years
Hedged item				
Fixed interest rate liabilities	8 024	895	2 729	4 400
Hedge				
Interest rate swaps (fixed-to-variable)	2 800	500	300	2 000
Hedge ratio (unhedged position)	**65%**	**44%**	**89%**	**55%**
Hedge ratio (% hedged)	**35%**	**56%**	**11%**	**45%**

FAIR VALUE HEDGING 2021

	Total	Maturity structure up to 1 year	Maturity structure 1-5 years	Maturity structure > 5 years
Hedged item				
Fixed interest rate liabilities	9 206	1 182	3 624	4 400
Hedge				
Interest rate swaps (fixed-to-variable)	3 200	400	800	2 000
Hedge ratio (unhedged position)	**65%**	**66%**	**78%**	**55%**
Hedge ratio (% hedged)	**35%**	**34%**	**22%**	**45%**

Changes in the value of fair value hedges over the financial year:

CHANGE IN VALUE

	2022	2021
Opening balance – market value of liabilities (+) /receivables (-)	75	-26
Change in value	158	101
Closing balance – market value of liabilities (+) /receivables (-)	**232**	**75**

At 31 December 2022, the market value of the company's fair value hedges represented a liability for the company.

NOTE 16 PENSION

All amounts in NOK million

The Company's pension scheme for new employees is a defined contribution scheme. The defined contribution scheme includes 199 (167) employees. The defined benefit pension scheme cover a total of 8 (11) current employees and 72 (74) pensioners.

The Company also has a contractual early-retirement scheme (AFP) from the age of 62. At 31 December 2022, 3 (5) former employees had chosen to make use of the AFP scheme. The net pension liabilities associated with the AFP scheme amounted to 5 million (8 million), which is included under total pension liabilities in the table below.

The pension scheme satisfies the requirements of the Norwegian Act on Compulsory Occupational Pensions.

The cost for the accounting period shows the employees' pension entitlement of the agreed future pension in the financial year.

THE BALANCE SHEET LIABILITIES HAVE BEEN CALCULATED AS FOLLOWS

	2022	2021
Present value of accrued pension liabilities in defined-benefit schemes in unit trusts	209	223
Fair value of pension scheme assets	-129	-126
Employers' NICs accrued	11	14
Net pension liabilities on the balance sheet at 31.12	**91**	**111**

TOTAL COST RECOGNISED IN THE INCOME STATEMENT AND ACCRUED IN EQUITY

	2022	2021
Cost of pension benefits accrued during current period	1	1
Contribution scheme	21	14
Total pension benefits accrued during the period	**23**	**16**
Net interest expense	2	1
Total pension benefits accrued in income statement	**24**	**17**
Actuarial losses (-)/gains (+) accrued in equity	-16	29
Total pension benefits accrued	**9**	**46**

The actuarial assumptions are based on generally accepted assumptions in the insurance industry with regard to demographic factors. The pension scheme assets are invested in government bonds.

NOTE 17 RELATED PARTY TRANSACTIONS AND INTRA-GROUP BALANCES

All amounts in NOK million

	Counterparty	2022	2021
Transactions with related parties			
Property management services	Subsidiaries	69	55
Project development services	Subsidiaries	48	55
General manager services	Subsidiaries	-	1
Accounting and management services	Subsidiaries	33	31
Accounting and management services	Jointly controlled entities	-	1
Digitalisation and market resource services	Jointly controlled entities	-	1
Rental cost	Subsidiaries	18	16
Rental income	Subsidiaries	-	10
Group contribution/dividends	Subsidiaries	2 091	592
Dividends	Jointly controlled entities	128	152
Interest income	Subsidiaries	280	130
Interest expense	Subsidiaries	47	1
Receivables			
Long term loan to Group companies		9 886	7 124
Trade receivables from Group companies		3	-
Short term receivables to Group companies		11	3
Group contributions/dividends from subsidiaries		2 082	568
Total		**11 981**	**7 694**
Liabilities			
Short term liabilites to Group companies		3 139	2 689
Total		**3 139**	**2 689**

The company has established a group cash pooling arrangement. The net bank deposits are presented as Entra ASA's cash at bank.
The company has signed long-term loan agreements with its subsidiaries. Loans to subsidiaries are classified as current financial assets (short-term element) and non-current financial assets (long-term element). Loan from subsidiaries are classified as current liabilities.

Responsibility statement

We declare to the best of our knowledge that

- the Entra ASA consolidated financial statements for 2022 have been prepared in accordance with IFRS and IFRICs as adopted by the European Union, and additional Norwegian disclosure requirements in the Norwegian Accounting Act, and that
- the financial statements for the parent company, Entra ASA, for 2022 have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting practice in Norway, and that
- the information presented in the financial statements gives a true and fair view of the assets, liabilities, financial position and results for Entra ASA and the Entra Group for period as a whole, and that
- the Board of Directors' Report includes a true and fair review of the development, performance and financial position of Entra ASA and the Entra Group, together with a description of the principal risks and uncertainties that they face.

Oslo, 2 March 2023
The Board of Entra ASA

This document is signed electronically

Ottar Ertzeid
Chair of the Board

Hege Toft Karlsen
Vice Chair

Widar Salbuvik
Board member

Joacim Sjöberg
Board member

Camilla AC Tepfers
Board member

Marit Rasmussen
Board member

Erling Nedkvitne
Board member

Sonja Horn
CEO

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To the General Meeting of Entra ASA

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Entra ASA, which comprise:

- The financial statements of the parent company Entra ASA (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Entra ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other 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 opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.We have been the auditor of the Company for 11 years from the election by the general meeting of the shareholders on 12 December 2012 for the accounting year 2012 with a renewed election on the 22 April 2022.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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side 2
Independent Auditor's Report -
Entra ASA

Valuation of investment property

Key audit matter	How the matter was addressed in our audit
The majority of the Group's assets consist of Investment property. Investment property is recognised at fair value, based on fair values from third party valuers. Each quarter, all properties are valued by two third party valuers. Market transactions serve as important reference points for the third party valuers and the level of transactions thus influence the level of uncertainty in the assumptions used by the third party valuers. We refer to note 3 "Critical accounting estimates and subjective judgments" for further information. The fair value is based on assumptions and estimates as well as property specific information. These assumptions and estimates require significant judgment and therefore valuation of investment property is a key audit matter.	The Group has established internal control to ensure that relevant property information is included in the external valuations. We have assessed the design of the control and tested if it has operated effectively in the reporting period. For a sample of the investment properties, we reconciled the property information regarding annual rent and square meters in third party valuers' reports to the Group's own records. We met with the third party valuers and discussed and challenged their judgements used in the valuation of investment properties, particularly in light of the real estate transaction market development in 2022. We assessed the third party valuers qualifications and expertise and reviewed their terms of engagement in order to determine whether there were any matters that might have affected their objectivity. We assessed the valuation methods used against generally accepted valuation standards and practices. For a sample of investment properties, we obtained the third party valuers' valuation reports and reconciled the values used in the financial statements to the valuation reports. For a sample of investment properties, we obtained and assessed the Group's analysis and rationale for the changes in fair value from quarter to quarter. In carrying out the procedures related to valuation of investment property, we used our internal valuation specialists. We assessed whether the disclosures in note 3, 8 and 16 regarding valuation of investment properties was adequate.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Deloitte.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Deloitte.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Entra ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name entraasa-2022-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 2 March 2023
Deloitte AS

Roger Furholm
State Authorised Public Accountant

(This document is signed electronically)

Alternative performance measures

Entra's financial information is prepared in accordance with the international financial reporting standards (IFRS). In addition, the company reports alternative performance measures (APMs) that are regularly reviewed by management to enhance the understanding of Entra's performance as a supplement, but not as a substitute, to the financial statements prepared in accordance with IFRS. Financial APMs are intended to enhance comparability of the results and cash flows from period to period, and it is Entra's experience that these are frequently used by analysts, investors and other parties. The financial APMs reported by Entra are the APMs that, in management and the Board's view, provide the most relevant supplemental information of a real estate company's financial position and performance. These measures are adjusted IFRS measures defined, calculated and used in a consistent and transparent manner over the years. Operational measures such as, but not limited to, net letting, vacancy and WAULT are not defined as financial APMs according to ESMA's guidelines.

ENTRA'S FINANCIAL APMS:

- Net Income from property management
- Cash Earnings
- Net value changes
- Market value of the property portfolio
- Net nominal interest bearing debt
- Effective leverage
- Interest coverage ratio (ICR)
- Net operating income [1]
- EPRA Earnings
- EPRA Net Asset Value metrics – EPRA NRV, EPRA NTA and EPRA NDV
- EPRA Net Initial Yield
- EPRA Cost Ratio
- EPRA LTV (Loan-to-Value)

[1] The calculation of Net operating income is not presented in this section as it is included in the Statement of comprehensive income. Refer to "Definitions" for further information on the APM.

NET INCOME FROM PROPERTY MANAGEMENT & CASH EARNINGS

All amounts in NOK million	2022	2021
Net income	1 579	1 561
Less:		
Net results from residential development in associates and JVs	-31	36
Value changes in associates and JVs	-10	-
Gain on sale of JV	6	-
Tax from associates and JVs	11	-8
Net income from property management	**1 603**	**1 534**
Tax payable	-31	-19
Cash Earnings	**1 572**	**1 515**
Average outstanding shares (million)	182.1	182.1
Cash Earnings per share	8.63	8.32

NET VALUE CHANGES

All amounts in NOK million	2022	2021
Changes in value of investment properties	-2 519	5 057
Changes in value of financial instruments	473	206
Net value changes	**-2 046**	**5 264**

MARKET VALUE OF THE PROPERTY PORTFOLIO

All amounts in NOK million	31.12.2022	31.12.2021
Investment properties	77 404	67 568
Investment properties held for sale	1 230	87
Other	-62	-108
Market value of the property portfolio	**78 571**	**67 547**

NET NOMINAL INTEREST BEARING DEBT

All amounts in NOK million	31.12.2022	31.12.2021
Borrowings as per balance sheet	40 515	26 579
Unamortised borrowing costs	289	325
Nominal value of interest bearing debt	**40 804**	**26 903**
Cash and bank deposits	-226	-309
Net nominal interest bearing debt	**40 578**	**26 594**

EFFECTIVE LEVERAGE

All amounts in NOK million except ratio	31.12.2022	31.12.2021
Total debt	41 182	26 996
- Borrowings	40 515	26 579
- Other interest bearing liabilities	667	418
Total assets	82 162	70 292
Effective leverage	**50.1%**	**38.4%**

INTEREST COVERAGE RATIO (ICR)

All amounts in NOK million except ratio	2022	2021
Net income	1 579	1 561
Depreciation	4	5
Results from associates and joint ventures	37	-19
Net realised financials	1 095	551
EBITDA	**2 715**	**2 098**
Interest cost	1 079	552
Commitment fees [1]	15	19
Applicable interest cost	**1 094**	**571**
Interest Coverage Ratio (ICR)	**2.48**	**3.68**

[1] From 2022, Entra is only including interest cost and commitment fees in the calculation of applicable interest cost, excluding amortization of previously paid borrowing costs. Comparative figures have been updated to reflect the amended definition.

EPRA reporting

The following performance indicators have been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its latest edition of the Best Practices Recommendations Guidelines. The EPRA Best Practices Recommendations Guidelines focus on making the financial statements of public real estate companies clearer and more comparable across Europe. For further information about EPRA, see www.epra.com.

SUMMARY EPRA PERFORMANCE MEASURES

		Unit	2022 / 31.12.2021	2021 / 31.12.2021
A	EPRA earnings per share (EPS)	NOK	6.45	6.07
B	EPRA NRV per share	NOK	207	218
	EPRA NTA per share	NOK	205	216
	EPRA NDV per share	NOK	170	174
C	EPRA net initial yield	%	4.13	4.21
	EPRA, "topped-up" net initial yield	%	4.13	4.21
D	EPRA vacancy rate	%	3.6	2.0
E	EPRA cost ratio (including direct vacancy costs	%	15.7	19.5
	EPRA cost ratio (excluding direct vacancy costs)	%	14.3	17.6
F	EPRA LTV	%	52.5	40.6

The details for the calculation of the key figures are shown in tables on the following pages.

EPRA CAPITAL EXPENDITURE

All amounts in NOK million	2022	2021
Aquisitions [1]	**13 531**	**3 500**
Developments [2]	**2 384**	**1 837**
- Newbuild projects	663	455
- Redevelopment projects [3]	1 400	1 090
- Refurbishment projects [3]	322	294
Investment properties	**179**	**387**
- Incremental lettable space	-	-
- No incremental lettable space and tenant incentives	143	260
- Other material non-allocated types of expenditure	36	127
Capitalised interest	59	42
Total Capital Expenditure	**16 153**	**5 766**
Conversion from accrual to cash basis	56	-148
Total Capital Expenditure on cash basis	**16 210**	**5 618**

1 Refer to the Transactions and transaction market section in this annual report for an overview of the acquisitions.

2 Refer to the Projects and property development section in this annual report for a description of the Group's newbuild, redevelopment and refurbishment projects.

3 Also includes tenant alterations and maintenance capex when this is done as a part of asset redevelopment or refurbishment.

A. EPRA EARNINGS

EPRA Earnings is a measure of the operational performance of the property portfolio. EPRA Earnings is calculated based on the income statement, adjusted for non-controlling interests, value changes on investment properties, changes in the market value of financial instruments and gains/losses on the sale of properties and the associated tax effects.

All amounts in NOK million	2022 IFRS reported	2022 Non-controlling interests	2022 Other EPRA adjustments	2022 EPRA Earnings	2021 IFRS reported	2021 Non-controlling interests	2021 Other EPRA adjustments	2021 EPRA Earnings
Rental income	3 158	-123	-	3 035	2 508	-164	-	2 344
Operating costs	-263	10	-	-253	-234	17	-	-217
Net operating income	**2 895**	**-113**	**-**	**2 781**	**2 274**	**-147**	**-**	**2 127**
Other revenue	112	-1	-	111	73	-1	-	72
Other costs	-85	-	-	-84	-43	-	-	-43
Administrative costs	-210	3	-	-208	-210	7	-	-203
Share of profit from associates and JVs	-37	-	24	-13	19	-	-32	-13
Net realised financials	-1 095	11	-	-1 084	-551	27	-	-524
Net income	**1 579**	**-99**	**24**	**1 505**	**1 561**	**-113**	**-32**	**1 417**
Net value changes	-2 046	19	2 027	-	5 264	-280	-4 983	-
Profit before tax/ EPRA Earnings before tax	**-467**	**-80**	**2 053**	**1 505**	**6 825**	**-394**	**-5 015**	**1 417**
Tax payable	-31	5	-	-26	-19	6	-	-13
Change in deferred tax	-71	10	-244	-305	-1 433	78	1 051	-299
Profit for period/ EPRA Earnings	**-569**	**-65**	**1 808**	**1 174**	**5 373**	**-309**	**-3 964**	**1 105**
Average outstanding shares (million)				182.1				182.1
EPRA Earnings per share (NOK)				6.45				6.07

B. EPRA NET ASSET VALUE METRICS

Net Asset Value (NAV) is the total equity that the company manages for its owners. Net asset value can be calculated in different ways, where the difference mainly is explained by the expected asset rotation. Entra presents the three NAV metrics introduced in the Best Practices Recommendations Guidelines released in October 2019; EPRA NRV, EPRA NTA and EPRA NDV.

EPRA NET REINSTATEMENT VALUE (NRV)

The objective of the EPRA NRV measure is to highlight the value of net assets on a long-term basis and assumes that no divestment of assets takes place. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Real estate transfer taxes are generally not levied on property transactions in Norway, and such taxes are accordingly not included in Entra's valuation certificates. Consequently, no adjustment is done for real estate transfer taxes in Entra's calculation of EPRA NRV.

All amounts in NOK million	31.12.2022 Total	31.12.2022 Attributable to non-controlling interests	31.12.2022 Attributable to shareholders (EPRA NRV)	31.12.2021 Total	31.12.2021 Attributable to non-controlling interests	31.12.2021 Attributable to shareholders (EPRA NRV)
IFRS equity	31 671	-1 978	29 693	33 571	-2 308	31 263
Revaluation of investments made in JVs	268	-	268	426	-	426
Net Asset Value (NAV) at fair value	**31 939**	**-1 978**	**29 961**	**33 996**	**-2 308**	**31 689**
Deferred tax properties and financial instr.	8 508	-376	8 133	8 514	-462	8 053
Net fair value on financial derivatives	-388	-2	-390	101	-6	94
Goodwill as a result of deferred tax	-	-	-	-109	55	-55
EPRA Net Reinstatement Value (NRV)	**40 060**	**-2 356**	**37 703**	**42 502**	**-2 721**	**39 781**
Outstanding shares at period end (million)			182.1			182.1
EPRA NRV per share (NOK)			207			218

EPRA NET TANGIBLE ASSETS (NTA)

The EPRA NTA is focused on reflecting a company's tangible assets and assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax liability. Entra has adopted the second option in the EPRA BPR guidelines to adjust for deferred tax, estimating the real tax liability based how the company has completed property transactions in recent years.

All amounts in NOK million	31.12.2022 Total	31.12.2022 Attributable to non-controlling interests	31.12.2022 Attributable to shareholders (EPRA NTA)	31.12.2021 Total	31.12.2021 Attributable to non-controlling interests	31.12.2021 Attributable to shareholders (EPRA NTA)
IFRS equity	31 671	-1 978	29 693	33 571	-2 308	31 263
Revaluation of investments made in JVs	268	-	268	426	-	426
Net Asset Value (NAV) at fair value	**31 939**	**-1 978**	**29 961**	**33 996**	**-2 308**	**31 689**
Reversal deferred tax as per balance sheet	8 217	-314	7 902	8 307	-386	7 921
Adjustment estimated real tax liability	-160	-41	-201	-249	-51	-301
Net fair value on financial derivatives	-388	-2	-390	101	-6	94
Goodwill as a result of deferred tax	-	-	-	-109	55	-55
EPRA Net Tangible Assets (NTA)	**39 608**	**-2 336**	**37 272**	**42 045**	**-2 696**	**39 349**
Outstanding shares at period end (million)			182.1			182.1
EPRA NTA per share (NOK)			205			216

Estimated real tax liability

The Group's estimated real deferred tax liability related to temporary differences of properties has been calculated to 1.2 per cent of the based on a discount rate of 5.0 per cent and the assumption that 50 per cent of the property portfolio are realized over 50 years in transactions structured as sale of properties in corporate wrappers, with an average tax discount of 6.5 per cent. Further, the real tax liability related to the gains/losses account is estimated by assuming an amortisation of 20 per cent annually and a discount rate of 5.0 per cent.

All amounts in NOK million	31.12.2022 Nom. tax liability	31.12.2022 Real tax liability	31.12.2021 Nom. tax liability	31.12.2021 Real tax liability
Non-current assets	8 425	454	8 532	460
Financial instruments	83	-	-18	-
Current assets	52	52	56	56
Gains/losses account	13	10	16	13
Provisions	-64	-64	-55	-55
Loss carried forward	-293	-293	-224	-224
Deferred tax liability	**8 216**	**160**	**8 307**	**249**

EPRA NET DISPOSAL VALUE (NDV)

The EPRA NDV measure illustrates a scenario where deferred tax, financial instruments, and certain other adjustments are calculated as to the full extent of their liability. This enables readers of financial reports to understand the full extent of liabilities and resulting shareholder value under an orderly sale of business and/or if liabilities are not held until maturity. The measure should not be viewed as a "liquidation NAV" for Entra, as fair values may not represent liquidation values, and as an immediate realization of Entra's assets may be structured as sale of property-owning companies, resulting in the deferred tax liabilities only partially crystallising.

All amounts in NOK million	31.12.2022 Total	31.12.2022 Attributable to non-controlling interests	31.12.2022 Attributable to shareholders (EPRA NDV)	31.12.2021 Total	31.12.2021 Attributable to non-controlling interests	31.12.2021 Attributable to shareholders (EPRA NDV)
IFRS equity	31 671	-1 978	29 693	33 571	-2 308	31 263
Revaluation of investments made in JVs	268	-	268	426	-	426
Net Asset Value (NAV) at fair value	**31 939**	**-1 978**	**29 961**	**33 996**	**-2 308**	**31 689**
Fair value adj. fixed interest rate debt, net of tax	1 089	-	1 089	-5	-	-5
Goodwill as a result of deferred tax	-	-	-	-109	55	-55
EPRA Net Disposal Value (NDV)	**33 029**	**-1 978**	**31 050**	**33 882**	**-2 253**	**31 629**
Outstanding shares at period end (million)			182.1			182.1
EPRA NDV per share (NOK)			170			174

C. EPRA NET INTIAL YIELD

EPRA Net Initial Yield (NIY) measures the annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.

EPRA "topped-up" NIY incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).

All amounts in NOK million except ratio	Oslo	Bergen	Trondheim	Sandvika	Drammen	Stavanger	Total
Investment property - wholly owned	55 969	3 774	6 704	4 665	285	1 620	73 017
Investment property - share of JVs	-	3 249	-	-	2 306	-	5 555
Total property portfolio	**55 969**	**7 023**	**6 704**	**4 665**	**2 591**	**1 620**	**78 571**
Less projects and land and developments	-3 286	-92	-1 113	-53	-	-53	-4 597
Completed management portfolio	**52 683**	**6 931**	**5 591**	**4 612**	**2 591**	**1 567**	**73 974**
Allowance for estimated purchasers' cost	76	11	17	12	5	3	123
Gross up completed management portfolio valuation	**52 759**	**6 942**	**5 608**	**4 624**	**2 595**	**1 570**	**74 098**
12 months rolling rent	2 270	249	322	264	91	94	3 290
Estimated ownership cost	156	23	21	14	6	9	229
Annualised net rents	**2 114**	**226**	**301**	**250**	**84**	**86**	**3 061**
Add: Notional rent expiration of rent-free periods or other lease incentives	-	-	-	-	-	-	-
Topped up net annualised net rents	**2 114**	**226**	**301**	**250**	**84**	**86**	**3 061**
EPRA NIY	**4.01%**	**3.26%**	**5.37%**	**5.40%**	**3.25%**	**5.45%**	**4.13%**
EPRA "topped-up" NIY	**4.01%**	**3.26%**	**5.37%**	**5.40%**	**3.25%**	**5.45%**	**4.13%**

D. EPRA VACANCY

Estimated Market Rental Value (ERV) of vacant space divided by the ERV of the whole portfolio. All figures are adjusted for actual share of ownership of each property.

All amounts in NOK million except ratio	Oslo	Bergen	Trondheim	Sandvika	Drammen	Stavanger	Total
Market rent vacant areas	94	12	9	4	3	1	123
Total market rent	2 422	287	301	244	84	101	3 440
EPRA vacancy rate	**3.9%**	**4.1%**	**2.9%**	**1.7%**	**4.1%**	**0.6%**	**3.6%**

E. EPRA COST RATIO

Administrative & operating costs (including & excluding costs of direct vacancy) divided by gross rental income.

All amounts in NOK million except ratio	2022	2021
Operating costs	-263	-234
Administrative costs [1]	-210	-210
Less: Ground rent cost	15	8
EPRA cost (including direct vacancy cost)	**-459**	**-437**
Direct vacancy cost	50	44
EPRA cost (excluding direct vacancy cost)	**-409**	**-393**
Gross rental income less ground rent	3 158	2 508
Total gross rental income less ground rent	**3 158**	**2 508**
EPRA cost ratio (including direct vacancy cost)	**14.5%**	**17.4%**
EPRA cost ratio (excluding direct vacancy cost)	**13.0%**	**15.7%**

[1] Refer to note 13 to the consolidated financial statements for specification of personnel costs capitalised on projects under development, reflecting work performed to give rise to additional future economic benefits.

F. EPRA LTV

Loan-to-Value (LTV) is an expression of the financial gearing of a company. In the BPR guidelines released in March 2022, EPRA introduced guidance on recommended LTV disclosure called EPRA LTV. The main overarching concepts in EPRA LTV are: (1) any capital which is not equity (i.e. which value accrues to the shareholders of the company) is considered as debt irrespective of its IFRS classification, (2) assets are included at fair value, net debt at nominal value, and (3) the EPRA LTV is calculated based on proportional consolidation (i.e. include the Group's share in the net debt and net assets of joint ventures and material associates). Entra has included its share of net debt and net assets in all joint ventures. In the periods disclosed below, Entra has no material associated companies.

	31.12.2022	Proportionate consolidation		31.12.2022	31.12.2021
All amounts in NOK million except ratio	Group as reported	Share of joint ventures	Non-contr. interests	Combined EPRA LTV	Combined EPRA LTV
Bond loans	18 704	0	0	18 704	19 886
Bank loans	20 919	671	-261	21 329	4 978
Commercial papers	950	0	0	950	1 400
Net payables [1]	566	219	-9	777	1 025
Cash and bank deposits	-226	-37	15	-248	-325
Net debt	**40 914**	**853**	**-255**	**41 512**	**26 965**
Investment properties	77 404	152	-2 547	75 009	64 045
Properties held for sale [2]	1 702	1 994	0	3 695	2 326
Other financial assets (equity instruments)	344	0	0	344	32
Total property value	**79 449**	**2 146**	**-2 547**	**79 048**	**66 404**
EPRA LTV (Net debt/Total property value)	**51.5%**			**52.5%**	**40.6%**

[1] Net payables include trade payables, other current and non-current liabilities, trade receivables, and other receivables and other assets, excluding financial assets.

[2] Properties held for sale include investment properties held for sale and inventory properties, i.e. properties classified as inventories as they are held with the intent to be sold in the future.

GRI index

In addition to General Disclosures (2-1 to 2-30) and Material Topics (3-1 to 3-3), only GRI disclosures defined as material by Entra based on our materiality analysis, are included in the GRI Index. Entra has reported in accordance with the GRI Standards for the period 1 January to 31 December, 2022.

GENERAL DISCLOSURES

Disclosure #	Disclosure name	Referance and/or response
GRI 2: GENERAL DISCLOSURES 2021		
2-1	Organizational details	Last page of AR
2-2	Entities included in the organization's sustainability reporting	EPRA Sustainability Performance Measures
2-3	Reporting period, frequency and contact point	EPRA Sustainability Performance Measures, GRI Index, Last page of AR
2-4	Restatements of information	Appears where changes have been made. EPRA Sustainability Performance Measures, Note 4
2-5	External assurance	ESG report, page 96-97
2-6	Activities, value chain, and other business relationships	AR; The business
2-7	Employees	ESG Report: Social, Employee demographics
2-8	Workers who are not employees	ESG Report: Social, Employee demographics
2-9	Governance structure and composition	ESG Report: Governance: Roles and responsibilities
2-10	Nomination and selection of the highest governance body	ESG Report: Governance: Roles and responsibilities, General meeting; Nomination Committee
2-11	Chair of the highest governance body	ESG Report: Governance
2-12	Role of the highest governance body in overseeing the management of impacts	ESG Report: Governance, ESG Report Introduction
2-13	Delegation of responsibility for managing impacts	ESG Report: Governance, ESG Report Introduction
2-14	Role of the highest governance body in sustainability reporting	ESG Report: Governance, ESG Report Introduction
2-15	Conflicts of interest	ESG Report: Governance, Conflicts of interest
2-16	Communication of critical concerns	AR: Risk Factors, ESG Report: Governance, Whistleblowing mechanisms and channels. There has been no such incidents in 2022
2-17	Collective knowledge of the highest governance body	ESG Report Introduction, Governance, Board activity Training in Ethics, GDPR and IT Security in 2022.
2-18	Evaluation of the performance of the highest governance body	ESG Report: Governance, Board activity
2-19	Remuneration policies	ESG Report: Governance, Salaries and remuneration of Board and Senior Executives
2-20	Process to determine remuneration	ESG Report: Governance, Salaries and remuneration of Board and Senior Executives
2-21	Annual total compensation ratio	ESG Report: Governance, Salaries and remuneration of Board and Senior Executives
2-22	Statement on sustainable development strategy	AR: Report of the Board of Directors, CEO letter
2-23	Policy commitments	ESG Report: Introduction, Social, Governance
2-24	Embedding policy commitments	ESG Report: Introduction, Social, Governance
2-25	Processes to remediate negative impacts	ESG Report
2-26	Mechanisms for seeking advice and raising concerns	ESG Report: Governance, Whistleblowing mechanisms and channels, last page of AR
2-27	Compliance with laws and regulations	ESG Report: Governance
2-28	Membership associations	Entra is a member of EPRA, GRESB, Green Building Council, Norsk Eiendom
2-29	Approach to stakeholder engagement	ESG Report Introduction
2-30	Collective bargaining agreements	ESG Report Social
GRI 3: MATERIAL TOPICS 2021		
3-1	Process to determine material topics	ESG Report Introduction
3-2	List of material topics	ESG Report Introduction
3-3	Management of material topics	ESG Report Introduction

SPECIFIC STANDARD DISCLOSURES

Disclosure #	Disclosure name	Referance and/or response
GRI 201: ECONOMIC PERFORMANCE 2016		
3-3	Management of material topics	ESG Report Introduction
201-1	Direct economic value generated and distributed	AR: Key figures, Financial Statmenents
201-2	Financial implications and other risks and opportunities due to climate change	AR: Risk management Environment: Climate and the environment
201-3	Defined benefit plan obligations and other retirement plans	AR: Note 26
GRI 205: ANTI-CORRUPTION 2016		
205-1	Operations assessed for risks related to corruption	AR: Risk management, ESG Social: Ethics and integrity, Entra's supply chain
205-2	Communication and training about anti-corruption policies and procedures	ESG Social:Ethical guidelines and employee training and integrity, 100 % of employees has received training in 2022
205-3	Confirmed incidents of corruption and actions taken	There has been no such incidents in 2022
GRI 206: ANTI-COMPETITIVE BEHAVIOUR 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There has been no such incidents in 2022

MAIN CATEGORY: ENVIRONMENTAL

Disclosure #	Disclosure name	Referance and/or response
GRI 302: ENERGY 2016		
3-3	Management of material topics	AR:Board report: Goverance, AR, ESG: Management approach: Materiality analysis and focus areas: Climate and the environment
302-1	Energy consumption within the organization	EPRA Sustainability Performance Measures, ESG: Environment
302-3	Energy intensity	EPRA Sustainability Performance Measures
302-4	Reduction of energy consumption	EPRA Sustainability Performance Measures, ESG report page 53
GRI 303: WATER AND EFFLUENTS 2018		
303-1	Interactions with water as a shared resource	EPRA Sustainability Performance Measures, ESG report page 58
303-3	Water withdrawal	EPRA Sustainability Performance Measures
GRI 304: BIODOVERSITY 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable, Entra only operates in cities and urban areas
GRI 305: EMISSIONS 2016		
305-1	Direct (Scope 1) GHG emissions	EPRA Sustainability Performance Measures
305-2	Energy indirect (Scope 2) GHG emissions	EPRA Sustainability Performance Measures
305-3	Other indirect (Scope 3) GHG emissions	EPRA Sustainability Performance Measures
305-4	GHG emissions intensity	EPRA Sustainability Performance Measures
GRI 306: WASTE 2020		
306-1	Waste generation and significant waste-related impacts	Partly described page 55, 58, 61 and 62 . Under further development
306-2	Management of significant waste-related impacts	EPRA Sustainability Performance Measures
306-3	Waste generated	EPRA Sustainability Performance Measures
306-4	Waste diverted from disposal	EPRA Sustainability Performance Measures
306-5	Waste directed to disposals	EPRA Sustainability Performance Measures
GRI 307: ENVIRONMENTAL COMPLIANCE 2016		
307-1	Non-compliance with environmental laws and regulations	There has been no such incidents in 2022
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016		
308-1	New suppliers that were screened using environmental criteria	ESG:Social, Ethics and Integrity

MAIN CATEGORY: SOCIAL

Disclosure #	Disclosure name	Referance and/or response
3-3	Management of material topics	AR:Board report: Goverance, ESG: Management approach: Materiality analysis and focus areas:
GRI 401: EMPLOYMENT		
401-1	New employees hires and employee turnover	EPRA Sustainability Performance Measures
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	Result based bonus payments and participation in share saving program is not provided to temporary employees.
401-3	Parental leave	Partly covered on page 73, ESG Social
GRI 402: LABOR/MANAGEMENT RELATIONS 2016		
402-1	Minimum notice periods regarding operational changes	AR, Social: Motivated employees - Workers rights. Negotiations with employee representatives and follow-up in the event of an operational change or restructuring comply with Norwegian law.
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018		
403-1	Occupational health and safety management system	ESG Social: Health, Safety and Environment
403-2	Hazard identification, risk assessment, and incident investigation	EPRA Sustainability Performance Measures, AR, Social: Health, Safety and Environment
403-3	Occupational health services	ESG Social: Health, Safety and Environment, AR, Risk factors
403-4	Worker participation, consultation, and communication on occupational health and safety	ESG Social: Health, Safety and Environment, Social: Safety officer, working environment committee and Board representation
403-5	Worker training on occupational health and safety	ESG, Social: Health, Safety and Environment
403-6	Promotion of worker health	ESG, Social: Health, Safety and Environment
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESG, Social: Health, Safety and Environment
403-8	Workers covered by an occupational health and safety management system	ESG, Social: Health, Safety and Environment
403-9	Work related injuries	EPRA Sustainability Performance Measures
GRI 404: TRAINING AND EDUCATION 2016		
404-1	Average hours of training per year per employee	EPRA Sustainability Performance Measures
404-2	Programs for upgrading employee skills and transition assistance programs	ESG Social: Motivated employees - Workers rights
404-3	Percentage of employees receiving regular performance and career development reviews	EPRA Sustainability Performance Measures
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016		
405-1	Diversity of governance bodies and employees	ESG report page 73, EPRA Sustainability Performance Measures
405-2	Gender pay ratio	ESG report page 73, EPRA Sustainability Performance Measures
GRI 406: NON-DISCRIMINATION 2016		
406-1	Incidents of discrimination and corrective actions taken	There has been no such incidents in 2022
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016		
407-1	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk	ESG, Governance: Ethics and anti-corruption, There has been no such incidents in 2022
GRI 408: CHILD LABOR 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	ESG, Social: Human Rights, Governance: Ethics and anti-corruption, There has been no such incidents in 2022

Disclosure #	Disclosure name	Referance and/or response
GRI 409: FORCED OR COMPULSORY LABOR 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	AR, Social: Ethics and anti-corruption , There has been no such incidents in 2022
GRI 413: LOCAL COMMUNITIES 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	AR page 83, EPRA Sustainability Performance Measures, AR, Social: Community Engagement
GRI 416: CUSTOMER HEALTH AND SAFEGY		
416-1	Assessment of the health and safety impacts of product and service categories	AR page 80-81, EPRA Sustainability Performance Measures
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	AR page 80-81, EPRA Sustainability Performance Measures
GRI 417: MARKETING AND LABELING 2016		
417-1	Requirements for product and service information and labeling	Entra sertify new-build and rehabilitation projects in accordance with the BREEAM standard. The BREEAM standard is a third party certification of the assessment of an asset's environmental, social and economic sustainability performance, using standards developed by BRE
417-2	Incidents of non-compliance concerning product and service information and labeling	There has been no such incidents in 2022
417-3	Incidents of non-compliance concerning marketing communications	There has been no such incidents in 2022
GRI 418: CUSTOMER PRIVACY 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There has been no such incidents in 2022
GRI 419: SOCIOECONOMIC COMPLIANCE 2016		
419-1	Non-compliance with laws and regulations in the social and economic area	There has been no such incidents in 2022

TCFD reporting

Entra has started a process to adapt the company's reporting in accordance with the recommendations in the Task Force on Climate-Related Financial Disclosures (TCFD) framework to describe how we work strategically with climate related risks and opportunities. Entra's approach to climate risk and opportunity is discussed in our ESG Report on pages 42-97, and as part of the overall risk analysis on page 28-39. The table below describes the scope of the reporting and page references are made for the respective areas.

Governance	Strategy	Risk Management	Indicators and goals
Recommended disclosures	Recommended disclosures	Recommended disclosures	Recommended disclosures
A. The Board's monitoring of climate-related risks and opportunities	A. Climate-related risks and opportunities the organisation has identified	A. The organization's process for identifying climate-related risks	A. The organisations indicators for evaluating climate-related risks and opportunities
→ **ESG report page 42-71, and Risk Factors page 28-39**	→ **ESG report page 67-71, and Risk Factors page 28-39**	→ **ESG report page 67-71, and Risk Factors page 28-39**	→ **ESG report page 42-71, and Risk Factors page 28-39**
B. Management's role regarding assessing and managing climate-related risks and opportunities	B. Impact from risks and opportunities on the organisations operations, strategy and financial planning	B. The organizations' processes for managing climate-related risks	B. Emissions of Sclope 1, 2 and 3 under the Greenhouse Gas Protocol
→ **ESG report page 42-71, and Risk Factors page 28-39**	→ **ESG report page 42-71, and Risk Factors page 28-39**	→ **ESG report page 67-71, and Risk Factors page 28-39**	→ **pages EPRA reporting 195-201**
	C. Preparation of the organisation's strategy in consideration of various climate-related scenarios	C. Integration of the above processes in the organizations general risk management	C. Goals for managing climate-related risks and opportunities
	→ **ESG report page 67-71, and Risk Factors page 28-39**	→ **ESG report page 67-71, and Risk Factors page 28-39**	→ **ESG report page 42-71, and Risk Factors page 28-39**

EPRA Sustainablility Performance Measures

Entra reports on its energy, GHG emissions, water, waste and social governance impacts in accordance with the EPRA Sustainability Best Practice Recommendations (sBPR). This common reporting standard is a framework developed for property companies to promote transparency in sustainability reporting. This report has been independently assured by Deloitte based on the international standard ISAE 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information".

ORGANISATIONAL BOUNDARY

Entra reports on asset-level sustainability impacts for assets within the management portfolio over which it has full operational control. This boundary, defined by the GHG Protocol, coincides with the Group organisational structure as determined for financial reporting purposes and excludes assets under construction or in redevelopment. Entra does not report data for single-let properties as it has no management control of these properties and are unable to collect utilities data. For the reporting year 2022, this is only attributable to one property. The environmental reporting period is from 1 January to 31 December.

DATA COVERAGE

For each asset-level performance measure, Entra discloses the number of properties reported on out of the total number of management properties in the Group portfolio. Entra aims to increase the data coverage and quality every year as it creates conditions for efficient technical management of its buildings.

Like-for-like performance measures include properties consistently in operation during the two most recent full reporting years and exclude asset acquisitions, disposals, major redevelopments, and developments as well as fully vacant properties. Like-for-like performance measures also exclude assets with changes in the level of data coverage between the two reporting periods where the missing data cannot be reliably estimated.

ESTIMATION

In general, estimation of missing data for partially unavailable or unreliable utility consumption for asset-level performance measures, is carried out to a very small extent. In these cases, data for missing periods is estimated using known consumption from other periods for the power meter in question. The proportion of estimated data is disclosed as a percentage of the total data provided for the relevant performance measure. The same method of estimation is used for all performance measures and for all assets. For 2022, there was no estimation except for HQ and Entra's own organisation as described below.

Note that while there is limited estimation of waste data itself, the percentage of waste per disposal route is calculated by multiplying actual waste created by the proportion of waste solutions for each waste group. This information on waste processing is provided directly by Entra's waste management supplier.

As information is unavailable for Entra's head quarter office space only, all performance measures for Entra's headquarters are calculated based on Entra's proportionate share of actual utility data for the property where Entra is a tenant. Entra's head quarter is located in Oslo.

Entra does not carry out data adjustment based on climate or occupancy rates. Variations in asset-level performance attributed to fluctuations in these factors are instead commented on directly in the performance narrative, if relevant. As of 31.12.22, the portfolio occupancy was 96.5 per cent.

THIRD PARTY ASSURANCE

Entra has obtained third party assurance of its sustainability data for this reporting period. Statement from our auditors can be found on page 96-97.

LANDLORD/TENANT BOUNDARY

As landlord, Entra is responsible for obtaining a portion of the overall utilities consumed at the assets level. Total landlord-obtained consumption includes both utilities for common areas as well as tenant consumption sub-metered from the landlord. The remaining consumption is obtained and paid directly by the tenants. Entra has access to tenant-obtained consumption data and reports on whole building consumption for all asset-level environmental performance measures. Utilities purchased by Entra as the landlord (landlord-obtained), even though the tenant is paying for the energy consumption, and those directly purchased by tenants (tenant-obtained) are presented separately under total consumption.

NORMALISATION

As a vast majority of Entra's management portfolio is utilised as office space, floor area is deemed the most appropriate denominator for asset-level performance measures. Whole building consumption is divided by Gross Leasable Area (GLA). The denominator GLA is closely aligned with the numerator as total consumption includes tenant-obtained utilities and is also consistent with the areas disclosed in Entra's financial reporting.

For absolute intensities, Entra either includes pre-existing data or annualises consumption to a full year for properties entering or exiting the management portfolio during the reporting period. This removes the mismatch between the collected consumption data in the numerator and GLA as the denominator for more comparable absolute intensities.

Number of hours/days worked is used as the denominator when calculating health and safety performance measures.

SEGMENTAL ANALYSIS

Segmental reporting and analyses by geography or property type does not grant significantly greater insight into asset-level performance measures. As presented in its financial reports, Entra's management portfolio contains mainly office properties within Oslo, Norway and other regional cities, of which Oslo represents the majority location of portfolio value.

DISCLOSURE ON OWN OFFICES

Entra discloses the environmental impact of its own occupation separately within its sustainability reporting. As Entra also is a tenant at a property within its own management portfolio, this data is also included in the total portfolio consumption. Please refer to the paragraph on estimation for a note concerning the calculation of data for Entra's headquarters.

PERFORMANCE NARRATIVE ON OUR MANAGED ASSETS

The following provides a short description of the asset-level performance indicators for Entra's management portfolio and headquarters for 2022. For an outline on plans for managing future performance please refer to the ESG report, page 42-97.

MANAGEMENT PORTFOLIO

Energy

Entra's focus on improving energy efficiency has given results over more than 15 years, not only through concrete measures such as replacing central environment operation control systems and improving the zoning control of outdoor environments but also by generally optimising the management of its properties. In 2022, absolute electricity consumption across the 81 managed assets with available data, totaled 106,228 MWh. In the beginning of January 2022 Entra acquired the Oslo Areal portfolio comprising 17 office buildings resulting in a 24 per cent increase in absolute electricity consumption compared to 2021. Measured as like-for-like, the decrease was 6 per cent. Landlord-obtained consumption amounted to 77,208 MWh, of which 1.7 per cent came from renewable resources in five buildings. Entra aims to increase this proportion by extending its green energy consumption through solar panels, wind and hydropower.

Absolute district heating and cooling consumption across the 64 managed assets totaled 57,483 MWh, a like-for-like decrease of 8 per cent compared with 2021. This is mainly explained by extraordinary measures such as reduced hours of operation and tuned indoor temperatures because of very high energy costs in 2022. Landlord-obtained absolute consumption amounted to 51,289 MWh, a 20 per cent increase due to the acquisition of Oslo Areal as described above.

In 2022, there was one property with fuels consumption of 61 MWh. This is a school building that uses fuels to help heating systems in periods with cold weather, which was the case in the beginning of 2022. In June 2022, this property was sold. Entra is currently working towards phasing out fossil fuel consumption within its portfolio and will remove all oil boilers.

Building energy intensity across the 57 management properties in our portfolio with like-for-like performance data was 130 kWh per square meter in 2022, down by 1 per cent in comparison with 2021.

Greenhouse gas

Greenhouse gas intensity from building energy across the same assets fell to 3.92 kg CO_2e per square meter, a drop of 1 per cent compared with 2021. This decrease is mainly explained by reduction in emission factor because the Nordic Mix emission factor has become greener, and as more energy efficient new-build projects have been included in like-for-like calculations.

GHG emissions presented in the EPRA table are based on local-based and market-based emission factors for electricity. If calculated using market-based emission factor for electricity, the GHG emission from electricity is about 13,928 tones CO_2-e in 2022. This increase in absolute emission stems from the Oslo Areal acquisition resulting in increased number of properties included in the calculation. Like-for like emissions fell with 3 per cent.

In 2022, Entra expanded Scope 3 emission with data from goods and services purchased using a spend based method for own organization and management portfolio. In project developments, Entra included embodied carbon emission data from materials and construction activities (A1-A5 in accordance with NS3720) related to the four projects finalised in 2022. Employee commuting was also added to Scope 3 in 2022.

Water

100 per cent of water consumption come from municipal water supplies sources. Absolute water consumption across the 78 managed assets with available data in 2022 was 264,887 m^3 compared to 153,369 m^3 in 2021. Building water intensity across the 56 assets with like-for-like performance data was 0.19 m^3 per square meter in 2022, a 30 per cent increase from 2021. However, comparing these last years is ambiguous due to the Covid-19 pandemic which caused lockdown in Norway in large parts of 2020, 2021 as well as early in 2022. Looking back to the last full normal year, 2019, we see a decrease from 0.29 to 0.19 m^3 per square meter.

Waste

In 2022, absolute waste creation across the 69 managed assets with available data was 3,801 tons. Compared with 2,543 tons in 2021 this was an increase of 49 per cent caused by the acquisition described above and more normalized office use in 2022, post Covid-19. Like-for-like increased with 18 per cent from 2,306 tons in 2021 to 2,724 tons in 2022. Entra continuously works towards greater coverage of waste created by tenants who have waste groups managed independently of Entra's waste monitoring system.

Entra Headquarters

Entra's electricity consumption at its headquarters totaled 194,712 kWh in 2022, a 40 per cent increase compared to 138,742 kWh in 2021. 2021 was influenced by lock downs and home office use in connection with Covid-19.

Entra's pro-rata share of district heating and cooling decreased by 12 per cent from 83,569 kWh in 2021 to 73,387 kWh in 2022 due to reduced hours of operation and tuned indoor temperatures as a result of very high energy costs in 2022.

The property at which Entra is a tenant does not have fossil fuels as an energy source.

Energy intensity for Entra's headquarters was 95 kWh per square meter in 2022, up by 21 per cent in comparison with 2021. Greenhouse gas intensity from energy ended at 3.21 kg CO_2e per square meter in 2022 compared to 2.64 kg CO_2e in 2021.

Entra's proportionate share of water consumption in 2022 was 501 m^3 compared with 308 m^3 in 2021. This 63 per cent increase is a direct consequence of increased use of home office and Covid-19 in 2021 and 2020. Building water intensity was 0.18 m^3 per square meter in 2022, compared to 0.11 m^3 per square meter in 2021. 2019 was the last full normal year with water intensity of 0.27 m^3 per square meter.

Entra's proportionate share of total waste created increased by 21 per cent from 10.3 tonnes in 2021 to 12.4 tons in 2022. Most of this increase directly reflects the increased activity levels at HQ as the employees returned from their home office modus operandi.

PERFORMANCE NARRATIVE ON SOCIAL

Diversity-employee gender is calculated as a percentage of female to men. Female shares of Senior executives in 2022 was 29 per cent, unchanged from 2021. Diversity pay gender ratio is calculated women to men.

Employee turnover over the past years have been stable. In 2021, Entra completed certain organisational changes which resulted in somewhat higher turnover. In 2022, 44 people started working in Entra, and 12 people left the company. New hire rates are calculated based on people started in Entra divided on the number of employees by the end of 2022. Turnover rate is calculated based on people that left Entra divided on the number of employees by the end of 2022.

Entra had one incident involving direct employees without sick leave in 2022. There was no injuries on direct employees involving sick leave absence in our construction projects in 2022, and one injury involving direct employees with sick leave absence in 2022 in management portfolio.

The Injury Rate Lost Day Rate and Accident Severity Rate are all calculated per 1,000,000 hours worked.

Location of EPRA Sustainability Performance in companies' reports

Entra reports the entirety of the EPRA Sustainability Performance Measures in its Sustainability Report, including a comprehensive EPRA sBPR table that uses the performance measure codes.

Reporting period

Entra reports both absolute and like-for-like performance measures for the two most recent years but may choose to report performance measures over a longer period in the future should this provide meaningful.

Materiality

Entra has not conducted a materiality review for the EPRA performance indicators as we consider all the sustainability performance measures in the EPRA table to be material.

EPRA Sustainablility Performance Measures

ENVIRONMENT

Impact area	EPRA Code	Units of measure	Indicator		Total portfolio: Absolute performance (Abs) 2021	Total portfolio: Absolute performance (Abs) 2022	Total portfolio: Like-for-like by property type (LfL) 2021	Total portfolio: Like-for-like by property type (LfL) 2022	Headquarter (s): Absolute performance (Abs) 2021	Headquarter (s): Absolute performance (Abs) 2022
Energy	Elec-Abs, Elec-LfL	annual kWh	Electricity	Total landlord-obtained electricity	62 440 320	77 207 701	61 837 967	59 625 810	138 742	194 712
				Proportion of landlord-obtained electricity from renewable resources	2.1%	1.7%	2.1%	2.2%	-	-
				Total tenant-obtained electricity	23 307 194	29 020 524	23 307 194	20 677 223	-	-
				Total landlord- and tenant-obtained electricity consumption	**85 747 514**	**106 228 225**	**85 145 161**	**80 303 033**	**138 742**	**194 712**
		No. of applicable properties		*Electricity disclosure coverage*	*67 out of 84*	*81 out of 91*	*64 out of 71*	*57 out of 65*	*1 out of 1*	*1 out of 1*
		%		*Proportion of electricity estimated*	-	-	-	-	-	-
	DH&C-Abs, DH&C-LfL	annual kWh	District heating and cooling	Total landlord-obtained district heating and cooling	42 754 303	51 289 442	42 281 831	39 800 939	83 569	73 387
				Proportion of landlord-obtained heating and cooling from renewable resources	-	-	-	-	-	-
				Total tenant-obtained heating and cooling	4 543 341	6 193 278	4 543 341	3 335 192	-	-
				Total landlord- and tenant-obtained heating and cooling	**47 297 644**	**57 482 720**	**46 825 172**	**43 136 131**	**83 569**	**73 387**
		No. of applicable properties		*District heating and cooling disclosure coverage*	*51 out of 84*	*64 out of 91*	*49 out of 71*	*45 out of 65*	*1 out of 1*	*1 out of 1*
		%		*Proportion of district heating and cooling estimated*	-	-	-	-	-	-
	Fuels-Abs, Fuels-LfL	annual kWh	Fuels	Total direct landlord-obtained fuels	-	-	-	-	-	-
				Proportion of landlord obtained fuels from renewable resources	-	-	-	-	-	-
				Total tenant-obtained fuels	119 360	60 498	119 360	-	-	-
				Total landlord- and tenant-obtained fuels	**119 360**	**60 498**	**119 360**	**-**	**-**	**-**
		No. of applicable properties		*Fuels disclosure coverage*	*1 out of 84*	*1 out of 91*	*1 out of 71*	*0 out of 65*	*NA*	*NA*
		%		*Proportion of fuels estimated*	-	-	-	-	-	-
	Energy-Int	annual kWh / sqm	Energy Intensity	**Building energy intensity**	**131**	**126**	**131**	**130**	**79**	**95**
Greenhouse gas emissions	GHG-Dir-Abs	annual tonnes CO_2e	Direct	Scope 1	179	312	179	310	-	-
	GHG-Indir-Abs	annual tonnes CO_2e	Indirect/location based	Scope 2	3 876	4 342	3 816	3 406	7	9
	GHG-Int	kg CO_2e / sqm / year	GHG emissions intensity	**GHG Scope 1 and 2 intensity from building energy**	**4.00**	**3.59**	**3.97**	**3.92**	**2.64**	**3.21**
	GHG-Indir-Abs	annual tonnes CO_2e	Indirect	*Scope 3 — 1. Goods and services purchased	NA	37 242	NA	37 242	NA	946
				5. Waste and water generated in operations	1 226	1 812	1 160	1 287	6	7
				6. Business travel	11	66	11	66	11	66
				7. Employee commutes	NA	1	NA	1	NA	1
				Scope 3 total	1 237	39 120	1 171	38 595	17	1 020
				Total scope 1+2+3	**5 293**	**43 774**	**5 167**	**42 311**	**24**	**1 029**
		No. of applicable properties		*Energy and associated GHG disclosure coverage*	*67 out of 84*	*81 out of 91*	*64 out of 71*	*57 out of 65*	*1 out of 1*	*1 out of 1*
		%		*Proportion of energy and associated GHG estimated*	-	-	-	-	-	-
GHG emissions - Guarantee of origin	GHG-Indir-Abs	annual tonnes CO_2e	Indirect/market based	Scope 2	9 960	13 928	9 914	9 616	NA	NA

Water	Water-Abs, Water-LfL	annual cubic metres (m³)	Water	Municipal water		153 369	264 887	143 554	179 031	308	501
	Water-Int	annual m³ / sqm	Water Intensity	**Building water intensity**		**0.15**	**0.21**	**0.15**	**0.19**	**0.11**	**0.18**
		No. of applicable properties		*Water disclosure coverage*		*66 out of 84*	*78 out of 91*	*63 out of 71*	*56 out of 65*	*1 out of 1*	*1 out of 1*
		%		*Proportion of water estimated*		-	-	-	-	-	-
Waste	Waste-Abs, Waste-LfL	annual tonnes	Waste type	Hazardous waste		36	38	36	31	0.06	0.03
				Non-Hazardous waste		2 507	3 763	2 271	2 693	10.20	12.40
				Total waste		**2 543**	**3 801**	**2 306**	**2 724**	**10.3**	**12.4**
		proportion by disposal route (%)	Disposal routes, hazardous	Reuse		2%	1%	2%	1%	0%	0%
				Recycling		9%	7%	9%	7%	9%	15%
				Incineration (with or without energy recovery)		80%	82%	81%	82%	2%	0%
				Landfill (with of without energy recovery)		9%	10%	9%	11%	89%	84%
			Disposal routes, non-hazardous	Reuse		0%	0%	0%	0%	0%	0%
				Recycling		45%	44%	45%	45%	59%	60%
				Incineration (with or without energy recovery)		36%	31%	36%	32%	21%	22%
				Landfill (with of without energy recovery)		0.5 %	0.5 %	0.5 %	0.5 %	0.4 %	0.5 %
				Biodiesel production		18%	24%	18%	22%	20%	17%
		No. of applicable properties		*Waste disclosure coverage*		*61out of 84*	*69 out of 91*	*57 out of 71*	*50 out of 65*	*1 out of 1*	*1 out of 1*
		%		*Proportion of waste estimated*		-	-	-	-	-	-
Certification	Cert-Tot	% total floor area	Level of certification	BREEAM-NOR	Outstanding	2%	2%	2%	3%		
					Excellent	9%	12%	10%	16%		
					Very Good	15%	20%	17%	27%		
		No. of applicable properties				*17 out of 84*	*23 out of 91*	*17 out of 71*	*23 out of 65*		
	Cert-Tot	% total floor area	Level of certification	BREEAM In-use: Asset Performance	Outstanding	1%	1%	1%	1%		
					Excellent	32%	30%	37%	41%		
					Very Good	9%	13%	11%	18%		
					Good	0%	0.4%	0%	1%		
		No. of applicable properties				*20 out of 84*	*27 out of 91*	*20 out of 71*	*27 out of 65*		
	Cert-Tot	% total floor area	Level of certification	BREEAM In-use: Building Management	Outstanding	9%	9%	10%	11%		
					Excellent	26%	26%	29%	31%		
					Very Good	6%	14%	7%	17%		
					Good	0%	0%	0%	0%		
		No. of applicable properties				*19 out of 84*	*26 out of 91*	*19 out of 71*	*26 out of 65*		

Data Qualifying Note

1: NA = "Not applicable"
2: GHG Scope 1 emissions from fossil fuels are calculated using data from Norwegian Environment Agency (NEA) and refrigerants are calculated using Returgass factor
3: GHG Scope 2 emissions from use of electricity and district heating and cooling are calculated using a location based approach. For electricity, Nordic mix factor (based on calculated emisson from the Nordic countries, weighted average from the last two years) is utilized.
4: GHG Scope 2 alternative Electricity emission - Market based method (Guarantee of Origin) according to GHG-Protocol. Corrections 2021 emission due to calculation error.
5: GHG Scope 3 emissions from travel, waste and water consumption are calculated using a location based approach and "Climate accounting for waste management" 2009, Raadal, Modahl and Lyng.
6: Entra's headquarters data is also included in the total portfolio as that Entra is a tenant at one of its own properties. HQ is located in Oslo, but Entra has also two local offices in Bergen and Trondheim. See page 62-63 for Own Organisation
7: Employees commuting, 143 out of 208 respondance to company survey in 2022

EPRA Sustainablility Performance Measures

SOCIAL

	EPRA Code	Units of measure	Indicator			Corporate performance 2021	Corporate performance 2022
Diversity	Diversity-Emp	% of employees	Gender diversity	Direct employees within significant employee categories having strategic influence on company activities	Board of directors	57%	43%
					Senior Management	29%	29%
					Managerial positions	49%	44%
	Diversity-Pay	Ratio average basic salary	Gender pay ratio	Direct employees basic salary within significant employee categories as identified in diversity-emp	Board of directors	104%	76%
					Senior Management	111%	111%
					Managerial positions	93%	96%
		Ratio average bonus		Direct employees bonus within significant employee categories as identified in diversity-emp	Board of directors	NA	NA
					Senior Management	108%	150%
					Managerial positions	88%	95%
Employee Training and Development	Emp-training	Average hours	Training and development	Direct employees training hours (vocational, paid educational leave, external courses, specific topics, etc.)		27	33
	Emp-dev	% of employees	Performance appraisals	Direct employees who receive regular performance and career development review		100%	100%
	Emp-Turnover	Total number	New hires	Direct employees		17	44
		Rate	New hires	Direct employees		9.4%	21%
		Total number	Turnover	Direct employees		26	12
		Rate	Turnover	Direct employees		14.4%	5.8%
Health and safety	H&S-Emp	% of total days	Sick leave	Direct employees		2.6%	2.9%
		Total number	Incidents, direct employees	Developments		0	0
				Managed portfolio		2	1
			Lost day injuries, direct employees	Developments		0	0
				Managed portfolio		0	1
			Fatalities , direct employees	Developments		0	0
				Managed portfolio		0	0
		Per 1 000 000 hours worked	Injury rate	Direct employees		6.28	5.34
		Per 1 00 000 hours worked	Lost day rate	Direct employees		0	93.48
		Per 1 000 000 hours worked	Accident severity rate	Direct employees		0	0
	H&S-Asset	%	% of assets	Assets for which H&S impacts are assessed or reviewed for compliance		100%	100%
	H&S-Comp	Total number	Number of incidents	Registered internal control deviations at assets in management portfolio		1 760	1 921
	H&S-Asset	Narrative	% of assets	Asset health and safety assessments		See narrative in ESG report on page 80-81	
	H&S-Comp	Narrative	Number of incidents	Asset health and safety compliance		See narrative in ESG report on page 80-81	
Community Engagement	Comty-Eng	Narrative	% of assets	Community engagement, impact assessments and/or development programs		See narrative in ESG report on page 83	

GOVERNANCE

					Corporate performance	
	EPRA Code	Units of measure	Indicator		2021	2022
Governance	Gov-Board	Total number	Executive board members	Composition of highest governance body	0	0
		Total number	Non-executive board members	Composition of highest governance body	7	7
		Total number	Non-executive board members with competance within environmental topics	Composition of highest governance body	5	5
		Average tenure (years)	Board members	Composition of highest governance body	5.1	3.3
	Gov-Selec	Narrative on process		Process for nominating and selecting the highest governance body	See narrative in ESG report on page 93	
	Gov-Col	Narrative on process		Process for managing conflicts of interest	See narrative in ESG report on page 89	

Social data note

1: NA = "Not applicable"
2: Diversity-Emp: Genter diversity, percentage of female to men
3: Diversity-pay: gender pay ratio women to men
4: Employees training, 194 out of 208 attending educational training (over a longer periode or short training sessions) in 2022

The property portfolio

Management portfolio

The following table sets forth the properties with management area as of 31 December 2022.

Property name	City	Type of asset	Share of ownership	Occupancy	Management area	Project area	Land & dev. area	Total area
Akersgata 34 and 36	Oslo	Office	100%	100.0%	6 144	-	-	6 144
Akersgata 51 / Apotekergata 6	Oslo	Office	100%	97.4%	17 848	-	-	17 848
Allehelgens gate 6	Bergen	Office	50%	100.0%	14 104	-	-	14 104
Biskop Gunnerus' gate 14	Oslo	Office	100%	99.2%	50 705	-	-	50 705
Biskop Gunnerus' gate 6	Oslo	Office	100%	100.0%	9 300	-	-	9 300
Brattørkaia 12	Trondheim	Office	100%	100.0%	1 917	-	-	1 917
Brattørkaia 14	Trondheim	Culture	100%	100.0%	5 220	-	-	5 220
Brattørkaia 15 A, B	Trondheim	Office	100%	99.1%	16 949	-	-	16 949
Brattørkaia 16	Trondheim	Education	100%	100.0%	11 217	-	-	11 217
Brattørkaia 17 A	Trondheim	Office	100%	97.7%	17 776	-	-	17 776
Brattørkaia 17 B	Trondheim	Office	100%	95.9%	19 644	-	-	19 644
Brynsengfaret 6	Oslo	Office	100%	99.3%	35 417	-	13 600	49 017
Brynsengfaret 6 C	Oslo	Residential	100%	95.9%	353	-	-	353
Brynsveien 11-13	Oslo	Office	100%	80.8%	12 401	-	-	12 401
Brynsveien 5	Oslo	Office	100%	99.1%	6 127	-	-	6 127
Christian Krohgs gate 10-12	Oslo	Office	100%	31.3%	5 439	-	-	5 439
Christian Krohgs gate 2	Oslo	Office	100%	90.4%	12 867	-	-	12 867
Cort Adelers gate 30, office	Oslo	Office	100%	80.3%	12 095	-	-	12 095
Cort Adelers gate 30, school	Oslo	Education	100%	100.0%	3 963	-	-	3 963
Drammensveien 131	Oslo	Office	100%	100.0%	13 098	-	-	13 098
Drammensveien 134	Oslo	Office	100%	88.6%	20 932	-	-	20 932
Dronningens gate 2	Trondheim	Office	100%	100.0%	5 158	-	-	5 158
Fredrik Selmers vei 4	Oslo	Office	100%	100.0%	38 027	-	-	38 027
Fredrik Selmers vei 6	Oslo	Office	100%	78.3%	14 892	-	-	14 892
Fyrstikkalléen 1	Oslo	Office	100%	99.9%	39 640	-	-	39 640
Grensesvingen 26	Oslo	Office	100%	99.2%	18 169	-	-	18 169
Grensesvingen 7	Oslo	Office	100%	96.8%	22 105	-	12 000	34 105
Grenseveien 78B	Oslo	Office	100%	100.0%	9 699	-	-	9 699
Grønland 32	Drammen	Office	100%	96.7%	7 367	-	-	7 367
Grønland 51	Drammen	Office	60%	95.6%	15 270	-	-	15 270
Grønland 53	Drammen	Office	60%	85.3%	11 430	-	-	11 430
Grønland 56	Drammen	Office	60%	100.0%	504	-	-	504
Grønland 58	Drammen	Education	60%	99.9%	21 472	-	-	21 472
Grønland 60	Drammen	Culture	60%	100.0%	8 727	-	-	8 727
Hagegata 22	Oslo	Office	100%	99.6%	26 860	-	-	26 860
Henriks Ibsens gate 110	Oslo	Culture	100%	100.0%	19 819	-	-	19 819
Holtermanns veg 1-13, phase 1	Trondheim	Office	100%	99.8%	11 429	-	-	11 429
Kaigaten 9	Bergen	Office	100%	100.0%	9 990	-	-	9 990
Karenslyst allé 7	Oslo	Office	100%	99.4%	11 706	-	-	11 706
Keysers gate 15	Oslo	Office	100%	91.9%	1 747	-	-	1 747

Property name	City	Type of asset	Share of ownership	Occupancy	Management area	Project area	Land & dev. area	Total area
Kjørbo gård	Sandvika	Office	100%	93.1%	1 795	-	-	1 795
Kjørboveien 12-26	Sandvika	Office	100%	100.0%	25 602	-	-	25 602
Kjørboveien 3	Sandvika	Other	100%	100.0%	16 353	-	-	16 353
Kjørboveien 33	Sandvika	Office	100%	100.0%	14 670	-	-	14 670
Kreftings gate 33	Drammen	Office	60%	100.0%	3 890	-	-	3 890
Kristian Augusts gate 13	Oslo	Office	100%	100.0%	4 101	-	-	4 101
Kristian Augusts gate 15-17	Oslo	Education	100%	100.0%	21 162	-	-	21 162
Lagårdsveien 6	Stavanger	Office	100%	100.0%	16 997	-	-	16 997
Lakkegata 53	Oslo	Office	100%	99.8%	31 555	-	-	31 555
Langkaia 1A	Oslo	Office	100%	99.5%	39 470	-	-	39 470
Lars Hilles gate 19	Bergen	Office	100%	99.7%	6 536	-	-	6 536
Lars Hilles gate 30	Bergen	Office	50%	97.6%	45 706	-	-	45 706
Lilletorget 1	Oslo	Office	100%	69.5%	14 867	-	-	14 867
Løkketangen 2-14B	Sandvika	Office	100%	95.8%	18 171	-	-	18 171
Malmskriverveien 18-20	Sandvika	Office	100%	89.4%	9 238	-	-	9 238
Malmskriverveien 2	Sandvika	Office	100%	100.0%	1 476	-	-	1 476
Malmskriverveien 4	Sandvika	Office	100%	92.0%	5 678	-	-	5 678
Marken 37	Bergen	Education	100%	100.0%	2 950	-	-	2 950
Munchs gate 4 / Keysers gate 13	Oslo	Office	100%	100.0%	10 839	-	-	10 839
Møllendalsveien 1 A	Bergen	Office	100%	95.7%	5 838	-	-	5 838
Møllendalsveien 6-8	Bergen	Office	100%	91.7%	14 237	-	-	14 237
Nedre Vollgate 11	Oslo	Office	100%	99.8%	9 150	-	-	9 150
Nils Hansens vei 20	Oslo	Office	100%	94.7%	3 149	-	-	3 149
Nonnesetergaten 4	Bergen	Office	100%	98.4%	17 213	-	-	17 213
Nygårdsgaten 91 and 93	Bergen	Office	100%	85.7%	12 062	-	-	12 062
Observatoriegata 1	Oslo	Office/Culture	100%	99.9%	16 666	-	-	16 666
Otto Sverdrups plass 4	Sandvika	Education	100%	99.5%	16 038	-	-	16 038
Pilestredet 33	Oslo	Office	100%	98.7%	21 004	-	-	21 004
Prinsens gate 1	Trondheim	Office	100%	90.4%	33 848	-	-	33 848
Professor Olav Hanssens vei 10	Stavanger	Office	100%	99.2%	37 219	-	29 500	66 719
Schweigaards gate 15 B	Oslo	Office	100%	92.2%	14 510	-	-	14 510
Schweigaards gate 16	Oslo	Office	100%	98.7%	15 498	-	-	15 498
Schweigaards gate 6-14	Oslo	Office	100%	94.6%	25 944	-	-	25 944
St. Olavs plass 5	Oslo	Office	100%	98.7%	16 408	-	-	16 408
Storgata 51	Oslo	Office	100%	99.6%	10 936	-	-	10 936
Sørkedalsveien 6	Oslo	Office	100%	100.0%	21 840	-	-	21 840
Tordenskiolds gate 12	Oslo	Office	100%	92.5%	12 997	-	-	12 997
Tordenskiolds gate 6	Oslo	Office	100%	59.3%	5 557	-	-	5 557
Holtermanns veg 70	Trondheim	Office	100%	100.0%	29 032	-	-	29 032
Tullins gate 2	Oslo	Office	100%	87.6%	6 909	-	-	6 909
Tvetenveien 22	Oslo	Office	100%	100.0%	4 126	-	-	4 126
Universitetsgata 11	Oslo	Hotel	100%	100.0%	5 546	-	-	5 546
Universitetsgata 2	Oslo	Office	100%	100.0%	28 649	-	-	28 649
Universitetsgata 7	Oslo	Office	100%	100.0%	21 977	-	-	21 977
Valkendorfsgaten 6	Bergen	Office	100%	98.1%	13 315	-	-	13 315
Verkstedveien 1	Oslo	Office	100%	98.2%	31 689	-	-	31 689
Verkstedveien 3	Oslo	Office	100%	82.4%	8 386	-	-	8 386
Vestfjordgaten 4	Sandvika	Office	100%	100.0%	23 765	-	-	23 765
Wexels plass	Oslo	Other	100%	79.2%	1 035	-	-	1 035
Østensjøveien 39-41	Oslo	Office	100%	91.9%	5 666	-	-	5 666
Østensjøveien 43	Oslo	Office	100%	72.5%	6 823	-	-	6 823
Total				**96.5%**	**1 375 611**	**-**	**55 100**	**1 430 711**

Project portfolio

The following table sets forth the properties with project area as of 31 December 2022.

Property name	City	Type of asset	Share of ownership	Management area	Project area	Land & dev. area	Total area
Kongens gate 87	Trondheim	Office	100%	-	7 100	-	7 100
Kristian Augusts gate 21	Oslo	Office	100%	-	2 019	-	2 019
Vahls gate 1-3	Oslo	Office	100%	-	14 857	-	14 857
Brattørkaia 13 B	Trondheim	Office	100%	-	6 334	-	6 334
Schweigaards gate 15	Oslo	Office	100%	-	22 817	-	22 817
Holtermanns veg 1-13, phase 2	Trondheim	Office	100%	-	20 900	-	20 900
Holtermanns veg 1-13, phase 3	Trondheim	Office	100%	-	15 500	-	15 500
Stenersgata 1	Oslo	Office	100%	20 387	20 513	-	40 900
Total				**20 387**	**110 040**	**-**	**130 427**

Land & Development portfolio

The following table sets forth the properties with land and development area as of 31 December 2022.

Property name	City	Type of asset	Share of ownership	Management area	Project area	Land & dev. area	Total area
Lars Hilles gate 25	Bergen	Office	100%	-	-	5 800	5 800
Jørgen Kanitz gate	Sandvika	Office	100%	-	-	10 187	10 187
Innspurten 5	Oslo	Office	100%	-	-	18 500	18 500
Total				**-**	**-**	**34 487**	**34 487**

Definitions

12 months rolling rent	The contractual rent of the management properties of the Group for the next 12 months as of a certain date, adjusted for (i) signed new contracts and contracts expiring during such period, (ii) contract based CPI adjustments based on Independent Appraisers' CPI estimates and (iii) the Independent Appraisers' estimates of letting of current and future vacant areas.
Capital expenditure	Property related capital expenditure, split into four components: (i) Acquisition, (ii) Development, (iii) Like-for-like portfolio and (iv) Other. The components Development and Like-for-like portfolio combined ties to the line item Investment in the property portfolio in the investment properties rollforward, while the two other categories ties to separate line items in the rollforward.
Back-stop of short-term interest bearing debt	Unutilised credit facilities divided by short-term interest bearing debt.
Cash Earnings	Net income from property management less tax payable. Cash Earnings per share is calculated as Cash Earnings divided by the average outstanding shares for the period.
Contractual rent	Annual cash rental income being received as of relevant date.
Effective Leverage	Total interest bearing liabilities, including debt, lease liabilities, pension liabilities and seller's credits, divided by total assets.
EPRA LTV ("Loan-to-value")	Net debt divided by total property value. Property values are included at fair value, net debt at nominal value. EPRA LTV is calculated based on proportional consolidation for partly-owned subsidiaries, associates and JVs.
EPRA NDV – Net Disposal Value	EPRA NDV is a NAV metric reflecting the IFRS equity including the full extent of the deferred tax liability as per the balance sheet, including fair value of fixed interest rate debt and excluding goodwill as a result of deferred tax.
EPRA NRV – Net Reinstatement Value	EPRA NRV is a NAV metric reflecting the IFRS equity excluding (i) deferred tax liability as per the balance sheet in respect of properties and financial instruments, (ii) fair value of financial instruments and (iii) goodwill as a result of deferred tax.
EPRA NTA – Net Tangible Assets	EPRA NTA is a NAV metric reflecting the IFRS equity including only the estimated real tax liability, and excluding (i) fair value of financial instruments, and (ii) goodwill and intangible assets as per the balance sheet.
Gross yield	12 months rolling rent divided by the market value of the management portfolio.
Interest Coverage Ratio ("ICR")	Net income from property management excluding depreciation and amortisation for the Group (i.e. the Group's EBITDA – Earnings Before Interest, Taxes, Depreciation and Amortization), divided by net interest on interest bearing nominal debt and commitment fees related to investment activities. ICR is presented for last four quarters in line with Entra's financial covenants.
Independent Appraisers	Newsec and Cushman & Wakefield Realkapital.
Land and dev. properties	Property / plots of land with planning permission for development.
Like-for-like	The percentage change in rental income from one period to another given the same income generating property portfolio in the portfolio. The figure is thus adjusted for acquisition and divestments of properties and active projects.
Management properties	Properties that are actively managed by the company.
Market rent	The annualised market rent of the management properties, fully let as of the relevant date, expressed as the average of market rents estimated by the Independent Appraisers.
Market value of the property portfolio	The market value of all properties owned by the parent company and subsidiaries. The figure does not include Inventory properties.
Net Asset Value ("NAV")	Net Asset Value the total equity that the company manages for its owners. Entra presents NAV calculations in line with EPRA recommendation, where the difference mainly is explained by the expected turnover of the property portfolio.
Net income from property management	Net income from property management is calculated as Net Income less value changes, tax effects and other income and other costs from residential development in associates and JVs.
Net letting	Net letting is calculated as the annualised rent of new lease contracts plus lease-up on renegotiated contracts less terminated contracts.
Net nominal interest bearing debt	Nominal interest bearing debt less cash and bank deposits.
Net operating income	Rental income less operating costs such as maintenance, property tax, leasehold expenses (not including financial expenses on leases recognised in accordance with IFRS 16), insurance fees, letting and property administration costs and direct property costs.

Net rent	12 months rolling rent less the Independent Appraisers' estimate of ownership costs of the management properties of the Group.
Net yield	Net rent divided by the market value of the management properties of the Group.
Newbuild	A new building on bare land.
Occupancy	Estimated market rent of occupied space of the management properties, divided by the market rent of the total space of the management portfolio.
Outstanding shares	The number of shares registered less the company's own repurchased shares at a given point in time. EPRA Earnings and Cash Earnings per share amounts are calculated using the weighted average number of ordinary shares outstanding during the period. All other per share amounts are calculated using the number of ordinary shares outstanding at period end.
Period-on-period	Comparison between one period and the equivalent period the previous year.
Property portfolio	Properties owned by the parent company and subsidiaries, regardless of their classification for accounting purposes. Does not include the market value of properties in associates and jointly controlled entities.
Project properties	Properties where it has been decided to start construction of a new building and/or renovation.
Redevelopment	Extensive projects such as full knock-down and rebuild, and projects where external walls are being materially impacted (e.g. taking a building back to its core or changing brick facades to glass).
Refurbishment	Projects extensively impacting an existing building, but not knocking it down or materially affecting external walls.
Total area	Total area including the area of management properties, project properties and land / development properties.
Total net nominal interest bearing debt	Net nominal interest bearing debt and other interest bearing liabilities, including seller's credits and lease liabilities for land and parking lots in connection with the property portfolio.
WAULT	Weighted Average Unexpired Lease Term measured as the remaining contractual rent amounts of the current lease contracts of the management properties of the Group, including areas that have been re-let and signed new contracts, adjusted for termination rights and excluding any renewal options, divided by Contractual rent, including renewed and signed new contracts.

General ESEF data

Name of reporting entity or other means of identification	Entra
Domicile of entity	Norway
Legal form of entity	Allmennaksjeselskap (English: Public Limited Liability Company)
Country of incorporation	Norway
Address of entity's registered office	Post box 52, Økern, 0508 Oslo, Norway
Principal place of business	Greater Oslo region
Description of nature of entity's operations and principal activities	Entra is a leading owner, manager and developer of office properties and owns a large portfolio of centrally located high-quality properties in the largest cities in Norway
Name of parent entity	Entra ASA
Name of ultimate parent of group	Entra ASA
Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period	N/A
Length of life of limited life entity	N/A

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