Annual Report 2021

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 characterized by solid tenants on long lease contracts and a high occupancy ratio. Entra's project development portfolio is the key driver for our growth.

Sustainability is an integrated part of our business and environmental leadership has been part of our business strategy for many years. Technology has rapidly become a core focus area in Entra. We strive to be in 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 development in and around our property clusters. We seek to create a good atmosphere and secure surroundings in and around the 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, Trondheim and Stavanger.

Core values

- Innovative
- Responsible
- Hands-on
- One team

2021 in summary

Project development

- Started up 32,800 sqm and completed 65,600 sqm of development projects
- 115,200 sqm under development at year-end

Investment activity

- Acquired 23 properties, sold two
- Net + 312,000 sqm

Asset management

- Gross letting of 346 million (150,000 sqm)
- Portfolio occupancy of 97.8 per cent at year-end

Financial

Rental income

2 508 mill

2020: 2 353 mill (7%)

Net income from property management

1 534 mill

2020: 1 451 mill (6%)

Dividend per share

5.10

2020: 4.90 per share (+4%)

EPRA NRV per share

218

2020: 189 (+15%)

Loan to value

38.4 %

2020: 36.4%

Rating

Baa1
Stable outlook

Moody's credit rating

Non-financial

Customer satisfaction score of

87 vs. Industry average 82

Energy consumption

123 (118) kwh/sqm

Greenhouse gas intensity

4.00 (4.45)

kg CO_2e / sqm.

Employee motivation/ engagement score of

79 vs. national benchmark GELx score of 73

GRESB Score of

92 vs. GRESB average 73

EPRA Sustainability BPR

Gold

	2021	2020	2019	2018	2017
All amounts in NOK million					
Rental income	2 508	2 353	2 338	2 243	2 075
Change period-on-period	7%	1%	4%	8%	9%
Net operating income	2 274	2 142	2 149	2 058	1 913
Change period-on-period	6%	-	4%	8%	10%
Net income from property management [1]	1 534	1 451	1 471	1 434	1 259
Change period-on-period	6%	-1%	3%	14%	18%
Net value changes	5 264	5 705	1 955	1 486	3 547
Change period-on-period	-8%	192%	32%	-58%	68%
Profit before tax	6 825	7 274	3 735	3 073	5 030
Change period-on-period	-6%	95%	22%	-39%	52%
Profit after tax	5 373	5 696	3 225	2 735	4 514
Change period-on-period	-6%	77%	18%	-39%	66%
Market value of the property portfolio [1]	67 547	56 746	48 964	45 630	40 036
Net nominal interest bearing debt [1]	26 594	20 930	19 585	18 941	17 852
Loan to value [1 2]	38.4%	36.4%	39.6%	40.5%	42.6%
Interest coverage ratio [1]	3.5	3.4	3.3	3.6	3.0
Average outstanding shares (million)	182.1	182.1	182.4	183.6	183.7
All amounts in NOK per share					
EPRA NRV [1]	218	189	154	144	130
Change period-on-period	15%	23%	7%	10%	24%
EPRA NTA [1]	216	187	153	142	129
Change period-on-period	15%	23%	8%	10%	24%
EPRA Earnings [1]	6.07	5.73	5.81	5.59	5.23
Change period-on-period	6%	-1%	4%	7%	22%
Cash Earnings [1]	8.32	7.83	8.01	7.74	6.81
Change period-on-period	6%	-2%	3%	14%	17%
Dividend per share [3]	5.10	4.90	4.70	4.50	4.10
Change period-on-period	4%	4%	4%	10%	19%

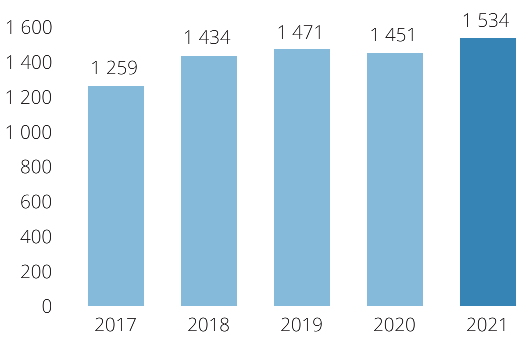
[1] Refer to section "Alternative performance measures" for calculation of the key figure.

[2] The definition of LTV is amended from 2021 to be measured by effective leverage. See the section "Definitions" for further information. Comparative figures have been updated to reflect the amended definition.

[3] Entra pays semi-annual dividends. Dividend for 2021 constitute dividend approved and paid for the first half of 2021 and proposed dividend for the second half of 2021.

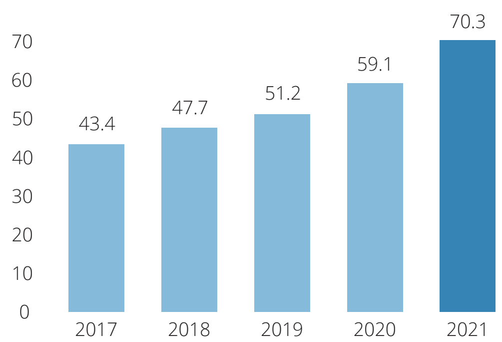
Net income from property management

NOKm



Total assets

NOKbn



Highlights in 2021

Q1 2021

During the first quarter, Entra started the new-build project in Holtermannsveg 1-13 (phase 2) in Trondheim, the second of three planned buildings on the landplot. The first building (11,700 sqm) was finalized in Q1 2020. The approved zoning allows total construction of approximately 48,000 sqm, where the second building is 20,900 sqm. The property is 29 per cent let, expected finalized in Q2 2023 and aims for a BREEAM-NOR Excellent classification. The property will be developed at a yield-on-cost of 5.7 per cent.

Entra also started the new-build project "Nygaarden" in Nygårdsgaten 91-93 in Bergen. The property is located in Entra's main cluster in Bergen. The property is 11,900 sqm and is 58 per cent pre let. Expected completion is in Q4 2022, and the property aims for a BREEAM-NOR Excellent classification. The property will be developed at a yield-on-cost of 5.5 per cent.

During the first quarter, Entra acquired two properties in Stavanger and one in Bergen and divested two smaller properties.

Q2 2021

During the second quarter, Entra finalised the refurbishment of 5,000 sqm in Grønland 32 in Drammen. The property is fully let to a public tenant and was developed at a yield-on-cost of 7.0 per cent.

Entra also acquired Fyrstikkalleen 1 at Helsfyr in Oslo (39,640 sqm), Lars Hilles gate 19 in Bergen (5,900 sqm), Hotel Savoy in Oslo (5,550 sqm) and increased its ownership stake in the residential developer Oslo S Utvikling to 50 per cent.

Q3 2021

During the third quarter, Entra finalised the new-build project in Universitetsgata 7-9 at Tullin in Central Oslo. The property is 21,900 sqm and was developed at a yield-on-cost of 5.8 per cent. The property is 99 per cent let and aims for a BREEAM-NOR Excellent classification.

Entra also finalised the 28,100 sqm redevelopment of the neighbouring property Universitetsgata 2 and opened the Rebel concept with full-service and flexible office solutions. The property was 96 per cent let at completion and was developed at a yield-on-cost of 5.7 per cent.

Q4 2021

In the fourth quarter, Entra announced that it would acquire the shares in Oslo Areal for 13.55 billion. Oslo Areal has an excellent strategic and operational fit with Entra and owns 17 office properties of which 15 are centrally located in Oslo and two in Sandvika just outside Oslo. The property portfolio totals 222,500 sqm and has a significant development potential with ongoing zoning of up to 95,000 sqm and additional long term development potential of approximately 45,000 sqm.

Entra also finalized the refurbishment of 10,100 sqm in Hagegata 22-24 at Tøyen in. The project was 100 per cent pre-let with a yield-on-cost of 5.7 per cent.

During the fourth quarter, AB Balder put forward a mandatory offer for the outstanding shares in Entra. The offer was concluded in December, and AB Balder held 36.6 per cent of the outstanding shares in Entra as of 31 December 2021, whereas Castellum AB held 33.3 per cent.

Letter from the CEO

Back on the growth track

2021 was a year where we learned to live with the pandemic and its effects on our work, lives, and the balance between them. Entra has navigated very well in this unchartered territory. We have safeguarded life and health, kept our buildings open, been proactive in terms of growing the business, and seen very little negative effects on our operations, projects, and financial results.

We have worked closely with our customers during national lockdowns and subsequent re-openings. The trend of flexible work has accelerated through the pandemic and is here to stay. To be an attractive employer and attract talent, companies must accept that their employees can work from anywhere. We see that future work-place solutions are evolving, and that work-place strategies are higher up on the agenda with our customers and their boards. While having to facilitate for a more flexible workday, our customers clearly see that the office plays a central role to attract, develop and retain the human capital in their companies. More than ever, 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.

So far, the Norwegian office market and Entra have seen little effect on net demand for office space. However, we clearly see an increased focus on how to program the office space to support innovation, collaboration and hybrid working.

This has resulted in strong demand for our tenant advisory services on work-place strategies. We have therefore strengthened our team to advise our customers on how they can use the office as a more strategic tool, as part of organizational development. This is an important service that we believe will keep customers within the Entra portfolio over time and supports our letting activity when targeting new tenants. More companies are open for rethinking their workplace solutions, and they are probably also more open to re-locate. Working closely with our tenants and prospects to understand their needs, providing advisory services, will be important going forward. For Entra, with its large and attractive portfolio of high-quality office assets, this provides an opportunity as we can provide flexibility within our portfolio.

While it is too early to conclude on the pandemic's long-term effects on the office market, our cluster strategy with locations on central communication hubs seems more relevant than ever. In a flexible working environment, the office needs to be a destination the employees want to visit, and urban qualities and social activities are getting increasingly important in this respect.

In Entra, we want to offer our office customers the best possible environment and create places where our customers want to be, and where they want to return. Creating life between the buildings, also outside office hours, is thus an important focus in our urban development strategy. This involves having active ground floors and a good mix of activities, food offerings and services as part of the office experience. In 2021, while maintaining focus of the office market, we expanded our strategic focus to also include ground floor/retail development, residentials and hotels within our clusters.

Our sustainability focus has for many years been, and still is, core to our strategy and in the backbone of everything we do. Work to mitigate the effects of climate change is urgent, and we constantly search for solutions on how we can contribute. In 2021, we revised our environmental strategy, further outlining and detailing the pathway towards our overarching target of becoming net zero carbon by 2030. We have increased our focus on life cycle assessments and how to measure and reduce embodied carbon in our properties and projects. We have also done an in-depth climate risk assessment of the physical and transition risks affecting the majority of our assets and company. On the social side, we continue to support initiatives focusing on developing including cities through our collaboration with the Church City Mission, and also some new initiatives focusing on job inclusion such as Sisters in Business amongst others.

We continue to increase and enhance the quality of our portfolio, and we were very active in the transaction market in 2021. We acquired 23 properties for a total of 17.5 billion, adding gross 319,000 sqm if we include the Oslo Areal transaction that closed in January 2022. The integration of Oslo Areal will be completed during 2022. We have also rotated out some smaller, non-strategic properties. The assets we have bought are centrally located in our existing clusters mainly in Oslo, and we have increased our greater Oslo exposure from 72 to 79 per cent. Going into 2021 we had a loan to value of 38.4 per cent. Through these transactions, we have put our balance sheet to work and enter 2022 with a pro-forma loan to value of around 47 per cent.

After a couple of years with flattish income growth as several large assets were taken out of operations for redevelopment, rental income grew by 15 per cent in the fourth quarter or 7 per cent in 2021. We finalized development projects of 65,500 sqm in 2021 and started up another 32,800 sqm. As a result of the completed projects and transactions during 2021, we expect to see rental growth above 25 per cent in 2022. We have a large and exciting project pipeline that will secure future growth for many years to come, and as of year-end our ongoing project development portfolio contained some 115,200 sqm to be finalized in the period from 2022 to 2024. Most of the project development pipeline is in central property clusters in Oslo, particularly around the Central Station and at Bryn. The planned urban development of these areas will also benefit the attractiveness of our existing assets.

The value of our property portfolio increased by 19 per cent from a combination of acquisitions and value uplifts driven by yield compression, solid project development, and letting activities. Going into 2022, Entra is well positioned in a solid Norwegian economy supported by a property market with low office vacancy rates, limited new-build activity and expectations for continued rental growth. The transaction market remains very active and demand for Norwegian office properties continue to be strong.

The Entra team has pulled together and delivered strong results also in 2021. We have provided significant growth through both acquisitions and from progressing our project pipeline. We are very satisfied with our increased exposure to the Oslo market. We have maintained top customer satisfaction scores, and we continue to work systematically to bring down our carbon footprint and engaging in social sustainability activities. With our portfolio of high-quality office buildings and the capabilities, engagement, and enthusiasm in the Entra team we are well set to meet the future.

In Entra, we want to offer our office customers the best possible environment and create places where our customers want to be, and where they want to return.

Oslo, 3 March 2022

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	38 491	68 142	3 845
Education	MSc in Business ("Siviløkonom") from the Norwegian Business School (BI)	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	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	Tore Bakken	Hallgeir Østrem	Kristine Hilberg
EVP Project Development	*EVP Market and Commercial Real Estate Development*	*EVP Legal and Procurement*	*EVP HR and Organisation*
1966	1967	1967	1972
Norwegian	Norwegian	Norwegian	Norwegian
Male	Male	Male	Female
2018	2019	2013	2013
9 099	6 333	13 841	5 921
MSc from the Norwegian University of Science and Technology (NTNU) and Executive leadership programme from IMD Lausanne, Switzerland	Real estate studies from the Norwegian Business School (BI)	Law degree (Cand.jur) from the University of Bergen	Master in HR Management Griffith University, Studies in Business Administration from the Norwegian Business School (BI), Bachelor Biomedical Laboratory Sciences from Norwegian University of Science and Technlogy (NTNU)
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	Commercial Director and Head of Management at Storebrand Asset Management, Director of Sales & Marketing, Head of Commercial Real Estate and partner at Malling & Co. Markets, Head of Commercial Real Estate Colliers International. Investment Director at Colliers International, Commercial Real Estate Advisor at Akershus Eiendom, Commercial Real Estate Advisor at Norsk Næringsmegling (now Union Group), Advisor Private Real Estate at Eiendomsforum, Officer with various positions in the Norwegian Armed Forces	Previously Lawyer and Partner with Advokatfirmaet Schjødt. Before that he has held positions as Lawyer with OBOS and Senior Legal Advisor with the Municipality of Florø	Senior Advisor HR Schneider Electric, HR Manager Areva, Senior Account Executive Abbott Diagnostics, Senior Biomedical Laboratory Scientist at Ullevål University Hospital

The business

Entra is the largest investment alternative offering investors Oslo-focused, high quality office exposure. As of year-end, approximately 71 per cent of the Company's portfolio by value is located in the Greater Oslo region with prime locations in connection with public transportation hubs. After closing of the Oslo Areal and Hinna Park transactions in January 2022, around 79 per cent of the portfolio values are located in the Greater Oslo area (Oslo and Sandvika).

The value of Entra's property portfolio as of 31 December 2021 was 67.5 billion, and the company's EPRA NRV was 218 per share. The net yield on Entra's portfolio was estimated to 4.24 per cent. Entra has a strong balance sheet with a loan to value of 38.4 per cent and Baa1 credit rating with Stable Outlook from Moody's.

Entra offers investors superior cash flow visibility and quality with approximately 56 per cent of rental income from public sector tenants with AAA credit rating and with a weighted average unexpired lease term (WAULT) of around seven years as of year-end 2021. The management portfolio has had a consistently high occupancy rate, currently at 97.8 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. The Company has proved resilient during Covid-19 with payments in 2020 and 2021 collected at near normal levels. 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.

Sustainability has been an integrated part of Entra's business model for more than 10 years. Entra is working actively to reduce the CO_2 footprint of its property portfolio and has a target to become a net zero carbon company by 2030. Entra has developed several Powerhouses, office buildings producing more energy than they consume over their lifetime. In 2020, the company also redeveloped an office property where more than 80 per cent of the input factors came from reused materials. 27 of Entra's properties are BREEAM certified, and 9 properties are in process of being certified. Entra has achieved a Green Star rating with a score of 92 on the Global Real Estate Sustainability Benchmark (GRESB) compared to an average score of 73. Entra established its first green bond in 2016 and as of 31 December 2021 has 69 per cent of its debt portfolio in green bonds and bank loans. 100 per cent of Entra's revenues are eligible within the EU Taxonomy framework, and the company will commence reporting according to the EU Taxonomy within, and at the latest, year-end 2022.

Profitable project development has been the Company's major lever for growth, and Entra and its project development organisation has a proven track record of delivering attractive new-build and redevelopment projects. In the period from 2015 to 2021, Entra invested a total of 12.9 billion across 26 projects with an average yield-on-cost of 6.3 per cent. The value of these projects upon completion was 16.5 billion, representing an increase of 28 per cent.

Entra has during 2021 started up two and finalised four development projects, and the portfolio of ongoing projects as of 31 December 2021 consists of seven properties totalling 115,200 sqm.

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

Profitable growth + Customer satisfaction + Environmental leadership

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 600 tenants to around 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

Entra has a solid track record of portfolio growth and value creation. During 2021, the value of Entra's property portfolio increased by 19 per cent to 67.5 billion as a result of yield compression, solid project development, letting activities and acquisition of properties.

Entra signed new and renegotiated leases with annual rent totalling 346 million (150,000 sqm) in 2021, and the occupancy ratio was 97.8 per cent (97.9 per cent) at year-end.

Entra also completed four projects adding 65.100 sqm to the management portfolio, and startet two new development projects totalling 32,800 sqm in 2021.

Rental income was 2,508 million (2,353 million) in 2021. Net income from property management was 1,534 million (1,451 million). Net value changes were 5,264 million (5,705 million) and profit before tax was 6,825 million (7,274 million) for 2021.

Entra has throughout 2021 again demonstrated its ability to attract external debt capital on attractive terms from multiple sources of funding, and Entra's average interest rate was 2.25 per cent (2.38 per cent) at year-end.

Entra's dividend policy is to distribute approximately 60 per cent of Cash Earnings to its shareholders. The board of Entra will propose to distribute a semi-annual dividend of NOK 2.60 per share for the second half of 2021. Entra's total dividend for 2021 will then be NOK 5.10 per share compared to NOK 4.90 per share for 2020.

Customer satisfaction

One of Entra's goals is to provide the best customer experience. Entra takes full responsibility for property management of its properties and has a dedicated customer service centre to provide consistent and timely follow-up to 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 2021, Entra again achieved an exceptionally high customer satisfaction score of 87 versus an industry average of 82. On environmental matters, Entra achieved a customer score of 87 compared with an industry average of 75, showing that our tenants truly value Entra's environmental efforts. The customer service 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

Entra continues to implement and seek new environmental initiatives to meet climate-related challenges, to meet stakeholder expectations and to reduce costs. The Group has developed a corporate culture with a strong environmental focus throughout the whole organisation. Entra's environmental awareness and work to combat climate change is built on the precautionary principle. The Group's environment strategy includes goals and measures for the group, for its counterparties, for the property portfolio and for the development projects. The strategy has the following overall objectives:

- To become net zero carbon by 2030
- Environmentally leading property portfolio and property management
- Low carbon project development
- Influence and set requirements for suppliers and other stakeholders

Entra has been a leader in the development of environmentally sustainable buildings and has had high environmental ambitions in all its projects. Entra's target is to achieve a rating of BREEAM-NOR Excellent or better for new and BREEAM-NOR Very Good or better for refurbishment/redevelopment projects. On completion of buildings currently under construction, approximately 73 per cent of the rental income and 69 per cent of the property values in the portfolio stem from properties that are or are in process of being BREEAM certified.

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 by 39 per cent since 2011. Energy consumption constitutes some 75 per cent of Entra's CO_2 footprint. By 2030, Entra has an ambition to reduce its Scope 1 and 2 CO_2 emissions by at least 70 per cent as part of the strategy to become net zero carbon.

To provide insight for our stakeholders, we submit response the Global Real Estate Sustainability Benchmark (GRESB) and were proud to achieve Green Star status with a total score of 92 in 2021.

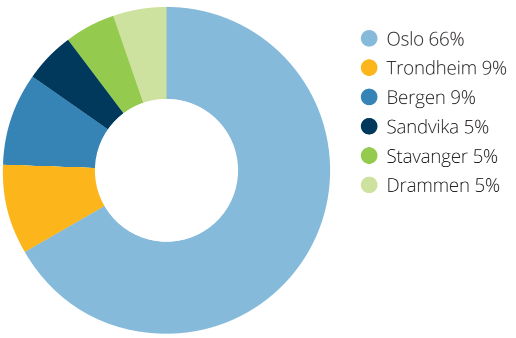
For a further description of Entra's ESG strategy and achievements, see the separate section on ESG which is included in this annual report.

The property portfolio

Geographic exposure

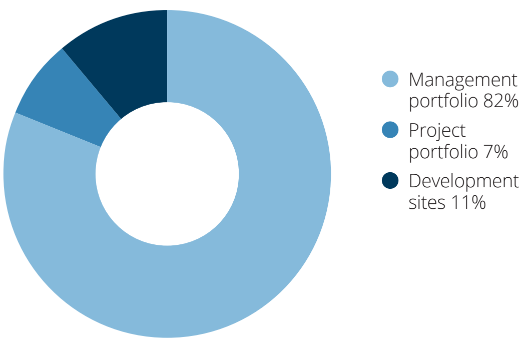
As of 31.12.21 Entra's management properties (i.e. not including the development projects) located in Oslo constitute 66 per cent of the portfolio values whereas the properties located in Trondheim constitute nine per cent, Bergen nine per cent, Sandvika five per cent, Stavanger five per cent and Drammen five per cent

In January 2022, Entra closed the acquisition of the Oslo Areal portfolio of 17 properties located in Oslo and Sandvika. At the same time, five assets in Stavanger were divested and put into a larger, local structure. Including these transactions, Entra's greater Oslo exposure (Oslo and Sandvika) have increased to 79 per cent and the Stavanger exposure have decreased to two per cent.

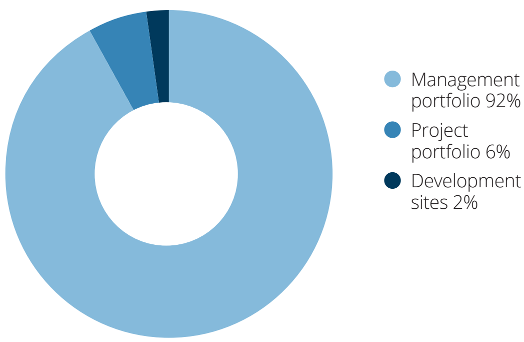


As of 31 December 2021, Entra's property portfolio comprised 96 assets, and the market value of the portfolio was 67.5 billion. A full list of the properties can be found on pages 186 to 188.

Portfolio by area



Portfolio by value



Property management

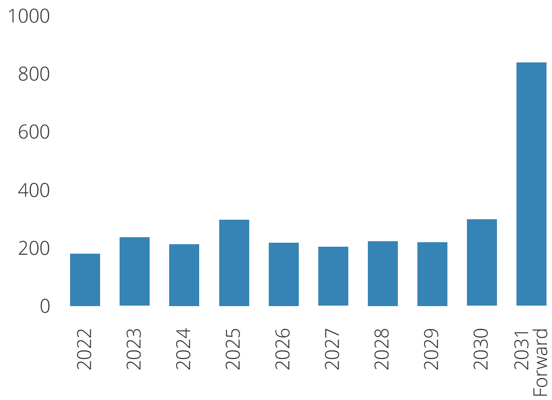
The management portfolio

Entra's management portfolio consists of 80 buildings with a total area of approximately 1.2 million square metres. As of 31 December 2021, the management portfolio had a market value of around 60.1 billion (49 billion), and the occupancy rate was 97.8 per cent (97.9 per cent). The weighted average unexpired terms for the Group's leases were 6.8 years (6.9) for the management portfolio and 7.1 years (7.1) when the project portfolio is included. Entra focuses the portfolio on the major cities in Norway: Oslo and the surrounding region, Bergen, Trondheim and Stavanger.

Entra's properties are valued by two external appraisers (Akershus Eiendom/JLL and Newsec) on a quarterly basis. The market value of the portfolio in Entra's balance sheet is based on the average of the two external appraisers' valuation of each individual property. 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 appraisers' estimated return requirements and expectations as to future market development. The market value is defined as the external appraisers' estimated transaction value of the individual properties on the valuation date. The project portfolio is valued based on the same principles, but with a deduction for remaining investments and specific project risk on the valuation date. The land and development portfolio is valued based on actually zoned land.

Maturity profile of the management portfolio

(NOKm)



Year-on-year, the portfolio net yield decreased from 4.44 to 4.24 per cent. The 12 months rolling rent increased from 2,329 million to 2,724 million, whereas the portfolio market rent has increased from 2,444 million to 2,784 million.

	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	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
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					
Development sites	5	109 847		0.4	984	8 956					
Property portfolio	**96**	**1 457 453**		**7.1**	**67 547**	**46 346**					

[1] See the section "Definitions". The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 31.12.21 is 6.5 per cent of market rent.

Letting and letting market

The letting market

The activity level in the Oslo letting market was very high particularly in the second half of 2021, and rent levels have remained flat to slightly positive during the pandemic. According to Entra's Consensus report, the Oslo office vacancy is expected to decrease towards 6.5 per cent as economic activity and employment growth continue to pick up. The new-build volume for the coming years is limited, particularly in the city center of Oslo. Combined with the strong underlying CPI growth there is expectations for solid market rental growth in the years to come.

Bergen has proven to be robust during the Covid-19 pandemic. The overall office vacancy is currently around eight per cent and seven per cent in the city centre There is limited supply of modern premises in the city center and fairly strong demand.

Rent levels in Bergen has grown by around seven per cent in Bergen during 2021, and there has been downward pressure on yields.

In Trondheim, the vacancy in the city center is around seven per cent. Overall office vacancy is currently around eight per cent, and vacancy is highest in the fringe areas of the city. Rent levels in the central Trondheim have increased by around 10 per cent over the last two years.

In Stavanger, the vacancy is around nine per cent. For the city center and at Hinna Park, there is demand for modern, flexible, and centrally located office premises, and rent levels have held up well.

Market data Oslo

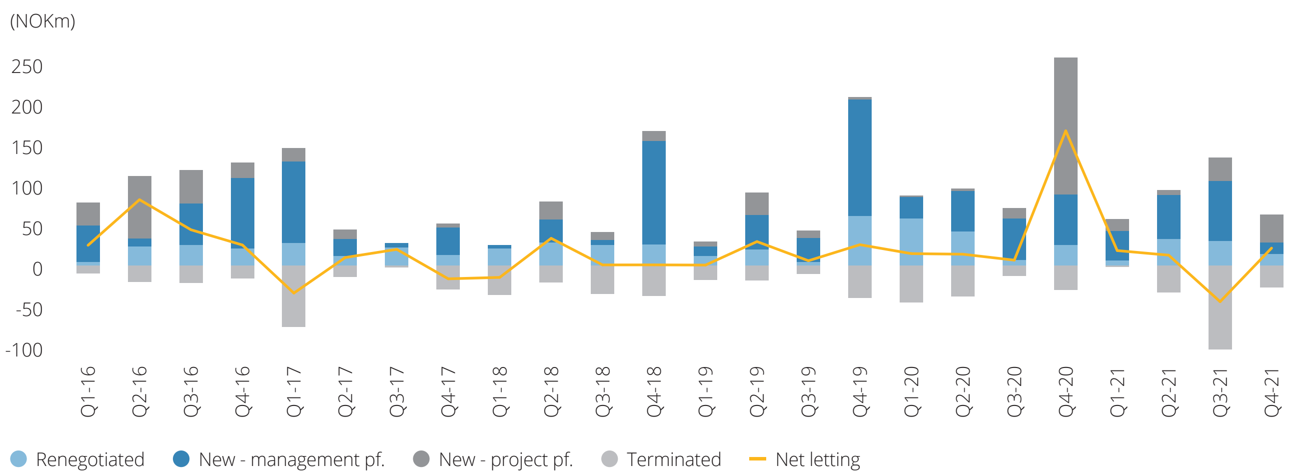
	2019	2020	2021	2022e	2023e	2024e
Vacancy Oslo, incl. Fornebu and Lysaker (%)	5.5	6.8	6.8	6.4	6.3	6.4
Rent per sqm, high standard Oslo office	3 610	3 544	3 627	3 825	3 925	4 020
Prime yield (%)	3.7	3.3	3.3	3.4	3.5	3.5

Source: Entra Consensus report, January 2022

Letting activity in 2021

For 2021, gross letting including renegotiated contracts was 346 million and lease contracts with a total value of 165 million were terminated. Net letting, defined as new lease contracts plus lease-up on renegotiated contracts less terminated contracts, came in at eight million.

Quarterly net letting



The largest contracts signed in 2021 were:

- Renegotiated 2-year lease contract with Western Police district for 14,100 sqm in Allehelgens gate 6 in Bergen
- Renegotiated 10-year lease contract with Oslo Municipality Planning and Building Services for 13,200 sqm in Vahls gate 1-3 in Oslo
- Renegotiated 5-year lease contract with Southwestern Police district for 12,900 sqm in Lagårdsveien 6 in Stavanger
- Renegotiated 5-year lease contract with Statsbygg for 9,300 sqm in Biskop Gunnerus' gate 6 in Oslo
- New 10-year lease contract with Bergen Municipality for 7,400 sqm in Møllendalsveien 6-8 in Bergen
- New 15-year lease contract with Fellesforbundet for 4,400 sqm in Sundtkvartalet in Oslo
- New 10-year lease contract with Volue for 3,500 sqm in Holtermanns veg 1-13 phase 2 in Trondheim

Occupancy in Entra's portfolio has remained stable during the year, and the Group had an occupancy level of 97.8 per cent as at 31 December 2021 compared to 97.9 per cent at 31 December 2020. The occupancy level was highest in Sandvika at 99.6 per cent and lowest in Stavanger with 94.1 per cent.

Tenants and tenant structure

Entra's tenant base comprises to a large extent of public sector and high-quality private tenants on long-term leases. At year-end 2021, public sector tenants accounted for 56 per cent of total contractual rent. As of 31 December 2021, the management properties had around 600 tenants and the 20 largest tenants' share of Entra's rental income represents 46 per cent.

The following table sets out Entra's 20 largest tenants as of 31 December 2021. Several of these tenants are present in multiple buildings with different lease contracts and lease durations.

Tenant	Proportion of total contractual rent	Public/private sector
Norwegian Tax Administration	4.7%	Public
Rebel U2	3.2%	Private
National Library of Norway	3.0%	Public
The Norwegian Public Roads Administration	2.9%	Public
Sopra Steria	2.9%	Private
Norwegian Labour and Welfare Administration	2.8%	Public
Oslo Municipality	2.5%	Public
University College of Oslo	2.5%	Public
The Norwegian Defence	2.4%	Public
The Norwegian police	2.1%	Public
Trondheim Municipality	1.7%	Public
Schjødt	1.7%	Private
Norconsult	1.7%	Private
Norwegian Court	1.6%	Public
Bærum Municipality	1.6%	Public
University College of Southeast Norway	1.5%	Public
Norwegian Post	1.4%	Public
Private tenant	1.3%	Private
Circle K	1.2%	Private
Bane NOR	1.2%	Public
The Norwegian Public Service Pension Fund	1.1%	Public
Norwegian Health Network	1.1%	Public
	46.0%	

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 value in project development. During 2021 and also into 2022, the share of assets in project development has increased to 10-15 per cent. The company has considerable expertise and experience in zoning, planning, building and redevelopment of office properties.

Projects completed in 2021

Grønland 32, Drammen
In Grønland 32, a central riverside location in Drammen outside Oslo, Entra refurbished 5,000 sqm in a 7,400 sqm office building. The project was 100 per cent pre-let and was completed in Q2 2021.

Universitetsgata 7-9, Oslo
In Tullinkvartalet in Oslo, Entra has built a new 21,900 sqm office property in Universitetsgata 7-9, finalised in Q3 2021. Occupancy at completion was 99 per cent, and Entra has set out high environmental ambitions for the project, aiming for a BREEAM-NOR Excellent classification.

Universitetsgata 2, Oslo

Next to Tullinkvartalet, Entra redeveloped the property Universitetsgata 2 with the Rebel concept. Rebel is a tech company hub managed 50/50 by Entra and an external partner. The 28,100 sqm building consists of office spaces, co-working areas, a conference center and restaurants. The project was finalised in Q3 2021 and occupancy in the office part was 96 per cent let at completion and more than 60 tech companies have moved into the building.

Hagegata 22-24, Oslo

At Tøyen in Oslo, Entra has refurbished 10,100 sqm in Hagegata 22-24. The refurbished office space makes up almost half of the building area, and occupancy in the project space remained at about 85 per cent during the construction period. The project was 100 per cent pre-let and was completed in Q4 2021.

Portfolio of ongoing projects

As of 31 December 2021, Entra had seven ongoing development projects exceeding 50 million, with total project area of around 115,200 sqm. These projects are presented below. A full list of the project properties can be found at the back of this report.

	Ownership	Location	Expected completion	Project area	Occupancy	Estimated total project cost [1]	Of which accrued [1]	Yield-on-cost [2]
	%			sqm	%	NOKm	NOKm	%
Redevelopment								
St. Olavs plass 5	100	Oslo	Q3-22	16 500	95	1 148	939	4.9
Tordenskiolds gate 12	100	Oslo	Q3-22	13 000	92	1 182	876	4.6
Stenersgata 1	100	Oslo	Q2-23	15 800	57	1 166	765	4.5
Schweigaards gate 15	100	Oslo	Q2-23 / Q1-24	22 900	34	1 362	738	4.7
Møllendalsveien 6-8	100	Bergen	Q4-21 / Q4-22	14 200	95	673	497	5.0
Newbuild								
Nygårdsgaten 91-93	100	Bergen	Q4-22	11 900	58	619	385	5.5
Holtermanns veg 1-13 phase 2	100	Trondheim	Q2-23	20 900	29	703	262	5.7
Total				**115 200**	**66 [3]**	**6 853**	**4 463**	

[1] Total project cost (including book value at date of investment decision/cost of land), excluding capitalized 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

St Olavs plass 5, Oslo
At St. Olavs plass 5, Entra is redeveloping a 16,500 sqm office property located near Tullinkvartalet in Oslo. The project is scheduled for completion in Q3 2022 with occupancy currently at 95 per cent. The project is planned with a BREEAM-NOR Very Good classification.

Tordenskioldsgate 12, Oslo
In the middle of Oslo's central business district, Entra is redeveloping Tordenskiolds gate 12 for completion in Q3 2022. The property is 13,000 sqm and is 92 per cent pre-let.

Stenersgata 1, Oslo
Entra is redeveloping 15,800 sqm in Stenersgata 1. This is the first phase of a redevelopment project comprising the office spaces. The project was 57 per cent pre-let at year-end. Tenant optionality has conservatively been taken into consideration in the occupancy rate. The project is expected to be completed in Q2 2023 with a BREEAM-NOR Very Good classification.

Schweigaardsgate 15, Oslo
Schweigaards gate 15 is a 22,900 sqm office building located near Oslo central station. The redevelopment is estimated for completion in Q2 2023. The project was 34 per cent pre-let at year-end.

Møllendalsveien 6-8, Bergen
Entra is redeveloping the 14,200 sqm property in Møllendalsveien 6-8 in Bergen. The project was 95 per cent pre-let to two public tenants on 10-year contracts at year-end. The property is redeveloped in two phases, and the first phase was completed in Q4 2021. The second phase will be finalized in Q4 2022.

Nygårdsgaten 91-93, Bergen
Entra is building a new 11,900 sqm office building at Nygårdsgaten 91-93 in central Bergen. The project is planned for completion in Q4 2022, and the project was 58 per cent pre-let at year-end. The project aims for a BREEAM-NOR Excellent classification.

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. This second building was 29 per cent pre-let at year-end. Expected completion of this building is in Q2 2023. This project aims for a BREEAM-NOR Excellent classification.

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 2021, Entra had five development sites with a total area of around 110,000 sqm. A list of the properties with defined land and development potential can be found at the end of this report. In addition, Entra continuously works to develop and extend the area in its existing portfolio.

Transactions and transaction market

Transaction market

The Norwegian transaction market for commercial real estate reached record levels in 2021, both in terms of volume and number of transactions. Total transaction value was around 160 billion in 2021 compared with 113 billion in 2020. The transaction pipeline and activity going into 2022 is solid, and the transaction market going forward is expected to remain strong. Investor surveys show that a very high proportion of investors (80-90 per cent) report to be net buyers in the next 12 months.

New construction volume ended up well below the yearly average, at approximately 140,000 sqm seen over the period of 1998 to 2021. 2022 is expected to see even less new construction because of fluctuating commodity prices and many projects being postponed during the pandemic

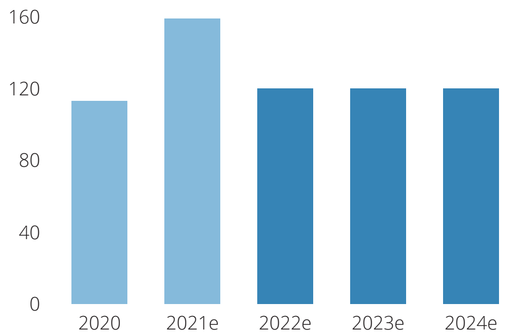
The year-on-year growth in the November CPI, used to adjust most of Entra's leases, came in at 5.1 per cent in 2021. The financing market continues to be well functioning, particularly for solid counterparties like Entra. Norway's Central Bank increased the policy rate to 0.5 per cent in December 2021 and has signalled further increases over the next 12 months. There is some concern among investors due to projected increase in interest rates. Yields are, however, not expected to increase significantly, even with the higher geopolitical uncertainty, as the real interest rate, as a function of the expected interest rate and inflation estimates, is expected to be negative for many years to come.

Transactions

Entra actively seeks to improve the quality of its property portfolio and focuses on acquisitions of selected properties and urban development projects in specific areas within its four core markets: Oslo and the surrounding region, Bergen, Trondheim and Stavanger. 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 a price range that fits its customer base. Entra's experience, financial strength and knowledge of its tenants makes the company well positioned to make acquisitions that meets these criteria. The acquisition and divestment 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, January 2022

Transactions in 2020 and 2021

	Area	Transaction quarter	No of sqm.	Transaction value (NOKm)	Closing date
Purchased properties					
Oslo Areal portfolio	Oslo	Q4 2021	222 500	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 company 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
Østensjøveien 29	Oslo	Q4 2020	2 000	44	Q4 2020
Hagegata 27 (parking)	Oslo	Q3 2020	-	36	Q3 2020
Total			**320 890**	**17 696**	

	Area	Transaction quarter	No of sqm.	Transaction value	Closing date
Sold properties					
Nytorget 1 (sold to 50% owned company Hinna Park Eiendom)	Stavanger	Q2 2021	5 150	92	Q2 2021
Tollbodallmenningen 2A	Bergen	Q1 2021	1 800	40	Q1 2021
Total			**9 200**	**523**	

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 its shareholding in subsidiaries and jointly controlled entities. Entra's ownership interests as of year-end 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.

Hinna Park Eiendom (50%)
Entra and Camar Eiendom own Hinna Park Eiendom. The company owns five office properties totalling 67,000 sqm and development potential for two new office properties of 48,000 sqm. The company is consolidated in the Group's financial statements as Entra has a controlling vote on the Board of Directors. In January 2022, Entra and Camar Eiendom sold Hinna Park Eiendom to SVG Property.

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

Oslo S Utvikling "OSU" (50%)
OSU is a property development company that is undertaking primarily residential development on the seafront in Bjørvika, Oslo's CBD East. In the financial accounts, OSU is classified as an associated company. In 2021, Entra increased its ownership stake in the company from 33.3 to 50.0 per cent.

Rebel U2 (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.

Financing

The Group´s financing is diversified between bank and capital market instruments. The interest-bearing debt of 26,903 million as of year-end has a diversified maturity structure, with an average time to maturity of 6.1 years (5.4 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 as it is among the largest issuers in Norwegian kroner.

During the year, Entra's interest-bearing nominal debt increased by 5,757 million to 26,903 million (21,146 million). The increase in interest-bearing debt was mainly due to project investments. The change in interest-bearing debt comprised an increase in bond and commercial financing of 5,829 million and 200 million, respectively, and a decrease in bank financing of 272 million.

The capital markets funding as of 31 December 2021 consisted of bonds and commercial paper outstanding of 19,886 million (14,057 million) and 1,400 million (1,200 million), respectively, which accounted for 79 per cent of total interest-bearing debt.

Bank funding of 5,617 million (5,889 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 enables active liquidity management by adjusting the facilities according to any ongoing cash needs or surplus. The Group's liquid assets amounted to 309 million (217 million) as of 31 December 2021. Net nominal interest-bearing debt after deduction of liquid assets was 26,594 million (20,930 million). In addition, the Group had committed, unutilised credit facilities totalling 8,830 million (7,290 million).

Entra is obtaining increasing access to "green financing" from debt investors, banks and other financial institutions, and 69 per cent of Entra's funding was "green" on 31 December 2021. Entra is well positioned to utilise this conditional and favourable capital source as the development and management portfolio consist of many highly environment friendly and BREEAM certified properties. Entra is established as a high-quality Green Bond issuer and has to date issued 13 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. Entra was awarded 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)	1 400	-	-	-	-	1 400	5
Bonds (NOKm)	2 345	1 579	924	1 600	13 438	19 886	74
Bank loans (NOKm)	-	1 020	272	1 420	2 905	5 617	21
Total (NOKm)	**3 745**	**2 599**	**1 196**	**3 020**	**16 343**	**26 903**	**100**
Unutilised credit facilities (NOKm)	**-**	**-**	**1 500**	**3 080**	**4 250**	**8 830**	
Unutilised credit facilities (%)	-	-	17	35	48	100	

Interest rates and maturity structure

The Group's average interest cost as of 31 December 2021 was 2.25 per cent (2.38 per cent), and 47 per cent (50 per cent) of the Group’s total interest-bearing debt was subject to fixed interest rates. The change in average interest rate stems mainly from repurchase of outstanding bonds with high coupon rates. At the same time, the average remaining term to maturity of the Group’s interest rate hedging instruments was 3.1 years (2.4 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 [1]		Forward starting swaps [2]			Maturity credit margins	
	Amount (NOKm)	Interest rate (%)	Amount (NOKm)	Interest rate (%)	Tenor (years)	Amount (NOKm)	Credit margin (%)
<1 year	1 332	1.83				5 992	0.99
1-2 years	745	2.81	3000	1.73	7	1 579	1.06
2-3 years	1 300	2.55				924	0.80
3-4 years	2 700	1.94				2 470	0.75
4-5 years	3 839	1.84				4 029	0.77
5-6 years	1 050	2.10				2 094	0.86
6-7 years	1 000	0.92				2 000	0.84
7-8 years	1 400	1.50				3 400	0.76
8-9 years	400	5.63				3 915	0.74
9-10 years	100	1.75				500	0.85
>10 years	-	-				-	-
Total	**13 866**	**1.99**	**3 000**	**1.73**	**7**	**26 903**	

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

[2] 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 Stable 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 four 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 moderate loan-to-value ratio, strong interest coverage ratio, 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 as at 31 December 2021 was 38.4 per cent, up from 36.4 per cent at year-end 2020. The increase in loan-to-value ratio is mainly due to property investments during 2021, however somewhat counteracted by increased property valuations. The interest coverage ratio increased slightly to 3.5 in 2021 from 3.4 in 2020.

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	31.12.2021	Financial policy
Financial leverage		
Loan-to-value (LTV)	38.4%	Below 50 per cent over time
Financing risk		
Financing commitments next 12m	236%	Min. 100%
Average time to maturity (debt)	6.1	Min. 3 years
Debt maturities <12 months	14%	Max. 30%
Interest rate risk		
Interest coverage ratio (ICR)	3.5	Min. 1.8x
Average time to maturity (hedges)	3.1	2-6 years
Maturity of hedges <12 months	53%	Max 60%
Credit risk / currency exposure		
Counterpart's credit rating	Fulfilled	Min. A-/A3
Share of debt per counterparty	Fulfilled	Max. 40%
Currency exposure	Fulfilled	-

Risk management

Through owning, developing and managing properties, Entra is exposed to various risks that may affect the Group's ability to achieve the 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 limitation 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 and manage the risk	Changes in risk assessment during 2021
Access to and price of financing Responsible: - CFO	A reduction in access to finance 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. Entra established, and has kept, an official global, and a strong investment grade, credit rating Baa1 with stable Outlook from Moody's in 2018. The rating contributes to a significant increase in credit availability and has enabled Entra to further extend its debt maturity profile. We have committed, unutilized revolving credit facilities in order to secure financing of debt maturities due in the next 12 months as well as interesting investment opportunities. We limit interest rate risk through interest rate hedges and by issuing fixed rates 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 open and attractively priced during the year. Market interest rates are still on historically low levels and are expected to remain at relatively low levels for an extended period of time. The acquisition of Oslo Areal in 2022 has brought the LTV up to approximately 47 per cent. However, this is fully manageable in light of Entra's high quality assets with limited residual risk combined with a very strong tenant mix on long WAULTs. 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 and manage the risk	Changes in risk assessment during 2021
Health, Safety & Environment Responsible: - EVP Project development	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. Entra's HSE policy states that "it shall be safe to work, visit and move in and around Entra's properties and construction sites".	Entra's employees receive HSE training according to 'the Entra school', which covers statutory and Entra 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 systematic 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 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 used to identify and mitigate areas of risk. - Continuous efforts are made to ensure a strong HSE focus with Entra's contract partners. - Audits are performed on selected construction projects, suppliers and topics. - During the Covid-19 pandemic we have taken proactive measures to comply with new and changing regulations and best practice to fulfill Entra's HSE policy Entra continuously focuses on enhancing the safety culture in the organization Entra's HSE Manager represents property developers in the managing committee for an industry-wide HSE system.	Covid-19 has affected all Entra's business areas in different ways through 2021. Appropriate infection control measures according to legislation and recommendations from the government and local public administrations have been implemented; both in connection with the operation of buildings, in building construction projects and for Entra's own employees. The ordinary HSE work has progressed as normal throughout the year. There is clear 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 2021 following the start of several new development projects. The increased project load also means that Entra has employed contractors without a proven history working with Entra's HSE policies which increases the HSE risk in the project portfolio. 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 and manage the risk	Changes in risk assessment during 2021
Development in value of property Responsible: - CFO	The property portfolio of Entra is valued quarterly by two external appraisers. A substantial negative development in the property value will affect both the profit and loss account through unrealized changes in value and through an increase in key figures like the loan to value ratio (LTV). A too high LTV could potentially have negative effects on Entra's cost of capital, access to capital and shareholders' interest and attention. Entra have signed several contracts with solid tenants with long contract maturity in a major part of our project portfolio during 2021. The contract terms have been above or in line with the market expectations, which have led to a substantial value increase of these properties. Regulatory changes as well as large fluctuations in energy costs could potentially effect the valuation of assets.	We follow up the risk quarterly through active dialogue with the external appraisers and continuously monitor the market. 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 ratio, 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 re-build. 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 2021, market rents has been stable, but continued low return requirements especially for properties with long maturity and solid tenants in the fringe areas of large cities has been a substantial contributor to the positive value changes in the property portfolio. The risk of an increase in the interest rate levels could make investors seek other type of assets, which could affect the return requirements and further the value of the properties. Increased focus on holistic sustainability requirements and cradle to grave perspectives with potential implications on construction costs.

Risk factors	Description/definition	How we monitor and manage the risk	Changes in risk assessment during 2021
Occupancy ratio Responsible: - EVP Market and commercial real estate development	The occupancy ratio in the management portfolio affects Entra's bottom line through growth in rental income and lower operating costs. The occupancy ratio in the management portfolio 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 our buildings are regarding 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 we make investment decision. Fluctuating energy cost may increase tenant focus on total cost of letting and may have adversely effect on rent levels and on tenant appetite for less energy efficient buildings.	The occupancy ratio in the management portfolio and in the development project portfolio are important key figures in all external and internal reporting. Vacancies and market opportunities are monitored regularly, and reported quarterly through a detailed overview of all forthcoming lease expiries in the next four years. Vacancies and market opportunities are monitored regularly and reported on quarterly Expiring lease contracts in the next four years, and the probability of renegotiation, are evaluated continuously. The largest customer accounts are followed up with separate "key account strategies". For all the major leases that expires 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 different ways of organizing the 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 optimized design and solution for the relevant building to attract new tenants. The pre-let occupancy ratio in projects is reported and followed up continuously and reported on externally every quarter. In the planning of future development projects, a separate early phase strategy is prepared in order to secure a flexible building and an attractive product independent of long-term workspace trends. Here, we combine markets and customer knowledge with building and operational expertise. In relation to Covid-19 implications we are in regular contact with potential and existing tenants for direct customer insight, sharing relevant research, experience, analyses to better understand future needs and to reduce uncertainty. Continuously monitor energy efficiency and work to reduce energy consumption. Screen and prioritize which buildings should have mitigating improvements.	Through the Covid-19 pandemic, both existing and potential tenants are reevaluating previous office solutions, letting and decision processes are thus taking more time. The occupancy rate in the management portfolio during 2021, has been consistently high and in line with, or better, than historical averages for Entra. Entra started several new projects through 2021 reducing the pre-let occupancy rate in the overall project portfolio. The letting activity is high on all ongoing projects, market fundamentals are favorable and there still is a long time to completion on projects where the pre-let occupancy is in the lower range. Major leases expiring in the coming years could affect the occupancy ratio negatively. The increased focus from potential tenants on new work place strategies and how to organize the office space can potentially impact the occupancy ratio negatively on forthcoming renegotiations. Due to increased rent levels in Central Oslo, tenants in the public sector are increasingly searching for alternative locations outside city centres.

Risk factors	Description/definition	How we monitor and manage the risk	Changes in risk assessment during 2021
Customer satisfaction Responsible: - COO	Customer satisfaction affects Entra in different ways. A high score on customer satisfaction over time reduces the risk that tenants will move out of our buildings. A high level of customer satisfaction is an important competitive advantage in any negotiating situation and in attracting new tenants, allowing us to focus on other value drivers than price. Customer satisfaction can also be affected by other factors, such as negative comments about Entra in the media, or other situations that affect the reputation of the company negatively. Negative customer feedback on environmental strategy. Tenants located in less energy efficient properties may expect Entra to upgrade more and faster than planned. Damage to third party equipment and installations from physical climate related incidents.	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 large part of the real estate sector and enables us to benchmark ourselves with our competitors. The survey is a good tool to identify areas for improvement and areas where we perform better than our competitors. Based on results from the customer satisfaction survey we make an action plan on how to further improve customer satisfaction. We carry out regular "customer journeys" together with our large customers to evaluate our customer offering and identify areas of improvement. Large customers are followed up through "key account strategies", a plan for how we systematically should interact and work together with customer and strengthen the relationship We aim to continuously develop our product and service offering to meet customer expectations Mapping of physical risk and consequences on all properties to assess the risk and gain the ability to prioritize and implement adequate mitigating measures.	In recent years, Entra's customer satisfaction has increased considerably. At the end of 2021, it was at a record high level of 87 points. A customer satisfaction score of 80 or higher is considered to be satisfactory across all industries. Entra has been above this level for seven consecutive years, which supports the view that our systematic work on customer satisfaction is well established in the company's culture. On the other hand, 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 expect this development to continue in the years to come and believe that product- and service offering will be of even greater importance. 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. Steadily increased focus on ESG reporting, energy efficiency and costs.

Risk factors	Description/definition	How we monitor and manage the risk	Changes in risk assessment during 2021
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 figures; mainly yield-on-cost and economic 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 levels, taxes and duties, etc. 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 normally 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, reduces the risk of cost and time overruns. Covid-19 risks has been mitigated through use of local suppliers and materials reducing dependence on global sourcing and transportation, as well as working with companies that have a good track record of handling the pandemic. Use of internal project managers to secure proper ownership, strong project management and key risk focus throughout the entire project. Financial parameters, quality and progress are closely monitored and reported on regular basis for all ongoing projects. On all turn-key projects, we establish regular meetings with the main-contractor to proactive identify and mitigate risk Marketing strategies and letting-plans are established for known vacancies before project start and continuously updated during the project development phase ESG budget and performance included in project calculation processes. Assessing climate performance from new technology.	Entra's project management process enables us to mitigate risks and keep the project profitability intact, also taking into account the following changes in risk assessment through 2021: - Uncertainty related to the Covid-19 pandemic has decreased substantially, partly due to the response of the Norwegian health authorities, and partly due to Entra and industry specific actions mitigating supply-chain disruptions and worker absences. - We currently have several ongoing redevelopment projects which have been started with a lower pre-let ratio. Letting has progressed well in spite of covid restrictions throughout the year, and occupancy has increased through 2021. The risk of cost increases affecting project profitability is higher in projects with a low pre-let ratio seeing that we to some extent need to comply with new tenant requirement upon signing. This risk is partly mitigated through the contract strategies for these projects. - Changes in tenant demand may change from the traditional office space rent model with long leases to more flexible lease contracts 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. - With a larger number of ongoing projects Entra has expanded the number of suppliers to include contractors without a proven history of working with Entra thereby increasing supplier risk. - During 2021 there has been a significant increase in construction costs.

Risk factors	Description/definition	How we monitor and manage the risk	Changes in risk assessment during 2021
Build and retain critical competence Responsible: - EVP HR and organization	The risk that Entra does not maintain the expected personnel quality and capacity on critical deliveries within the company's core business. The lack of a solid and convincing ESG strategy may discourage new employees/possibility to attract new employees. On the other hand, companies with focus on ESG increasingly attract talent.	The development and management of competence is an integral part of the business strategy. We have initiated measures on recruitment to attract and retain 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 professional networks and participate on external courses. We conduct an annual employee survey to measure the engagement and satisfaction of employees and make action plans where required. We benchmark and assess compensation and benefits to ensure that we are competitive. Through the Covid-19 pandemic, we have systematically taken proactive measures to ensure the collective and individual experience of safety and support employees to facilitate productivity, motivation and professional development. Well established communication of ESG strategy, continue to gain insight and implement ESG related matters	In general very high employment growth rate and low unemployment following the rebound of the economy post covid-19. There is still a high level of activity in the real estate sector and a strong competition for talent and attractive candidates. Within certain areas of expertise, such as ICT/digitalisation, building and environmental technology and technical management, we are experiencing strong competition in the labour market for leading edge competence. Compared to a all time low turnover in 2020, we experience a significant increase in turnover rate in 2021. Uncertainty in respect of the future ownership structure for Entra has negatively affected the job satisfaction within certain areas of the company. Entra still experience a competitive advantage in the recruitment of new employees due to a strong ESG employer brand, however a sustainable workplace is more becoming a hygiene factor in the competition for talent acquisition.

Risk factors	Description/definition	How we monitor and manage the risk	Changes in risk assessment during 2021
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 underlying macro and risk sentiment. We thoroughly scrutinize and verify assumptions in the investment model by different external and internal professionals. Financial models are always reviewed by at least two people. All investments exceeding NOK 100 million must be approved by the Board of directors.	The economic cycle appears to be in a recovery phase after the severe adverse impact from the Covid-19 pandemic outbreak. There is greater competition for sites/development projects. There is still significant activity in the transaction market, and the buyer interest stemming from both domestic and foreign investors is very strong

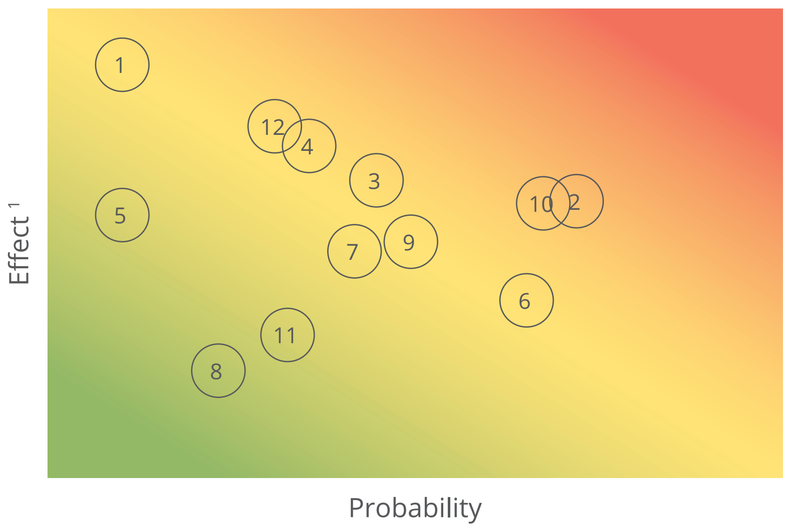
Risk factors	Description/definition	How we monitor and manage the risk	Changes in risk assessment during 2021
Compliance Responsible: - Chief Compliance Officer	Compliance is a compilation of Entra's specific assessment of risk factors within the compliance area. Entra's key risk factors within compliance 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 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/ follow-up of internal routines - E-training program - Focus on GDPR Insider rules	The overall compliance risk is perceived to be unchanged during 2021. GDPR has lead to a potentially higher impact on risk through fines on companies that are not compliant with the regulations. Management has, however, worked diligently during 2018-2021 to ensure that the company is compliant regarding GDPR.

Risk factors	Description/definition	How we monitor and manage the risk	Changes in risk assessment during 2021
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 values 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-class companies. We regularly carry out analyses of critical systems related to operation of our buildings and the company, some major systems are connected to the external ICT security company's platform and fire wall. We use a third party to carry out audits and testing of actual security on systems and users. We continuously close identified security gaps. We are implementing an information security management system (ISMS). As part of this, we are defining a yearly security activity plan, and the role CISO (chief information security officer) and ISM (Information security manager) has been is established A strategy and action plan for the next three years has been updated and the plan is being executed upon. Entra has acquired a cyber security insurance with a global insurance company in order to have the ability to use all recourse necessary if a serious incident occurs and to reduce financial risk.	We have seen an increased cyber crime activity in recent years. National Cyber Security Center (NCSC) reports an increase in specifically ransomware towards Norwegian companies. A new an more frequent threat is that is that company data is threatened to be auctioned off unless ransom is payed. Increased and more sophisticated use of phishing and CEO fraud has become a more frequent threat and is also noticeable in Entra; this requires more competent end users. Increased use of home office has escalated the challenge to protect Entra users and Entra information. Entra's buildings are becoming more technologically sophisticated, and new technology also constitutes a possible increased security risk.

Risk factors	Description/definition	How we monitor and manage the risk	Changes in risk assessment during 2021
Physical climate risk Responsible: - CFO	We consider short-, medium- and long-term time horizons to be 0-3, 3-10 and 10+ years respectively. Herein, we recognize 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 good 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 prioritize and implement adequate mitigating measures. We observe that green buildings get higher valuations, slightly higher letting price per sqm (believed to 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. Entra has a separate digital and technology department seeking to harmonize initiatives and drive the development. We actively work to reduce the CO_2 footprint, waste disposal, and energy 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 façade 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 portfolio. Entra will, when setting the new targets for its environmental strategy, to a large extent base this on the 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 2021.

Risk factors	Description/definition	How we monitor and manage the risk	Changes in risk assessment during 2021
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 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. 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, etc, 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 with excellent commute opportunities. 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 approximately 56 per cent public tenants. Increased co-operation with prospective and existing tenant through Entra's new in-house tenant advisory team.	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. Covid-19 greatly increased the use of work-from-home, and a shift to hybrid work seems abundantly clear for office and knowledge workers. We belive, though, that negative effects are not significant and thus fully manageable. In a number of recent negotiations in the Norwegian market during the last 18 months the new volumes required in most cases have equaled the volumes prior to renegotiations. This applies to both Entra-specific negotiations and the Norwergian office market in general and also substantiated in various international studies and meta studies. Thus, whilst work-from-home could be a negative contributor to the overall office demand, 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 develop competence and retain critical competence and installing and maintaining the company's culture amongst the company's employees. This is particularly important with regards to the new hires - The costs of renting offices 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 Covid-19, and 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 face-to-face 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 pricing of financing
2: Safety
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

ESG

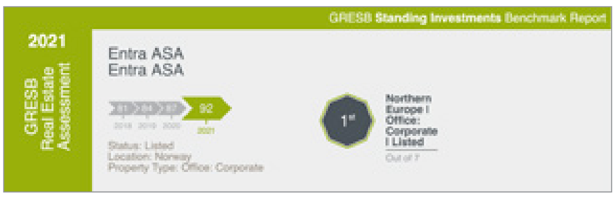
It is of key strategic importance to Entra to operate our business in a sustainable manner and it is a prerequisite for the company's long-term results and value creation. Entra has a systematic approach towards understanding and managing the company's impact on society, as well as stakeholder requirements and expectations. This report highlights our 2021 activities in greater detail and outlines what we have planned for 2022.

Reporting standards and responses

To enable our stakeholders to compare and evaluate our reporting, we compile and align the ESG reporting for 2021 with three reporting frameworks: the European Public Real Estate Association Sustainability Best Practices Recommendations on Sustainability Reporting (EPRA BPR), the Global Reporting Initiative Standards (GRI) and the Task Force on Climate-related Financial Disclosures (TCFD).

The EPRA BPR 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. This report has been developed in accordance with the GRI Core option. 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 this report.

We achieved the EPRA Sustainability Gold Level also in 2021 and the Global Real Estate Sustainability Benchmark (GRESB) Green Star status with a total score of 92, up from 87 in 2020.



Entra believes that 100 per cent of its income and investments will be eligible for EU Taxonomy alignment. While actual requirements for alignment is still to be finalised, Entra has put significant efforts into understanding the new regulations, and will start reporting according to this framework during 2022.

In this report we have also set out a review of our Environmental, Social and Governance (ESG) strategy relative to the UN Sustainable Development Goals (SDG) against

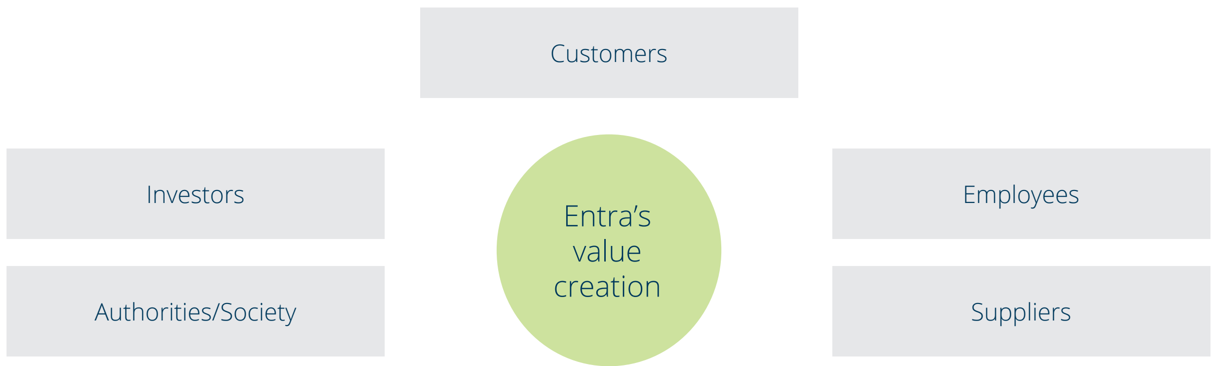
Third party verification

Entra has engaged Deloitte to conduct a review and provide a limited level of assurance on Entra's ESG reporting. The review and assurance are 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 at the back of this Annual report.

Management approach

ESG is fundamental to Entra's strategy and has been so for more than a decade. The Board of Directors determine the ESG strategy and review performance. This includes responding to climate related opportunities such as investment in renewables, improvements in energy efficiency and investment in low-carbon solutions. The Board also review and determine how to respond to different climate-related risks including policy, regulatory and legal risks, as well as the physical risks to our assets.

Entra's main stakeholders



In addition to the quarterly reviews, Entra's business units also present in-depth business reviews to the Board of Directors at least on an annual basis. These reviews also include ESG targets and KPIs. Targets are aggregated into company KPIs which are followed up on a regular basis.

The CEO is responsible for following up the implementation of the ESG strategy in Entra. Entra's risk management framework is structured to enable effective identification, evaluation and management of climate-related risk. 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. Implementation is mostly handled by the individual business units and is reported to the CEO/CFO through quarterly business reviews and in corporate management meetings.

Entra also has an ESG Committee with a separate responsibility to evaluate, follow-up and implement the ESG strategy as well as new initiatives. This Committee reports to corporate management on a regular basis.

Stakeholder dialogue

It is important for Entra to maintain an open and honest dialogue with its main stakeholders. Such dialogue provides valuable feedback and enables Entra to continue to improve, to build trust and to enhance its reputation.

A process towards selecting the annual report's content and confirming its validity is undertaken on an annual basis. Entra engages with various groups and individuals to understand specific opportunities and concerns about our business and its impact. Such engagement is, amongst others, based on dialogue, meetings and feedback from business partners, investors, customers, authorities and employees. Other sources of information include an assessment of media and industry reports. In 2021, the materiality analysis and focus areas have been revisited and the validity confirmed by Entra's Board and management.

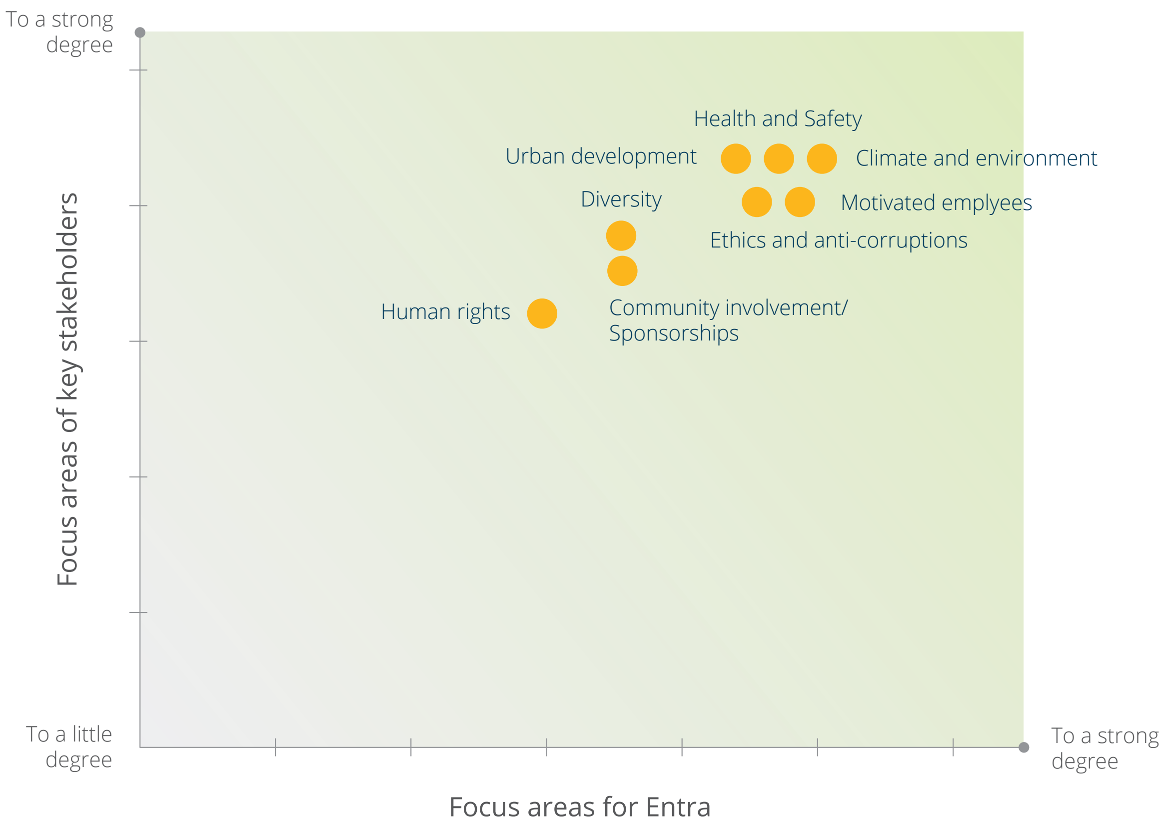
Entra's stakeholders are particularly concerned about how we handle environmental matters, governance, ethics and anti-corruption measures, our corporate culture and employee satisfaction and our role as a major owner and urban developer of properties in the largest cities in Norway.

Materiality analysis and focus areas:

Entra believes that a systematic approach towards understanding and managing the company's external factors is a prerequisite for future value creation. The main steps in selecting the focus areas involve identifying and understanding topics that are important to our business strategy and to our stakeholders.

The focus areas and priorities are based on a broader materiality analysis of areas where Entra and its stakeholders believe the company can make an important and sustainable impact. The topics are important for future progress and long-term value creation. The outcome of the analysis is in all material aspects similar to previous years and is illustrated on the next page.

Materiality analysis



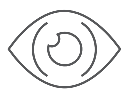
Focus areas

Based on the materiality analysis the following five areas continue to be seen as core to Entra.
The work within each field is further described in this report.

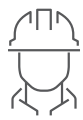
Climate and the environment

Urban development

Motivated employees



Ethics and anti-corruption measures



Health and safety

Supporting the UN Sustainable Development Goals

As a major participant in the Norwegian commercial real estate market, we believe that we have an important role to play in supporting Norway's response to the 17 Sustainable Development Goals (SDGs). To do this, we have reviewed our sustainability strategy and program against the SDGs to highlight where we align.

We see the following goals as particularly significant to our business and how we operate: SDG 9 Industry, Innovation and Infrastructure, SDG 11 Sustainable cities and communities, SDG 12 Responsible consumption and production, and SDG 13 Climate action.

Goal 9: Industry, innovation and infrastructure

Entra focuses on innovation and actively seeks innovative environmental solutions for its properties and building projects. Entra focuses primarily on low energy consumption and renewable energy in the existing asset portfolio and in all of its projects, with an overall ambition that new and totally renovated buildings will have an energy consumption of less than 40 kWh per sqm (close to zero energy buildings). Entra also seeks solutions for increased production, storage and exchange of renewable energy.

Goal 11: Sustainable cities and communities

Entra seeks to contribute to cities and communities that are sustainable, attractive, inclusive and accessible for residents and others that work or visit the area. We take an active role in developing the areas and public spaces around our buildings, and we ensure they are accessible to those with disabilities. We seek to use environment friendly materials and solutions when developing and operating our buildings. We seek solutions for re-use and upcycling of furniture and materials to reduce carbon emissions, and we focus on making and maintaining our buildings climate resilient.

Goal 12: Responsible consumption and production

Entra sets performance requirements in its development projects which focus on the efficient use of natural resources, lifecycle efficiency and high levels of waste reduction and recycling. This is reflected in our management of our buildings where we set targets for waste sorting and place focus on re-use of materials in our projects.

Goal 13: Climate action

We have set science-based targets which are set towards not exceeding a 1.5 degrees Celsius rise in global temperature, in line with the Paris agreement. This means we are committed to reducing our carbon emissions and making sure our portfolio is climate-resilient. For a more comprehensive description of our work on taking climate action, please see the section below.

Environment

Environmental leadership is one of Entra's three strategic pillars, and Entra has over many years 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. Entra's environmental leadership has become well-known among its stakeholders, and the environmental commitment contributes to its ability to attract the best and most competent resources.

Environment strategy

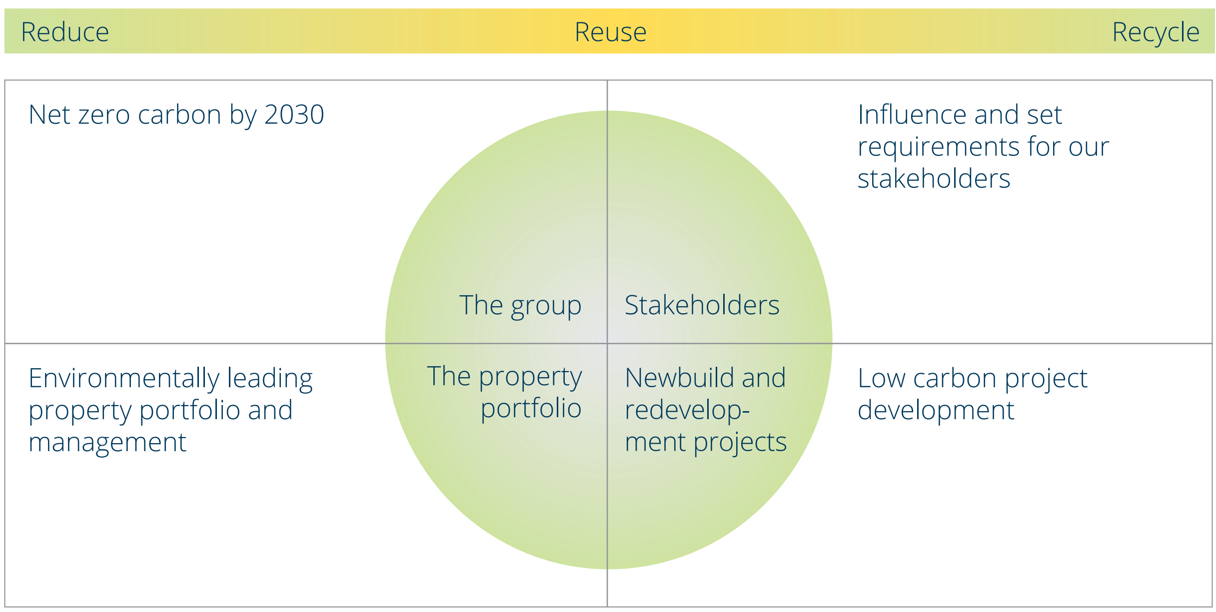
Entra is deeply committed to contribute to the transition towards a low carbon society and the overarching target is to become a Net Zero Carbon company within 2030, according to the definitions and targets set out by World Green Building Council.

Entra's environment strategy has a 360° approach and includes strategies and targets for 1) own organisation, 2) the property portfolio and property management, 3) the development projects, and 4) stakeholders, including suppliers and customers, amongst others.

At the core of the strategy lies Entra's continuous efforts to reduce energy consumption along with initiatives to produce green energy in order to reduce emissions from the buildings in its operational phase.

For new-build projects, Entra's long-term goal is to have CO_2 emissions that are 50 per cent below the industry average, in accordance with the criteria's set in Futurebuilt Zero [1]. For redevelopment projects, stronger focus is put on retaining and upgrading existing buildings rather than demolishing and building new. A greater focus on reuse of materials in accordance with Entra's strategy for circular economy has been developed. CO_2 accounting is applied for all new-build and redevelopment projects to better evaluate the projects impact and use of low emission materials. The results achieved regarding CO_2 emissions of some of Entra's reference buildings and pioneer projects in terms of environmental leadership are used as benchmarks for the ongoing and planned project portfolio.

Our environment strategy



[1] https://www.futurebuilt.no/Nyheter#!/Nyheter/FutureBuilt-ZERO-veien-mot-nullutslipp.

The Group

Entra's overarching target is to become a Net Zero Carbon company within 2030. This is an ambitious target that needs focused work on reducing both direct and indirect emissions throughout the value chain. The most important measures will be taken within property management and property development where knowledge and expertise about existing and new solutions will be crucial. All employees in Entra are obliged to contribute, to influence and to continuously search for solutions to solve the problem.

Focus areas own organisation

Entra has a corporate culture where environmental awareness is strongly embedded at all levels in the organization. This is something that Entra continuously seek to develop further and use as a lever in implementing an even broader environmental focus. Entra strives for a culture in which every one of the company's employees seeks to influence suppliers, customers, and partners to make wise environmental choices. 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 building to increase both employees' and Entra's overall expertise within the field. Entra works actively to increase environmental engagement and responsibility among its employees, customers, and suppliers. Entra still has much to gain from reinforcing its focus on a circular economy, reduced consumption, reuse and recycling of building materials, and waste handling.

Entra has an ambition to act as a role model in relation to lessees' environmental focus. As a consequence, Entra's head office in Oslo is certified in accordance with the environment requirements set out in "Miljøfyrtårn" (Environment Lighthouse).

Miljøfyrtårn®

Entra's ambition is that the operation of its buildings is climate neutral. Today, energy consumption amounts to approximately 77 per cent of Entra's CO_2 emissions from Scope 1 and 2 and is thus the most important source impacting our operational carbon footprint. Reducing energy consumption in the managed assets is therefore an important part of the path towards net zero carbon by 2030. From 2020 to 2021, Entra reduced its greenhouse gas intensity from 4.45 kg CO_2e/sqm to 4.00 kg CO_2e/sqm.

As part of the net zero carbon strategy Entra has set a target to reduce its Scope 1 and 2 CO_2 footprint by at least 70 per cent from 2015-2030, based on the science-based target methodology and principles. This will be achieved through reduced energy consumption, increased production of green energy, phasing out harmful cooling media, reducing the quantity of waste, and focusing on green transport. The rapid developments taking place within prop-tech, solar energy and battery technology contribute to our optimism in this regard.

In order to compensate for emissions from electricity used in our buildings and make Entra's business close to climate neutral

TARGETS AND FOCUS AREAS IN OWN ORGANIZATION

Focus areas	Targets and measures
Environmental awareness is part of our corporate culture	• Continuous work to improve expertise and increase environmental awareness and responsibility among the employees • Encourage employees to choose environmentally friendly transport
Climate neutral operations and property management	• Net zero carbon by 2030 • Work actively to reduce the CO_2 footprint, target to reduce this by at least 70 per cent from 2015-2030 • Gradually replace bought energy with self-produced renewable energy • Deliver only green energy on Entra's buildings through guarantees of origin for all electricity use • Phase out all cooling media that are not climate-friendly • Focus on innovation, potential for lower return requirements for environmental investments
Environmental leadership is an important part of our social responsibility and reputation	• Attract the most compet ent and innovative people and partners • Make our environmental commitment known to our counterparties • Influence our suppliers to deliver low carbon materials, products and solutions • Continue to issue green bonds and secure green bank financing where applicable
Environmental certification and reporting targets	• Organisation and head office certified in accordance with "Miljøfyrtårn" (Environment Lighthouse) process • Retain GRESB Five star rating" • Retain EPRA Gold rating • Retain CICERO rating "Dark shade of Green" • Ownership and follow-up of environmental targets in t the management portfolio and project development

already today, Entra buys guarantees of origin ("green power") corresponding to the electricity consumption of its buildings. Entra will also gradually produce more and more renewable energy through new development projects, on refurbishment projects and with solar panels on the roof of existing buildings.

Entra has also carried out several green measures in its buildings, amongst others through green benefit agreements together with the tenants as further described below. This has been an important contributor to succeeding in reducing energy consumption. This type of investment usually has a long payback period, and Entra has adopted a slightly lower return requirement in relation to environment investments and innovation that protects the environment.

Our Stakeholders

Entra works actively with influencing and setting requirements for its suppliers, customers, and other stakeholders in order to contribute to the "green transition". Specifically, this means that Entra puts environmental matters on the agenda in meetings with its counterparties and seeks to work with companies with a credible environmental profile. Entra sets environmental requirements on its suppliers and partners through conditions on purchasing and social responsibility. 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 fossil-free construction sites.

Entra works to increase awareness of the environment among users of its buildings. Not only its customers, the tenants of the buildings, but also their employees and visitors are included in this definition. Entra seeks to implement environmental measures that are visible and inspiring for the people that work in our buildings such as working with the lunch restaurants to reduce food waste and removing plastic packaging. Entra also works to enable the implementation of environmental measures, both by tenants individually and in cooperation with Entra. An example is waste sorting where Entra has developed waste sorting stations and supporting material/information brochures. This initiative also underpins Entra's ambition to achieve at least 70 per cent waste sorting on its properties.

Green Benefit Agreements

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 and then implement and provide financing. Customers refund the cost through an increased rent for a set period on the basis that the customer's share of energy cost 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 while Entra owns a more valuable property. Since 2011, Entra has signed more than 100 Green Benefit Agreements with its tenants.

In addition, Entra will continue to focus on reduction, reusing and recycling when making tenant alterations and furnishing premises and common areas, and will seek to influence customers and suppliers to make the right environmental choices.

Entra has been successful in making its environmental commitment known to its stakeholders, and has shared, and will continue to share, its expertise and experience with other industry participants.

Membership of associations

Entra participates actively in various technical bodies, industry cooperation and industry organisations such as Powerhouse collaboration, Næring for Klima, Norwegian Green Building Council, Norsk Eiendom and Norges Bygg og Eiendomsforening (NBEF). Entra has signed up for Oslo European Green Capital Industry Challenges and has participated in several R&D projects such as "Svalvent" together with Sintef.

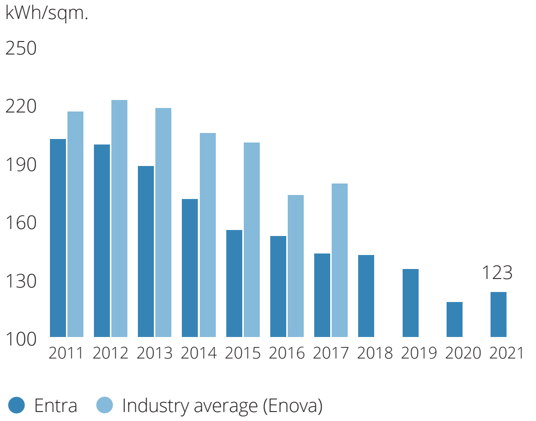
TARGETS AND FOCUS AREAS IN WORK WITH STAKEHOLDERS:

Focus areas	Targets and measures
Set environmental requirements for our suppliers	• Environmental requirements in Entra's procurement conditions • Requirements for reduced waste quantities, reuse and recycling • Prohibition of use of materials hazardous to health and environment • Put environmental matters on the agenda in meetings and contracts with suppliers
Increased environmental awareness among customer and end users of Entra's buildings	• Carry out environmental measures that are visible and inspiring for people that work in and visit our buildings • Facilitate environmental measures implemented by customers • Identify green measures and sign "green benefit agreements" with customers
Share our expertise and experience	• Hold lectures, contribute to technical bodies, industry cooperation, industry organisations etc.
Contribute to sustainable and good urban development	• Contribute to relevant environmental solutions in property and urban development, with good transport and energy solutions, climate adaptation and greater biological diversity

The property portfolio

Entra uses a management system to compare, follow-up and control the various buildings' environmental qualities with a focus on the consumption of energy and water, as well as waste and waste sorting.

Energy consumption in the portfolio 2011-2021



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

Over time Entra has built a culture in which energy management is an integrated part of its operating organisation. Entra has worked diligently to reduce energy consumption in its portfolio (from 202 kwh/sqm in 2011 to 123 kWh/sqm in 2021). Energy consumption in 2020 and 2021 was particularly low as activity in the buildings was significantly reduced during periods of partial lock down through the Covid-19 pandemic. An important reason why Entra has succeeded in this work is focused and systematic work and technical upgrades over time, supported by an energy management system which has made it possible to measure, compare and follow up various initiatives. Entra 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 upgrading of the management portfolio to green buildings.

Entra will maintain its focus on reducing energy consumption in its management portfolio and has a long-term target to get the entire portfolio below 100 kWh per sqm by 2030. The short term target and KPI for 2022 is 126 kWh, reflecting a return to normal during 2022 with regards to utilization of the properties. Entra also works to reduce the load on the energy grid and lower costs in relation to energy intensity in the portfolio.

TARGETS AND FOCUS AREAS FOR PROPERTY PORTFOLIO AND PORTFOLIO MANAGEMENT:

Focus areas	Goals and measures
Environmental managemenet	• Use environment leadership system for control, comparison and follow-up of individual buildings
Reduce CO_2 emissions in Scope 1 and 2 with 70 per cent by 2030	• Reduce energy consumption and phase out all harmful refrigerants
Increase proportion of self-produced green energy.	• Solar panels installed on four buildings as of year-end 2021
100 per cent green energy in Entra's buildings	• Either self-produced or through guarantees of origin. • Entra produces energy on four buildings as of year-end 2021 • Entra buys guarantees of origin for entire remaining energy consumption
Reduce peak load	• Focus on load control in order to reduce energy demand during peak usage times
BREEAM-In-Use certify the portfolio	• Target 100 per cent • Status as of 2021 is 73 per cent of rental values and 69 per cent of asset values either are, or are in process of being certified
Considerably reduce waste and increase waste sorting	• Target 70 per cent waste sorting in property management and 90 per cent in development projects • Status 2021: 69 per cent in property management and 95 per cent in development projects
Reduce water consumption	• Reduced water consumption (m^3 per sqm) by 6 per cent in 2021
Environmental measures	• Strategy for roof surfaces and facades under development • Make provision for bicycle transport • Actively seek innovative and environmentally friendly solutions

Powerhouse Brattørkaia

Entra has BREEAM-In-Use certified the asset performance and management of 20 buildings in the portfolio of which one is certified Outstanding, 15 are certified Excellent and four are certified Very Good. Entra has another six BREEAM-In-Use certifications ongoing as of year-end 2021. In addition, Entra has BREEAM-NOR certified 17 of its newbuild and redevelopment projects and have another four in process.

Entra will continue to enforce a culture where all Entra employees work systematically on all aspects of a circular economy, i.e., reducing, reusing and recycling. This means that Entra will focus on reducing the quantity of waste in buildings as well as looking at solutions for multi-use and reuse. Examples of this are paperless offices, a reduction in food waste in canteens, as well as a focus on reuse in relation to tenant alterations. Entra has set specific ambitions in relation to residual waste, the degree of sorting and water consumption.

In 2019, Entra did a pilot project and implemented solar panels on the roof and facades of Professor Olav Hanssens vei 10 in Stavanger. In 2020, Entra evaluated the attractiveness of all its roof surfaces in terms of potential implementation of solar panels, solutions for surface water and biological diversity, also considering climate risk.

Part of Entra's strategy is to own properties close to public transportation hubs. Entra thus encourages its tenants' employees to use public transport, to cycle or to walk. All Entra's buildings have provision for bicycle parking.

Low carbon project development

Reducing emissions from refurbishments and project development is where Entra can make the largest contribution. The indirect CO_2 emissions from purchased goods and services is many times the level stemming from operations and management of buildings. Entra has developed its environment strategy for project development further during 2021 and set new and ambitious targets.

By 2030, the CO_2 emissions from project development shall be reduced by 80 per cent from today's average levels. Going forward, Entra will target Future-Built criterias in new-build and redevelopment projects. The overall target for energy use will be 30-40 kWh/sqm for newbuilds, and for redevelopment projects Entra's target is to obtain at least a 35 per cent reduction in energy consumption. Entra will seek to implement a high proportion of renewable energy on its projects, and all new-build projects shall be certified BREEAM-NOR Excellent or better. Entra will seek to use low emission materials, to considerably reduce waste, and to have close to 100 per cent waste sorting on its projects. In redevelopment projects, focus will be 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.

Entra is a leader in developing environmentally sustainable buildings and has for many years had high environmental ambitions on all its development projects. In cooperation with the Powerhouse alliance, Entra has redeveloped five older buildings to "Plus 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 materials used for construction. In practice, the buildings therefore act as local power stations that deliver environment-friendly energy. Entra has thus contributed to increased focus of the entire industry to consider "virtually zero use of energy" on both new buildings and redevelopment projects.

In the early phase of development projects/urban development projects, Entra seeks to develop individual projects in connection with their surroundings in order to ensure optimized and efficient utilization of common infrastructure. As an example, Entra participates in a R&D project of a microgrid at Brattørkaia where the Powerhouse delivers energy to neighbouring buildings, electrical buses and buffering in a battery. Other measures include planning for location and design of power plants, supply of district heating and cooling, common solutions for waste, minimization and/or streamlining of traffic and logistics, as well as standard solutions for cluster technology.

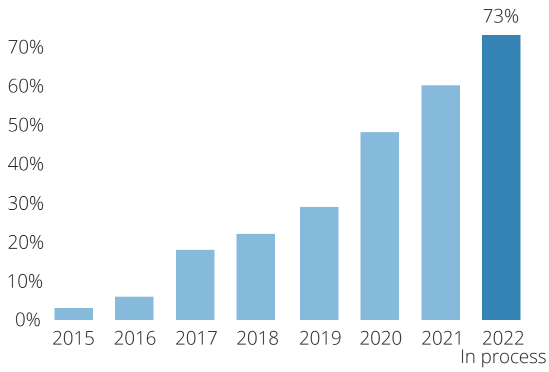
In 2020, Entra renovated and expanded a 4,300 sqm office property at Kristian Augusts gate 13 in Oslo where more than 80 per cent of the materials in the project was reused. Kristian August gate 13 became Norway's first circular building according to the FutureBuilt definition. The project demonstrates Entra's strong commitment to work for more sustainable and innovative solutions

Entra's projects are BREEAM-NOR certified, with a goal of obtaining, as a minimum, BREEAM-NOR Excellent for new-build projects, while for redevelopment projects the objective is a minimum of BREEAM-NOR Very Good. This requires, among other things, analysis of life-cycle costs, low energy consumption, a good internal climate and innovative measures. On completion of buildings currently under construction and ongoing certification processes Entra will have BREEAM-NOR built/redeveloped 21 buildings and BREEAM-In-Use certified 26 buildings.

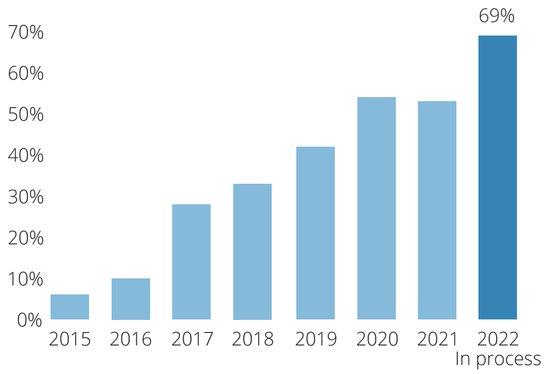
BREEAM certification of the portfolio

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

BY RENTAL INCOME



BY VALUE



Entra's new buildings and redevelopment projects are planned and constructed in accordance with Entra's specifications - the "Entra building". This is to ensure high quality and lower costs. In the "Entra building", focus is placed on standardisation that will give reduced costs in a life cycle cost perspective (LCC) and operational synergies. Standardised technological systems in the buildings will also simplify integration with new "smart building" technology. Entra is working with requirements for materials with low CO_2 emissions and low life-cycle costs. Planning provides for flexible solutions with multi-use and reuse of materials. Entra will also develop a standard delivery description for tenants where these factors are taken into account.

Entra applies for and receives financial support from Enova for individual environmental measures taken in its development projects. Entra received NOK 1.4 million in support for its development projects in 2021.

Green Bonds

Entra has issued 13 Green Bonds to date, capitalizing on the environmental qualities in the property portfolio. CICERO Center for International Climate Research (Norway's foremost institute for interdisciplinary climate research) has provided a second opinion to Entra's Green Bond Framework where Entra in 2016 was awarded the rating Dark Green, which is the best rating possible, for its future Green Bonds issues.

The rating Dark Green is given to projects and solutions that realise the long-term vision of a low-carbon and climate-resilient future already today. Typically, this will entail zero-emission solutions and governance structures that integrate environment concerns into all activities. Examples include renewable energy projects such as solar or wind.

TARGETS AND FOCUS AREAS FOR PROJECT DEVELELOPMENT:

Focus areas	Goals and measures
Reduce CO_2 emissions from projects by 80 per cent by 2030	• Target Future Built criteria's in new-build and redevelopment projects • Target energy use of 30-40 kWh/sqm for newbuild projects and 35 per cent energy use reduction for redevelopment projects • Implement a high proportion of renewable energy • Use low emissions materials • Reuse of inventory and materials • Set requirements for fossil-free construction sites and request fossil-free transport
Certification	• Objective of a minimum of BREEAM-NOR Excellent on all new development projects, and minimum of BREEAM-NOR Very Good on refurbishments
Waste	• Considerably reduce waste and close to 100 per cent waste sorting in development prosjects
Innovation	• Actively seek innovative and environmentally friendly solutions

> "Based on the overall assessment of the project types that will be financed as well as well as governance, reporting nad transparency considerations, Entra's Green Bond frameworks gets a *Dark Green shading.*"

– CICERO, Second opinion

THE ROADMAP TOWARDS 2050 BY THE GREEN BUILDING COUNCIL

Entra has signed up to "The New Roadmap towards 2050 for the Property Sector" by Grønn Byggallianse and Norsk Eiendom. Entra complies with and follows the 20 immediate measures set out in the Roadmap and listed below:

Measure	Status
Certify the organization	Entra's headquarters is certified as Miljøfyrtårn
Remove fossil heating in buildings	Completed on all Entra's properties except on four buildings where bio-oil is used on peak-load.
Only buy building products that do not contain hazardous substances	Covered by Entra's sustainable purchasing procedures
Introduce BREEAM-In-Use as a management system for the entire portfolio	26 properties certified or in process of being BREEAM-In-Use certified.
Conduct a study of what the roofs can and should be used for	Pre study performed, plans for more detailed study
Demand and reward innovative environmental solutions	Implemented in Entra's Environmental Follow-up Plan
Require architects to make plans for re-use of materials and minimize waste.	Implemented in Entra's Environmental Follow-up Plan
Order energy budgets to calculate real energy use	Implemented in Entra's standard technical requirements
Demand and prioritize building products with low CO_2 emissions	Covered by Entra's sustainable purchasing procedures
Demand fossil free construction sites	Implemented in Entra's Environmental Follow-up Plan
Define sustainability ambitions in the project	Implemented in Entra's Environmental Follow-up Plan
Demand biodiversity and use of native species	Implemented, part of BREEAM certification process
Plan for waste minimization and high sorting rate	Implemented in Entra's Environmental Follow-up Plan
New buildings must achieve an energy rating of A or B	Implemented in Entra's Environmental Follow-up Plan
Have an energy certificate for commercial buildings over 1,000 sqm and make a plan for upgrading the building portfolio to a higher energy rating	Plan for updating on total portfolio
Require reusable materials	Implemented in Entra's Environmental Follow-up Plan
Require re-use mapping in the early phase of rehabilitation and demolition projects and set goals for re-use share.	Implemented in Entra's Environmental Follow-up Plan
Set environmental competence requirements or contract partners.	Covered in< Entra's environmental pre-qualification criterias
Require CO_2 accounting for materials and set a goal of at least 20 per cent CO_2 reduction.	Part of Entra's environment strateegy
Demand emission-free construction site.	Implemented in Entra's Environmental Follow-up Plan

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 are increased challenges related to surface water and flooding.

During 2021, Entra, together with Norconsult, has assessed the climate risks facing Entra in detail. Entra has used a scenario-based approach in analysing climate risks, in accordance with the TCFD framework and mitigating actions are prioritized based on a cost-benefit analysis. Entra aims to continuously monitor and mitigate climate related risk, like 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 approach to ensure that correlation between the possible future scenarios are 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 distinguish 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 has been found to be of minor consequence. Analysis in the studies has covered changes in risks related to water, wind, temperature and possible outcomes 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 what mitigating measures should be performed at each property. Uncertainty analysis is included within the assessment, in order to gain insight into the volatility and effects caused by 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 has been 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 is found to be of most importance and relevance. This key insight is now included in our risk management process, and Entra will continue to develop further processes to monitor and address these new perspectives.

There is considerable uncertainty ahead. Entra acknowledges this 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 of Directors meetings.

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

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

Climate adaptation

To adapt, one need to understand both the expected changes to come and the possibilities that new technology may bring. During 2021, Entra has mapped and analysed the physical climate risk to 74 of its properties. The goal is to meet every identified risk with the correct level of mitigation measures in order to ensure a suitable balance between investments 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, 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 EUs 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 external 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 level rise	
			Water stress	
Acute	Heat wawe	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 outburs	

Analysis of climate risk and possible future scenarios is not something done only once. It is a continuous process where Entra acknowledge the importance of staying up to date with available information and knowledge. By continuously updating its understanding, Entra cannot only react to, but proactively plan its adaption to, the changing climate.

Future climate scenarios

In the EU taxonomy it is described 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 historic period (1990 – 2014) and a future period (2015 – 2100) for each scenario, giving a total of six sets of climate data (2 models with 3 scenarios each).

The climate data has been controlled against actual historic measurements and the model which gave the best fit has been used to analyze the different scenarios and different 30- or 20-year periods in the future. The climate data has then been used for temperature-related risk and wind-related risk. Changes in wind and temperature have been considered for each of the three scenarios.

Entra, together with its advisors, have used the state of the art models described above for temperature- and wind-related climate risk to ensure that our 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 are 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 chapter, 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 major 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 disagree whether such a large cooling will occur.

Given that Entra mainly own office buildings in big 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 performed 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 roses 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.

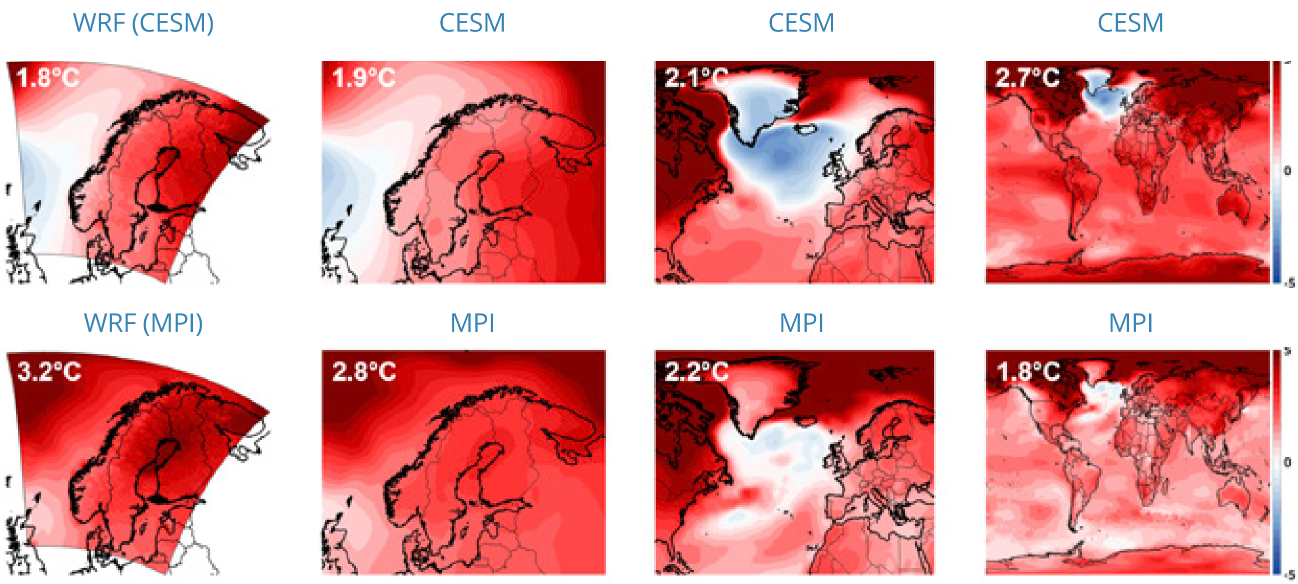


Figure. Changes in surface temperature during winter (december-february) from period 1990 – 2009 and 2080 – 2099 for scenario SSP2 (4.5). The colours represents the mean increase for each of the maps. Source: CICERO (Icebox).

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 corrected 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 one does not have sufficient grounds to make a firm conclusion. 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 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 cluster 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. We also distinguish between direct and indirect consequences. In the analysis we also include consequences for third parties such as clients and owners of equipment stored in or on the properties. 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 is:

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

In addition, third party entities as server-rooms, archives, store-rooms, 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 the basis used to compute the consequence for each property.

The risk can then be computed based on the assessed probability of occurrence for each property as assessed 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 performed at each property. Uncertainty analysis is included within the assessment in order to gain insight into the volatility and effects caused by 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 was 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, a brainstorming was initially carried out and 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 its potential impacts were identified. Climate-related transition risks are often complex, uncertain, and dependent upon 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 correlation between the possible future scenarios is taken into account, a holistic analysis was applied and carried out with a monte-carlo approach. Important drivers identified has been:

- 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

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

Entra is a sustainable and socially responsible company and has included several procedures and initiatives in its daily operations. Entra's focus areas involve own employees and working environment, human rights, health and safety, urban development, and community engagement. Entra sets requirements for its own operations as well as for suppliers and partners. When evaluating new initiatives, Entra seek partners and suppliers with common values and targets.

Motivated and responsible employees

Entra strives to develop a value-based culture characterized by the company's core values; Innovative, Responsible, Hands-on and One team. The core values and the company's principles for leadership are closely connected to behavior and how to follow up and develop own 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 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 carries out several 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. Entra also has an internal sports club where employees on a voluntary basis engage in social activities and several sports such as hiking, golf, running, squash, skiing and yoga. During 2021, the internal sports club has also facilitated interactive training sessions that employees can attend from home. Sick leave in Entra in 2021 was 2.6 per cent. This is low compared to a country average of 6.6 per cent as of Q3 2021. 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 organizations. Entra is covered by collective bargaining and the agreements are made applicable to all employees. Negotiations and follow-up in the event of operational changes or restructurings follow Norwegian law.

Safety officer, working environment committee and Board representation

Entra's employees have elected safety officers. Their main function is to take care of employee's interests in matters that relate to the working environment. The safety officers are elected for a two-year period among employees with experience and knowledge of the working conditions in the company. The safety officers have regular meetings with the HSE department. One of the safety officers is appointed as the chief safety officer, coordinating the work among the other safety officers.

Entra also has a working environment committee, according to Norwegian legislation. Entra's working environment committee is a decision-making and advisory body. The committee's most important function is to work for a safe working environment. The committee covers 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 the company management and of representatives from the employees. Entra's current working environment committee consist of the CEO, EVP of HR and Communication, the chief safety officer and a person elected from the employees.

Employees in Entra are free to organize themselves and are organized in several different 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 directors, and they are usually elected by employees organized in the labor associations.

Information on worker participation and consultation is given on www.entra.no. All new employees also receive information on this topic through health and safety introduction and training.

Employee relationship and employee engagement

Each year, Entra carries out an employee job engagement survey. In recent years including 2021, Entra has used a standardized survey from Ennova. The survey gives a score both for the level of motivation and satisfaction of employees and the factors that drives their behaviors and attitudes. Entra's score is compared against a representative national benchmark (GELx) and a benchmark "top in class" of the 25 per cent best in Ennova's client database. In 2021, Entra had an employee motivation and engagement score of 79. Even with a decrease of 3 points from 2020, the score is significantly above the national benchmark GELx score of 73 and above the "top in class" score of 78. The past year has been characterized by new ways of working, due to Covid-19 and social distancing. Many employees have been working from home most of the year and just rarely attended physical meetings. These changes may have affected the score in 2021. Through 2021 the strategic interest for the company, in addition to changes made in the organizational structure, also affected the score.

Employees in Entra

The Board of Directors consists of four women and three men, whereof the Chair is a woman. The senior management team in Entra consist of two women and five men, whereof the CEO is a woman. Of all other managers in Entra, 49 per cent are women and 51 per cent are men.

At the end of 2021, Entra had 112 men and 65 women employed, of which two men and one woman were employed in Hinna Park AS. Entra had five temporary employees as of end 2021 whereof 20 per cent are women. Of the six employees working part-time 83 per cent are men and 17 per cent are women. 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.

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 goal is incorporated into Entra's recruitment procedures and is reflected in the composition of senior management. Entra strives for diversity on a broad basis, including gender, age, background, education, and nationality.

Average parental leave in 2021 was fourteen and eighteen weeks for men and women, respectively.

Recruitment

Entra has professional recruitment processes that ensure transparency and equal opportunities. Most recruitments are 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 with the purpose of choosing the preferred tone of voice in the announcements to attract the right candidates, a relevant and position-adapted case for the candidate to solve, and a final interview with both the direct manager and their superior manager.

During a recruitment process, Entra aims to be open-minded, and all announcements invite everyone with the right competence to apply for a position. When recruiting for senior or key positions in Entra, both sexes should be represented in the final interview round. This applies for both internal and external recruitments and, if needed, targeted recruitment processes are used to fulfil this goal. Furthermore, Entra strive to attract younger employees within property management to secure continuity and transfer of experience. During 2021, Entra recruited sixteen new employees, of which four women and twelve men.

Developing competence and engagement

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

GENDER EQUALITY IN ENTRA ASA – KEY METRICS

	2021	2020	2019
Gender distribution among employees (women/men)	64/110	70/116	66/108
Employee level 1 gender distribution (women/men)	2/5	3/4	3/4
Employee level 2 gender distribution (women/men)	23/24	24/31	22/27
Employee level 3 gender distribution (women/men)	39/81	42/79	41/77
Women's earnings in relation to men's (all employees at Entra)	106%	96%	101%
Women's salary in relation to men's at employee level 1	111%	101%	77%
Women's salary in relation to men's at employee level 2	93%	89%	87%
Women's salary in relation to men's at employee level 3	105%	97%	-
Women's bonus in relation to men's (all employees)	105%	110%	101%
Women's bonus in relation to men's at employee level 1	108%	125%	69%
Women's bonus in relation to men's at employee level 2	88%	82%	87%
Women's bonus in relation to men's at employee level 3	93%	105%	-
Sick leave per cent (women/men)	4.1%/1.7%	5.4%/1.8%	4.5%/1.5%
Absence for sick children, number of days total (women/ men)	40.5/52.2	34/24	43/35
Average weeks of parental leave taken (women/men)	25/15	18/14	23/0
Number of employees working part-time (women/men)	1/5	2/3	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)	1/4	2/2	2/1

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

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 where Entra builds its talent pool and secures succession planning.

Entra has also developed a training and competency policy relevant for most positions. Some courses and training are offered to all or most of the employees, whilst others are more 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 programs for all levels of the organization. The Entra School 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 program 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 programs.

Work-Life balance

Entra seeks to facilitate for a good work-life balance based on the life phases and family situation of our employees. We act 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 per week, with the 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 minimize the amount of overtime, but extra work is expected to be done during hectic periods. We experience that there is a mutual understanding of this in the company and that flexible working hours or a day-off can be used during less intense periods.

Facilitation

As far as practically possible, Entra seeks to facilitate for the different needs of all employees. The premises are universally designed with sufficient space and accessibility for potential users of wheelchair. Our workplaces are designed in accordance with the Workplace Regulations 4-2: § 2-4. This statutory provision 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 follow a standardized process based on central negotiations with the union representatives and involves individual evaluation of the employee from their immediate superior based on standardized 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 of similar responsibility.

Equality and diversity

Different expertise and experience contributes 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 goal is incorporated into Entra's recruitment procedures and is reflected in the composition of senior management. Entra strives for diversity on a broad basis, including gender, age, background, education, and nationality.

Entra seeks to have an organization that reflects the diversity of a modern society and has a particular focus on generations, gender and cultural backgrounds. Diversity is an important part of Entra's social responsibility work. In general, social responsibility is 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 generations in property management, which historically has been overrepresented with men of high seniority.
- increasing the proportion of women in our defined group of talents and key personnel
- increasing the diversity of people with different cultural backgrounds

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 status on achievement of HR targets and plans and targets for the year to come.
- ESG Committee: Entra's ESG Committee is an interdisciplinary group working on all different aspects of ESG. The Committee works with the strategic focus areas for ESG, identifying objectives and KPIs in cooperation with the responsible in both business units and group functions.
- Practice and policy: All practices that address diversity are anchored with group management and the Board. Entra's ethical guidelines covers 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 purchasing of external legal services and for providers of facility management services. The company has structured and professional HR procedures that ensures follow-up of employees through the various phases of employment as well as safeguarding against discrimination.

Identified focus areas

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

To recruit young people in the future, Entra participate in the apprenticeship scheme of the Norwegian public education system as a mean to develop own talents. The public apprenticeship is a two-year program, and the employer must be approved by the county municipality. Entra became an approved employer in 2021 and employed its first apprentice. Some departments in Entra already work with educational institutions or directly with students as examiners, supervisors or conducting lectures. An internship is a temporary employment for students, where the candidate gets relevant work experience, and will be a benefit for both parties. Entra will further assess the opportunity with relevant universities or business schools, after successfully trying this form of internship in the HR-department during the fall of 2021.

Potential risks of discrimination

The main risk of discrimination in Entra is unconscious discrimination. This is a risk that never can be eliminated, but which will be assessed and acted upon if it occurs. When starting up new initiatives, Entra will also initiate training of managers on how to succeed with inclusion. Entra currently has no reports from employees, safety representative or union representatives that discrimination has been experienced as part of our work processes.

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

Entra is on a continuous basis working to ensure equal treatment of our employees and to further enhance diversity through our recruitment strategy. For 2022, Entra has planned for the following measures to follow up on equality and diversity:

- Use recruitment processes to actively increase diversity in Entra and make targeted searches to expand the candidate pools
- Equality and discrimination are regular agenda items in meetings of the working environment committee (AMU) to share an overview of areas of 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 anti-discrimination, diversity and equality
- 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 given results. Entra has an organization characterized by equality, with an increasing proportion of women in the property management department. 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 2021:

- Started third-party data collection on discrimination, diversity and inclusion
- Developed a diversity policy
- Equality and discrimination have been discussed in in the working environment committee (AMU) to get input from union and safety representatives on areas of discrimination and current HR processes.
- Explored training opportunities that could be implemented in the organization

Targets for 2022

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 lower interest from women for jobs with required expertise within technical building operations and management. During the last years, we have adjusted the tone of voice in announcements, definition of the roles and targeted search processes to attract female candidates whilst maintaining the quality of applicants.

It will be difficult to achieve a 50 per cent share of women as property management contains almost one third of our employees and as the pool of applicants for new positions still has a majority of men. Our ambition is to have a relatively equal share of women and men in the rest of the company and among our talents and strategic successors to leading roles. In 2021, 39 per cent of the company's talents and strategic successors were women, and we had 49 per cent women in senior positions (Level 2).

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

Entra also has an overall target to increase the level of employees with various cultural backgrounds.

Human rights policy and statement

Entra is committed to develop an organizational culture which respects and supports internationally recognized human rights. Entra supports all internationally recognized 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 Labor Organization.

Our commitment to the realization 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. During 2022, Entra will also report on its work with transparency and work on fundamental human rights and decent working conditions in accordance with the new Transparency Act that will enter into force on 1 July 2022.

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 consider requirements for personal data protection (GDPR) through secure IT and HR systems.

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 construction sites. HSE 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.

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 should 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 performs 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 operation of buildings is given to property managers. This involves training in fire protection, conflict management, FSE-course (electricity) and work in 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.

Members of the 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 management meetings and Board meetings. HSE status is also an important item on the agenda at all employee meetings. During 2020, particular focus was on the safeguarding of Entra's parking facilities against fire. In 2021, extra attention has been paid to follow up HSE focus in the ongoing development projects reflecting the very high number of projects, also with some new suppliers.

Entra works actively to increase awareness with regards 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 the 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 Norwegian legislation. The regulations in the Working Environment Act is important, hereunder:

- Regulations concerning organization, 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-card ("Forskrift om HMS-kort")

The HSE system has also been developed and implemented based on risk management and risk analysis on different levels of the organization. The system primarily covers Entra's workplaces and Entra's employees. However, Entra has HSE-requirements on its suppliers and their subcontractors. In general, Entra requires that its social responsibility requirements, which involves HSE-requirements, are made valid throughout the chain of vendors.

Entra has contracted an occupational health service (OAS) for own employees. Entra's OAS is an officially approved organization for delivering OAS-services.

Among other things, the OAS performs:

- Annual health checks of employees.
- Vaccination
- Ergonomic evaluations
- Risk evaluations
- Emergency stand by
- Participation in work councils

Targets and status

HSE targets are also aggregated into group KPI's with a focus on avoiding serious accidents. The HSE targets for 2021 were:

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

Incidents are reported to the CEO 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.

There was one injury involving sick leave absence in and around our buildings in 2021, and there was one injury involving sick leave absence in our construction projects that involved more than 16 days sick leave.

Entra performs regular HSE audits of both development projects and management properties. In 2021, Entra performed nine HSE audits of which three development projects and six management properties.

Urban development

Entra's strategy is to invest in clusters on the public communication hubs in the the four largest cities of Norway, Oslo and the surrounding area, Bergen, Trondheim and Stavanger. Entra aims to contribute to urban clusters that are attractive, inclusive, and accessible for residents, office users and all other relevant parties. A part of Entra's environment strategy is to be located close to major public transportation hubs, thus contributing 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 the 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 our buildings to contribute to city life at 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 group's urban development districts in connection with new buildings and refurbishments. Involvement may constitute 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, Media Citiy in Bergen and at Hinna Park in Stavanger. In the years to come, Entra will also be involved in the urban development of Bryn and the area around the central station in Oslo and Sandvika on the west fringe of Oslo.

Community engagement

Community engagement has been an important part of Entra's ESG work for many years, and in total Entra has contributed with community engagement in and around 53 properties or around 63 per cent of its portfolio in 2021. 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 things, involved in the "Neighbour cooperation" project. This initiative 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 to contribute 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 other initiatives to support "someone who dreads Christmas". The Church City Mission has also provided valuable insight in the planning of activities towards selected 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. Due to Covid-19, the event was cancelled also in 2021. To ensure the financial situation of the organisation, and future competitions, Entra's monetary support remained at the same level even though the competitions was cancelled.

During the autumn of 2021, Entra entered into 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's City mission instead of paying for the service. During the pilot, our tenants potentially saved 10.5 tonnes of CO_2, on repairing clothes.

In 2022, Entra will continue to investigate how the 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 the new generation and disadvantaged groups is a particular focus area in Entra's social strategy.

Governance

Board's Corporate Governance statement

Entra's Board ("the Board") actively adheres to good corporate governance standards and will 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 68
2. Business	●	Page 12–39
3. Equity and dividends	●	Page 76
4. Equal treatment of shareholders and transactions with related parties	●	Page 76–77
5. Free transferability	●	Page 76
6. General meeting	[1] ●	Page 77
7. Nomination Committee	●	Page 77–78
8. Board composition and independence	●	Page 71, 84–85
9. The work of the Board	●	Page 71–73
10. Risk management and internal controls	●	Page 28-39 , 53–59 and 72–73
11. Remuneration of the Board	●	Page 75
12. Remuneration of Senior Executives	●	Page 73–76
13. Information and communication	●	Page 72
14. Takeover bids	●	Page 77
15. Auditor	●	Page 79–80

[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 signinficant 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 to Boards's considerations on compensatiton issues
- Prepares principles for 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
- Articulate 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 committes

- Investment committee
- Sustainability committee
- Compliance

Board activity

The Board attends eight regular board meetings each year. Additional meetings are held on an ad hoc basis. 22 Board meetings were held in 2021 as a number of extraordinary board meetings were held in January, November and December following the strategic interest in in Entra as well as Entra's acquisition of Oslo Areal. The calendar below sets out the main topics discussed at each regular board Meeting.

BOARD REPRESENTATION AND PARTICIPATION IN BOARD

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
- Management review:
  - HSE and annual HSE report

April

- Financial and operational performance
- HSE report
- Transactions and investments
- Q1 report
- Portfolio valuation
- CEO and Board Committees instructions
- General remuneration principles
- Management Review:
  - HR and competence development
  - IT/cyber security

June

- Financial and operational performance
- HSE report
- Transactions and investments
- Board meeting calendar
- CEO and Board Committee instructions
- Compliance
- Risk review
- Management Review:
  - Procurement og vendors
- Strategy session:
  - Macro economic outlook
  - Financial outlook
  - Market insight and customer trends
  - Portfolio strategy
  - Capital structure

July

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

September

- Financial and operational performance
- HSE report
- Transactions and investments
- Property sight visits
- Management review
  - Project development and contract strategies
- Strategic review
  - Capital structure and financial targets
  - Environmental strategy
  - Social sustainability strategy

October

- Financial and operational performance
- HSE report
- Transactions and investments
- Q3 report
- Portfolio valuation
- KPI targets for next year
- Board evaluation
- Management review
  - Procurement update

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
- Compliance
- Recommendation for election of auditor

BOARD MEETINGS AND COMMITTEES IN 2021

	Board meetings	Audit committee	Remuneration committee	Board tenure since	Up for election
Siri Hatlen (Chair)	22		5	2012	AGM 2022
Kjell Bjordal (Vice Chair)	22	4	5	2012	AGM 2022
Widar Salbuvik	21	9		2016	AGM 2022
Camilla AC Tepfers	22			2019	AGM 2022
Hege Toft Karlsen [1]	12	5		2021 [1]	AGM 2022
Benedicte Schilbred Fasmer [2]	2	1		2020	-
Marit Rasmussen	22			2020	2022
Erling Nedkvitne	22		5	2018	2022

1 Since AGM April 2021
2 Until April 2021

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. The Company'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, EVP Legal and Procurement (secretary of the Board), and other EVPs as needed. 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 accounts, strategies and strategic plans, the approval of significant investments, the approval of significant contracts and the approval of substantial business acquisitions and disposals. When carrying out this work, the Board consider financial, social and environmental matters.

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. 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 Group's 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 performs 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 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 properties and 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 flow.

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, management of liquidity risk and interest rate risk, and credit and counterparty risk. The Group's model for financial projections is updated on a continuous basis. 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 developments in the economy and analysis of the Group's financial position, expected developments 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 in 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.

The Group considers it important to inform shareholders about the Group's development and economic and financial status. Management members (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 EVP Legal and Procurement 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.

Internal control and compliance

The Board reviews at least twice per year the Group's risk and internal control activities. 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 review 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) is responsible for ensuring that the company has implemented a compliance program that will ensure that Entra 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 CCO 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 are provided at least semi-annual reports on compliance related matters.

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 revision. In accordance with their respective mandates, the Audit Committee and the Remuneration Committee shall have two or three qualified shareholder representatives from the current Board. The representatives are in general 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 up for next 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, 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 of the 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 in 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, which in 2021 also included meetings to prepare and oversee the audit tender process, including a recommendation to the Board on the election of auditor. 9 (6) meetings were held in 2021.

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 Board's statement on the determination of salaries and other remuneration of Senior Executives in accordance with section 6-16a of the Norwegian 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 shall be independent of Senior Executives. The CEO and EVP HR and Communication attend as management representative. 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 EVP Legal and Procurement acts as the committee's secretary. Five meetings were held in 2021.

Salaries and remuneration of Board and senior executives

Remuneration of Board and Senior Executives

Pursuant to section 6-16a of the Norwegian Public Limited Liability 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 2021 annual general meeting.

Guidelines for management remuneration

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

- Entra shall be a professional organization that attracts and retains skilled personnel and develops the competence of its staff. Entra thus needs to use remuneration, including competitive salaries, 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 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 made
- Assisting the CEO in determining the remuneration of the other Senior Executives
- Advising the Board and the CEO in compensation matters which the committee finds to be of material or principal importance for Entra

Determination of remuneration in 2021

The guidelines for management remuneration set forth above form the basis for all remuneration of Senior Executives. Furthermore, the following principles applied for 2021 and up until the annual shareholders' meeting in 2022.

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, 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 all employees 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 2021 includes a performance-related pay scheme ("STI") and a long-term performance-based share incentive program ("LTI").

STI scheme

The STI scheme is based on set targets at Group level in accordance with Board approved scorecards for 2021, as well as predefined personal targets. The scorecard for 2021 consist of the following KPIs and topics:

- NOI margin (net operating income less administrative cost/ rental income)
- Customer satisfaction score
- Energy consumption and waste management in the property portfolio
- 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 of Directors
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 2021

			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 2021 result. I.e., if the Result is 110 per cent on the target scale, 2021 remuneration is calculated by 50 per cent multiplied by maximum 2021 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 vesting period of five years, whereof 1/3 matures 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.

Reclaiming performance-related pay

The Company shall have 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.

Share purchase scheme

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

Pension benefits
The CEO and other Senior Executives has a contribution-based service pension on the same terms as other employees. The contributions are 5 per cent of salaries between 0 G [1] and 7.1 G and 15 per cent of salaries from 7.1 G to 12 G.

Board compensation for company management and other employees
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 Norwegian Public Limited Liability Companies Act, a report on salaries and other remuneration to Senior Executive personnel and the Board will be presented at the Annual General Meeting, first time at the Annual General Meeting in 2022. The report will be made available on the Company's website.

Remuneration of the Board in 2021

Board remuneration in 2021

The Board has in 2021 received remuneration in accordance with the Nomination Committee's proposal, approval 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 2021 [2]
Siri Hatlen, Chair	501	61	562
Kjell Bjordal, Vice Chair	268	56	324
Widar Salbuvik	268	92	360
Camilla AC Tepfers	268	-	268
Hege Toft Karlsen from 23 April 2021	193	52	245
Erling Nedkvitne, employee representative [3]	268	40	308
Marit Rasmussen, employee representative [3]	268	-	268
Benedicte Schilbred Fasmer from until 23 April 2021	75	-	75
Total	**2 109**	**300**	**2 409**

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

The Board and committee members received no other compensation than what is set out in the table.

[1] 1G is the Norwegian National Insurance Scheme's basic amount and was NOK 106,399 as of 31.12.2021.

Remuneration of Senior Executives in 2021

The base salary of the Senior Executives increased by 2.7 per cent in 2021. Performance-related pay for 2021 is determined and paid in 2022 based on the principles determined in 2021.

OVERVIEW OF TOTAL REMUNERATION TO SENIOR EXECUTIVES IN 2021

All amounts in NOK thousand	Base salary	Benefits in kind	Pension costs	Cash-based variable remune-ration [1]	Share-based variable remune-ration [2]	Total remune-ration
Sonja Horn, CEO	3 841	135	127	2 519	1 042	7 663
Anders Olstad, CFO and Deputy CEO	3 238	135	127	2 162	885	6 547
Kjetil Hoff, COO	2 262	135	127	514	337	3 375
Per Ola Ulseth, EVP Project Development	2 108	135	127	486	402	3 257
Tore Bakken, EVP Market & Commercial Real Estate Development	2 109	135	127	487	373	3 230
Kristine Marie Hilberg, EVP HR & Organisation	1 687	135	127	385	237	2 571
Hallgeir Østrem, EVP Legal and Procurement from 1 July 2021 [3]	1 277	68	63	294	92	1 792
Åse Lunde, EVP Digitalisation & Business Development until 30 June 2021	1 746	135	127	-	671	2 679
Total	**18 269**	**1 013**	**950**	**6 845**	**4 040**	**31 117**

1 Includes the provision based on targets met in 2021, which will be paid out in 2022.

2 The LTI scheme has a vesting period of five years, whereof 1/3 matures 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.

3 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.

Equity and shareholders

Entra has only one class of shares. 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 Board and senior executives above. The Articles of Association place no restrictions on voting, ownership or negotiability in the shares.

Equity and dividend

At 31 December 2021, the Group's book equity was 33,571 million (29,205 million), representing an equity ratio of 48 per cent (49 per cent). The Board considers this to be satisfactory by reference to the Group's goals, strategy and risk profile. At any given time, the company's financial strength and exposure is considered in the light of its objectives, strategy and risk profile.

The Board of Entra targets to pay out dividends corresponding to approximately 60 per cent of 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 the share capital by up to NOK 18,213,205, equivalent to 10 per cent of the company's share capital. The authorisation may be used for the purpose to strengthen the company's equity and to cover capital need in connection with business opportunities. The authorization shall be valid until the annual general meeting in 2022 and will in all cases expire on 30 June 2022.

Purchase of own shares

The Board has been authorised on behalf of the company to acquire Entra shares in the market with an aggregated par value of up to NOK 9,106,603 e, equivalent to approximately 5 per cent of the company's share capital, for a maximum purchase price of up to NOK 2,731,980,900. Treasury shares acquired under this authorisation may only be disposed of by way of a subsequent cancellation in connection with a share capital decrease, cf. section 12-1 (1) no. 2 of the 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 own shares shall 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. This authorisation shall be valid until the annual general meeting in 2022 and will in all cases expire on 30 June 2022.

The Board has also been authorised on behalf of the company to acquire up to 500,000 shares in Entra ASA on behalf of the company with an aggregated 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 125,000,000. Shares may be acquired for the purpose of carrying out the company's share scheme for all employees in the Entra group and the long-term share incentive scheme for members of the senior management in the Entra group.

The lowest and highest price to be paid per share is NOK 50 and NOK 300, respectively. The company's acquisition of own shares shall 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 shall 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. This authorisation shall be valid until the annual general meeting in 2022 and will in all cases expire on 30 June 2022.

Equal treatment of shareholders and transactions with related parties

In the case of not immaterial transactions 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 a valuation is in place 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 Norwegian Public Companies Act. An independent valuation shall also 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 2021 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 activities 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 the recent strategic interest in Entra.

General meeting

The Board shall arrange for as many shareholders as possible to be able to exercise their rights to participate in Entra's general meeting, 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 Board and the person chairing the meeting shall ensure that 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 the general meeting shall be given the opportunity to vote through a proxy or through electronic participation. Entra shall:

- 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 has not usually attended the General Meeting as the items on the agenda of the 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 shall be shareholders or representatives of shareholders and the committee should be composed so that broad shareholder interests are represented. Each gender shall be sought represented in the Nomination Committee.

The Nomination Committee shall give its recommendation to the general meeting regarding election of shareholder-elected members to the Board of Directors and members of the Nomination Committee, as well as remuneration to members of the Board of Directors and the Nomination Committee. The remuneration to 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 Committee's members represents Entra's management or Board, and they are all considered to be independent. The Nomination Committee is considered to have a composition that reflects the common interests 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.

Ethics and anti-corruption

Entra has zero tolerance for corruption in all parts of the group's business. Ethical behaviour is a necessary condition for a sustainable business. Entra conducts its business in an ethical and transparent manner, acts within the law and its ethical guidelines and behaves in line with its fundamental values of being responsible, innovative, hands-on, and one team.

Ethical guidelines

Entra's ethical guidelines are built on principles of equal opportunities for all, concern for the environment and a society view that emphasizes 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 of Directors are required to sign the ethical guidelines annually.

Entra has established whistle-blowing routines. Internal and external questions about ethics, harassment, whistleblowing etc. can be directed to the Group's Compliance Officer, or 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. The Compliance Officer reports on any matters to the board twice a year. 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 reported incidents in 2021.

Entra's fundamental procurement principle is to achieve the best possible total result through competition and supplier management. Procurement is also to take advantage of economies of scale.

Entra aims to be a responsible purchaser in all parts of the value chain and has established a set of processes and routines for procurement that include requirements on documentation, role/work division (dualism) and equal treatment of suppliers through competition. The routines are set to counter conflicts of interest and corruption.

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

In 2017, Entra implemented dilemma training in ethics for its employees. 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 of Directors completed online training course in 2021.

Entra continuously monitors the suppliers within its supplier base to ensure that the company only does business with serious counterparties.

Entra's supply chain

Entra spends approximately 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 consist of large Norwegian companies.

Sustainability in the supply chain

The construction industry in which Entra operates faces challenges related to business crime and social dumping. Entra has established procedures to ensure that Entra only uses qualified suppliers.

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.

There is considered to be limited risk associated with rights to e.g., exercise freedom of association and collective bargaining, child labor or forced and compulsory labor in Entra's direct supply chain. There may, however, be more risk further down in the supply chain with sub-suppliers, although none have been identified in 2021.

Supplier qualification requirements

Entra has set "Socially Responsible Purchasing Guidelines" that must be followed by suppliers and their sub-contractors in its supplier qualification requirements. The document is an integral part of all purchasing contracts.

The document covers themes such as:

- Sustainable development and environmental considerations in the choice of materials
- External environment and focus on energy and environmental footprint savings
- HSE on construction sites
- Well-functioning work conditions and labour rights
- Economy and solidity
- Business ethics and relations

The guidelines are set to ensure that there are good working conditions in the suppliers' and in their sub-suppliers' businesses. The guidelines states that it is only allowed with two levels of sub suppliers for large suppliers and one for others.

Suppliers and sub-contractors are to be registered in the Registry of Business Enterprises and are obliged to provide a corporate identity code.

Entra is against all forms of discrimination. All employees and hired staff who are engaged in working on contracts must have salary and working conditions that fulfil the statutory requirements in accordance with the applicable collective agreements at the relevant time. Entra may require a supplier to produce documentation that shows the salary terms and working conditions for employees and hired staff at the supplier and their sub-suppliers.

Supplier audits

Entra performs audits of its suppliers to assure that operations follow Norwegian legislation and those principles stated in Entra's Socially Responsible Procurement Guidelines. Risk factors in the supply chain as well as HSE risks are the main focus issues for the audits. An annual audit plan for Entra's operations and especially the property portfolio is prepared based on a risk assessment of the following:

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

There are no set criteria for the number of audits to be performed each year, although there is typically a correlation with the number of ongoing development projects in the portfolio. During 2021, five supplier audits were carried out. The audits were undertaken by a combination of internal personnel and external audit companies. The reports were thoroughly evaluated, and deviations and suggestions for improvements have been followed up.

Supplier reviews

In addition to supplier audits, Entra performs bi-annual reviews of "high-risk suppliers", with annual sales to Entra exceeding NOK 0.2 million. The review emphasizes supplier adherence to Entra´s supplier qualification requirements and includes;

- Credit checks to ensure suppliers' financial stability
- Checks to ensure suppliers have reported tax/vat submissions (last six months)
- Checks whether construction suppliers are registered in the "StartBank" qualification system
- Checks to determine if cleaning vendors are listed in the regulatory register for cleaning companies

Supplier Management Programme

Since 2015, Entra has invited master agreement suppliers to annual meetings to develop a common approach to the challenges faced by the industry (including HSE). The main purpose is to have an established arena for dialogue and cooperation that, in addition to resolving commercial issues, will focus on contributing to meeting the sector's challenges relating to working conditions, corruption and business crime. In 2020, Entra reviewed and updated its Socially Responsible Procurement Guidelines. A self-assessment questionnaire was sent out to all perceived high-risk suppliers to get confirmation of receipt and compliance with thee new guidelines. The goal is closer involvement, increased awareness levels and better reporting.

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 was appointed responsible partner of the audit team in 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 interim audit to the Audit Committee, the auditor focuses on 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-interest entity, Entra is not allowed to have the same external auditor for more than 20 consecutive years. In 2021, Entra conducted a tender for audit services starting in 2022, and will present the recommendation to the AGM on 22 April 2022.

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 general meeting.

Deloitte.

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To the Board of Directors of Entra ASA

INDEPENDENT AUDITOR’S ASSURANCE REPORT ON ENTRA’S ESG REPORT FOR 2021

We have been engaged by the Board of Directors of Entra ASA to provide limited assurance in respect of the environmental, social and governance information presented in the Entra – Annual Report 2021, the sections ESG in Entra, pages 42 – 83, GRI and TCFD tables, pages 173 – 178, and EPRA Sustainability Performance Measures, pages 179 - 185, in total referred to as “the Report”. Our responsibility is to provide a limited level of assurance on the subject matters concluded on below.

Responsibilities of the Board of Directors

The Board of Directors are responsible for the preparation and presentation of the Report and that it has been prepared in accordance with the reporting criteria described in the Report, including the GRI Standards and the Norwegian Code of Practice for Corporate Governance. The Board of Directors are also responsible for establishing such internal controls that they determine are necessary to ensure that the information is free from material misstatement, whether due to fraud or error.

Auditor’s responsibilities

Our responsibility is to express a limited assurance conclusion on the information in the Report. We have conducted our work in accordance with ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.

Deloitte AS is subject to International Standard on Quality Control 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

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 is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Considering the risk of material misstatement, our work included analytical procedures and inquiries with management and individuals responsible for the preparation of the Report and for sustainability management at corporate level, as well as a review on a sample basis of evidence supporting the information in the Report.

We believe that our work provides an appropriate basis for us to provide a conclusion with a limited level of assurance on the subject matters.

Deloitte.

Conclusions

Based on our work, nothing has come to our attention causing us not to believe that:

- Entra has applied procedures to identify, collect, compile and validate ESG information for 2021 to be included in the Report, as described in the Report.
- ESG information presented for 2021 is consistent with data accumulated as a result of these procedures and appropriately presented in the Report.
- Entra applies a reporting practice for its corporate governance reporting aligned with the Norwegian Code of Practice for Corporate Governance.
- Entra applies a reporting practice for its sustainability reporting aligned with the Global Reporting Initiative (GRI) Standards reporting principles and the reporting fulfils level Core according to the GRI Standards. Entra's GRI index presented in the Report appropriately reflects where information on each of the disclosures of the GRI Standards is to be found within the Entra - Annual Report 2021.

Oslo, March 3, 2022
Deloitte AS

Roger Furholm	Frank Dahl
State Authorised Public Accountant	Sustainability expert

(This document is signed electronically)

Board of Directors



	Siri Hatlen	Kjell Bjordal	Widar Salbuvik
Board position	*Chair*	*Vice Chair*	*Board member*
Born	1957	1953	1958
Nationality	Norwegian	Norwegian	Norwegian
Gender	Female	Male	Male
Member of the Board since	2012	2012	2016
Number of shares in Entra	1 163	50 000	20 000
Education	MSc from the Norwegian University of Science and Technology (NTNU) and an MBA degree from INSEAD	MSc in Business from the Norwegian School of Economics (NHH), AMP Wharton Business School	Graduate Programme in Economics and Business Administration from the Norwegian School of Economics (NHH).
Executive and non executive positions	Hatlen has experience from senior management positions in Statoil, EVP of Statkraft and as CEO of Oslo University Hospital. She is chair of the board of “Nye Rikshospitalet” and “Nye Aker”, Velfra and Vestre Viken HF. She is vice chair in Nobels Fredssenter, Antidoping Norge and Norsk Bremuseum, and board member in Landsstyret DNT, Eksportkreditt, Eksfin, Magnus Invest and Katapult.	Bjordal is an independent business advisor and has previously held positions as CFO and CEO of Glamox Group, CEO in NorAqua and CEO in EWOS Norway/EWOS Group. He also serves as the chair of the board of Norsk Landbrukskjemi, Axio, Sparebank 1 SMN, Nordlaks Holding and Norges Forskningsråd HAV.	Salbuvik is an independent business advisor and investor and was previously CEO of Pareto AS. He also serves as chair of the board of Breiangen, Asset Buyout Partners, HR-Gruppen Capus, Nysnø Klimainvesteringer, Sabar, Vindsteg, Breiangen Eiendom, Havfonn and Skolt Holding. He is vice chair in Bjørnøen and Kings Bay and board member in Rana Utvikling, Zeiner Gruppen, Mo Industripark and Parks.

Previous experience			
CEO	●	●	●
Property industry			●
Project management	●		
Technology management	●	●	●
Environment and CSR	●	●	●
Financing and stock market	●	●	●
Transactions and M&A		●	●
Accounting		●	●

			
Hege Toft Karlsen	**Camilla AC Tepfers**	**Marit Rasmussen**	**Erling Nedkvitne**
Board member	*Board member*	*Board member, employee representative*	*Board member, employee representative*
1969	1969	1976	1962
Norwegian	Norwegian	Norwegian	Norwegian
Female	Female	Female	Male
2021	2019	2020	2018
-	-	454	13 406
Law master degree from the University in Bergen, Attorney-at-law and AMP from Harvard Business School	MSc from the Norwegian University of Science and Technology (NTNU)	Market Communication from the the Norwegian Business School (BI)	Msc degree from University of Glasgow, Business Administration candidate from BI Norwegian Business school
Toft Karlsen is CEO of Eika Gruppen and has held various senior executive positions in Gjensidige Forsikring. She is currently Chair of the board of Eika Kapitalforvaltning and board member and head of the audit committee of Vipps	Tepfers serves as co-founder and partner of inFuture. She has previous experience as EVP at DnB Nor innovation 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 Strongpoint, Dyreparken Utvikling, InFuture and Polaris Media	Rasmussen is a property manager in Entra and has previous 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 2021

Entra was in 2021 back on the growth trajectory after some years with flat income development as several, large properties were non-income generating as they underwent redevelopment. Rental income grew by 7 per cent in 2021, net income from property management grew by 6 per cent and net asset value grew by 15 per cent during 2021. The Board proposes to pay a semi-annual dividend of NOK 2.60 per share for the second half of 2021 and thus NOK 5.10 per share for the full year, up from NOK 4.90 per share in 2020.

Entra is one of Norway's leading commercial real estate companies and number one in the office segment, focusing on large, high-quality, flexible and environment-friendly office properties in clusters around central public transportations hubs in the largest cities in Norway. Entra has its head office in Oslo.

The Norwegian society and office market has been less affected by Covid-19 than most other countries, and Entra's operations, projects and financial results have only to a limited extent been impacted by the pandemic. Office rents have held up well through the pandemic, the activity in the letting market has picked up and we expect to see increasing activity during 2022. The investment market is strong and competitive, with the highest transaction volume ever in 2021 in the Norwegian transaction market for commercial real estate.

Entra had rental income of 2,508 million (2,353 million) in 2021. Net operating income was 2,274 million (2,142 million) and net income from property management was 1,534 million (1,451 million). Net positive value changes were 5,264 million (5,705 million) and profit before tax was 6,825 million (7,274 million).

Entra's tenant base is robust with a WAULT of 7.1 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 346 million. Net letting for the year was 8 million.

The most 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. Entra currently has a higher share of assets in project development. In 2021, Entra finalised the redevelopment projects Universitetsgata 2 and Universitetsgata 7-9 in Central Oslo, and the refurbishment of Hagegata 22-24 in Oslo and Grønland 32 in Drammen. Further, Entra started the newbuild projects Nygårdsgaten 91-93 in Bergen and Holtermanns veg 1-13 phase 2 in Trondheim.

Entra was active in the transaction market in 2021, and acquired Møllendalsveien 1A and Lars Hilles gate 19 in Bergen, Fyrstikkalléen 1 and Universitetsgata 11 in Oslo, and Lagårdsveien 6 and Laberget 24-28 in Stavanger. The acquisition of Laberget 24-28 was done through Hinna Park Eiendom, a partly owned company controlled by Entra. These acquisitions increased Entra's management portfolio by 96,390 sqm. In addition, Entra increased its share in the joint venture Oslo S Utvikling from 33.3 per cent to 50 per cent. In December 2021, Entra agreed to acquire Oslo Areal, a portfolio of 17 properties in the Greater Oslo region. The transaction closed in January 2022, upon which the management portfolio increased by 222,500 sqm.

The property Tollbodallmenningen 2A in Bergen was divested in 2021, and the property Nytorget 1 in Stavanger was sold by Entra to Hinna Park Eiendom. Following year-end, Entra sold its 50 per cent share in Hinna Park Eiendom, with a management portfolio of 67,000 sqm.

After the outbreak of the Covid-19 pandemic, one of the Board's top priorities has been to ensure that we are taking the necessary measures to protect the health and safety of our employees, our tenants and other users of our buildings. 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, active portfolio management (acquisitions and divestments), HSE, ICT and cyber risk, climate risk, ESG strategy and compliance. In addition, the Board has continuously monitored and evaluated the continued strategic interest in Entra.

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

Results

Rental income was up by 7 per cent from 2,353 million in 2020 to 2,508 million in 2021. The increased rental income is explained in the table below.

All amounts in NOK million	
Rental income previous period	2 353
Finalised development projects	58
Vacated properties for redevelopment	-53
Acquisitions	91
Divestments	-3
CPI growth	15
Like-for-like growth above CPI	35
Other	13
Rental income	**2 508**

The increase in rental income in 2021 is driven by acquisitions and an underlying like-for-like growth of 2.3 per cent (50 million), of which the underlying CPI adjustment was 0.7 per cent.

The acquisition of Lagårdsveien 6 and Kanalpiren in Stavanger, Møllendalsveien 1A and Lars Hilles gate 19 in Bergen and Hagegata 27, Fyrstikkalléen 1 and Universitetsgata 11 (Hotel Savoy) in Oslo contributed with rental income of 91 million, whereas the divestment of Tollbodallmenningen 2A in Bergen in February 2021 reduced rental income by 3 million.

Net contribution from development projects was 5 million. The completion of the redevelopment projects Universitetsgata 2, Universitetsgata 7-9, Kristian Augusts gate 13, Hagegata 22-24 and Grønland 32, and full year effect of Holtermanns veg 1-13 phase 1 finalised in 2020, contributed a total of 58 million on rental income. However, the vacating of Møllendalsveien 6-8 in Bergen, parts of Stenersgata 1 in Oslo and Kongens gate 87 and Brattørkaia 13 B in Trondheim, scheduled for redevelopment, reduced the rental income by 53 million.

Other effects stems from an administrative fee of 13 million during 2021.

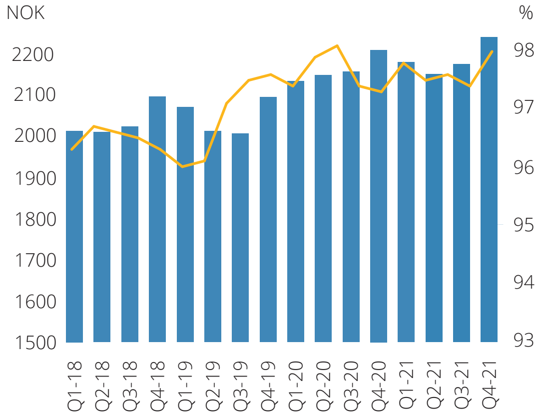
Nearly all of Entra's lease contracts are 100 per cent linked to positive changes in CPI. The annual adjustment are mostly made on a November to November basis.

The occupancy rate was 97.8 per cent (97.9 per cent) as of 31 December 2021. The rental value of vacant space was approximately 60 million (48 million) on an annualised basis.

Operating costs amounted to 234 million (211 million) and are split as follows:

All amounts in NOK million	2021	2020
Maintenance	29	33
Tax, leasehold and insurance	64	57
Letting and property administration	89	70
Direct property costs	52	51
Operating costs	**234**	**211**

Rent (12m rolling) per sqm. and occupancy rate



The increase in letting and property administration costs is mainly driven by higher letting activity and management initiatives. The increase in tax, leasehold and insurance is mainly due to property tax on acquired properties in 2021 and higher turnover-based lease payments for Langkaia 1 in Oslo.

As a consequence of the effects explained above, net operating income came in at 2,274 million (2,142 million) in 2021.

Other revenues totalled 73 million (113 million) and other costs amounted to 43 million (79 million) in 2021. Other revenues and other costs mainly consists of 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 (186 million) in 2021. The increase is mainly driven by advisory fees related to the strategic interest for Entra and triggered by Balder's mandatory offer to acquire all outstanding shares in the company.

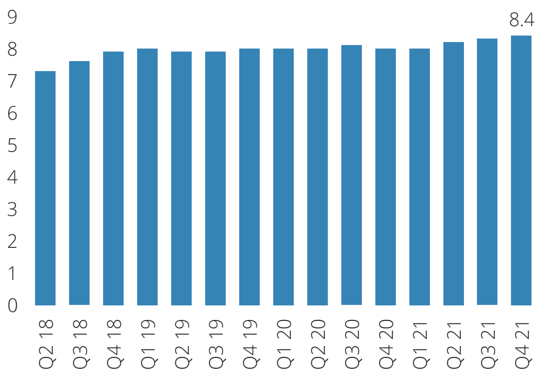
Entra's share of profit from associates and JVs was 19 million (120 million) in 2021, a reduction mainly driven by limited completion and delivery of residential apartments and commercial assets in Bjørvika by OSU. Further, Rebel U2 opened its concept in Universitetsgata 2 in Oslo, which has seen lower than anticipated activity to Covid-19 restrictions.

Net realised financials amounted to -551 million (-541 million) and are composed as follows:

All amounts in NOK million	2021	2020
Interest and other finance income	7	11
Interest and other finance expense	-558	-551
Net realised financials	**-551**	**-541**

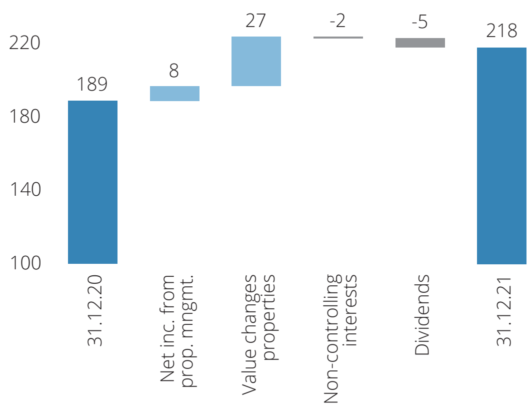
Net income from property management per share

Annualised, rolling 4 quarters



EPRA NRV

Per share



Net income came in at 1,561 million (1,569 million). When including only the income from property management in the results from JVs, the net income from property management was 1,534 million (1,451 million) for 2021. Reference is made to the alternative performance measures section of this report for calculation of the net income from property management.

Net value changes amounted to 5,264 million (5,705 million) for 2021.

The valuation of the property portfolio resulted in a net positive value change of 5,057 million (5,980 million) for the financial year 2021, of which about 2,510 million is attributable to compressed market yields.

Lower interest rates have contributed to a significant yield compression in the Norwegian market, particularly in Oslo, Bergen and Trondheim where 86 percent of the asset value of Entra's properties are located. Following the uncertainties from Covid-19, the activity in the transaction market has been high during the year, yields were relatively stable, and the yield gap increased. A number of transactions of relevance for Entra's portfolio were completed at yield levels significantly lower than observed in 2020.

About 1,090 million of the value changes stems from development in the project portfolio, mainly explained by new lease contracts signed in 2021 and reduced risk as each project moves towards completion. In addition, 290 million is related to the net effect from strong letting activities in the portfolio and 840 million is due to increased market rents, especially in the Oslo market where we are expecting an increase in market rents for the next two-three years. The remaining is a result of other effects from property related changes.

Net changes in the value of financial instruments totalled 206 million (-275 million) in 2021. The positive value change is mainly explained by higher long-term interest rates.

Tax payable is 19 million (26 million) in 2021, mainly related to the partly owned entity Papirbredden Eiendom in Drammen.

The change in deferred tax was -1,433 million (-1,552 million)

Profit before tax was 6,825 million (7,274 million) whereas profit after tax was 5,373 million (5,696 million). Total comprehensive income for the period was 5,351 million (5,677 million).

Balance sheet

The Group's assets amounted to 70,292 million (59,141 million) as at 31.12.21. Of this, investment properties amounted to 67,568 million (56,834 million). The property Borkenveien 1-3 in Sandvika is classified as held for sale on 31 December 2021 as the tenant has exercised the option to acquire the property during 2022.

Inventory properties of 469 million (461 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.

Interest bearing debt were 26,579 million (21,146 million) as of 31.12.21, of which 19,582 million were the carrying amount of bonds outstanding, 5,597 million were bank financing and 1,400 million were commercial papers.

Book equity totalled 33,571 million (29,205 million). As at 31.12.21, EPRA NRV per share was 218 (189) and EPRA NTA 216 (187).

Cash flows

Net cash flows from operating activities came to 1,488 million (1,521 million) in 2021. The decrease mainly relates to working capital movements.

The net cash flows from investment activities was -5,865 million (-1,868 million) for 2021. Proceeds from property transactions of 42 million (15 million) is mainly related to the divestment of the property Tollbodallmenningen 2A in Bergen. Purchase of investment properties of -3,540 million (-194 million) is related to the acquisition of Lagårdsveien 6 and Laberget 24-28 (Kanalpiren) in Stavanger, Møllendalsveien 1A and Lars Hilles gate 19 in Bergen, and Fyrstikkalléen 1 and Universitetsgata 11 (Hotel Savoy) in Oslo.

The cash effect from investment in and upgrades of investment properties amounted -2,078 million (-1,683 million) in 2021.

Net payment on financial assets of 70 million (72 million) is mainly related to the repayment of a seller credit in relation to a divestment of a property in 2019. Investments in associates and JVs of -476 million (-13 million) is related to Entra's increase in the share in Oslo S Utvikling from 33.3 per cent to 50 per cent.

Net cash flows from financing activities was 4,469 million (246 million) in 2021.

Net proceeds of interest bearing debt was 5,460 million (1,245 million) in 2021. During 2021, Entra had a net nominal increase in bond financing of 5,829 million, with a corresponding cash effect of 5,532 million, and an increase of commercial paper financing of 200 million, partly offset by a net decrease in bank financing of 272 million and million.

Dividends paid amounted to 911 million (874 million) in 2021. For 2021, Entra paid dividends of NOK 2.50 per share to the shareholders for the first six months and has proposed NOK 2.60 per share for the second half year. For the financial year 2021, Entra will thus have paid out NOK 5.10 per share compared to NOK 4.90 per share in 2020.

Dividends paid to non-controlling interests was 70 million (114 million) in 2021. The dividends was paid to the non-controlling interests in Entra OPF Utvikling and Papirbredden Eiendom.

The net change in cash and cash equivalents was 92 million (-100 million) for 2021.

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

The Group has a well staggered debt maturity profile and a diversified financial structure comprising of both bank credit facilities and capital markets instruments.

We have strong relationships and continuous dialogues with five of the top six Nordic banks, and 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 it is the largest issuer in Norwegian kroner. Entra has a Moody's investment grade rating Baa1 with Stable Outlook. The Moody's Baa1 rating contributes to increased credit availability and enables Entra to maintain a well-staggered debt maturity profile.

The Group has adopted a conservative financial strategy that secures financial flexibility throughout an economic cycle. This is reflected in the financial policy through a set of financial risk parameters limiting risks related to financial leverage, interest rates, financing and liquidity. Consequently, Entra's financial profile is characterised by a moderate loan-to-value ratio, strong interest coverage ratio, diversified debt maturity and an ample liquidity position. 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.

"Green financing" has been well established within real estate finance. The real estate sector is responsible for about 40 per cent of global greenhouse gas emissions. This fact has spurred increasing awareness among investors and financial institutions that a conditional capital supply represents a key factor in accelerating the green shift within the sector. Entra, with its environment friendly development projects and BREEAM certified investment properties, is well positioned for capitalizing on this favourable supply of green financing and currently 69 per cent of Entra's financing is "green".

The debt capital markets funding accounted for 79 per cent (72 per cent) of the total interest bearing debt, with bank funding representing the remaining part of the financing mix. The Group's liquid assets amounted to 309 million (217 million) as of 31 December 2021. In addition, the Group had committed, unutilised credit facilities totalling 8,830 million (7,290 million). The Group's average interest rate as of 31 December 2021 was 2.25 per cent (2.38 per cent), and 47 per cent (50 per cent) of the Group's total interest bearing debt was subject to fixed interest rates. Entra's loan-to-value ratio decreased to 38.4[1] per cent (36.4 per cent) at year-end 2021 and the interest coverage ratio increased to 3.5 (3.4).

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 68-80 provides a more detailed description of the corporate governance principles and reporting pursuant to Section 3-3b of the Norwegian Accounting Act.

Entra has taken out directors and officers liability insurance for the Group and subsidiaries. The insurance covers the Board's and the CEO'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 2021, Entra had one incident in the management portfolio which led to an injury involving sick leave absence and one injury involving sick leave absence of more than 16 days in its construction projects. Absence due to illness in Entra was 2.6

[1] The definition of LTV is amended from 2021. Refer to page 165 for further details.

per cent in 2021, compared to 3.1 per cent in 2020. This is low compared to a country average of 6.6[1]. Cooperation with the employee organisations is good and constructive and yields a positive contribution to the operation of the Group.

To operate its business in a sustainable manner is of key strategic importance to Entra. Entra's ESG report can be found on pages 42-80. The outputs are compiled and aligned using three reporting frameworks: The EPRA Best Practices Recommendations on Sustainability Reporting, the Global Reporting Initiative Standards (GRI) Core option and the Task Force of Climate-related Financial Disclosures (TCFD). Entra has also reviewed the UN Sustainable Development Goals for its business.

Entra believes that 100 per cent of its income and investments will be eligible for EU Taxonomy alignment. While actual requirements for alignment are still to be finalised, Entra is prepared to report in accordance with the EU Taxonomy requirements as soon as it is finalised.

Equality and diversity

At 31 December 2021, 37 per cent (38 per cent) of the Group's 177 employees were women and 63 per cent (62 per cent) were men. 49 per cent of employees in managerial positions were women. Two out of seven of the Senior Executives were women, and four of seven of the Board members were women.

The Group believes in the benefits of diversity, and this goal is incorporated into Entra's recruitment procedures and is reflected in the composition of management. Entra strives for diversity on a broad basis, including gender, age, ethnicity, personal beliefs, background, education, sexual orientation and nationality. Key metrics regarding diversity and information on Entra's efforts to increase diversity are included the ESG report.

Risks associated with the business

The Board assesses risk on an ongoing basis, primarily through a semi-annual comprehensive review of the groups risk maps, 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 we monitor and work to minimize the risks, as well as a statement on how we assess 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 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.

Outstanding shares at 31 December 2021 totalled 182,129,968 (182,129,247) as Entra held 2,087 (2,808) treasury shares.

As of 31 December 2021, Entra had 4,524 shareholders. Norwegian investors held 10 per cent of the share capital. The 10 largest shareholders as of 31 December 2021 were as follows:

Shareholder	Shareholding %
Fastighets AB Balder	36.6
Castellum AB	33.3
J.P. Morgan Securities	2.3
State Street Bank and Trust Comp	2.0
The Bank of New York Mellon	1.4
Danske Invest Norske Aksjer	1.0
Verdipapirfondet Alfred Berg Gambak	0.8
State Street Bank and Trust Comp	0.8
J.P. Morgan Bank Luxembourg	0.7
JPMorgan Chase Bank	0.7
Total 10 largest shareholders	**80.0**

Profit for the year and allocations

In 2021, the parent company Entra ASA made a profit after tax of 160 million (428 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, defined as net income from property management less tax payable, the Board proposes that Entra ASA distributes a dividend of 474 million (455 million) corresponding to 2.60 per share (2.50 per share) for the last six months of 2021. 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

When entering what might be the final stage of the Covid-19 pandemic, it is fair to conclude that the Norwegian society and office market has been less affected than most other countries. Further, Entra has proved to be very resilient, and our operations, projects and financial results have been only marginally impacted.

A shift to hybrid work seems abundantly clear for office and knowledge workers. However, both market data and Entra's experience throughout the last two years suggest only marginal cuts in demand for office space, primarily driven by three factors. Firstly, high density at the office is uncomfortable, and employees in general want more room around their desks than previously. Secondly, the office of the future must be more inviting to attract talent, and many tenants plan to implement more spacious, lounge-style, open seating plans and meeting rooms that accommodate a mix of in-person and remote participants. Thirdly, many employees want to work from home on Mondays and Fridays. As such, the need to facilitate for

[1] Source: Statistics Norway: Sickness absence Q3 2021

simultaneity in the office means that the shift towards hybrid office solutions only offer meagre opportunities to economize on office space. In short, employers are reshaping offices to become more inviting social spaces that encourage face-to-face collaboration, creativity, and serendipitous interactions, which will benefit landlords like Entra.

Office rents in Norway have held up well throughout the pandemic, and the activity in the letting market has picked up. Entra is thus well positioned in a solid Norwegian economy supported by strong public funding and a property market with low office vacancy rates and expectations for continued rental growth.

Long-term interest rates have during recent months trailed upwards, which in isolation should impact investors' yield requirements. However, strong CPI growth, that is fully implemented into Entra's tenant contracts, and an expected very positive rental market particularly in Oslo, combined with solid macro and continued good investor appetite for commercial real estate, should provide a strong mitigating force. The investment market is very active and competitive, and prime yields have remained stable.

Sustainability has been an integrated part of Entra's business model for more than 10 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.

Assets representing almost 69 per cent of the value of the management portfolio are, or in the process of being, BREEAM certified. Entra issued its first green bond in 2016 and currently has 69 per cent of its debt portfolio in green bonds and bank loans.

With the acquisition of Oslo Areal, a portfolio of 17 properties located within Entra's existing clusters that was closed on 12 January 2022, Entra has significantly increased its exposure to Oslo and enhanced and expanded Entra's attractive project development pipeline for the years to come.

Even after the fully debt-financed 13.5 billion acquisition of Oslo Areal, Entra has a strong balance sheet, a well staggered debt maturity profile, and a diversified financing mix with an ample supply of unutilized credit facilities. Going forward, Entra will optimize and grow its high-quality portfolio and continue to build and progress the development pipeline. Entra will focus on its role as an urban developer and leverage its competitive advantages, including expertise, network and ESG leadership.

Entra owns and manages modern, flexible and environmentally friendly assets located in selected clusters near public transportation hubs. Geopolitical uncertainty will prevail going forward, but Entra, with a solid tenant base with long lease contracts, a strong financial position, and an extensive project pipeline for future growth, has a proven and resilient business profile that is well positioned for the future.

Oslo, 3 March 2022
The Board of Entra ASA

Siri Hatlen
Chair of the Board

Kjell Bjordal
Vice Chair

Widar Salbuvik
Board member

Hege Toft Karlsen
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	2021	2020
Rental income	5, 6	2 508	2 353
Operating costs	9	-234	-211
Net operating income		**2 274**	**2 142**
Other revenues	10	73	113
Other costs	11	-43	-79
Administrative costs	12	-210	-186
Share of profit from associates and JVs	17	19	120
Net realised financials	14	-551	-541
Net income		**1 561**	**1 569**
- of which net income from property management		**1 534**	**1 451**
Changes in value of investment properties	16	5 057	5 980
Changes in value of financial instruments	7, 24	206	-275
Profit before tax		**6 825**	**7 274**
Tax payable	25	-19	-26
Change in deferred tax	25	-1 433	-1 552
Profit for the year		**5 373**	**5 696**
Actuarial gains and losses	26	-29	-25
Change in deferred tax on comprehensive income	25	6	5
Total comprehensive income for the year		**5 351**	**5 677**
Profit attributable to:			
Equity holders of the Company		5 064	5 460
Non-controlling interest		309	236
Total comprehensive income attributable to:			
Equity holders of the Company		5 042	5 440
Non-controlling interest		309	236
Earnings per share			
Continuing operations			
Basic=Diluted (NOK)	33	28	30

Notes 1 through to 36 form an integral part of the consolidated financial statements.

Balance sheet – assets

All amounts in NOK million

	Note	31.12.2021	31.12.2020
NON-CURRENT ASSETS			
Intangible assets	15	109	109
Investment properties	16	67 568	56 834
Other operating assets	15	28	17
Investments in associates and JVs	17	872	527
Financial derivatives	7	254	347
Long-term receivables and other assets	18	225	252
TOTAL NON-CURRENT ASSETS		**69 056**	**58 086**
CURRENT ASSETS			
Inventory properties	19	469	461
Trade receivables	20	77	64
Other receivables and other current assets	21	295	279
Cash and bank deposits	22	309	217
TOTAL CURRENT ASSETS		**1 149**	**1 021**
Investment properties held for sale	16	87	33
TOTAL ASSETS		**70 292**	**59 141**

Notes 1 through to 36 form an integral part of the consolidated financial statements.

Balance sheet – equity and liabilities

All amounts in NOK million

	Note	31.12.2021	31.12.2020
EQUITY			
Shareholders' equity	23, 34	31 263	27 136
Non-controlling interests	30	2 308	2 069
TOTAL EQUITY		**33 571**	**29 205**
LIABILITIES			
Interest bearing debt	24	22 788	19 095
Deferred tax liability	25	8 307	6 914
Financial derivatives	7	355	690
Other non-current liabilities	27, 28	650	554
Total non-current liabilities		**32 099**	**27 253**
Interest bearing debt	24	3 791	2 051
Trade payables		465	281
Other current liabilities	29	367	351
Total current liabilities		**4 622**	**2 683**
TOTAL LIABILITIES		**36 722**	**29 936**
TOTAL EQUITY AND LIABILITIES		**70 292**	**59 141**

Notes 1 through to 36 form an integral part of the consolidated financial statements.

Oslo, 3 March 2022
The Board of Entra ASA

Siri Hatlen
Chair of the Board

Kjell Bjordal
Vice Chair

Widar Salbuvik
Board member

Hege Toft Karlsen
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 31.12.2019	**182**	**-**	**3 523**	**18 865**	**1 947**	**24 517**
Profit for period				5 460	236	5 696
Other comprehensive income				-19		-19
Dividend				-874	-114	-989
Net equity effect of LTI & employee share saving scheme		-	-	-1		-
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**

Notes 1 through to 36 form an integral part of the consolidated financial statements.

Statement of cash flows 1 January to 31 December

All amounts in NOK million

	Note	2021	2020
Profit before tax		6 825	7 274
Income tax paid	25	-11	-11
Net expensed interest and fees on loans and leases	14	551	541
Net interest and fees paid on loans and leases		-603	-553
Share of profit from associates and jointly controlled entities	17	-19	-120
Depreciation and amortisation	15	5	13
Changes in value of investment properties	16	-5 057	-5 980
Changes in value of financial instruments	7, 24	-206	275
Changes in working capital		3	83
Net cash flow from operating activities		**1 488**	**1 521**
Proceeds from property transactions		42	15
Acquisition of investment properties	16	-3 540	-194
Investment in and upgrades of investment properties	16	-2 078	-1 683
Investment in inventory properties	19	-7	-48
Acquisition of intangible and other non-current assets	15	-13	-21
Net payment financial assets		70	73
Net payment of loans to associates and JVs		-16	-1
Investments in associates and JVs	17	-476	-13
Dividends from associates and JVs	17	152	3
Net cash flow from investment activities		**-5 865**	**-1 868**
Proceeds interest bearing debt	24	23 348	14 635
Repayment interest bearing debt	24	-17 888	-13 390
Repayment of lease liabilities	27	-10	-9
Dividends paid	34	-911	-874
Dividends paid to non-controlling interests		-70	-114
Net cash flow from financing activities		**4 469**	**246**
Change in cash and cash equivalents		92	-100
Cash and cash equivalents at beginning of period		217	317
Cash and cash equivalents at end of period		**309**	**217**

Notes 1 through to 36 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 96 (90) buildings with a total area of approximately 1.5 million (1.3 million) square metres. As of 31.12.21 the real estate portfolio had a market value of around 68 billion (57 billion). The public sector represents approximately 56 per cent (58 per cent) of the total customer portfolio. Entra's strategic areas are Oslo, Trondheim, Bergen, Sandvika, Stavanger and Drammen. Entra has its head office in Oslo.

The financial statements were adopted by the Company's Board on 3 March 2022.

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 assets and financial liabilities 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 details items in the accounts that are based on a significant amount of subjective judgement.

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

Application of new and revised International Financial Reporting Standards (IFRSs) in 2021

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.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

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
- any addition 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 capitalized under the investment property. In such cases, deferred tax liabilities or assets are not recognised, except for deferred taxes related to losses carried forward, in accordance with the exceptions in IAS 12.

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. 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 must be 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 shareholders 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 and any deviations from accounting policies, are presented on a separate line in the consolidated income statement. Joint ventures are recognised in the consolidated accounts using the equity method 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 require that a gain/loss at the time of derecognition of the joint venture has to be calculated and recognised in the income statement as results from associates and JVs according to the equity method. 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 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 comprehensive income is reclassified to the income statement.

INVESTMENT PROPERTY

Investment properties are owned with the aim of achieving a long-term return from rental income and increase in value. 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 disposed of, the difference between the net sales proceeds and carrying amount is recognised as change in value from investment properties.

Investment properties are valued at each reporting date. The values are estimated by independent appraisers. The valuation is based on the 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 inception 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, up-front payments to the lessee 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 receivables. 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 an administrative premium recognised as rental income. Shared costs are charged to tenants and recognised in the balance sheet together with payments on account of 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 extra 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 for trading 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's financial assets at FVTPL includes financial derivates and shares held for trading.

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 loans designated at fair value upon initial recognition and 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 where 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 "short-term lease" and "lease of low-value assets" 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 under 15 years until maturity. For leases with over 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 the 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. For the purposes of impairment testing, goodwill is allocated to the relevant cash-generating units. Goodwill is allocated to the cash-generating units or groups of cash-generating units that are expected to benefit from the acquisition from which the goodwill arose. Goodwill is tested for impairment annually and is recognised at cost less any impairment losses. Impairment of goodwill is not reversed. 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.

Impairment of intangible assets
Intangible assets with an uncertain useful life are not depreciated and are instead tested annually for impairment. Intangible assets that are depreciated are also tested for impairment if there is any indication to suggest that future cash flows cannot justify the carrying amount of the asset. Write-downs are recorded through the income statement as the difference between the carrying amount and the recoverable amount. The recoverable amount is the value in use or fair value, whichever is the higher, less selling costs. When testing for impairment, intangible assets are grouped at the lowest possible level at which it is possible to identify independent cash flows (cash-generating units). In conjunction with each financial report, the company assesses whether it is possible to reverse past write-downs of non-financial assets (except goodwill).

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 of the Norwegian Public Service Pension Fund and salary.

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 pension 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 via 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 executives ("LTI"). The LTI scheme is reported in accordance with IFRS 2. LTI remuneration is share-based and has a vesting period of five years, whereof 1/3 matures 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, taking into account the likelihood of the employee still being employed after the lock-up period. The amount is recognised as payroll expenses at grant date and accrued for the period from grant date to the date when the shares are without any restrictions.

SHARE DISCOUNTS

Sales of shares to employees in the 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. 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, that 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. 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.

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. 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 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. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract and taking into consideration any reasonably obtainable subleases.

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, property 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 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 pays 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

Fair value of investment properties

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

Each quarter, all the properties are valued by two independent, external appraisers. The valuations at 31 December 2021 were obtained from Akershus Eiendom/JLL and Newsec. The valuations are mainly based on 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 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 and inflation. The market rent for each property takes into account the property's location, situation, 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 risk relating to letting and location. Inflation is estimated using the consensus of a selection of banks and official statistics.

When carrying out their valuations, the appraisers receive comprehensive details of the leases for the properties, floor space and details of any vacant premises, and up-to-date information about all ongoing projects. Any uncertainties relating to the properties/projects and leases are also clarified verbally and in writing as and when required. The Group management performs internal controls to ensure that all relevant information is included in the valuations.

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, mix of tenants, etc).

Market transactions serve as important reference points for the appraisers and the number of transactions thus influence the level of uncertainty in the valuations. Total transaction volume in the Norwegian commercial real estate market in 2021 came in above NOK 160 billion. The transaction activity has been high in the whole country during 2021, and a number of transactions of relevance for Entra's portfolio were completed, providing the appraisers with relevant reference transactions for the valuation of Entra's portfolio at year-end.

Properties representing approximately 69 per cent of the market value of Entra's properties are, or are in the process of being, BREEAM certified. There is high demand for environment-friendly office properties in both the letting and transaction market. 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.

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 one or more of the other variables.

Value change (NOK million)[1]		% Δ Yield				
		-0.50%	-0.25%	0.00%	0.25%	0.50%
% Δ Market rent	-10.0%	3 802	-3 826	-6 021	-9 991	-13 484
	-5.0%	7 375	-690	-3 011	-7 206	-10 898
	0.0%	10 949	2 446	-	-4 422	-8 313
	5.0%	14 522	5 582	3 011	-1 638	-5 727
	10.0%	18 095	8 718	6 021	1 146	-3 142

[1] Estimates by Newsec in conjunction with valuations at 31 December 2021.

Consolidation of entities in which the Group holds less than a majority of shares

Entra considers that it controls Entra OPF Utvikling AS and Hinna Park Eiendom AS with a 50 per cent holding in the companies. 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 two companies. 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 two companies. The shareholder agreements include certain provisions that restricts Entra from making significant changes to the business of the two companies. These provisions are not considered to give the co-investors power over the companies, and are only considered to be protective rights. As Entra shall appoint the Chairman of the two companies and the Chairman has a double vote in the Board of Directors of the companies, Entra has concluded it controls these companies.

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.

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 detailed 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 good 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 was 254 million (347 million).

Trade receivables at 31 December 2021 was 77 million (64 million), contract assets was 2 million (11 million), external loans was 3 million (69 million) and other long-term receivables was 85 million (89 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 2021 amounted to 309 million (217 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 at 31 December 2021.

Financial covenants
There are covenants in the Group's bank loan agreements relating to interest cover ratio (ICR) and the loan-to-value of property (LTV). At 31 December 2021, the Group was not in breach of any covenants.

There are no covenants in relation to the Group's bond or commercial paper loans.

MATURITY PROFILE OF ALL FINANCIAL INSTRUMENTS

	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
Financial instruments									
- interest rate derivatives	2	62	49	97	-14	-60	-54	-	81
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**	**2 148**	**5 112**	**7 034**	**6 736**	**4 003**	**362**	**30 800**

	REMAINING TERM								
31.12.2020	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	-	-	-	3 771	465	1 500	-	-	5 736
Interest-bearing bank loans – amortising	10	30	39	50	24	-	-	-	153
Interest-bearing bank loans – estimated interest	22	66	87	137	49	4	-	-	366
Bonds – principal	-	812	2 500	3 995	2 650	3 000	1 100	-	14 057
Bonds – estimated interest	50	224	270	378	272	151	102	-	1 447
Commercial paper – principal	400	800	-	-	-	-	-	-	1 200
Commercial paper – estimated interest	1	3	-	-	-	-	-	-	4
Financial instruments									
- interest rate derivatives	34	79	88	154	73	-49	-55	-	325
Lease liabilities	6	15	21	42	38	21	20	360	523
Trade payables	281	-	-	-	-	-	-	-	281
Other financial liabilities	45	-	-	-	-	-	-	-	45
Total	**850**	**2 029**	**3 005**	**8 528**	**3 571**	**4 627**	**1 166**	**361**	**24 137**

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, unused credit facilities with Norwegian and international banks, as well as available liquid assets.

UNUSED CREDIT FACILITIES

	TERM TO MATURITY								
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
Unused credit facilities	-	-	-	4 580	4 250	-	-	-	8 830
Total unused credit facilities	**-**	**-**	**-**	**4 580**	**4 250**	**-**	**-**	**-**	**8 830**

UNUSED CREDIT FACILITIES

31.12.2020	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
Unused credit facilities	-	-	-	3 160	4 130	-	-	-	7 290
Total unused credit facilities	**-**	**-**	**-**	**3 160**	**4 130**	**-**	**-**	**-**	**7 290**

At 31 December 2021, the Group had 277 (181) million of available liquid assets. See Note 22.

Interest rate risk
The Group's liabilities are subject to fixed interest rates (47 per cent of liabilities at 31 December 2021 compared to 50 per cent at 31 December 2020). 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 ability to generate long-term, stable cash flow.

At 31 December 2021, the weighted average remaining term to maturity was 3.1 years (2.4 years). The average interest rate was 2.25 per cent (2.38 per cent) at 31 December 2021.

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 31.12.2021	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

As at 31.12.2020	31.12.2021	31.12.2022	31.12.2024	31.12.2026	31.12.2028	31.12.2030	31.12.2030+	
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	9.5	11.8	37.1	15.1	21.3	5.2	-	100
Amount	2 012	2 500	7 847	3 187	4 500	1 100	-	21 146

KEY FIGURES FOR THE GROUP'S FINANCIAL INSTRUMENTS

	2021	2020
Nominal value of interest rate derivatives on the balance sheet date [1)]	15 160	12 210
of which		
- Fixed-to-variable swaps [1)]	4 300	3 300
- Variable-to-Fixed swaps	10 860	8 910
Range of fixed interest rates	From 1.1050% to 5.640%	From 1.1050% to 5.6450%
Variable rate basis	NIBOR	NIBOR
Average fixed rate excl. forward starting swaps	1.99%	2.37%
Average fixed rate incl. forward starting swaps	1.64%	2.37%

1) 4,300 million (3,300 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 10,860 million (8,910 million). At 31 December 2021, 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 of the contracts include CPI increases.

THE GROUP'S FUTURE ACCUMULATED RENT FROM NON-TERMINABLE OPERATIONAL LEASE CONTRACTS AT 31.12.

	2021	2020
≤ 1 year	2 792	2 450
1 year < 2 years	2 612	2 286
2 year < 3 years	2 384	2 157
3 year < 4 years	2 186	1 918
4 year < 5 years	1 904	1 702
≥ 5 years	8 773	7 887
Total [1]	**20 651**	**18 401**

THE GROUP'S LEASE CONTRACTS AT 31.12 HAVE THE FOLLOWING MATURITY STRUCTURE MEASURED IN ANNUAL RENT [1]

	2021			2020		
Remaining term	No. of contracts	Contract rent	Contract rent, %	No. of contracts	Contract rent	Contract rent, %
≤ 1 year	197	187	6	232	173	7
1 year < 5 years	238	955	33	245	883	34
5 years < 10 years	120	1 078	37	105	896	35
≥ 10 years	48	689	24	46	626	24
Total	**603**	**2 910**	**100**	**628**	**2 578**	**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

	2021				2020			
	Area (sqm.)	Occupancy (%)	Wault (yrs)	Share of public sector tenants (%)	Area (sqm.)	Occupancy (%)	Wault (yrs)	Share of public sector tenants (%)
Oslo	635 820	97.8	7.2	55	550 010	98.0	6.9	58
Trondheim	152 188	98.7	6.3	77	158 940	97.1	7.1	77
Bergen	115 695	98.0	5.0	51	105 045	97.1	5.4	55
Sandvika	98 989	99.6	6.8	54	98 988	99.4	7.5	57
Stavanger	121 404	94.1	6.0	49	78 607	99.0	6.3	51
Drammen	69 421	99.1	8.5	86	62 107	97.6	9.5	84
Total management portfolio	**1 193 517**	**97.8**	**6.8**	**58**	**1 053 697**	**97.9**	**6.9**	**61**
Project portfolio	154 090		9.6	36	162 785		9.7	23
Regulated development sites	109 847		0.4	-	128 195		5.3	-
Total property portfolio	**1 457 453**		**7.1**	**56**	**1 344 677**		**7.1**	**58**

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 from 2021.

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, Sandvika, Drammen, Stavanger, Bergen and Trondheim, 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/digitalisation, 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	
31.12.2021	(#)	(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**					

The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 31.12.21 corresponds to 6.5 per cent of market rent.

The Groups 20 largest tenants accounts for approximately 46 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	
31.12.2020	(#)	(sqm.)	(%)	(yrs)	(NOKm)	(NOK/sqm.)	(NOKm)	(NOK/sqm.)	(%)	(NOKm)	(NOK/ sqm.)
Oslo	34	550 010	98.0	6.9	31 158	56 650	1 388	2 524	4.13	1 506	2 738
Trondheim	11	158 940	97.1	7.1	5 157	32 445	288	1 813	5.25	281	1 770
Bergen	7	105 045	97.1	5.4	4 712	44 859	218	2 080	4.27	258	2 458
Sandvika	9	98 988	99.4	7.5	3 157	31 893	177	1 790	5.32	154	1 556
Stavanger	5	78 607	99.0	6.3	2 272	28 900	139	1 762	5.60	129	1 641
Drammen	7	62 107	97.6	9.5	2 281	36 729	119	1 909	4.91	116	1 863
Total management portfolio	**73**	**1 053 697**	**97.9**	**6.9**	**48 737**	**46 253**	**2 329**	**2 210**	**4.44**	**2 444**	**2 320**
Project portfolio	11	162 785		9.7	7 048	43 294					
Regulated development sites	6	128 195		5.3	961	7 497					
Total property portfolio	**90**	**1 344 677**		**7.1**	**56 746**	**42 200**					

NOTE 7 CATEGORIES OF FINANCIAL INSTRUMENTS

All amounts in NOK million

31.12.2021	Financial assets at amortised cost	Financial assets at FVTPL	Total		Financial liabilities at FVTPL	Financial liabilities at amortised cost	Total
					Held for trading		
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**

31.12.2020	Financial assets at amortised cost	Financial assets at FVTPL	Total		Financial liabilities at FVTPL	Financial liabilities at amortised cost	Total
					Held for trading		
Assets				**Liabilities**			
Financial investments				Interest-bearing non-current liabilities		19 095	**19 095**
- shares		37	**37**	Interest-bearing current liabilities		2 051	**2 051**
- other financial assets	158		**158**	Lease liabilities		230	**230**
Financial derivatives		347	**347**	Financial derivatives	690		**690**
Trade receivables	64		**64**	Other non-current liabilities		102	**102**
Other current receivables	279		**279**	Trade payables		281	**281**
Cash and cash equivalents	217		**217**	Other current liabilities		121	**121**
Total financial assets	**717**	**384**	**1 102**	**Total financial liabilities**	**690**	**21 879**	**22 569**

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.

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

	31.12.2021	Level 1	Level 2	Level 3
Assets at fair value through profit or loss				
- Investment properties	67 568			67 568
- Derivatives	254		254	
- Investment properties held for sale	87			87
- 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**	**-**

ASSETS MEASURED AT FAIR VALUE

	31.12.2020	Level 1	Level 2	Level 3
Assets at fair value through profit or loss				
- Investment properties	56 834			56 834
- Derivatives	347		347	
- Investment properties held for sale	33			33
- Equity instruments	37			37
Total	**57 251**		**347**	**56 903**

LIABILITIES MEASURED AT FAIR VALUE

	31.12.2020	Level 1	Level 2	Level 3
Liabilities at fair value through profit or loss				
- Derivatives	690		690	
Total	**690**	**-**	**690**	**-**

INFORMATION ABOUT THE FAIR VALUE OF FINANCIAL ASSETS MEASURED AT AMORTISED COST

	2021		2020	
	Fair value	Carrying amount	Fair value	Carrying amount
Loans to associates and jointly controlled entities	13	13	1	1
Other financial assets	88	88	158	158
Trade receivables	77	77	64	64
Total	**178**	**178**	**222**	**222**

INFORMATION ABOUT THE FAIR VALUE OF FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

	2021		2020	
	Fair value	Carrying amount	Fair value	Carrying amount
Seller's credit and withheld purchase price	86	86	84	84
Subordinated loans	65	65	18	18
Total	**151**	**151**	**102**	**102**

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

	2021	2020
Operating costs		
Maintenance	29	33
Tax, leasehold, insurance	64	57
Letting and property administration	89	70
Direct property costs	52	51
Total operating costs	**234**	**211**

NOTE 10 OTHER REVENUES

All amounts in NOK million

	2021	2020
Other revenue		
Sales of services provided to tenants	46	82
Rental income from inventory properties	25	21
Other revenues	2	10
Total other revenues	**73**	**113**

NOTE 11 OTHER COSTS

All amounts in NOK million

	2021	2020
Other costs		
Costs related to services provided to tenants	25	58
Costs related to inventory properties	14	12
Other costs	4	9
Total other costs	**43**	**79**

NOTE 12 ADMINISTRATIVE COSTS

All amounts in NOK million

	2021	2020
Administrative costs		
Payroll and personnel expenses	117	105
Office expenses, furnishings and equipment	34	42
Consultancy fees	52	29
Other administrative owner costs	7	10
Total administrative costs	**210**	**186**

NOTE 13 PERSONNEL COSTS

All amounts in NOK million

PERSONNEL COSTS

	2021	2020
Salaries, performance-related pay and other taxable benefits [1)]	213	191
Employers' National Insurance contributions	31	26
Pension expenses	15	14
Other personnel costs	11	9
Total personnel costs	**271**	**241**
Of which capitalised as projects under development	-55	-49
Of which shared costs distributed amongst tenants	-51	-45
Total salary and personnel costs	**165**	**147**
Number of full-time equivalents	174	184
Number of employees at 31.12.	177	186

[1)] Salaries, performance-related pay and other taxable benefits includes a 19 million (15 million) provision for performance-related pay for all employees in 2021, 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 73-76 in the corporate governance section of this annual report.

OVERVIEW OF TOTAL REMUNERATION OF SENIOR EXECUTIVES IN 2021

All amounts in NOK thousand	Salary	Cash-based variable remuneration[1]	Share-based variable remuneration[1]	Benefits in kind	Pension costs	Total remuneration 2021
Sonja Horn, CEO	3 841	2 519	1 042	135	127	7 663
Anders Olstad, CFO and Deputy CEO	3 238	2 162	885	135	127	6 547
Kjetil Hoff, COO	2 262	514	337	135	127	3 375
Per Ola Ulseth, EVP Project Development	2 108	486	402	135	127	3 257
Tore Bakken, EVP Market and Commercial Real Estate Development	2 109	487	373	135	127	3 230
Kristine Marie Hilberg, EVP HR and Organisation	1 687	385	237	135	127	2 571
Hallgeir Østrem, EVP Legal and Procurement from 1 July 2021 [3]	1 277	294	92	68	63	1 794
Åse Lunde, EVP Digitalisation and Business Development until 30 June 2021	1 746	-	671	135	127	2 679
Total	**18 269**	**6 845**	**4 040**	**1 013**	**950**	**31 117**

[1] Includes the provision based on targets met in 2021, which will be paid out in 2022.

[2] The LTI scheme has a vesting period of five years, whereof 1/3 matures 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.

[3] 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.

OVERVIEW OF TOTAL REMUNERATION OF SENIOR EXECUTIVES IN 2020

All amounts in NOK thousand	Salary	Performance related bonus (STI) [1]	LTI [2]	Benefits in kind	Pension costs	Total remuneration 2020
Sonja Horn, CEO	3 728	1 385	738	140	110	6 100
Anders Olstad, CFO and Deputy CEO	3 262	1 257	669	140	110	5 438
Kjetil Hoff, COO	2 047	415	179	140	110	2 892
Per Ola Ulseth, EVP Project Development	2 027	416	255	140	110	2 948
Tore Bakken, EVP Market and Commercial Real Estate Development	2 084	426	226	140	110	2 985
Åse Lunde, EVP Digitalisation and Business Development	1 757	312	251	140	110	2 570
Kristine Marie Hilberg, EVP HR and Organisation	1 634	334	120	141	110	2 339
Total	**16 540**	**4 544**	**2 437**	**981**	**770**	**25 271**

[1] STI reflects the provision based on targets met in 2020, which was paid out in 2021.

[2] The LTI scheme has a vesting period of five years, whereof 1/3 matures 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 2020 also includes a portion of LTI earned in previous years.

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 2020.

All amounts in NOK thousand	Board fees	Committee fees	Total remuneration 2021 [1]	Total remuneration 2020 [1]
Board				
Siri Hatlen, Chair	501	61	562	526
Kjell Bjordal, Vice Chair	268	56	324	284
Widar Salbuvik	268	92	360	311
Camilla AC Tepfers	268	-	268	238
Hege Toft Karlsen from 23 April 2021	193	52	245	
Erling Nedkvitne, employee representative [2]	268	40	308	258
Marit Rasmussen, employee representative from 30 April 2020 [2]	268	-	268	161
Benedicte Schilbred Fasmer from 30 April 2020 until 23 April 2021	75	-	75	196
Ingrid Dahl Hovland until 30 April 2020	-	-	-	77
Mariann Halsvik Larsen, employee representative until 30 April 2020 [2]	-	-	-	77
Total [1]	**2 109**	**300**	**2 409**	**2 128**

[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

	2021	2020
Interest income	6	9
Other finance income	1	1
Interest expenses on interest bearing debt	-541	-544
- of which capitalised borrowing costs	42	35
Interest expenses on lease liabilities (note 27)	-11	-11
Other finance expenses	-49	-31
Total interest and other finance expense	**-551**	**-541**
Average interest on capitalised borrowing costs	2.33%	2.59%

NOTE 15 INTANGIBLE ASSETS AND OTHER OPERATING ASSETS

All amounts in NOK million

	2021			2020		
	Intangible assets	Goodwill	Equipment	Intangible assets	Goodwill	Equipment
Acquisition cost at 01.01.	8	146	35	8	146	48
Acquisitions	-	-	16	-	-	1
Disposals	-	-	-	-	-	-14
Acquisition cost at 31.12.	**8**	**146**	**51**	**8**	**146**	**35**
Accumulated depreciation and write-downs at 01.01.	8	37	18	-	37	26
Depreciation and write-downs	-	-	5	8	-	5
Disposals	-	-	-	-	-	-14
Accumulated depreciation and write-downs at 31.12.	**8**	**37**	**23**	**8**	**37**	**18**
Carrying amount at 31.12.	**-**	**109**	**28**	**-**	**109**	**17**

The goodwill relates to the acquisiton of 50 per cent of Hinna Park Eiendom. The Group performs an annual impairment test of the goodwill at year-end. No impairment indicators were identified at 31 December 2021. In January 2022, Entra sold its 50 per cent share in Hinna Park Eiendom. Refer to note 36 for further information.

NOTE 16 INVESTMENT PROPERTIES

All amounts in NOK million

VALUE OF INVESTMENT PROPERTIES

	2021	2020
Closing balance at 31.12 previous period	56 867	49 095
Purchase of investment properties	3 500	193
Investment in the property portefolio	2 224	1 580
Capitalised borrowing costs	42	35
Sale of investment properties	-35	-15
Change in value from investment properties	5 057	5 980
Closing balance at 31.12	**67 655**	**56 867**
Of which investment properties held for sale	87	33
Investment properties	**67 568**	**56 834**

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 “Critical accounting estimates and subjective judgements”.

Pursuant to the lease agreement entered into between Entra and Bærum municipality on 23 June 2005, which expires on 27 January 2027, the tenant has an option to acquire Borkenveien 1-3 in Sandvika (Vøyenenga School). In 2021, the Entra received notification that the tenant intended to exercise the option in 2022 at the purchase option price of 86.9 million, and the property is classified as held for sale at 31 December 2021. The transaction is expected to close in 2022.

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 2021, 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. As the property 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 2030.

Pursuant to the lease agreement entered into between Entra and 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 percent (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 2023, 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.

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.

31.12.2021	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

31.12.2020	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	33.33
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

	Carrying amount 31.12.2020	Share of profit for 2021	Capital injection/ reduction/	Equity transaction at fair value	Carrying amount 31.12.2021	Change in value in share of profit
Associated companies	**21**	**1**	**-2**	**-**	**19**	**-**
Jointly controlled entities						
Oslo S Utvikling AS	493	32	-150	476	850	-
Rebel U2 AS	11	-11 [1]	-		-	-
Hinna Park Facility Management AS	2	1	-	-	3	-
Total associates and jointly controlled entities	**527**	**22**	**-152**	**476**	**872**	**-**

[1] Entra's share of Rebel U2 AS's negative total comprehensive income for 2021 exceeds the negative share of profit in the table above. The variance is recognised as a reduction in the carrying value of Entra's loans to Rebel U2 AS, which are considered part of the Group's interests in Rebel U2 AS.

MOVEMENT IN CARRYING AMOUNT OF ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

	Carrying amount 31.12.2019	Share of profit for 2020	Capital injection/ reduction/	Equity transaction at fair value	Carrying amount 31.12.2020	Change in value in share of profit [1]
Associated companies	**8**	**2**	**-2**	**-**	**21**	**-**
Jointly controlled entities						
Oslo S Utvikling AS	372	121	-	-	493	2
Rebel U2 AS	14	-3	-		11	-
Hinna Park Facility Management AS	3	-	-	-	2	-
Total associates and jointly controlled entities	**397**	**120**	**-2**	**-**	**527**	**2**

[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)

	Associates and Jointly controlled entities	
	2021	2020
Revenue	220	788
Net income	**26**	**149**
Changes in value of financial instruments	-	2
Profit before tax	**26**	**151**
Tax expense	-7	-31
Profit after tax	**19**	**120**
Total comprehensive income	**19**	**120**
Total assets	1 884	834
Shareholders equity	872	527
Non-controlling interests	42	29
Total liabilities	969	278

SUMMARY OF SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS OF JOINTLY CONTROLLED ENTITIES (100 PER CENT)

Oslo S Utvikling AS is a property development company that is undertaking primarily residential development in Bjørvika, 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 provides facility management services at Universitetsgata 2 in Oslo – with full-service solutions, flexible and short-term leases, co-working, conferences and events. Rebel U2 AS opened its concept in 2021, which has seen lower than anticipated activity due to Covid-19 restrictions.

	Oslo S Utvikling AS		Rebel U2 AS	
	2021	2020	2021	2020
Income statement:				
Revenue	565	2 308	28	-
Cost of sales	-382	-1 776	-31	-2
Administrative costs	-44	-49	-14	-5
Net realised financials	-1	-25	-20	-
Net income	**138**	**454**	**-37**	**-7**
Changes in value of financial instruments	-	7	-	-
Profit before tax	**138**	**461**	**-37**	**-7**
Tax expense	-33	-94	8	1
Profit for the year	**105**	**367**	**-29**	**-5**
Total comprehensive income	**105**	**367**	**-29**	**-5**
Realisation of excess value	-	-1		
Entra's share of total comprehensive income	**32**	**121**	**-14**	**-3**
Balance sheet:				
Current assets	**2 455**	**2 275**	**44**	**5**
of which cash and cash equivalents	52	120	31	5
Non-current assets	**8**	**16**	**695**	**6**
Current liabilities	**186**	**330**	**58**	**1**
of which current financial liabilities other than accounts payable and provisions	-	-	-	-
Non-current liabilities	**968**	**454**	**700**	**-**
of which non-current financial liabilities other than accounts payable and provisions	647	175	-	-
Net assets	**1 310**	**1 507**	**-18**	**10**
of which attributable to non-controlling interest	85	87	-	-

RECONCILIATION OF CARRYING AMOUNT

	Oslo S Utvikling AS		Rebel U2 AS	
	2021	2020	2021	2020
Net assets attributable to equity holders of the JV	1 225	1 420	(18)	10
Entra's shareholding in the JV	613	473	(9)	5
Excess value	238	20	-	6
Carrying amount of Entra's shareholding	**850**	**493**	**-**	**11**

NOTE 18 LONG-TERM RECEIVABLES AND OTHER ASSETS

All amounts in NOK million

	2021	2020
External loans	3	69
Other long-term receivables	85	89
Financial assets at FVTPL	32	37
Purchase option	-	3
Other assets	105	55
Total long-term receivables and other assets	**225**	**252**

The purchase option was for the property Lagårdsveien 6 in Stavanger. The option expired in 2022, but was called early in January 2021.

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

	2021	2020
Trade receivables	85	76
Provision for bad debts	-8	-12
Net trade receivables	**77**	**64**

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:

	2021	2020
Up to 3 months	41	21
Over 3 months	21	14
Total overdue	**62**	**34**

NOTE 21 OTHER RECEIVABLES AND OTHER CURRENT ASSETS

All amounts in NOK million

OTHER RECEIVABLES

	2021	2020
Accrued interest	62	38
Accrued income, not invoiced	35	24
Advance payments and accruals	23	36
Other current receivables and assets	174	182
Total other receivables and other current assets	**295**	**279**

NOTE 22 CASH AND BANK DEPOSITS

All amounts in NOK million

	2021	2020
Bank deposits	277	181
Restricted bank deposits	31	35
Total bank deposits	**309**	**217**

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 2021, Entra owns 2,087 (2,808) of its own shares and has a total of 182,129,968 (182,129,247) shares outstanding.

As at 31 December 2021, Entra had 4,524 shareholders (5,660 shareholders). Norwegian investors held 10 per cent (29 per cent) of the share capital and foreign investors 90 per cent (71 per cent).

	Number of shares	Par value (NOK)	Share capital (NOK million)
31 December 2020	182 132 055	1	182
31 December 2021	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 million) 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 20 per cent discount. 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 23 April 2021 less a 20 per cent discount. A total of 72,473 (102,699) shares were acquired and sold to the employees in connection with the share purchase scheme in May 2021. In addition, a total of 25,248 (12,503) shares were awarded to senior executives in March 2021.

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 2021 were as follows:

Shareholder	No of shares per 31.12.2021	Shareholding %	Country
Fastighets AB Balder	66 645 086	36.6	Sweden
Castellum AB	60 710 624	33.3	Sweden
J.P. Morgan Securities	4 106 361	2.3	United States
State Street Bank and Trust Comp	3 667 952	2.0	United States
The Bank of New York Mellon	2 526 713	1.4	Belgium
Danske Invest Norske Aksjer	1 818 305	1.0	Norway
Verdipapirfondet Alfred Berg Gambak	1 500 000	0.8	Sweden
State Street Bank and Trust Comp	1 407 824	0.8	United States
J.P. Morgan Bank Luxembourg	1 337 463	0.7	Luxembourg
JPMorgan Chase Bank	1 247 024	0.7	United Kingdom
State Street Bank and Trust Comp	1 229 716	0.7	United States
Citibank, N.A.	1 162 073	0.6	Ireland
Telenor Pensjonskasse	1 043 014	0.6	Norway
Verdipapirfondet KLP Aksjenorge	1 013 481	0.6	Norway
Verdipapirfondet Alfred Berg Norge	904 322	0.5	Sweden
State Street Bank and Trust Comp	903 068	0.5	Ireland
Danske Invest Norske Aksjer	860 372	0.5	Norway
VPF DNB AM Norske Aksjer	798 270	0.4	Norway
JPMorgan Chase Bank	688 481	0.4	United Kingdom
MP Penson PK	679 595	0.4	Norway
Total 20 largest shareholders	**154 249 744**	**84.7**	
Total	**182 132 055**	**100.0**	

SHARES HELD BY BOARD OF DIRECTORS AND SENIOR EXECUTIVES AT 31.12. [1)]

Shareholder	Position	Number of shares 2021	Number of shares 2020
Board of directors			
Siri Hatlen	Chair	1 163	1 163
Kjell Bjordal	Vice Chair	50 000	50 000
Widar Salbuvik	Board member	20 000	20 000
Camilla AC Tepfers	Board member	-	-
Hege Toft Karlsen	Board member from 23 April 2021	-	
Erling Nedkvitne	Employee representative	13 406	12 392
Marit Rasmussen	Employee representative	454	454
Benedicte Schilbred Fasmer	Board member until 23 April 2021		-
Senior executives			
Sonja Horn	CEO	38 491	30 404
Anders Olstad	CFO and Deputy CEO	68 142	61 185
Kjetil Hoff	COO	7 141	3 845
Per Ola Ulseth	EVP Project Development	9 099	5 495
Hallgeir Østrem	EVP Legal and Procurement from 1 July 2021	13 841	
Tore Bakken	EVP Market and Commercial Real Estate Development	6 333	3 353
Kristine Marie Hilberg	EVP HR and Organisation	5 921	3 808
Åse Lunde	EVP Digitalisation and Business Development until 30 June 2021		7 544
Shares held by board of directors and senior executives		**233 991**	**199 643**

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 INTEREST BEARING DEBT

	Nominal value 2021	Market value 2021	Carrying amount 2021	Nominal value 2020	Market value 2020	Carrying amount 2020
Bank loans	5 572	5 572	5 551	5 850	5 850	5 830
Bonds	17 541	17 213	17 237	13 245	13 722	13 265
Total non-current interest bearing debt	**23 113**	**22 785**	**22 788**	**19 095**	**19 572**	**19 095**

CURRENT INTEREST BEARING DEBT

	Nominal value 2021	Market value 2021	Carrying amount 2021	Nominal value 2020	Market value 2020	Carrying amount 2020
Bank loans	46	46	46	39	39	39
Bonds	2 345	2 354	2 345	812	819	812
Commercial paper	1 400	1 400	1 400	1 200	1 200	1 200
Total current interest bearing debt	**3 791**	**3 800**	**3 791**	**2 051**	**2 058**	**2 051**

The average credit margin on the Group's loans at 31.12.2021 was 0.84 per cent (0.92 per cent).

CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	31 December 2020	New liabilities	Repayment	Other movements	Change in fair value	31 December 2021
Non-current interest bearing debt	19 095	20 348	-14 276	-2 379	-	22 788
Current interest bearing debt	2 051	3 000	-3 612	2 352	-	3 791
Non-current lease liabilities	220	-	-	-9	-	210
Current lease liabilities	10	-	-10	10	-	10
Financial derivatives	343	-	-	-	-242	101
Total liabilities from financing activities	**21 718**	**23 348**	**-17 898**	**-26**	**-242**	**26 900**

THE GROUP'S BONDS AND COMMERCIAL PAPER ARE SUBJECT TO THE FOLLOWING TERMS

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

THE GROUP'S COMMERCIAL PAPER 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

THE GROUP'S BONDS AT 31.12.2020

ISIN	Issue limit	Coupon rate	Term to maturity	Amount issued [1]	Net balance [1]
NO0010766363	1 500	3M Nibor + 1.05%	02.06.2021	1 300	812
NO0010740061	1 500	2.45%	13.06.2022	1 200	1 200
NO0010811649	1 500	3M Nibor + 0.72%	14.10.2022	1 300	1 300
NO0010670995	1 500	5.00%	08.02.2023	500	500
NO0010766389	1 500	2.45%	02.06.2023	1 100	1 100
NO0010774797	1 500	3M Nibor + 0.94%	22.09.2023	1 200	1 200
NO0010789464	1 500	3M Nibor + 0.86%	20.03.2024	1 195	1 195
NO0010282031	1 100	4.62%	29.05.2030	1 100	1 100
NO0010852692	1 500	3M Nibor + 0,83%	25.05.2025	1 450	1 450
NO0010852684	1 500	2.79%	22.05.2026	1 200	1 200
NO0010886856	2 000	3M Nibor + 1,10%	29.06.2027	2 000	2 000
NO0010895964	2 000	1.66%	21.04.2028	1 000	1 000
					14 057

THE GROUP'S COMMERCIAL PAPER AT 31.12.2020

ISIN	Issue limit	Coupon rate	Term to maturity	Amount issued [1]	Net balance [1]
NO0010891260	600	0.67%	20.01.2021	400	400
NO0010895857	400	0.71%	15.04.2021	400	400
NO0010907330	600	0.70%	20.05.2021	400	400
					1 200

[1] nominal values

MORTGAGES

In general the Group's financing is based on the parent company borrowing from external parties using negative pledge clauses. Wholly-owned subsidiaries are generally financed using intra-group loans.

For projects/properties with special characteristics, separate mortgage-based financing can be arranged. At 31 December 2021, there are one bond loan that is secured with pledge on assets. The bond of 1,100 million (1,100 million) is secured against the National Library and associated buildings, located at Henrik Ibsens gate 110 in Oslo. The lender also has a mortgage on the rental income from the property.

For subsidiaries that are not wholly-owned by Entra ASA, separate financing is generally arranged without any guarantee from the share-holders. This kind of financing is generally secured through a mortgage.

	2021	2020
Carrying amount of liabilities secured through mortgages	2 797	2 529
Carrying amount of mortgaged assets		
Investment properties	6 668	5 794

NOTE 25 TAX

All amounts in NOK million

INCOME TAX EXPENSE

	2021	2020
Tax payable	19	26
Change in deferred tax on profit and loss	1 433	1 552
Change in deferred tax on comprehensive income	-6	-5
Income tax expense	**1 445**	**1 572**

INCOME TAX PAYABLE IS CALCULATED AS FOLLOWS

	2021	2020
Profit before tax	6 825	7 274
Share of profit/loss at associates and jointly controlled entities	-19	-120
Other permanent differences	27	18
Net effect of aquired losses carried forward in asset acquisitions	-274	-
Changes in temporary differences	-6 436	-6 965
Changes in loss carry-forwards	-49	-90
Profit for tax purposes	**73**	**117**
Tax payable on the balance sheet	16	26
Tax payable on the balance sheet	**16**	**26**

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:

	2021	%	2020	%
Profit for accounting purposes multiplied by nominal tax rate	1 501	22.0	1 600	22.0
Tax on share of profit/loss at associates and jointly controlled entities	-4	-0.1	-26	-0.4
Tax on permanent differences	6	0.1	4	0.1
Tax effect of re-measurement of recoverability of acquired tax losses	-54	-0.8	-	-
Profit/loss on disposal of deferred tax	3	0.4	-	-
Tax expense for accounting purposes	**1 452**	**21.7**	**1 578**	**21.7**

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:

	2021	2020
Deferred tax liability	8 604	7 191
Deferred tax assets	298	278
Net deferred tax	**8 307**	**6 914**

CHANGE IN DEFERRED TAX (+)/DEFERRED TAX ASSETS (-)

	Non-current assets	Financial instruments	Current assets	Gains/ losses account	Provisions	Losses carried forward	Total
01.01.2020	**5 540**	**-11**	**66**	**20**	**-70**	**-178**	**5 367**
Recognised in profit and loss	1 584	-57	-17	-2	24	20	1 552
Recognised in comprehensive income	-	-	-	-	-5	-	-5
31.12.2020	**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**

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 168 (169) employees in the Group. The defined benefit pension scheme for the Group cover a total of 13 (15) current employees and 74 (70) pensioners.

The Group also has a contractual early-retirement scheme (AFP) from the age 62. At 31 December 2021, 5 (6) former employees had chosen to make use of the AFP scheme. The net pension liabilities associated with the AFP scheme amounted to 8 million (18 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

	2021	2020
Present value of accrued pension liabilities in defined-benefit schemes in unit trusts	229	206
Fair value of pension scheme assets	-130	-130
Employers' NICs accrued	14	10
Net pension liabilities on the balance sheet at 31.12	**112**	**86**

TOTAL COST RECOGNISED IN THE INCOME STATEMENT

	2021	2020
Cost of pension benefits accrued during current period	1	2
Contribution scheme	20	13
Total pension benefits accrued during the period	**22**	**15**
Net interest expense	1	1
Total pension benefits accrued in income statement	**23**	**16**
Actuarial losses (-)/gains (+) accrued in comprehensive income	29	25
Total pension benefits accrued in total comprehensive income	**52**	**41**

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 7 and 59 years. The Group applies the fair value model to right-of-use assets associated with the property lease contracts. Leased assets included in investment properties at 31 December 2021 was 923 million (934 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:

	2021	2020
Interest expense on lease liabilities	11	11
Expense relating to leases of low-value assets and short-term leases	1	1
Variable lease payments	16	9
Total amount recognised in profit or loss	**28**	**22**

The Group had total cash outflows for leases of 37 million in 2021 (31 million).

Refer to note 4 for maturity profile of the Group's lease liabilities based on contractual undiscounted payments as at 31 December 2021.

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

	2021	2020
Lease liabilities (note 27)	210	220
Pension liabilities (note 26)	112	86
Prepayments from customers	85	107
Subordinated loans	65	18
Seller's credit and withheld purchase price	90	84
Other non-current liabilities	88	40
Total non-current liabilities	**650**	**554**

NOTE 29 OTHER CURRENT LIABILITIES

All amounts in NOK million

	2021	2020
Accrued interest	154	124
Tenant prepayments	115	129
Lease liabilities (note 27)	10	10
Holiday pay owed	20	19
Publict taxes and duties	17	17
Income tax payable	16	26
Provisions for current liabilities	22	17
Other liabilities	13	9
Total other current liabilites	**367**	**351**

NOTE 30 SUBSIDIARIES

All amounts in NOK million

The Group comprises the following legal entities at 31 December 2021. All subsidiaries are incorporated in Norway.

Subsidiaries of Entra ASA			
Akersgata 34-36 AS	Entra Labs AS	Kristian Augusts gate 13 AS	Schweigaards gate 15 AS
Akersgata 51 AS	Entra OPF Utvikling AS [3]	Lagårdsveien 6 AS	Schweigaards gate 16 AS
Biskop Gunnerus' gate 14A AS	Entra Service AS	Langkaia 1 AS	St. Olavs plass 5 AS
Biskop Gunnerus' gate 6 AS	Entra Simpli AS	Lars Hilles gate 19 AS	Stenersgata 1 AS
Bispen AS	Entra Utleie AS	Lars Hilles gate 25 AS	Stenersgata Parkering AS
Borkenveien 1-3 AS	Fredrik Selmers vei 4 AS	Lilletorget 1 AS	Sundtkvartalet AS
Brattørkaia 13B AS	Fredrik Selmers vei 6 AS	Malmskriverveien 18-20 AS	Tordenskiolds gate 12 AS
Brattørkaia AS	Grensesvingen 26 AS	Malmskriverveien 2-4 AS	Tullinkvartalet AS
Brynsengfaret 4 og 6 AS	Grønland 32 AS	Marken 37 AS	Tvetenveien 22 AS
Brynsengfaret 6CD AS	Hagegata 22-24 AS	Møllendalsveien 1A AS	Universitetsgata 2 AS
Cort Adelers gate 30 AS	Helsfyr Kontorinvest AS [5]	Møllendalsveien 6-8 AS	Universitetsgata 7-9 AS
Drammensveien 134 AS	Hinna Park Eiendom AS [1]	Nils Hansens vei 20 AS	Vahls gate 1-3 AS
Drammensveien 134 P-Hus AS	Holtermanns veg 1-13 AS	Nonnesetergaten 4 AS	Valkendorfsgaten 6 AS
Drammensveien 134 Utearealer AS	Holtermanns veg 70 AS	Nygårdsgaten 91 og 93 AS	Verkstedveien 1 Monier AS
Dronningens gate 2 AS	Kaigaten 9 AS	Oslo Z AS	Verkstedveien 3 AS
Entra Bryn AS [4]	Keysers gate 13 AS	Otto Sverdrups plass 4 AS	Wexelsplass Garasje AS
Entra Eiendom AS	Kjørboparken AS	Papirbredden Eiendom AS [2]	
Entra Felleskost AS	Kongens gate 87 AS	Professor Olav Hanssens vei 10 AS	
Entra Kultur 1 AS	Konggata 51 AS	Savoy Holding AS	

Shares in subsidiaries owned through subsidiaries:

Hinna Park Eiendom AS [1]	**Papirbredden Eiendom AS [2]**	**Entra OPF Utvikling AS [3]**
Hinna Park AS	Grønland 51 AS	Entra OPF Utvikling Holding AS
Fjordpiren AS	Grønland 56 AS	Lars Hilles gate 30 Holding AS
Hinna Park Logistikk AS	Grønland 58 AS	Allehelgens gate 6 Holding AS
HP Stadionblokken C AS	Grønland 60 AS	Lars Hilles gate 30 AS
Kanalpiren AS	Kreftings gate 33 AS	Allehelgens gate 6 AS
Nytorget 1 AS		
Ormen Lange AS		
Oseberg Næring AS		
Troll Næring AS		

Entra Bryn AS [4]	**Helsfyr Kontorinvest AS [5]**
Brynseng Eiendom AS	Helsfyr Kontorholding AS
Brynsveien 11/13 Eiendom AS	Fyrstikkalléen 1 AS
Brynsveien 5 AS	
Østensjøveien 39/41 AS	
Østensjøveien 43 AS	
Bryn Boligtomt 1 AS	
Brynsveien 1 AS	
Brynsveien 2-4 AS	
Brynsveien 3 Eiendom AS	
Brynsveien 3A ANS	
Brynsveien 3B ANS	
Brynsveien 6 og 12 AS	
Østensjøveien 29 ANS	

[1] As of 31 December 2021, Entra ASA owned 50 per cent of the shares in Hinna Park Eiendom AS. The remaining 50 per cent was owned by Camar Eiendom AS. In January 2022, Entra and Camar Eiendom AS sold Hinna Park Eiendom AS. Refer to note 36 for further information.

[2] Papirbredden Eiendom AS is owned by Entra ASA with voting and owner shares of 60 per cent and Drammen Municipality with 40 per cent.

[3] 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.

31.12.2021	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**

31.12.2020	Papirbredden Eiendom AS	Hinna Park Eiendom AS	Entra OPF Utvikling AS	Total
NCI ownership interests	40%	50%	50%	
Rental income	113	79	136	329
Net operating income	110	73	123	305
Net income	**87**	**25**	**122**	**235**
Changes in value of investment properties	334	-66	186	454
Changes in value of financial instruments	-4	-1	-	-5
Profit before tax	**417**	**-42**	**308**	**684**
Tax	-92	12	-66	-146
Profit for the period	**326**	**-29**	**242**	**538**
Profit allocated to NCI	**130**	**-15**	**121**	**236**
Current assets	13	30	29	72
Non-current assets	2 181	1 335	3 082	6 598
Current liabilities	54	32	8	94
Non-current liabilities	1 005	932	274	2 211
Equity	**1 135**	**401**	**2 829**	**4 365**
Equity attributable to NCI	**454**	**201**	**1 414**	**2 069**
Net cash flows from operating activities	88	21	126	235
Net cash flows from investment activities	13	-7	-13	-7
Net cash flows from financing activities	-137	-1	-130	-268
Change in cash and cash equivalents	**-37**	**13**	**-17**	**-41**

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 2021 mainly related to rental income, administrative fees, loans, interest payments on loans and dividends. The aggregate figures show an increase in 2021 due to the opening of Rebel U2 AS' concept in Universitetsgata 2.

	2021	2020
Income statement		
Rental income	37	1
Other revenues	2	4
Dividends	152	3
Balance sheet		
Receivables	42	4
Loans	13	1

NOTE 32 AUDITOR'S FEE

All amounts in NOK thousand

	2021	2020
Statutory audit	2 773	3 230
Tax advice	-	177
Other services not related to auditing	-	101
Other assurance services	304	374
Total auditor's fee (excl. VAT)	**3 078**	**3 882**

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.

	2021	2020
Total comprehensive income for the year attributable to equity holders of the Company (NOKm)	5 042	5 440
Average number of outstanding shares	182 127 420	182 120 760
Basic earnings per share (NOK)	28	30

NOTE 34 DIVIDEND PER SHARE AND DIVIDEND POLICY

Entra targets a dividend pay-out ratio of approximately 60 per cent of Cash Earnings. 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 2.60 (2.50) per share for the second half of 2021. In October 2021, Entra paid out 2.50 per share (2.40 per share) for the first six months of 2021. For the financial year 2021 Entra will thus have paid out 5.10 per share (4.90 per share).

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 LEGAL DISPUTES

Entra was in 2016 in zoning processes regarding two of the Groups properties in Oslo. Oslo municipality claimed Entra for a contribution for unrelated projects, of which 16 million was paid in 2017. Entra was of the opinion that the claim was unlawful and applied for a ruling by Oslo District Court, which ruled in favour of Entra in June 2019. Oslo municipality appealed the ruling, and Borgarting Court of Appeal ruled in favour of Oslo municipality in January 2021. Entra appealed the ruling to the Supreme Court.

In May 2021, the Supreme Court's Appeal Committee denied the appeal for judicial review by Supreme Court, and the ruling from Borgarting Court of Appeal is consequently final. Entra's claim was regarded as a contingent asset, and the denial from the Supreme Court's Appeal Committee has no impact on Entra's balance sheet.

NOTE 36 SUBSEQUENT EVENTS

On 12 January 2022, Entra closed the acquisition of the Oslo Areal portfolio, with 17 properties in the Greater Oslo Region with property value of 13,550 million. The transaction will be recognised as an asset acquisition.

In January 2022, Entra divested its 50 per cent share in Hinna Park Eiendom to the newly established SVG Property AS ("SVG Property"). As settlement, Entra received 15 per cent of the shares in SVG Property, 64 million through a seller credit and a cash consideration of 99 million. Hinna Park Eiendom will be deconsolidated from Entra's financial statements from closing of the transaction, and the investment in SVG Property will be recognized as a financial asset at fair value through profit and loss.


Color Line

Parent company financial statements Entra ASA

Statement of income 1 January to 31 December

All amounts in NOK million

	Note	2021	2020
Sales revenue	3	147	136
Rental income	3	10	-
Total revenue		**157**	**136**
Payroll and related costs	4	-264	-234
Depreciation and impairments	9	-9	-3
Other operating costs	5, 17	-118	-95
Total operating costs		**-392**	**-332**
Operating profit		**-234**	**-196**
Income from investment in subsidiaries		592	1 137
Income from investments in associates and jointly controlled entities		152	3
Interest income from Group companies		130	94
Other financial income	6	80	14
Interest expense from Group companies		-1	-12
Interest expense		-474	-472
Other financial costs	7	-105	-32
Net financials		**374**	**732**
Profit before tax		**140**	**536**
Tax expense	8	20	-108
Profit for the year		**160**	**428**

Balance sheet – assets

All amounts in NOK million

	Note	31.12.2021	31.12.2020
NON-CURRENT ASSETS			
Deferred tax assets	8	31	4
Total intangible assets		**31**	**4**
Property and equipment	9	137	7
Total property & equipment		**137**	**7**
Investment in subsidiaries	10	22 725	21 404
Investments in associates and jointly controlled entities	10	700	224
Loans to associates and jointly controlled entities	11	17	1
Investment in shares		32	37
Loans to Group companies	11, 16	7 124	4 257
Other long-term receivables and other assets	11	49	124
Total non-current financial assets		**30 646**	**26 046**
Total NON-CURRENT ASSETS		**30 814**	**26 057**
CURRENT ASSETS			
Trade receivables		2	8
Receivables on Group companies	16	570	1 097
Other current receivables		145	62
Total current receivables		**717**	**1 167**
Cash and bank deposits		235	141
TOTAL CURRENT ASSETS		**952**	**1 307**
TOTAL ASSETS		**31 766**	**27 365**

Balance sheet – equity and liabilities

All amounts in NOK million

	Note	31.12.2021	31.12.2020
EQUITY			
Share capital	12, 13	182	182
Own shares	12, 13	-	-
Share premium reserve	12	2 595	2 595
Other paid-in capital	12	929	929
Total paid-in capital		**3 706**	**3 706**
Retained earnings	12	775	1 571
Total equity		**4 481**	**5 276**
NON-CURRENT LIABILITIES			
Interest bearing debt	14	20 039	16 608
Pension liability	15	111	85
Other non-current liabilities		4	1
Total non-current liabilities		**20 154**	**16 694**
CURRENT LIABILITIES			
Interest bearing debt	14	3 745	2 012
Trade payables		35	14
Liabilities to Group companies	16	2 689	2 750
Proposed dividend		474	455
Tax payable	8	-	10
Other current liabilites		188	152
Total current liabilities		**7 131**	**5 394**
Total liabilities		**27 285**	**22 088**
TOTAL EQUITY AND LIABILITIES		**31 766**	**27 365**

Oslo, 3 March 2022
The Board of Entra ASA

Siri Hatlen
Chair of the Board

Kjell Bjordal
Vice Chair

Widar Salbuvik
Board member

Hege Toft Karlsen
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

	2021	2020
Profit before tax	140	536
Taxes paid	-10	-
Net expensed interest and fees on loans	550	504
Net interest and fees paid on loans	-570	-513
Income from investment in subsidiary, associates and joint controlled entities	-748	-1 140
Gain and loss on sale of shares	-76	-8
Depreciation and write-downs of non-current assets	9	3
Change in working capital	-13	7
Net cash flow from operating activities	**-718**	**-611**
Payment for the purchase of properties	-134	-
Proceeds from sale of investments	111	-
Payments made on investments in subsidiaries	-1 817	-24
Payments made on investments in associates and jointly controlled entities	-476	-13
Proceeds from subsidiaries - Group contributions/dividends/repayment of equity	1 170	716
Proceeds from associates and jointly controlled entities - dividends	152	3
Payments/repayments other shares	-	-1
Proceeds/repayments from loans to subsidiaries	-132	-
Proceeds/repayments made on loans to associates and jointly controlled entities	-16	-1
Purchase of equipment and other assets	-11	-21
Proceeds/repayments from loans to external parties	61	75
Net change in cash pool balance	-2 382	-565
Net cash flow from investing activities	**-3 472**	**171**
Proceeds interest bearing debt	23 039	14 635
Repayment interest bearing debt	-17 844	-13 378
Dividends paid	-911	-874
Net cash flow from financing activities	**4 285**	**382**
Change in cash and cash equivalents	95	-58
Cash and cash equivalents at beginning of period	141	198
Cash and cash equivalents at end of year	**235**	**141**

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 96 (90) buildings with a total area of approximately 1.5 million (1.3 million) square metres. As of 31.12.21 the real estate portfolio had a market value of around 68 billion (57 billion). The public sector represents approximately 56 per cent (58 per cent) of the total customer portfolio. Entra's strategic areas are Oslo, Trondheim, Bergen, Sandvika, Stavanger and Drammen. Entra has its head office in Oslo.

The financial statements were adopted by the Company's Board on 3 March 2022.

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, 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 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 14. 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
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 balance sheet date.

GROUP
Entra ASA is the parent company of a Group of companies. The consolidated financial statements can be obtained from Entra ASA, Postboks 52, Økern NO-0508 Oslo.

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

	2021	2020
Salaries, performance-related pay and other taxable benefits [1)]	198	178
Employers' National Insurance contributions	32	26
Pension expenses	19	16
Other personnel costs	16	13
Total payroll and related costs	**264**	**234**
Number of full-time equivalents	171	181
Number of employees at 31.12.	174	183

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

	2021	2020
Cost of renting premises	20	19
Consultancy fees	49	24
Office expenses and equipment	24	32
Other costs	25	21
Total other operating costs	**118**	**95**

NOTE 6 OTHER FINANCIAL INCOME

All amounts in NOK million

	2021	2020
Gain on sale of shares	76	8
Other interest income	4	6
Total other financial income	**80**	**14**

NOTE 7 OTHER FINANCIAL COSTS

All amounts in NOK million

	2021	2020
Fees and premiums	77	25
Termination cost	6	6
Other financial costs	22	1
Total other financial costs	**105**	**32**

NOTE 8 TAX

All amounts in NOK million

	2021	2020
Tax expense		
Tax payable	-	10
Change in deferred tax recognised in profit and loss	-20	97
Total tax expense	**-20**	**108**
Income tax payable is calculated as follows		
Profit before tax	140	536
Dividend received	-188	-49
Other permanent differences	-42	3
Change in temporary differences	28	8
Change in loss carry-forwards	63	-40
Group contribution	-	-410
Profit for tax purposes	**-**	**48**
Tax payable (22%)	0	10

CHANGE IN DEFERRED TAX (+)/DEFERRED TAX ASSETS (-)

	Non-current assets	Financial instruments	Gains/losses account	Provisions	Loss carried forward	Total
31.12.2019	**-6**	**2**	**27**	**-20**	**-9**	**-6**
Recognised in profit and loss	1	4	-5	-7	9	1
Recognised in equity	-	-	-	1	-	1
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**

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:

	2021	%	2020	%
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:	31	22.0%	118	22.0%
Tax on dividend	-41	-29.6%	(11)	-2.0%
Tax on permanent differences	-9	-6.7%	1	0.1%
Tax expenses for accounting purposes	**-20**	**-14.3%**	**108**	**20.1%**

NOTE 9 PROPERTY AND EQUIPMENT

All amounts in NOK million

	Land	Buildings	Equipment	Property and equipment
Acquisition cost at 01.01.2021	-	-	14	14
Acquisition	24	113	2	139
Acquisition cost at 31.12.2021	**24**	**113**	**17**	**154**
Accumulated depreciation at 01.01.2021	-	-	8	8
Depreciation	-	6	3	9
Accumulated depreciation at 31.12.2021	**-**	**6**	**11**	**17**
Carrying amount at 31.12.2021	**24**	**107**	**6**	**137**
Anticipated useful life		20-50 years	3-5 years	
Depreciation schedule		linear	linear	

NOTE 10 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
Borkenveien 1-3 AS	11.12.2019	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
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
Helsfyr Kontorinvest AS	25.06.2021	Oslo	100
Hinna Park Eiendom AS	20.12.2013	Stavanger	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
Konggata 51 AS	05.01.2015	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
Nils Hansens vei 20 AS	03.04.2018	Oslo	100
Nonnesetergaten 4 AS	10.02.2003	Oslo	100
Nygårdsgaten 91 og 93 AS	11.05.2018	Oslo	100
Oslo Z AS	20.09.2000	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 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
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 7-9 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
Hinna Park Facility Management AS	18.11.2016	Stavanger	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 11 RECEIVABLES WHICH FALL DUE AFTER MORE THAN ONE YEAR

All amounts in NOK million

	2021	2020
Loan to associates and jointly controlled entities	17	1
Loan to Group companies	6 974	4 257
Receivable buy-out agreement	10	12
Subordinated loans	-	1
Total	**7 000**	**4 270**

NOTE 12 EQUITY

All amounts in NOK million

	Share capital	Own shares	Share premium reserve	Other paid-in capital	Retained earnings	Total equity
Equity at 31.12.2019	**182**	**-**	**2 595**	**929**	**2 055**	**5 761**
Profit for the year					428	428
Equity effect of actuarial gains and losses					-19	-19
Additional dividend					-437	-437
Proposed dividend					-455	-455
Net equity effect of LTI and employee share saving scheme		-	-	-	-1	-1
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					-474	-474
Proposed dividend					-455	-455
Net equity effect of LTI and employee share saving scheme		-	-	-	-4	-4
Equity at 31.12.2021	**182**	**-**	**2 595**	**929**	**775**	**4 481**

NOTE 13 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 2,087 (2,808) of its own shares and has a total of 182,129,968 (182,129,247) shares outstanding.

As of 31 December 2021 Entra had 4,524 shareholders (5,660 shareholders). Norwegian investors held 10 per cent (29 per cent) of the share capital and foreign investors 90 per cent (71 per cent) at 31 December 2021.

	No. of shares	Share capital (NOKm)	Share premium (NOKm)	Par value (NOK)
End of year 31.12.2020	182 132 055	182	2 595	1
End of year 31.12.2021	182 132 055	182	2 595	1

Entra ASA has a share purchase scheme, offering all employees, including management, the opportunity to purchase shares in Entra ASA at a 20 per cent discount. 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 23 April 2021 less a 20 per cent discount. A total of 72,473 (102,699) shares were acquired and sold to the employees in connection with the share purchase scheme in May 2021. In addition, a total of 25,248 (12,503) shares were adwarded to senior executives in March 2021.

The 20 largest shareholders as registered in the VPS as of 31 December 2021 were as follows:

Shareholder	No. of shares per 31.12.2021	Shareholding %	Country
Fastighets AB Balder	66 645 086	36.6%	Sweden
Castellum AB	60 710 624	33.3%	Sweden
J.P. Morgan Securities	4 106 361	2.3%	United States
State Street Bank and Trust Comp	3 667 952	2.0%	United States
The Bank of New York Mellon	2 526 713	1.4%	Belgium
Danske Invest Norske Aksjer	1 818 305	1.0%	Norway
Verdipapirfondet Alfred Berg Gambak	1 500 000	0.8%	Sweden
State Street Bank and Trust Comp	1 407 824	0.8%	United States
J.P. Morgan Bank Luxembourg	1 337 463	0.7%	Luxembourg
JPMorgan Chase Bank	1 247 024	0.7%	United Kingdom
State Street Bank and Trust Comp	1 229 716	0.7%	United States
Citibank, N.A.	1 162 073	0.6%	Ireland
Telenor Pensjonskasse	1 043 014	0.6%	Norway
Verdipapirfondet KLP Aksjenorge	1 013 481	0.6%	Norway
Verdipapirfondet Alfred Berg Norge	904 322	0.5%	Sweden
State Street Bank and Trust Comp	903 068	0.5%	Ireland
Danske Invest Norske Aksjer	860 372	0.5%	Norway
VPF DNB AM Norske Aksjer	798 270	0.4%	Norway
JPMorgan Chase Bank	688 481	0.4%	United Kingdom
MP Penson PK	679 595	0.4%	Norway
Total 20 largest shareholders	**154 249 744**	**84.7%**	
Total	**182 132 055**	**100.0**	

SHARES HELD BY BOARD OF DIRECTORS AND SENIOR EXECUTIVE AT 31.12. [1)]

Shareholder	Position	Number of shares 2021	Number of shares 2020
Board of directors			
Siri Hatlen	Chair	1 163	1 163
Kjell Bjordal	Vice Chair	50 000	50 000
Widar Salbuvik	Board member	20 000	20 000
Camilla AC Tepfers	Board member	-	-
Hege Toft Karlsen	Board member from 23 April 2021	-	
Erling Nedkvitne	Employee representative	13 406	12 392
Marit Rasmussen	Employee representative	454	454
Benedicte Schilbred Fasmer	Board member until 23 April 2021		-
Senior executives			
Sonja Horn	CEO	38 491	30 404
Anders Olstad	CFO and Deputy CEO	68 142	61 185
Kjetil Hoff	COO	7 141	3 845
Per Ola Ulseth	EVP Project Development	9 099	5 495
Hallgeir Østrem	EVP Legal and Procurement from 1 July 2021	13 841	
Tore Bakken	EVP Market and Commercial Real Estate Development	6 333	3 353
Kristine Marie Hilberg	EVP HR and Organisation	5 921	3 808
Åse Lunde	EVP Digitalisation and Business Development until 30 June 2021		7 544
Shares held by board of directors and senior executives		**233 991**	**199 643**

[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 14 INTEREST BEARING DEBT AND FINANCIAL INSTRUMENTS

All amounts in NOK million

	Nominal value 2021	Carrying amount 2021	Nominal value 2020	Carrying amount 2020
Non-current interest bearing debt				
Bank loans	3 902	3 920	4 460	4 442
Bond loans	16 137	16 441	12 145	12 165
Total non-current interest bearing debt	**20 039**	**20 361**	**16 605**	**16 608**
Current interest bearing debt				
Bond loans	2 345	2 345	812	812
Commercial paper	1 400	1 400	1 200	1 200
Total current interest bearing debt	**3 745**	**3 745**	**2 012**	**2 012**

MATURITY STRUCTURE OF DEBT

Year	Nominal value 2021	Nominal value 2020
2021		
2022		2 500
2023	1 579	2 800
2024	924	4 035
2025	3 020	1 570
2026	4 029	
Later than 5 years	10 809	5 700
Total	**20 361**	**16 605**

UNUSED CREDIT FACILITIES

At 31 December 2021, the maturity structure of the company's new unused credit facilities was as follows:

MATURITY STRUCTURE OF COMMITTED, UNUSED CREDIT FACILITIES

Year	Loan amount 2020	Loan amount 2019
2021		
2022		
2023		1 500
2024	1 500	1 660
2025	3 080	4 130
2026	4 250	
Total	**8 830**	**7 290**

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 Entra ASA 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 2021 the weighted average remaining term to maturity was 3.4 years (2.6 years). The company's average interest rate was 2.2 per cent (2.4 per cent) at 31 December 2021.

ENTRA ASA PORTFOLIO OF LOANS AND INTEREST RATE HEDGES HAVE THE FOLLOWING INTEREST RATE MATURITY PROFILE

	%	Fixed interest 2021
Up to 1 year	48	11 682
1-2 years	3	745
2-4 years	17	4 000
4-6 years	20	4 779
6-8 years	10	2 400
Over 8 years	2	500
Total	**100**	**24 106**

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

Entra ASA 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 debt financing consists of bank loans, as well as commercial paper and bonds. The bank loans are subject to variable interest rates. Commercial paper is subject to variable interest rates. The company has issued both fixed-rate and variable-rate bonds. 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 2021 to 6,099 million. These bonds are fixed rate and is included as part of the company's cash flow hedges.

NOT VALUE HEDGED FIXED RATE BONDS IN 2021

	Maturity	Nominal value	Market value
ISIN NO0010740061	13.06.2022	800	804
ISIN NO0010766389	02.06.2023	470	474
ISIN NO0010852684	22.05.2026	279	281
ISIN NO0010895964	21.04.2028	1 000	939
ISIN NO0011011256	28.11.2025	1 000	981
ISIN NO0011094633	10.09.2026	1 150	1 096
ISIN NO0011094641	10.09.2029	1 400	1 321
Total		**6 099**	**5 895**

The company's exposure to variable interest rates is hedged for cash flow risk using variable-to-fixed interest rate swaps.

CASH FLOW HEDGING

Entra ASA's debt are directly or indirectly subject to variable interest rates. Entra ASA 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 Entra ASA'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, 52 per cent (55 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 48 per cent (45 per cent) of the company's interest bearing debt.

CASH FLOW HEDGING

	2021	2020
Hedged item		
Variable interest rate liabilities	24 106	18 617
Hedge		
Interest rate swaps (variable-to-fixed)	12 424	10 300
Hedge ratio (unhedged position)	**11 682**	**8 317**
Hedge ratio (% hedged)	**52%**	**55%**

Changes in the cash flow hedges over the financial year:

CHANGE IN VALUE

	2021	2020
Opening balance - market value of liability	625	289
Change in value	-412	337
Closing balance - market value of liability	**213**	**625**

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 financial year 2021 is mainly due to lower interest rate.

FAIR VALUE HEDGING

Entra ASA has the following fair value hedges for the company's outstanding fixed-rate bonds:

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%**

FAIR VALUE HEDGING 2020

	Total	Maturity structure up to 1 year	Maturity structure 1-5 years	Maturity structure > 5 years
Hedged item				
Fixed interest rate liabilities	5 000	-	2 800	2 200
Hedge				
Interest rate swaps (fixed-to-variable)	2 200	-	900	1 300
Hedge ratio (unhedged position)	**56%**	**-**	**68%**	**41%**
Hedge ratio (% hedged)	**44%**	**-**	**32%**	**59%**

Changes in the value of fair value hedges over the financial year:

CHANGE IN VALUE

	2021	2020
Opening balance – market value of liabilities (+) /receivables (-)	-26	-27
Change in value	101	-
Closing balance – market value of liabilities (+) /receivables (-)	**75**	**-26**

At 31 December 2021, the market value of the company's fair value hedges represented a receivable for the company.

NOTE 15 PENSION

All amounts in NOK million

The company's pension scheme for new employees is a defined contribution scheme. The defined contribution scheme includes 167 (168) employees. The defined benefit pension scheme cover a total of 11 (13) current employees and 74 (70) pensioners.

The company also has a contractual early-retirement scheme (AFP) from the age of 62. At 31 December 2021, 5 (6) former employees had chosen to make use of the AFP scheme. The net pension liabilities associated with the AFP scheme amounted to NOK 8 million (NOK 18 million), which is included under total pension liabilities in the table below.

The company's pension scheme satisfies the requirements of the Norwegian Act on Compulsory Occupational Pensions.

THE BALANCE SHEET LIABILITIES HAVE BEEN CALCULATED AS FOLLOWS

	2021	2020
Present value of accrued pension liabilities in defined-benefit schemes in unit trusts	223	201
Fair value of pension scheme assets	-126	-127
Employers' NICs accrued	14	11
Net pension liabilities on the balance sheet at 31.12	**111**	**85**

CHANGE IN DEFINED-BENEFIT PENSION LIABILITIES OVER THE YEAR

	2021	2020
Pension liabilities at 01.01	201	182
Present value of pensions earned this year	1	1
Interest expense	3	4
Pension benefits paid	-7	-6
Actuarial losses/(gains)	24	21
Pension liabilities at 31.12	**223**	**201**

CHANGE IN FAIR VALUE OF PENSION SCHEME ASSETS

	2020	2019
Pension scheme assets at 01.01	127	128
Anticipated return on pension scheme assets	2	3
Contributions from employer	5	3
Pension benefits paid	-7	-6
Actuarial (gains)/losses	-1	-1
Pension scheme funds at 31.12	**126**	**127**

TOTAL COST RECOGNISED IN THE INCOME STATEMENT

	2021	2020
Cost of pension benefits accrued during current period	1	1
Contribution scheme and contractual early-retirement scheme	14	13
Total pension benefits accrued during the period	**16**	**14**
Net interest expense	1	1
Total pension benefits accrued in income statement	**17**	**16**
Actuarial losses (-)/gains (+) accrued in equity	29	25
Total pension benefits accrued	**46**	**40**

The actual return on pension scheme assets was NOK 2 million (NOK 3 million).

THE FOLLOWING ECONOMIC ASSUMPTIONS HAVE BEEN USED

	2021	2020
Discount rate	1.90%	1.70%
Anticipated return on pension scheme assets	1.90%	1.70%
Annual wage growth	2.50%	2.00%
Annual adjustment to the National Insurance Scheme's basic amount ("G")	1.75%	2.00%
Annual adjustment of pensions	2.50%	1.25%
Mortality rates	K2013	K2013
Disability rates	200% * K63	200% * K63
Proportion of entitled employees making use of AFP	20%	20%

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 16 RELATED PARTY TRANSACTIONS AND INTRA-GROUP BALANCES

All amounts in NOK million

Transactions with related parties	Counterparty	2021	2020
Services for property management	Subsidiaries	55	54
Services for Project development	Subsidiaries	55	49
General manager fee	Subsidiaries	1	1
Accounting and management fee	Subsidiaries	31	30
Accounting and management fee	Jointly controlled entities	1	1
Digitization and market resources fee	Jointly controlled entities	1	3
Rental cost	Subsidiaries	16	14
Rental income	Subsidiaries	10	-
Group contribution/dividends	Subsidiaries	592	1 137
Dividends	Jointly controlled entities	152	3
Interest income	Subsidiaries	130	94
Interest expense	Subsidiaries	1	12

RECEIVABLES

	2021	2020
Long term loan to Group companies	7 124	4 257
Trade receivables from Group companies	-	4
Short term receivables to Group companies	3	5
Group contributions/dividends from subsidiaries	568	1 092
Total	**7 694**	**5 358**

LIABILITIES

	2021	2020
Short term liabilites to Group companies	2 689	2 339
Group contribution to subsidiary	-	410
Total	**2 689**	**2 750**

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.

NOTE 17 AUDITOR'S FEE

All amounts in NOK thousand

	2021	2020
Remuneration to auditor (excluding VAT)		
Statutory audit	1 054	1 389
Tax advice	-	13
Other assurance services	225	259
Total	**1 280**	**1 661**

Responsibility statement

We declare to the best of our knowledge that

- the Entra ASA consolidated financial statements for 2021 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 2021 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, 3 March 2022
The Board of Entra ASA

Siri Hatlen
Chair of the Board

Kjell Bjordal
Vice Chair

Widar Salbuvik
Board member

Hege Toft Karlsen
Board member

Camilla AC Tepfers
Board member

Marit Rasmussen
Board member

Erling Nedkvitne
Board member

Sonja Horn
CEO

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Dronning Eufemias gate 14
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NO-0103 Oslo
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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 2021, 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 2021, 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 2021, 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 financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, 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 laws and regulations 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 10 years from the election by the general meeting of the shareholders on 14.05.2012 for the accounting year 2012.

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

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statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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 control activities to ensure that relevant property information is included in the external valuations. We have assessed the design of the control activities and tested if they have 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 market development during 2021. We assessed their 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 were 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 appears 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 legal requirements.

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 or 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.

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 Regulation on European Single Electronic Format (ESEF)
Opinion
We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name entraasa-2021-12-31-en have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF). In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities
Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.

Auditor's Responsibilities
Our responsibility is to express an opinion on whether the financial statements have been prepared in accordance with ESEF. We conducted our work in accordance 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 that the financial statements have been prepared in accordance with the European Single Electronic Format.

As part of our work, we performed procedures to obtain an understanding of the company's processes for preparing its financial statements in the European Single Electronic Format. We evaluated the completeness and accuracy of the iXBRL tagging and assessed management's use of judgement. Our work comprised reconciliation of the financial statements tagged under the European Single Electronic Format 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, 3 March 2022
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'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
- Net value changes
- Cash Earnings
- Market value of the property portfolio
- Net nominal interest bearing debt
- Debt ratio – Loan-to-value (LTV)
- Interest coverage ratio (ICR)
- EPRA Earnings
- EPRA Net Asset Value metrics – EPRA NRV, EPRA NTA and EPRA NDV
- EPRA Net Initial Yield
- EPRA Cost Ratio

NET INCOME FROM PROPERTY MANAGEMENT & CASH EARNINGS

All amounts in NOK million	2021	2020
Net income	1 561	1 569
Less:		
Other income and costs in associates and JVs	28	118
Net income from property management	**1 534**	**1 451**
Tax payable	-19	-26
Cash Earnings	**1 515**	**1 425**

NET VALUE CHANGES

All amounts in NOK million	2021	2020
Changes in value of investment properties	5 057	5 980
Changes in value of financial instruments	206	-275
Net value changes	**5 264**	**5 705**

MARKET VALUE OF THE PROPERTY PORTFOLIO

All amounts in NOK million	31.12.2021	31.12.2020
Investment properties	67 568	56 834
Investment properties held for sale	87	33
Other	-108	-121
Market value of the property portfolio	**67 547**	**56 746**

NET NOMINAL INTEREST BEARING DEBT

All amounts in NOK million	31.12.2021	31.12.2020
Nominal value of interest bearing debt	26 903	21 146
Cash and bank deposits	-309	-217
Net nominal interest bearing debt	**26 594**	**20 930**

DEBT RATIO – LOAN-TO-VALUE (LTV)

All amounts in NOK million except ratio	31.12.2021	31.12.2020
Total debt	26 996	21 545
- Carrying amount of interest bearing debt	26 579	21 146
- Other interest bearing liabilities	418	399
Total assets	70 292	59 141
Debt ratio (LTV) % [1]	**38.4**	**36.4**

[1] The definition of LTV is amended from 2021 to be measured by effective leverage. See the section “Definitions” for further information. Comparative figures have been updated to reflect the amended definition.

INTEREST COVERAGE RATIO (ICR)

All amounts in NOK million except ratio	2021	2020
Net income	1 561	1 569
Depreciation	5	13
Results from associates and joint ventures	-19	-120
Net realised financials	551	541
EBITDA adjusted	**2 098**	**2 002**
Interest cost	552	555
Other finance expense	49	30
Applicable net interest cost	**600**	**585**
Interest Coverage Ratio (ICR)	**3.5**	**3.4**

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	2021 / 31.12.2020	2020 / 31.12.2020
A	EPRA earnings per share (EPS)	NOK	6.07	5.73
B	EPRA NRV per share	NOK	218	189
	EPRA NTA per share	NOK	216	187
	EPRA NDV per share	NOK	174	149
C	EPRA net initial yield	%	4.21	4.42
	EPRA, "topped-up" net initial yield	%	4.21	4.42
D	EPRA vacancy rate	%	2.0	1.9
E	EPRA cost ratio (including direct vacancy costs	%	17.4	16.5
	EPRA cost ratio (excluding direct vacancy costs)	%	15.7	14.6

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	2021	2020
Aquisitions	**3 500**	**193**
Developments	**1 837**	**1 306**
- Newbuild projects	455	83
- Redevelopment projects [1)]	1 090	1 176
- Refurbishment [1)]	294	46
Investment properties	**387**	**274**
- Incremental lettable space	-	-
- No incremental lettable space and tenant incentives	260	186
- Other material non-allocated types of expenditure	127	88
Capitalised interest	42	35
Total Capital Expenditure	**5 766**	**1 807**
Conversion from accrual to cash basis	-149	70
Total Capital Expenditure on cash basis	**5 617**	**1 877**

[1)] 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	2021 IFRS reported	2021 EPRA adjustments	2021 Non-controlling Interests [1]	2021 EPRA Earnings	2020 IFRS reported	2020 EPRA adjustments	2020 Non-controlling interests [1]	2020 EPRA Earnings
Rental income	2 508	-	164	2 344	2 353	-	153	2 199
Operating costs	-234	-	-17	-217	-211	-	-12	-199
Net operating income	**2 274**	**-**	**147**	**2 127**	**2 142**	**-**	**142**	**2 000**
Other revenue	73	-	1	72	113	-	2	110
Other costs	-43	-	-	-43	-79	-	-4	-75
Administrative costs	-210	-	-7	-203	-186	-	-8	-179
Share of profit from associates and JVs	19	32	-	-13	120	121	-	-1
Net realised financials	-551	-	-27	-524	-541	-	-23	-517
Net income	**1 561**	**32**	**113**	**1 417**	**1 569**	**121**	**109**	**1 339**
Net value changes	5 264	5 264	-	-	5 705	5 705	-	-
Profit before tax/ EPRA Earnings before tax	**6 825**	**5 295**	**113**	**1 417**	**7 274**	**5 826**	**109**	**1 339**
Tax payable	-19	-	-6	-13	-26	-	-6	-20
Change in deferred tax	-1 433	-1 115	-19	-299	-1 552	-1 259	-18	-274
Profit for period/ EPRA Earnings	**5 373**	**4 180**	**88**	**1 105**	**5 696**	**4 567**	**85**	**1 044**
Average outstanding shares (million)				182.1				182.1
EPRA Earnings per share (NOK)				6.07				5.73

[1] Excluding non-controlling interests in relation to EPRA adjustments..

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 turnover of the property portfolio. Entra presents the three NAV metrics introduced in the Best Practices Recommendations Guidelines released in October 2019; EPRA NRV, EPRA NTA and EPRA NDV; which has replaced the previous NAV metrics EPRA NAV and EPRA NNNAV.

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 selling 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	31.12.2021 Total	31.12.2021 Attributable to non-controlling interests	31.12.2021 Attributable to shareholders (EPRA NRV)	31.12.2020 Total	31.12.2020 Attributable to non-controlling interests	31.12.2020 Attributable to shareholders (EPRA NRV)
IFRS equity	33 571	-2 308	31 263	29 205	-2 069	27 136
Revaluation of investments made in JVs	426	-	426	249	-	249
Revaluation of purchase option [1]	-	-	-	176	-	176
Net Asset Value (NAV) at fair value	**33 996**	**-2 308**	**31 689**	**29 630**	**-2 069**	**27 561**
Deferred tax properties and financial instr.	8 514	-462	8 053	7 056	-383	6 673
Net fair value on financial derivatives	101	-6	94	343	-14	329
Goodwill as a result of deferred tax	-109	55	-55	-109	55	-55
EPRA Net Reinstatement Value (NRV)	**42 502**	**-2 721**	**39 781**	**36 919**	**-2 411**	**34 508**
Outstanding shares at period end (million)			182.1			182.1
EPRA NRV per share (NOK)			218			189

1) In January 2021, Entra acquired the property Lagårdsveien 6 for an option price lower than the fair market value. The difference between the option price and the fair market value was included in NAV at fair value at 31.12.20, adjusted for transaction fees and the carrying amount of the option. The property is included in investment properties measured at fair value from 2021.

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 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	31.12.2021 Total	31.12.2021 Attributable to non-controlling interests	31.12.2021 Attributable to shareholders (EPRA NTA)	31.12.2020 Total	31.12.2020 Attributable to non-controlling interests	31.12.2020 Attributable to shareholders (EPRA NTA)
IFRS equity	33 571	-2 308	31 263	29 205	-2 069	27 136
Revaluation of investments made in JVs	426	-	426	249	-	249
Revaluation of purchase option	-	-	-	176	-	176
Net Asset Value (NAV) at fair value	**33 996**	**-2 308**	**31 689**	**29 630**	**-2 069**	**27 561**
Reversal deferred tax as per balance sheet	8 307	-386	7 921	6 914	-307	6 607
Estimated real tax liability	-249	-51	-301	-239	-55	-294
Net fair value on financial derivatives	101	-6	94	343	-14	329
Goodwill as a result of deferred tax	-109	55	-55	-109	55	-55
Intangible assets	-	-	-	-	-	-
EPRA Net Tangible Assets (NTA)	**42 045**	**-2 696**	**39 349**	**36 538**	**-2 391**	**34 148**
Outstanding shares at period end (million)			182.1			182.1
EPRA NTA per share (NOK)			216			187

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	31.12.2021 Nom. tax liability	31.12.2021 Real tax liability	31.12.2020 Nom. tax liability	31.12.2020 Real tax liability
Non-current assets	8 532	460	7 124	384
Financial instruments	-18	-	-68	-
Current assets	56	56	49	49
Gains/losses account	16	13	19	15
Provisions	-55	-55	-52	-52
Loss carried forward	-224	-224	-158	-158
Deferred tax liability	**8 307**	**249**	**6 914**	**238**

EPRA NET DISPOSAL VALUE (NDV)

The EPRA NDV measure provides readers of financial reports with 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	31.12.2021 Total	31.12.2021 Attributable to non-controlling interests	31.12.2021 Attributable to shareholders (EPRA NDV)	31.12.2020 Total	31.12.2020 Attributable to non-controlling interests	31.12.2020 Attributable to shareholders (EPRA NDV)
IFRS equity	33 571	-2 308	31 263	29 205	-2 069	27 136
Revaluation of investments made in JVs	426	-	426	249	-	249
Revaluation of purchase option	-	-	-	176	-	176
Net Asset Value (NAV) at fair value	**33 996**	**-2 308**	**31 689**	**29 630**	**-2 069**	**27 561**
Fair value adj. fixed interest rate debt, net of tax	-5	-	-5	-378	-	-378
Goodwill as a result of deferred tax	-109	55	-55	-109	55	-55
EPRA Net Disposal Value (NDV)	**33 882**	**-2 253**	**31 629**	**29 143**	**-2 015**	**27 128**
Outstanding shares at period end (million)			182.1			182.1
EPRA NDV per share (NOK)			174			149

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	Trondheim	Sandvika	Stavanger	Drammen	Bergen	Total
Investment property - wholly owned	45 004	6 220	3 365	1 611	389	3 449	60 038
Investment property - share of JVs	-	-	-	954	1 391	1 642	3 986
Total property portfolio	**45 004**	**6 220**	**3 365**	**2 565**	**1 780**	**5 091**	**64 025**
Less projects and land and developments	-5 275	-632	-98	-135	-	-1 172	-7 312
Completed management portfolio	**39 729**	**5 589**	**3 267**	**2 430**	**1 780**	**3 918**	**56 713**
Allowance for estimated purchasers' cost	59	17	10	6	6	11	107
Gross up completed management portfolio valuation	**39 788**	**5 605**	**3 277**	**2 436**	**1 785**	**3 929**	**56 820**
12 months rolling rent	1 683	297	177	133	94	176	2 560
Estimated ownership cost	109	17	8	12	5	15	166
Annualised net rents	**1 574**	**280**	**168**	**121**	**89**	**161**	**2 393**
Add: Notional rent expiration of rent free periods or other lease incentives	-	-	-	-	-	-	-
Topped up net annualised net rents	**1 574**	**280**	**168**	**121**	**89**	**161**	**2 393**
EPRA NIY (net initial yield)	**3.96%**	**5.00%**	**5.13%**	**4.96%**	**5.00%**	**4.11%**	**4.21%**
EPRA "topped-up" NIY (net initial yield)	**3.96%**	**5.00%**	**5.13%**	**4.96%**	**5.00%**	**4.11%**	**4.21%**

D. EPRA VACANCY

Estimated Market Rental Value (ERV) of vacant space divided by 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	Trondheim	Sandvika	Stavanger	Drammen	Bergen	Total
Market rent vacant areas	38	4	1	6	1	4	53
Total market rent	1 732	278	159	137	88	214	2 609
EPRA vacancy rate	**2.2%**	**1.3%**	**0.4%**	**4.1%**	**1.2%**	**1.9%**	**2.0%**

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	2021	2020
Operating costs	-234	-211
Administrative costs	-210	-186
Less: Ground rent cost	8	9
EPRA Cost (including direct vacancy cost)	**-437**	**-388**
Direct vacancy cost	-44	-44
EPRA Cost (excluding direct vacancy cost)	**-393**	**-343**
Gross rental income less ground rent	2 508	2 353
Total gross rental income less ground rent	**2 508**	**2 353**
Epra cost ratio (including direct vacancy cost)	**17.4%**	**16.5%**
Epra cost ratio (excluding direct vacancy cost)	**15.7%**	**14.6%**

GRI table

The reports have been prepared in accordance with the GRI Standards. Deloitte has been enaged to conduct a limited assurance on the reporting. References relate to different chapters or appendixes in the Annual Report 2021 (AR). References are made to where information about each disclosure is presented, either this is fully or partly disclosed according to GRI Standards requirement.

GENERAL DISCLOSURES

Disclosure #	Disclosure name	Referance and/or response
ORGANIZATIONAL PROFILE		
102-1	Name of the organization	Entra ASA
102-2	Activities, brands, products, and services	AR, The business
102-3	Location of headquarters	AR, The business
102-4	Location of operations	AR, The business
102-5	Ownership and legal form	AR, Board Report: Shareholder Information
102-6	Markets served	AR, The business
102-7	Scale of the organization	AR: This is Entra: Our results: The business: Employees and Organisation, ESG: EPRA Sustainability reporting
102-8	Information on employees and other workers	AR, Board report: AR, Social: Motivated employees - Equality and diversity: EPRA Sustainability reporting
102-9	Supply chain	AR, Governance: Ethics and anti-corruption - Entra's supply chain
102-10	Significant changes to the organization and its supply chain	No significant changes in 2021
102-11	Precautionary Principle or approach	Enviroment: Climate and the environment
102-12	External initiatives	AR, ESG: Reporting standards and responses: Supporting the UN Sustainability Development Goals: Climate and the environment:
102-13	Membership of associations	AR, ESG: Reporting standards and responses: Climate and the environment - Membership of associations: Motivated employees
STRATEGY		
102-14	Statement from senior decision-maker	AR: Letter from CEO and Board of Directors Report
ETHICS AND INTEGRITY		
102-16	Values, principles, standards, and norms of behavior	AR: Letter from CEO: The Business, Corporate governance AR, Governance: Ethics and Anti-corruption
GOVERNANCE		
102-18	Governance structure	AR, Governance
STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	AR, ESG: Stakeholder dialogue
102-41	Collective bargaining agreements	AR, Social: Motivated employees - Workers rights
102-42	Identifying and selecting stakeholders	AR, ESG: Stakeholder dialogue
102-43	Approach to stakeholder engagement	AR, ESG: Stakeholder dialogue
102-44	Key topics and concerns raised	AR, ESG: Materiality analysis and focus areas, Supporting the UN Sustainable Development Goals: Stakeholder dialogue

REPORTING PRACTICE		
102-45	Entities included in the consolidated financial statements	AR: Note 3 and 30
102-46	Defining report content and topic Boundaries	AR, ESG: Stakeholder dialogue, Materiality anaysis and foucs areas
102-47	List of material topics	AR, ESG: Stakeholder dialogue, Materiality anaysis and foucs areas
102-48	Restatements of information	No significant restatements of information
102-49	Changes in reporting	No significant changes from previous reporting periods
102-50	Reporting period	Annual report for 2021
102-51	Date of most recent report	Annual Report 2020
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Back of AR
102-54	Claims of reporting in accordance with the GRI Standards	AR: First page, AR, ESG: Reporting standards and responses
102-55	GRI content index	Appendix to Annual Report
102-56	External assurance	Appendix to Annual Report: Third party verification by Deloitte

SPECIFIC STANDARD DISCLOSURES

Disclosure #	Disclosure name	Referance and/or response
ECONOMIC		
103 1-3	Management approach for economic standards and disclosures	AR:Board report: Corporate goverance AR, ESG: Management approach
GRI Standard: Economic performance		
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 Standard: Anti-corruption		
205-1	Operations assessed for risks related to corruption	AR: Risk management, AR, Governance: Ethics and anti-corruption
205-2	Communication and training about anti-corruption policies and procedures	AR,Governance: Ethics and anti-corruption
205-3	Confirmed incidents of corruption and actions taken	No incidents of corruption in 2021
GRI Standard: Anti-competitive Behaviour		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There has been no such incidents in 2021
ENVIRONMENTAL		
103 1-3	Management approach for environmental standards and disclosures	AR:Board report: Goverance AR, ESG: Management approach: Materiality analysis and focus areas: Climate and the environment
GRI Standard: Energy		
302-1	Energy consumption within the organization	ESG: EPRA Sustainability reporting
302-2	Energy intensity	Enviroment: Climate and environment: EPRA Sustainability reporting
302-4	Reduction of energy consumption	Environment: Climate and the environment:
GRI Standard: Water and Effluents		
303-3	Water withdrawal	AR, ESG: EPRA Sustainability reporting
GRI Standard: Emissions		
305-1	Direct (Scope 1) GHG emissions	AR, ESG: EPRA Sustainability reporting
305-2	Energy indirect (Scope 2) GHG emissions	AR, ESG: EPRA Sustainability reporting
305-3	Other indirect (Scope 3) GHG emissions	AR, ESG: EPRA Sustainability reporting
305-4	GHG emissions intensity	Environment: Climate and environment: EPRA Sustainability reporting

GRI Standard: Waste		
306-3	Waste generated	AR, ESG: EPRA Sustainability reporting
306-4	Waste diverted from disposal	AR, ESG: EPRA Sustainability reporting
306-6	Waste diverted to landfill	AR, ESG: EPRA Sustainability reporting
GRI Standard: Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	There has been no such incidents in 2021
GRI Standard: Supplier environmental assessment		
308-1	New suppliers that were screened using environmental criteria	AR, Governance: Ethics and anti-corruption, supplier qualification requirements
SOCIAL		
103 1-3	Management approach for social standards and disclosures	AR:Board report: Coroprate goverance AR, ESG: Management approach: Materiality analysis and focus areas: Motivated employees: Ethics and anti-corruption: Health, safety and environment (HSE): Urban development
GRI Standard: Labor/Management relations		
402-1	Minimum notice periods regarding operational changes	AR, Social: Motivated employees - Workers rights
GRI Standard: Occupational Health and Safety		
403-1	Occupational health and safety management system	AR, Social: Health, Safety and Environment
403-2	Hazard identification, risk assessment, and incident investigation	AR, Social: Health, Safety and Environment
403-3	Occupational health services	AR, Social: Health, Safety and Environment, AR, Risk factors
403-4	Worker participation, consultation, and communication on occupational health and safety	AR, Social: Health, Safety and Environment, Social: Safety officer, working environment committee and Board representation
403-5	Worker training on occupational health and safety	AR, Social: Health, Safety and Environment
403-6	Promotion of worker health	AR, Social: Health and working environment
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	AR, Governance: Supplier audits, supplier reviews
403-8	Workers covered by an occupational health and safety management system	AR, Social: Health, Safety and Environment
403-9	Work-related injuries	AR, Social: Health, Safety and Environment, EPRA Sustainability reporting
GRI Standard: Training and education		
404-1	Average hours of training per year per employee	AR, ESG: EPRA Sustainability reporting
404-3	Percentage of employees receiving regular performance and career development reviews	AR, ESG: EPRA Sustainability reporting
GRI Standard: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	AR, ESG: EPRA Sustainability reporting
GRI Standard: Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	There has been no such incidents in 2021
GRI Standard: Freedom of Association and Collective Bargaining		
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	AR, Governance: Ethics and anti-corruption There has been no such incidents in 2021
GRI Standard: Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	AR, Social: Human Rights, Governance: Ethics and anti-corruption There has been no such incidents in 2021
GRI Standard: Forced or Compulsory Labor		
409-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	AR, Governance: Ethics and anti-corruption There has been no such incidents in 2021

GRI Standard: Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	AR, Social: Community Engagement
GRI Standard: Marketing and Labeling		
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 2021
417-3	Incidents of non-compliance concerning marketing communications	There has been no such incidents in 2021
GRI Standard: Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There has been no such incidents in 2021
GRI Standard: Socioeconomic Compliance		
419-1	Non-compliance with laws and regulations in the social and economic area	There has been no such incidents in 2021

Reporting according to the Task Force on Climate-Related Financial Disclosures (TCFD)

Entra has started a process to adapt the company's reporting in accordance with the recommendations in the 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 54-59, 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 54-59, and Risk Factors page 28-39**	→ **ESG report page 54-59, and Risk Factors page 28-39**	→ **ESG report page 54-59, and Risk Factors page 28-39**	→ **ESG report page 54-59, 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 54-59, and Risk Factors page 28-39**	→ **ESG report page 54-59, and Risk Factors page 28-39**	→ **ESG report page 54-59, and Risk Factors page 28-39**	→ **pages EPRA reporting 179-185**
	C. Preparation of the organisation's strategy in consideration of various climate-related scenarions	C. Integration of the above processes in the organizations general risk management	C. Goals for managing climate-related risks and opportunities
	→ **ESG report page 54-59, and Risk Factors page 28-39**	→ **ESG report page 54-59, and Risk Factors page 28-39**	→ **ESG report page 54-59, 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 by property companies to promote transparency in sustainability reporting. To give our stakeholders greater confidence, 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".

ORGANIZATIONAL BOUNDARY

Entra reports on asset-level sustainability impacts for assets within the management portfolio over which it has full operational control. This boundary coincides with the Group organizational structure as determined for financial reporting purposes and excludes assets under construction or in redevelopment. We do not report data for single-let properties as we have no management control of these properties and are unable to collect utilities data. For the reporting year 2021 this is only one property. The environmental reporting period corresponds to the period 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 does not presently have data collection on each asset-level performance measure for every asset within the organizational boundary but aims to increase the data coverage going forward as it creates conditions for proper efficient technical management in our 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 refurbishments 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 metered supply 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 2021 there was no estimation except for HQ 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 our waste management supplier.

As information is unavailable for Entra's office space HQ only, all performance measures for Entra's headquarters (excluding electricity) are calculated based on Entra's proportionate share of actual utility data for the property where Entra is a tenant. Entra's HQ 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 directly in the performance narrative, if relevant. As of 31.12.21, the portfolio occupancy was 97,8 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 82-83.

LANDLORD/TENANT BOUNDARY

Entra is responsible, as landlord, 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) and those directly purchased by tenants (tenant-obtained) are presented separately under total consumption.

NORMALIZATION

As a majority of Entra's management portfolio is utilized 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 pro-rates consumption up to the 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 analysis 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 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 commentary on the asset-level performance indicators for Entra's management portfolio and headquarters for 2021. For an outline on our plans for managing future performance please refer to the ESG section page 42-59.

COVID-19 SITUATION

2021 was yet a challenging year due to the Covid-19 pandemic. Just before summer it all seemed brighter, and the Norwegian government removed all restrictions in Sept 2021. In December lock-down was introduced again due to a new virus. 2021 was a year where the Government still was encouraging employees to work from home if possible and avoid using public transportation - especially in the biggest cities. We have no concrete measures on how many people that have worked from an Entra office building in 2021 as we do not count people entering security gates. Nevertheless, we know that utilizations are directly correlated with the number of people in the building, and that activity in the office buildings throughout the year has been reduced compared to before the pandemic. Still, we see that the activity in our office building was higher in 2021 compared to 2020.

MANAGEMENT PORTFOLIO

Energy

Entra's focus on improving energy efficiency has given results over the past 10 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 optimizing the management of its properties. In 2021, absolute electricity consumption across the 67 managed assets with available data, totaled 85,748 MWh, a 5 per cent increase from 2020. Measured as like-for-like, the increase was 7 per cent. Landlord-obtained consumption amounted to 62,440 MWh, of which 2.1 per cent came from renewable resources (four 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 51 managed assets totaled 47,298 MWh, a like-for-like increase of 25 per cent compared with 2020. This is mainly explained by the need of ventilation and tuned indoor temperature because of more employees was physically in the office buildings during 2021 compared to 2020. Landlord-obtained consumption amounted to 42,754 MWh.

In 2021 there was one property with fuels consumption of 119 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 2021.There was no use of fuels in 2020. Entra is currently working towards phasing out fossil fuel consumption within its portfolio and will removed all oil boilers.

Building energy intensity across the 64 management properties in our portfolio with like-for-like performance data was 131 kWh per square meter in 2021, up by 6 per cent in comparison with 2020.

Greenhouse gas

Greenhouse gas intensity from building energy across the same assets fell to 3.97 kg CO_2e per square meter, a drop of 5 per cent compared with 2020. This decrease is mainly explained by reduction in emission factor because the Nordic Mix has become greener, and energy efficient new built project now are 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 11,376 tones CO_2-e in 2021.

Water

100 per cent of water consumption comes from municipal water supplies sources. Absolute water consumption across the 66 managed assets with available data in 2021 was 153,369 m^3 compared with 156,699 m^3 in 2020. On a like-for-like basis, total water consumption decreased by 5 per cent. Building water intensity across the 63 assets with like-for-like performance data was 0.15 m^3 per square meter in 2021, a 6 per cent decrease from 2020.

Waste

In 2021, Absolute waste creation across the 61 managed assets with available data was 2,543 tons. Compared with 2,501 tons in 2020 this was an increase of 2 per cent. Like-for-like decreased with 3 per cent from 2,378 tons in 2020 to 2,306 tons in 2021. 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 138,742 kWh in 2021, a 31 per cent increase compared to 106,281 kWh in 2020. In 2020 there was very little activity in the building due to Covid-19 restrictions and there has been some more employees at work in our buildings during 2021 with a direct effect on the amount of lighting and ventilation needed.

Entra's pro-rated share of district heating and cooling increased by 38 per cent from 60,363 kWh in 2020 to 83,569 kWh in 2020.

The property at which Entra is a tenant does not have fuels as an energy source.

Energy intensity for Entra's headquarters was 79 kWh per square meter in 2021, up by 33 per cent in comparison with 2020. Greenhouse gas intensity from energy ended at 2.64 kg CO_2e per square meter in 2021 compared to 2.15 in 2020. This is mainly explained by increased energy consumption.

Entra's proportionate share of water consumption in 2021 was 308 m^3 compared with 384 m^3 in 2020. This 20 per cent decrease is a directly consequence of home office and Covid-19. Building water intensity was 0.11 m^3 per square meter in 2021, compared to 0.14 m^3 per square meter in 2020.

Entra's proportionate share of total waste created decreased by 16 per cent from 12,2 tonnes in 2020 to 10,3 tons in 2021. Most of this decrease directly reflects the activity at HQ due to Covid-19 and home office (effect on paper, food waste and waste to incineration).

Performance narrative on social

Diversity-employee gender is calculated as a percentage of female to men. In 2021 Entra made changes in the organizational structure resulting the female shares of Senior executives in 2021 was 29 per cent compared to 43 per cent in 2020. Diversity pay gender ratio is calculated woman to men.

Employee turnover over the past years have been stable. In 2021 Entra completed organizational changes which resulted in somewhat higher turnover. In 2021, 17 people started working in Entra and 26 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 2021. Turnover rate is calculated based on people that left Entra divided on the number of employees by the end of 2021.

There've been zero injury on direct employees involving sick leave absence in our construction projects in 2021, and in 2021 two smaller incidents without sick leave related to 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 data.

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

					Total portfolio				Headquarter (s)	
					Absolute performance (Abs)		Like-for-like by property type (LfL)		Absolute performance (Abs)	
Impact area	EPRA Code	Units of measure	Indicator		2020	2021	2020	2021	2020	2021
Energy	Elec-Abs, Elec-LfL	annual kWh	Electricity	Total landlord-obtained electricity	56 969 079	62 440 320	55 333 987	61 837 967	106 281	138 742
				Proportion of landlord-obtained electricity from renewable resources	2.0%	2.1%	2.1%	2.1%	-	-
				Total tenant-obtained electricity	24 723 370	23 307 194	24 118 774	23 307 194	-	-
				Total landlord- and tenant-obtained electricity consumption	**81 692 449**	**85 747 514**	**79 452 761**	**85 145 161**	**106 281**	**138 742**
		No. of applicable properties		*Electricity disclosure coverage*	*63 out of 77*	*67 out of 84*	*60 out og 68*	*64 out of 71*	*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	32 456 978	42 754 303	32 056 683	42 281 831	60 363	83 569
				Proportion of landlord-obtained heating and cooling from renewable resources	-	-	-	-	-	-
				Total tenant-obtained heating and cooling	5 293 362	4 543 341	5 293 362	4 543 341	-	-
				Total landlord- and tenant-obtained heating and cooling	**37 750 340**	**47 297 644**	**37 350 045**	**46 825 172**	**60 363**	**83 569**
		No. of applicable properties		*District heating and cooling disclosure coverage*	*47 out of 77*	*51 out of 84*	*45 out of 68*	*49 out of 71*	*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	-	119 360	-	-
				Total landlord- and tenant-obtained fuels	**-**	**119 360**	**-**	**119 360**	**-**	**-**
		No. of applicable properties		*Fuels disclosure coverage*	*0 out of 77*	*1 out of 84*	*0 out of 68*	*1 out of 71*	*NA*	*NA*
		%		*Proportion of fuels estimated*	-	-	-	-	-	-
	Energy-Int	annual kWh / sqm.	**Energy Intensity**	**Building energy intensity**	**123**	**131**	**124**	**131**	**59**	**79**
Greenhouse gas emissions	GHG-Dir-Abs	annual tonnes CO_2e	Direct	Scope 1	66	179	27	179	-	-
	GHG-Indir-Abs	annual tonnes CO_2e	Indirect/location based	Scope 2	4 255	3 876	3 925	3 816	6	7
			Indirect	Scope 3	1 339	1 237	1 232	1 171	7	6
	GHG-Int	kg CO_2e / sqm. / year	**GHG emissions intensity**	**GHG Scope 1 and 2 intensity from building energy**	**4.45**	**4.00**	**4.18**	**3.97**	**2.15**	**2.64**
		No. of applicable properties		*Energy and associated GHG disclosure coverage*	*63 out of 77*	*67 out of 84*	*60 out og 68*	*64 out of 71*	*1 out of 1*	*1 out of 1*
		%		*Proportion of energy and associated GHG estimated*	-	-	-	-	-	-
Greenhouse gas emissions - Guarantee of origin	GHG-Indir-Abs	annual tonnes CO_2e	Indirect/location based	Scope 2	10 503	11 376	10 172	11 264	NA	NA

Water	Water-Abs, Water-LfL	annual cubic metres (m^3)	Water	Municipal water		156 699	153 369	151 280	143 554	384	308
	Water-Int	annual m^3 / sqm.	**Water Intensity**	**Building water intensity**		**0.16**	**0.15**	**0.16**	**0.15**	**0.14**	**0.11**
		No. of applicable properties		*Water disclosure coverage*		*64 out of 77*	*66 out of 84*	*60 out of 68*	*63 out of 71*	*1 out of 1*	*1 out of 1*
		%		*Proportion of water estimated*		-	-	-	-	-	-
Waste	Waste-Abs, Waste-LfL	annual tonnes	Waste type	Hazardous waste		23	36	23	36	0.01	0.06
				Non-Hazardous waste		2 477	2 507	2 354	2 271	12.19	10.20
				Total waste		**2 501**	**2 543**	**2 378**	**2 306**	**12.2**	**10.3**
		proportion by disposal route (%)	Disposal routes, hazardous	Reuse		4%	2%	4%	2%	-	-
				Recycling		11%	9%	11%	9%	50%	9%
				Incineration (with or without energy recovery)		75%	80%	75%	81%	1%	2%
				Landfill (with of without energy recovery)		10%	9%	10%	9%	49%	89%
			Disposal routes, non-hazardous	Reuse		-	-	-	-	-	-
				Recycling		47%	45%	47%	45%	57%	59%
				Incineration (with or without energy recovery)		32%	36%	31%	36%	23%	21%
				Landfill (with of without energy recovery)		0.5%	0.5%	0.5%	0.5%	0.4%	0.4%
				Biodiesel production		21%	18%	22%	18%	19%	20%
		No. of applicable properties		*Waste disclosure coverage*		*60 out of 77*	*61out of 84*	*54 out of 68*	*57 out of 71*	*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%	3%	2%		
					Excellent	7%	9%	7%	10%		
					Very Good	17%	15%	18%	17%		
		No. of applicable properties				*15 out of 77*	*17 out of 84*	*15 out of 68*	*17 out of 71*		
	Cert-Tot	% total floor area	Level of certification	BREEAM In-use: Asset Performance	Outstanding	-	1%	-	1%		
					Excellent	35%	32%	38%	37%		
					Very Good	6%	9%	7%	11%		
		No. of applicable properties				*16 out of 77*	*20 out of 84*	*16 out of 68*	*20 out of 71*		
	Cert-Tot	% total floor area	Level of certification	BREEAM In-use: Building Management	Outstanding	9%	9%	10%	10%		
					Excellent	28%	26%	30%	29%		
					Very Good	5%	6%	5%	7%		
					Good	-	-	-	-		
		No. of applicable properties				*16 out of 77*	*19 out of 84*	*16 out of 68*	*19 out of 71*		

Data Qualifying Note

1: 1: NA = "Not applicable"
2: GHG Scope 1 emissions from fossil fuels 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
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.

EPRA Sustainablility Performance Measures

SOCIAL

	EPRA Code	Units of measure	Indicator			Corporate performance 2020	Corporate performance 2021
Diversity	Diversity-Emp	% of employees	Gender diversity	Direct employees within significant employee categories having strategic influence on company activities	Board of directors	57%	57%
					Senior Management	43%	29%
					Managerial positions	44%	49%
	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	109%	104%
					Senior Management	101%	111%
					Managerial positions	89%	93%
		Ratio average bonus		Direct employees bonus within significant employee categories as identified in diversity-emp	Board of directors	NA	NA
					Senior Management	125%	108%
					Managerial positions	82%	88%
Employee Training and Development	Emp-training	Average hours	Training and development	Direct employees training hours (vocational, paid educational leave, external courses, specific topics, etc.)		24	27
	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		15	17
		Rate	New hires	Direct employees		8.2%	9.4%
		Total number	Turnover	Direct employees		6	26
		Rate	Turnover	Direct employees		3.3%	14.4%
Health and safety	H&S-Emp	% og total days	Sick leave	Direct employees		3.1%	2.6%
		Total number	Incidents, direct employees	Developments		1	0
				Managed portfolio		0	2
			Lost day injuries, direct employees	Developments		1	0
				Managed portfolio		0	0
			Fatalities , direct employees	Developments		0	0
				Managed portfolio		0	0
		Per 100 000 hours worked	Incident rate	Direct employees		2.99	6.28
		Per 100 000 hours worked	Lost day rate	Direct employees		2.99	0
		Per 100 000 hours worked	Accident severity rate	Direct employees		0	0
	H&S-Asset	%	% of assets	Assets for which H8S 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		1 662	1 760
	H&S-Asset	Narrative	% of assets	Asset health and safety assessments		See narrative in sustainability report on page 65-67	
	H&S-Comp	Narrative	Number of incidents	Asset health and safety compliance		See narrative in sustainability report on page 65-67	
Community Engagement	Comty-Eng	Narrative		Community engagement, impact assessments and/or development programs		See narrative in sustainability report on page 67	

GOVERNANCE

	EPRA Code	Units of measure	Indicator		Corporate performance 2020	Corporate performance 2021
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	4.3	5.8
	Gov-Selec	Narrative on process		Process for nominating and selecting the highest governance body	See narrative in ESG section on page 71 and 76	
	Gov-Col	Narrative on process		Process for managing conflicts of interest	See narrative in ESG section on page 76-77	

Social data note

1: Diversity-Emp: Genter diversity, percentage of female to men
2: Diversity-pay: gender pay ratio women to men
3: NA = "Not applicable"
4: Employees training, 116 out of 186 attending educational training over a longer periode in 2020
5: Incidents are actual injuries

The property portfolio

Management portfolio

The following table sets forth the properties with management area as of 31 December 2021.

Group/ JV	Property name	City	Type of asset	Share of ownership	Occupancy	Management area	Project area	Land & dev. area	Total area
Group	Akersgata 34 og 36	Oslo	Office	100%	100.0%	6 144	-	-	6 144
Group	Akersgata 51 / Apotekergata 6	Oslo	Office	100%	100.0%	17 453	-	-	17 453
Group	Allehelgensgate 6	Bergen	Office	50%	100.0%	14 104	-	-	14 104
Group	Biskop Gunnerus' gate 14	Oslo	Office	100%	95.8%	50 706	-	-	50 706
Group	Biskop Gunnerus' gate 6	Oslo	Office	100%	100.0%	9 300	-	-	9 300
Group	Borkenveien 1-3	Sandvika	Education	100%	100.0%	6 668	-	-	6 668
Group	Brattørkaia 12	Trondheim	Office	100%	100.0%	1 917	-	-	1 917
Group	Brattørkaia 14	Trondheim	Culture	100%	100.0%	5 220	-	-	5 220
Group	Brattørkaia 15 A, B	Trondheim	Office	100%	99.0%	16 949	-	-	16 949
Group	Brattørkaia 16	Trondheim	Office	100%	100.0%	11 217	-	-	11 217
Group	Brattørkaia 17 A	Trondheim	Office	100%	99.1%	17 776	-	-	17 776
Group	Brattørkaia 17 B	Trondheim	Office	100%	94.4%	19 652	-	-	19 652
Group	Brynsengfaret 6	Oslo	Office	100%	99.4%	35 505	-	13 600	49 105
Group	Brynsengfaret 6 C	Oslo	Residential	100%	100.0%	349	-	-	349
Group	Brynsveien 11-13	Oslo	Office	100%	86.1%	12 401	-	-	12 401
Group	Brynsveien 5	Oslo	Office	100%	97.8%	6 127	-	-	6 127
Group	Cort Adelers gate 30, Kontorbygget	Oslo	Office	100%	88.6%	12 061	-	-	12 061
Group	Cort Adelers gate 30, Skolebygget	Oslo	Education	100%	100.0%	3 963	-	-	3 963
Group	Drammensveien 134	Oslo	Office	100%	100.0%	20 913	-	-	20 913
Group	Dronningens gate 2	Trondheim	Office	100%	100.0%	5 158	-	-	5 158
Group	Fredrik Selmers vei 4	Oslo	Office	100%	99.0%	38 084	-	18 500	56 584
Group	Fredrik Selmers vei 6	Oslo	Office	100%	82.0%	14 698	-	-	14 698
Group	Fyrstikkallèen 1	Oslo	Office	100%	100.0%	39 639	-	-	39 639
Group	Grensesvingen 26	Oslo	Office	100%	99.1%	18 169	-	-	18 169
Group	Grønland 32	Drammen	Office	100%	95.4%	7 354	-	-	7 354
Group	Grønland 51	Drammen	Office	60%	97.8%	15 270	-	-	15 270
Group	Grønland 53	Drammen	Office	60%	100.0%	11 430	-	-	11 430
Group	Grønland 56	Drammen	Office	60%	100.0%	504	-	-	504
Group	Grønland 58	Drammen	Education	60%	100.0%	21 472	-	-	21 472
Group	Grønland 60	Drammen	Culture	60%	99.5%	8 854	-	-	8 854
Group	Hagegata 22	Oslo	Office	100%	100.0%	16 180	-	-	16 180
Group	Hagegata 23	Oslo	Office	100%	99.8%	10 672	-	-	10 672
Group	Henriks Ibsens gate 110	Oslo	Culture	100%	100.0%	18 724	-	-	18 724
Group	Holtermanns veg 1	Trondheim	Office	100%	99.1%	11 419	-	-	11 419
Group	Jåttåvågveien 18	Stavanger	Office	50%	90.9%	9 180	-	-	9 180
Group	Jåttåvågveien 7	Stavanger	Office	50%	99.7%	5 299	-	-	5 299
Group	Kaigaten 9	Bergen	Office	100%	100.0%	9 990	-	-	9 990
Group	Keysers gate 15	Oslo	Office	100%	100.0%	1 747	-	-	1 747
Group	Kjørbo gård	Sandvika	Office	100%	100.0%	1 795	-	-	1 795
Group	Kjørboveien 12-26	Sandvika	Office	100%	100.0%	25 602	-	-	25 602
Group	Kjørboveien 3	Sandvika	Other	100%	100.0%	16 353	-	-	16 353
Group	Kjørboveien 33	Sandvika	Office	100%	100.0%	14 670	-	-	14 670

Group/ JV	Property name	City	Type of asset	Share of ownership	Occupancy	Management area	Project area	Land & dev. area	Total area
Group	Konggata 51	Drammen	Education	100%	100.0%	3 576	-	-	3 576
Group	Kreftings gate 33	Drammen	Office	60%	100.0%	960	-	-	960
Group	Kristian Augusts gate 13	Oslo	Office	100%	100.0%	4 101	-	-	4 101
Group	Laberget 22	Stavanger	Office	50%	100.0%	15 687	-	-	15 687
Group	Laberget 24-28 Kanalpiren	Stavanger	Office	50%	72.8%	25 869	-	-	25 869
Group	Lagårdsveien 6	Stavanger	Office	100%	100.0%	16 997	-	-	16 997
Group	Lakkegata 53	Oslo	Office	100%	98.1%	31 566	-	-	31 566
Group	Langkaia 1A	Oslo	Office	100%	100.0%	39 470	-	-	39 470
Group	Lars Hilles gate 30	Bergen	Office	50%	96.9%	45 707	-	-	45 707
Group	Lars Hillesgate 19	Bergen	Office	100%	100.0%	6 578	-	-	6 578
Group	Lilletorget 1	Oslo	Office	100%	77.3%	14 867	-	-	14 867
Group	Malmskriverveien 18-20	Sandvika	Office	100%	95.2%	9 233	-	-	9 233
Group	Malmskriverveien 2	Sandvika	Office	100%	100.0%	2 956	-	-	2 956
Group	Malmskriverveien 4	Sandvika	Office	100%	100.0%	5 674	-	-	5 674
Group	Marken 37	Bergen	Education	100%	100.0%	2 950	-	-	2 950
Group	Munchs gate 4 / Keysers gate 13	Oslo	Office	100%	100.0%	10 839	-	-	10 839
Group	Møllendalsveien 1 A	Bergen	Office	100%	93.7%	5 838	-	-	5 838
Group	Nils Hansens vei 20	Oslo	Office	100%	99.4%	3 149	-	-	3 149
Group	Nonnesetergaten 4	Bergen	Office	100%	98.3%	17 213	-	-	17 213
Group	Nytorget 1	Stavanger	Office	50%	100.0%	5 205	-	-	5 205
Group	Observatoriegata 1	Oslo	Office	100%	100.0%	7 200	-	-	7 200
Group	Observatoriegata 1 - Magasinet	Oslo	Culture	100%	100.0%	10 600	-	-	10 600
Group	Otto Sverdrups plass 4	Sandvika	Education	100%	100.0%	16 039	-	-	16 039
Group	Prinsens gate 1	Trondheim	Office	100%	98.6%	33 848	-	-	33 848
Group	Professor Olav Hanssens vei 10	Stavanger	Office	100%	99.8%	37 219	-	-	37 219
Group	Schweigaards gate 15 B	Oslo	Office	100%	92.9%	14 510	-	-	14 510
Group	Schweigaards gate 16	Oslo	Office	100%	100.0%	15 498	-	-	15 498
Group	Stenersgata 1	Oslo	Office	100%	100.0%	17 414	23 486	-	40 900
Group	Trondheimsporten	Trondheim	Office	100%	100.0%	29 032	-	-	29 032
Group	Tullinkvartalet	Oslo	Office	100%	99.0%	21 155	-	-	21 155
Group	Tvetenveien 22	Oslo	Office	100%	100.0%	4 126	-	-	4 126
Group	Universitetsgata 11, Oslo	Oslo	Hotel	100%	100.0%	5 546	-	-	5 546
Group	Universitetsgata 2	Oslo	Office	100%	99.9%	27 307	-	-	27 307
Group	Universitetsgata 7	Oslo	Office	100%	99.1%	22 040	416	-	22 456
Group	Valkendorfs gate 6	Bergen	Office	100%	98.0%	13 315	-	-	13 315
Group	Verkstedveien 1	Oslo	Office	100%	100.0%	31 691	-	-	31 691
Group	Verkstedveien 3	Oslo	Office	100%	99.5%	8 384	-	-	8 384
Group	Wexels plass	Oslo	Other	100%	99.3%	1 035	-	-	1 035
Group	Østensjøveien 39-41	Oslo	Office	100%	97.5%	5 666	-	-	5 666
Group	Østensjøveien 43	Oslo	Office	100%	96.9%	6 823	-	-	6 823
Grand Total					**97.8%**	**1 187 568**	**23 902**	**32 100**	**1 243 570**

Project portfolio

The following table sets forth the properties with project area as of 31 December 2021.

Group/ JV	Property name	City	Type of asset	Share of ownership	Management area	Project area	Land & dev. area	Total area
Group	Brattørkaia 13 B	Trondheim	Office	100%	-	6 334	-	6 334
Group	Holtermanns veg 1, Byggetrinn 2	Trondheim	Office	100%	-	20 894	-	20 894
Group	Kongens gate 87	Trondheim	Office	100%	-	7 368	-	7 368
Group	Kristian Augusts gate 21, Oslo	Oslo	Office	100%	-	1 810	-	1 810
Group	Møllendalsveien 6-8	Bergen	Office	100%	-	14 493	-	14 493
Group	Nygårdsgaten 91-93	Bergen	Office	100%	-	12 062	-	12 062
Group	Schweigaards gate 15	Oslo	Office	100%	-	22 919	-	22 919
Group	St. Olavs plass 5	Oslo	Office	100%	-	16 531	-	16 531
Group	Tordenskiolds gate 12	Oslo	Office	100%	-	12 920	-	12 920
Group	Vahls gate 1-3	Oslo	Office	100%	-	14 857	-	14 857
Grand Total					**-**	**130 188**	**-**	**130 188**

Land & Development portfolio

The following table sets forth the properties with land and development area as of 31 December 2021.

Group/ JV	Property name	City	Type of asset	Share of ownership	Management area	Project area	Land & dev. area	Total area
Group	Holtermanns veg 1, Byggetrinn 3	Trondheim	Office	100%	-	-	12 955	12 955
Group	Jørgen Kanitz gate	Sandvika	Office	100%	-	-	10 187	10 187
Group	Lars Hilles gate 25	Bergen	Office	100%	-	-	5 800	5 800
Group	Ormen Lange (tomt)	Stavanger	Office	50%	-	-	30 800	30 800
Group	Oseberg (tomt)	Stavanger	Office	50%	5 949	-	18 005	23 954
Grand Total					**5 949**	**-**	**77 747**	**83 696**

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
Contractual rent	Annual cash rental income being received as of relevant date
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, divided by net interest on interest bearing nominal debt and fees and commitment fees related to investment activities
Independent Appraisers	Akershus Eiendom / JLL and Newsec
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
Loan-to-value ("LTV")	Effective leverage, measured by total interest bearing liabilities, including debt, lease liabilities, pension liabilities and seller's credits, divided by total assets.
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 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.

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