Heimstaden
BOSTAD

Annual, Governance, and Sustainability Report 2025

Enrich and Simplify Lives Through Friendly Homes

Management Discussion and Analysis (MD&A)

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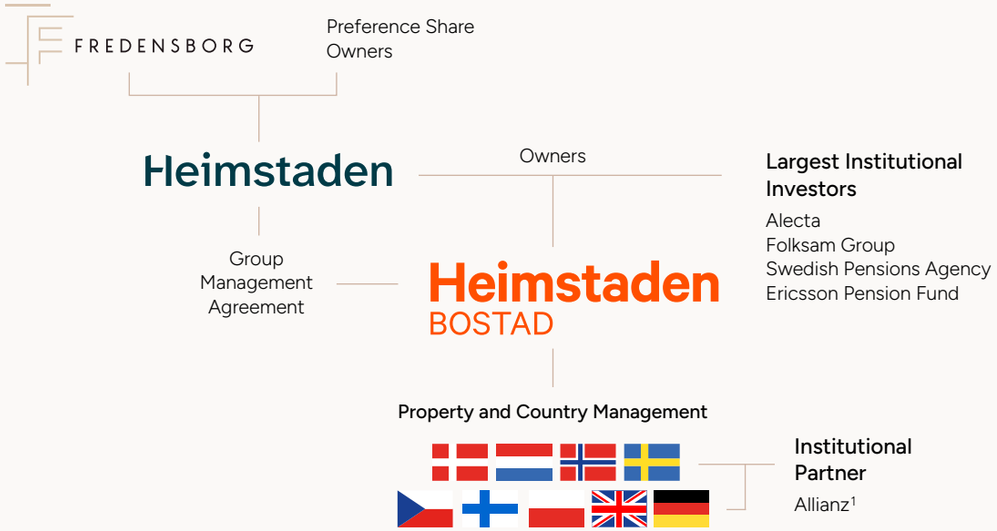
Heimstaden Bostad AB (publ) is a public company domiciled in Malmö, Sweden, with corporate identification number 556864-0873, hereinafter referred to as "Heimstaden Bostad" or the "Company".

This report contains forward-looking information based on the current expectations of Heimstaden Bostad's management. No guarantee can be provided that these expectations will prove correct, and future outcomes may vary considerably compared to what is presented herein based on, among other things, changing economic, market, and competitive conditions, changes in legal requirements and other policy measures, and exchange-rate fluctuations.

The Annual Report is published in both Swedish and English. The Swedish version is the original and has been audited by Heimstaden Bostad's auditor. Figures in brackets refer to the corresponding period the year before, unless otherwise stated.

The statutory Corporate Administration Report consists of pages 57–59. The formal annual report comprises of pages 57–192, and has been audited by Heimstaden Bostad's auditor.



Cover photo: Campus G12 in Oslo, Norway.
Credit: Heimstaden Bostad

Heimstaden Bostad is a leading European residential real estate company. The Company is owned by industrial investor, Heimstaden, together with institutional investors who share a philosophy for sustainable investments.

[1] *Heimstaden Bostad/Allianz partnership owning part of the Swedish and German portfolio. Consolidated as Group companies.*

2025 in Brief

- Like-for-like rental growth of 4.9% (5.6%), real economic occupancy of 98.5% (98.5%), and LTM NOI margin of 72.2% (70.4%)
- Property values up 2.9% year-on-year, driven by NOI growth, value-accretive Capex, and a strong home-owner market
- Privatisation sales of SEK 10,664 million; 2,466 residential units sold at a 28.9% premium to book value
- Financing markets remained strong, with SEK 44,900 million of asset-backed financing across 24 transactions and SEK 14,600 million of capital markets issuance across seven transactions (six being green)
- Fitch revised its Outlook to BBB- Stable from Negative in January
- S&P revised its Outlook to BBB- Stable from Negative in October
- Morningstar Sustainalytics affirmed "Negligible" ESG Risk Rating and "B" score on CDP rating

15.9 billion
Rental income, SEK

4.9%
Like-for-like rental income growth

10.7 billion
Privatisation sales, SEK

28.9%
Privatisation gross premium

KEY FIGURES

		2025	2024	2023	2022	2021
Financials						
Rental income	SEK m	15,892	15,898	14,974	12,702	8,608
Rental income growth (yoy)	%	0.0	6.2	17.9	47.6	35.9
Net operating income	SEK m	11,467	11,187	10,091	8,141	5,386
Net operating income margin	%	72.2	70.4	67.4	64.1	62.6
Capital expenditures	SEK m	4,274	5,127	7,885	10,129	5,356
Portfolio Metrics						
Fair value of investment properties	SEK m	323,312	333,728	319,491	344,856	300,584
Fair value change (yoy)	%	2.9	2.7	-8.9	-1.5	7.6
Homes	Units	156,690	162,415	161,553	158,326	148,295
Real economic occupancy, residential	%	98.5	98.5	98.2	98.4	97.9
Annualised like-for-like rental income growth[1]	%	4.9	5.6	5.1	5.4	2.5
Credit Metrics						
Net loan-to-value (Net LTV)[2]	%	49.8	53.8	56.3	50.3	46.2
Net debt / Net debt + Equity, S&P method	%	54.0	56.9	58.6	52.6	52.2
Net debt / Total assets	%	45.6	48.4	49.1	43.6	39.8
Interest coverage ratio (ICR)[2]	Multiple	2.2	2.0	2.0	3.6	4.1
Interest coverage ratio, S&P method	Multiple	1.7	1.6	1.7	2.7	2.8
Sustainability Metrics						
Aligned EU taxonomy CCM Turnover	%	22.2	26	16	16	--
Aligned EU taxonomy CCM Capex	%	18.2	25	27	11	--
Aligned EU taxonomy CCM Opex	%	4.4	4.2	3	4	--
Weather corrected energy intensity	kWh/m2	148	165	135	147	--
GHG intensity scope 1 and 2	kg CO_2/m2	15.4	15	19	24	--

[1] *Annualised like-for-like rental income growth represents the average growth per quarter.*
[2] *Prepared in accordance with the International Financial Reporting Standards (IFRS). For definitions, see Alternative Performance Measures.*

Concluding 2025

A Year of Strong Performance

2025 will be remembered as a year with further margin growth, strong operations, disciplined execution, and continued positive development of fundamentals in our business.

Helge Krogsbøl
Co-CEO
Heimstaden Bostad

Homes That Create Lasting Value
Heimstaden Bostad's business model centres upon acquiring, developing, and managing residential real estate with the aim to optimise value while providing affordable and well-managed homes to our tenants. With a fully integrated and scalable operating platform, Heimstaden Bostad's property portfolio is diversified across attractive European markets with growing economies and favourable demographics.

We believe in lean ways of working, fast decision-making, and aim to achieve as high sustainable risk-adjusted returns as possible. Performance is measured and managed unit by unit, building by building, with live automated monitoring of rents, vacancy, arrears, and costs. This discipline applies across our entire portfolio and is what turns structural tailwinds into tangible earnings.

As a major residential landlord, we recognise the significant impact we have on people's lives and the responsibility that comes with providing safe, inclusive, and well-functioning homes. We focus on customer satisfaction by delivering efficient and high-quality service alongside well-maintained homes. Operating in regulated Pan-European markets with strong protection of tenants' rights helps mitigate social and governance risks, reinforcing our commitment to responsible property management.

This commitment is supported by fostering a stimulating work environment for our approximately 1,800 colleagues across nine markets and serving more than 300,000 tenants across our portfolio.

Exceptional Operating Fundamentals
Our platform focuses upon major European cities with structural housing shortages. In 2025, Heimstaden Bostad's portfolio again achieved impressive operating results as profitability increased, supported by topline growth driven by high occupancy, optimal price setting, and careful cost management. We enhanced efficiency while continuing to provide reliable, high-quality services to our tenants evident by increased customer satisfaction.

Valuable Relationships with Our Tenants
A highlight of 2025 was our annual customer survey with improved results across the board. Frontline colleagues who meet and service

"We believe in lean ways of working, fast decision-making, and aim to achieve as high sustainable risk-adjusted returns as possible."

tenants every day received some of the highest scores across all categories. Their efforts and work continue to make a meaningful difference, reinforcing the trust our customers place in us.

More tenants are now using self-service options to find information or request support at their convenience. This blend of personal interaction in moments that matter and accessible 24/7 digital solutions is becoming an important driver of satisfaction.

Sustainability Integrated in Operations

By prioritising sustainable investments, we enhance operational efficiency, strengthen our tenant offering, and support long-term asset value. Heimstaden Bostad for the third consecutive year, received Sustainalytics' highest possible ESG risk rating, "Negligible Risk," and continues to be ranked in the Sustainalytics 2025 "ESG Global 50 Top-Rated Companies List". Heimstaden Bostad also maintained a 'B' rating from CDP for last three years.

The climate roadmap approved by Science Based Target Initiative in 2022 is now in the deployment phase, with energy consumption reduced well ahead of target and with strong financial returns, proving that decarbonisation can be financially viable.

Specifically, the emissions factor of district heating has moved in the wrong direction, underlining that landlords cannot deliver carbon-efficient assets alone. To fully realise the climate roadmap, permitting authorities and district heat providers also need to remove administrative roadblocks and follow through on their own commitments.

Closing the Books

Over the following pages, our performance in 2025 is set out in detail, outlining our results, initiatives, key figures, and outlook for 2026. We invite all to dive into this report, numbers and stories behind, and engage with our performance and direction ahead.

In this report, the management commentary has been restructured to provide greater transparency on operational performance while highlighting continued progress on our strengthening the balance sheet. The result is a more natural consolidation of our operational results with commentary on our capital expenditures, KPI performance, and strategy followed by perpsectives on our investment property valuations and funding environment.

People Make the Difference

Finally, I would like to thank our owners, tenants and partners for their continued trust and support. Above all, I thank our colleagues. Their commitment and engagement are what enable Heimstaden Bostad not only to perform, but to lead European residential real estate.

Helge Krogsbøl
Co-CEO
Heimstaden Bostad

Q4 Quarter Highlights

Figures in brackets refer to the corresponding period the year before, unless otherwise stated.

- Like-for-like rental growth of 4.6% (5.3%) and rental income of SEK 3,939 million (4,076)
- Net Operating Income (NOI) margin of 70.3% (70.4%) and LTM NOI margin of 72.2% (70.4%)
- Strong operating fundamentals supported a 0.5% (0.7%) increase in property values
- Privatisation sales of SEK 2,890 million (2,379), with 798 (530) units sold at a 32.5% (24%) premium to book value
- Real economic occupancy of 98.7% (98.6%)
- Recorded a goodwill impairment loss of SEK 3,707 million
- Net LTV of 49.8% (53.8%) and ICR of 2.2x (2.0x)
- S&P-defined LTV of 54.0% (56.9%) and S&P ICR of 1.7 (1.6x)
- S&P affirmed Heimstaden Bostad's Long-Term Issuer Credit Rating of 'BBB-' and raised the Outlook to Stable from Negative
- Subsequent to the quarter, in January 2026 issued a EUR 500 million perpetual hybrid bond as a replacement for the EUR 500 million perpetual hybrid bond with reset date in April 2026

KEY FIGURES

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Financials						
Rental income	SEK m	3,939	3,982	15,892	4,076	15,898
Rental income growth (yoy)	%	-3.4	-0.8	0.0	6.0	6.2
Net operating income	SEK m	2,771	3,001	11,467	2,868	11,187
Net operating income margin	%	70.3	75.4	72.2	70.4	70.4
Portfolio Metrics						
Fair value of investment properties	SEK m	323,312	327,451	323,312	333,728	333,728
Fair value change	%	0.5	0.2	2.9	0.7	2.7
Average valuation yield[1]	%	3.70	3.71	3.70	3.64	3.64
Acquisitions	SEK m	–	–	–	9	2,890
Sales value	SEK m	3,291	3,000	13,753	4,681	9,901
Homes	Units	156,690	158,317	156,690	162,415	162,415
Real economic occupancy, residential	%	98.7	98.6	98.5	98.6	98.5
Like-for-like rental income growth	%	4.6	4.5	4.9	5.3	5.6
Credit Metrics						
Net loan-to-value (Net LTV)	%	49.8	50.8	49.8	53.8	53.8
Net debt / Net debt + Equity, S&P method	%	54.0	54.1	54.0	56.9	56.9
Net debt / Total assets	%	45.6	46.0	45.6	48.4	48.4
Interest coverage ratio (ICR)	Multiple	2.2	2.1	2.2	2.0	2.0
Interest coverage ratio, S&P method	Multiple	1.7	1.6	1.7	1.6	1.6

[1] *The valuation yield corresponds to the passing net operating income on a normalised basis as assessed by the valuer relative to the valuation of said property.*

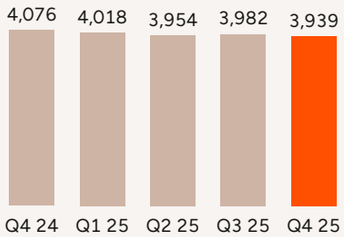
4.6%
Like-for-like rental growth

98.7%
Real economic occupancy

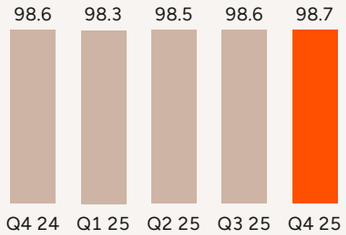
70.3%
NOI margin

2.9 billion
Privatisation sales, SEK

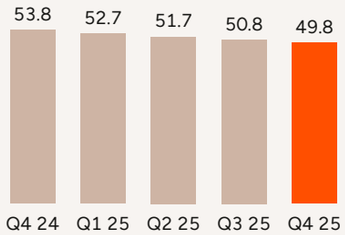
RENTAL INCOME
SEK million



REAL ECONOMIC OCCUPANCY
%



NET LOAN-TO-VALUE
%



Portfolio Review

Country	Fair Value, SEK million	Homes, units[1]	Fair Value /sqm, SEK[1]	Residential[2], %	Regulated Income[3], %	Real Economic Occupancy, %
Sweden	91,633	46,444	28,052	89.9	100.0	99.7
Germany	79,540	29,751	39,736	92.6	100.0	99.7
Denmark	68,209	19,566	35,662	94.1	17.5	99.4
Czechia	29,652	40,009	11,954	96.8	15.8	96.5
Netherlands	27,607	11,194	31,347	98.3	57.2	99.8
Norway	13,539	3,382	74,190	85.7	0.0	97.9
United Kingdom	4,805	1,417	53,137	98.0	10.4	82.5
Poland	4,431	1,937	43,508	94.7	0.0	97.8
Finland	3,896	2,990	22,130	96.5	0.0	94.8
Total	**323,312**	**156,690**	**29,147**	**92.9**	**59.6**	**98.7**

[1] *Standing assets*
[2] *Based on fair value*
[3] *Residential income*

Reflections 2025

The Power of a Quality Platform

Residential real estate returns are decided in daily operations. Structural supply and demand imbalances and strong locations provide the foundation, but the operating platform decides how much of that potential becomes earnings.

Paul Spina
Chief Operating Officer
Heimstaden Bostad

Translating Portfolio Quality into Earnings
Our ambition is clear: excellent assets operated exceptionally well. Even in a favourable environment, value does not extract itself. High quality operators must consistently exceed expectations and pursue excellence in every decision. In 2025, that approach was visible in the outcome: like-for-like rental growth comfortably ahead of inflation, higher net operating income and an expanding margin alongside a profitable privatisation programme that strengthened the balance sheet.

Rental Growth, Occupancy, and the Reversionary Runway
In 2025, rents again grew faster than core inflation, driven by clear pricing discipline, active churn management and targeted upgrades set by what each individual asset can support.

Occupancy, already at record high levels, improved further across the portfolio. Real economic occupancy increased as reletting times shortened, renovation windows tightened and tenant matching became more precise to keep the portfolio close to fully let while maintaining the flexibility necessary for the highest sustainable rents.

The portfolio is already delivering strong cash flow, but it was deliberately assembled with further upside as a central part of the business plan. At every churn, rents are set at the maximum levels that local demand and regulation support, yet a large share of the rent roll has not yet turned or been modernised. The operating model works three levers within local regulation: resetting rents toward market levels when leases turn, modernising older units with attractive return potential, and applying indexation on sitting tenants. At each vacancy the choice is simple: close the gap to market rent or modernise, and the tenant improvement programme earns around a 10% yield on investment at portfolio level.

The embedded upside of this portfolio is significant. Based on rents already achieved on modernised and relet units, if the entire portfolio were to churn and relet today at those levels under Heimstaden Bostad's tenant improvement strategy, the assets would deliver an NOI yield of around 4.6% versus roughly 3.7% on today's rent roll. This gap is not theoretical; it reflects proven rent levels that the portfolio will reach as units turn, over time. The important point is that the rents underpinning a 4.6% yield are then expected

"A unit can only be sold once, thus every disposal must maximise value. The privatisation programme is an important tool to capture returns while unlocking capital flexibility."

to grow sustainably ahead of inflation from there, reflecting the structural undersupply in the markets where the assets are located.

Looking ahead, the base case is that like-for-like rental growth continues to exceed core inflation by more than one percentage point on average through the business plan period, with vacancy comfortably remaining at or near current lows. Against that backdrop, total rental income will continue to grow in absolute terms in 2026 and beyond, despite ongoing unit sales from the privatisation portfolio.

Efficiency, Capex, and the Margin Journey

On the cost side, recent years have been about turning efficiency work into structural gains by simplifying daily procedures after years of growth through acquisitions. In 2025, direct property expenses grew below inflation and operating costs per unit fell in real terms. Shared service centres are put in place to handle repetitive back office work so local teams stay close to buildings and tenants. Simplification is not a project; it is how the platform is run.

Real estate is still early in its use of artificial intelligence. Heimstaden Bostad's early deployment in tenant interaction, workforce routing, and back office work is already supporting higher productivity and stronger margins.

Over the next three years our plan is straightforward: fewer handoffs, a clearer split between central and local responsibilities and accountability for profit and loss pushed even closer to the asset. Rental income will continue to grow faster than inflation while the cost base grows at or below it, lifting the NOI margin structurally for years to come.

Capex investments follows the same logic. Most of our investments are optional. Projects are chosen because they lift sustainable rents, lower operating costs, protect long term asset quality or reduce energy use and emissions. As interest rates moved down, relative return requirements on value add capex were adjusted, and in 2025 more value add projects were initiated, as the best risk adjusted opportunities are found inside the existing portfolio. In 2025, Heimstaden Bostad's capex programme as a whole, including the non-yielding maintenance portion, delivered a weighted yield on investment above 5%, well above the stabilised portfolio yield and clearly value accretive. Capital expenditure is a driver of value creation, not a budget to be consumed.

Privatisation: Crystallising Value

A unit can only be sold once, so every disposal must maximise value. The privatisation programme is an important tool to capture returns while unlocking capital flexibility. The programme is used where the forward looking return from holding a unit is lower than the value that can be realised through unit by unit sales. In 2025, this strategy was reinforced by an exceptionally strong home-owner market, with deep demand and firm pricing across Heimstaden Bostad's key cities.

Dedicated teams run the process with a clear mandate not to trade price for speed. In a rising owner occupier market, pricing was pushed systematically and teams walked away from offers that did not reflect internal assessments of full value, ensuring that the strength of the market flowed through to realised premiums and gains.

The privatisation launch plan from 2023 assumed around SEK 20 billion of sales by the end of 2025 at an average premium to book value of 20%. At the end of the period, the target sales volume had been reached with fewer units than planned and higher realised premiums to book value. Since inception, 4,356 apartments have been sold, despite that, rental income and net operating income have both continued to grow in absolute terms reinforcing the quality and depth of the

remaining portfolio and the ability of the operating platform to handle unit sales at scale without losing focus on day to day performance.

Looking ahead, the key metrics remain profitability and premiums to book value, not sales volume. For 2026, sales are expected to continue across the assets already initiated, with attractive premiums, meaningful gains and liquidity to support deleveraging, and fund value accretive investments. Combined with organic rental growth and structural efficiency gains, these privatisation profits are expected to remain an important driver of improving interest coverage and balance sheet strength in 2026 and beyond.

Operational Outlook 2026

Heimstaden Bostad enters 2026 with two clear advantages: a best-in-class portfolio in markets with unquestionable supply and demand support and a best in class operating platform that is built to extract that value through disciplined, everyday execution.

We expect like-for-like rental growth above 4%, supported by the reversionary potential in the rent roll and ongoing indexation, with occupancy at or near current highs above 98.5%. Net operating income will grow in absolute terms, with the 2025 margin seen as a new base that will continue to improve as simplification and efficiency gains compound year over year. Our 2026 guidance for privatisation sales volumes reflects our continued evaluation of optimal timing and volumes, resulting in an expected range of SEK 8-12 billion.

Heimstaden Bostad is not optimising for size; rather it is running a high-quality portfolio through a high conviction operating platform, designed to turn structural tailwinds into growing income, expanding margins and resilient earnings year after year.

Paul Spina
Chief Operating Officer
Heimstaden Bostad

MANAGEMENT GUIDANCE FOR 2026

Real Economic Occupancy
Full year range
98.5%–99%

S&P ICR
Year end
1.8x

LfL Rental Income
Full year range
4%–5%

Average Interest Cost
Full year range
3.1%–3.3%

NOI Margin (LTM)
Year end
73.5%–74.5%

S&P LTV
Year end
50%–52%

Privatisation Programme Total Sales
Year end
SEK 8-12 billion

Secured LTV
Year end
25%–27%

Operational Review

Figures in brackets refer to the corresponding period the year before, unless otherwise stated

Rental Income

Rental income, for the year, remained flat at SEK 15,892 million (15,898). The stable rental income is due to indexation and tenant improvement investments attributes while foreign exchange effects, privatisation and portfolio sales had a negative impact.

Rental income, for the quarter, decreased 3.4% to SEK 3,939 million (4,076). The slight decrease in rental income follows the same effects as the full year.

Residential rents were 92.1% (92.1%) or SEK 3,629 million (3,754) of total rental income with the remaining 7.9% consisting of commercial, parking, and other rents.

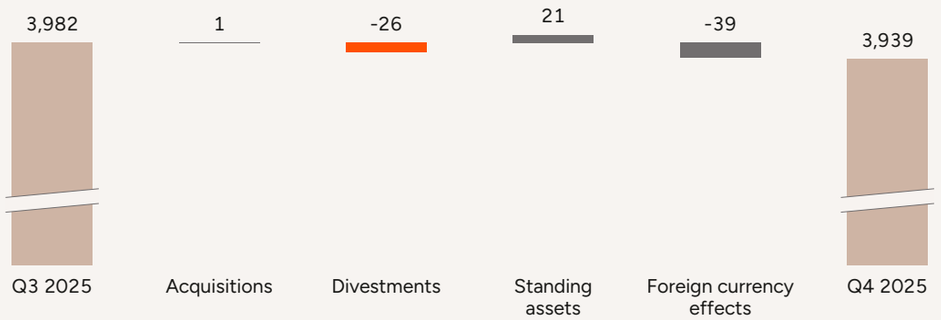
RENTAL INCOME

SEK million	Q4 2025	Q3 2025	Q2 2025	Q1 2025	FY 2025	Q4 2024	FY 2024
Sweden	1,275	1,250	1,274	1,280	5,078	1,261	4,874
Germany	712	725	709	716	2,862	734	2,841
Denmark	828	856	850	878	3,412	898	3,595
Czechia	474	474	459	461	1,868	463	1,797
Netherlands	312	331	321	334	1,298	354	1,406
Norway	150	156	158	169	632	175	720
United Kingdom	63	59	51	50	223	62	210
Poland	55	60	62	64	242	55	169
Finland	69	70	69	72	280	74	286
Corporate[1]	2	–	–	-6	-4	–	-1
Total	**3,939**	**3,982**	**3,954**	**4,018**	**15,892**	**4,076**	**15,898**

[1] *Corporate consists of eliminations and corporate costs not allocated to the segments. Refer to Note 2.1.*

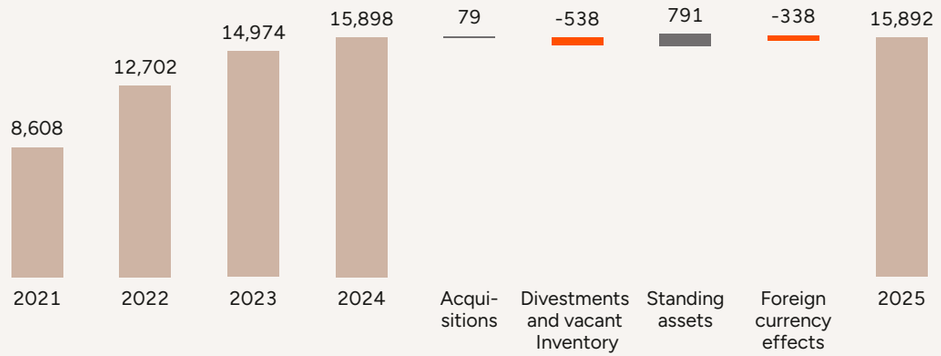
RENTAL INCOME DEVELOPMENT FOR THE QUARTER

SEK million



RENTAL INCOME DEVELOPMENT FOR THE YEAR

SEK million



Standing Assets

Standing assets contributed rental income gains of SEK 800 million. This category includes effects from indexation, total occupancy improvements, tenant improvement investments, rental reversion to market rent upon tenant churn, and other effects such as other capex investments.

Acquisitions

There were limited acquisitions during the year, contributing rental income of SEK 79 million.

Divestments

For the year, impact from divestments on rental income was SEK -538 million. This was driven primarily by the privatisation programme as SEK -388 million stemmed from sales from six countries.

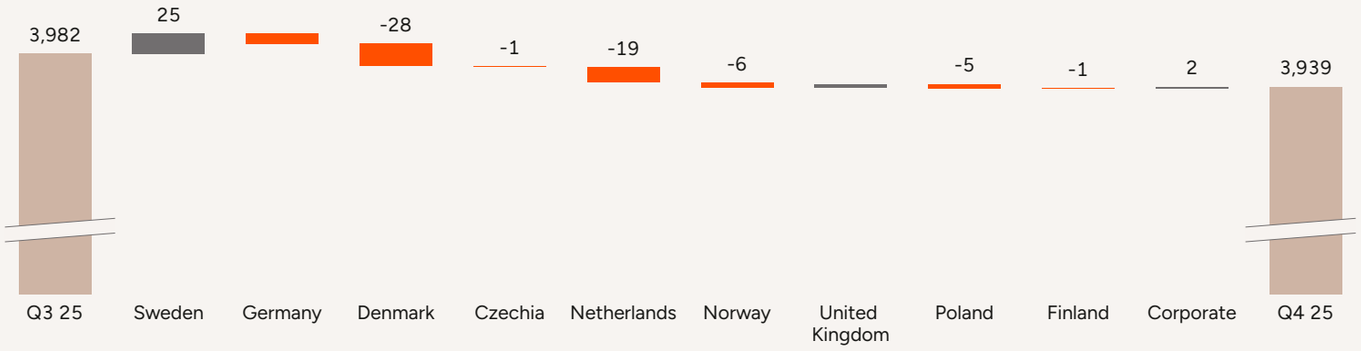
RENTAL INCOME EFFECTS FROM PRIVATISATION AND PORTFOLIO SALES

	PRIVATISATION	PORTFOLIO SALES
SEK million	FY 2025	FY 2025
Sweden	–	-67
Germany[1]	5	–
Denmark	-134	-46
Czechia	-1	-32
Netherlands	-146	-6
Norway	-96	–
United Kingdom	–	–
Poland	-16	–
Finland	–	–
Total [1]	**-388**	**-150**

[1] *In 2025, Germany shifted away from a privatisation strategy, resulting in less vacant units in the privatisation portfolio than the year prior, which increased rental income.*

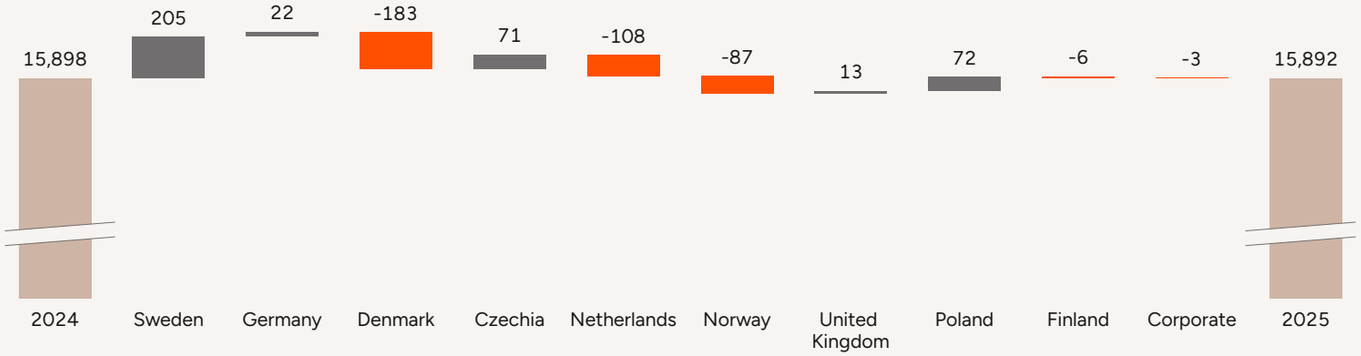
RENTAL INCOME DEVELOPMENT BY COUNTRY BY QUARTER [2]

SEK million



RENTAL INCOME DEVELOPMENT BY COUNTRY BY YEAR [2]

SEK million



[2] *Corporate consists of eliminations and corporate costs not allocated to the segments. Refer to Note 2.1*

Like-for-like Development

For 2025, annualised like-for-like rental income growth amounted to 4.9% (5.6%). Key drivers of the annual development stem from indexations which contributed 3.3% of the 4.9% annual increase, with the remainder being tenant improvements (0.7%), occupancy improvements (0.7%), and rent reversion covering the residual (0.2%).

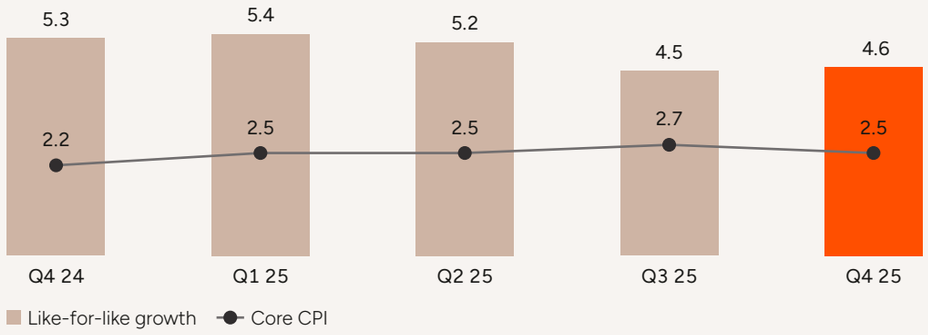
For the fourth quarter isolated (see table below), like-for-like rental income growth amounted to 4.6% (5.3%) and the comparable portfolio reflected in the like-for-like development comprised 98.8% of total rental income. Key drivers of the quarterly development stem from indexations which contributed 3.2% of the 4.6% quarterly increase, with the remainder being tenant improvements (0.6%), rent reversion (0.3%), and occupancy improvements covering the residual (0.5%).

LIKE-FOR-LIKE RENTAL INCOME BY COUNTRY

	Q4 2025		Q3 2025	Q2 2025	Q1 2025	Q4 2024
	Lfl (%)	Core CPI	Lfl (%)	Lfl (%)	Lfl (%)	Lfl (%)
Sweden	5.7	2.5	5.7	5.9	5.4	5.3
Germany	4.1	2.6	3.8	5.9	4.6	4.7
Denmark	1.9	2.3	2.5	3.0	4.2	3.8
Czechia	6.8	2.7	6.8	8.2	9.0	9.3
Netherlands	4.5	3.0	4.4	4.7	6.5	6.5
Norway	2.0	3.2	2.5	2.5	4.4	3.4
United Kingdom	23.4	3.2	6.7	0.6	2.1	7.1
Poland	8.5	2.8	15.9	6.2	2.3	3.1
Finland	-1.8	-0.2	0.0	3.6	4.1	5.8
Total	**4.6**	**2.5**	**4.5**	**5.2**	**5.4**	**5.3**

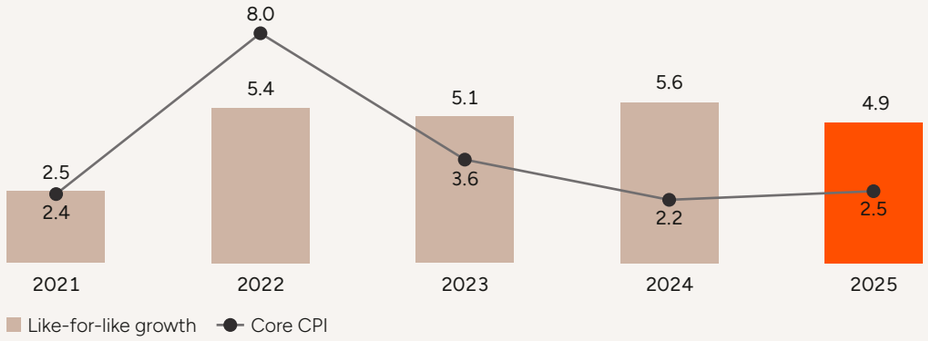
LIKE-FOR-LIKE RENTAL GROWTH FOR THE QUARTER

Year-on-year (by quarter), %



LIKE-FOR-LIKE RENTAL GROWTH FOR THE YEAR

Year-on-year (by year), %



Real Economic Occupancy

For the year, annual real economic occupancy remained flat at 98.5% (98.5%).

For the fourth quarter, quarterly real economic occupancy, increased to 98.7% (98.6%). Over the course of 2025, real economic occupancy improved on a quarterly basis, however the headline figure was distorted beginning H1 2025 when the United Kingdom delivered 464 new development units, which has been gradually stabilising throughout the year with occupancy increasing as planned.

Heimstaden Bostad's three largest markets by fair value achieved an average weighted occupancy rate of 99.6% for the year.

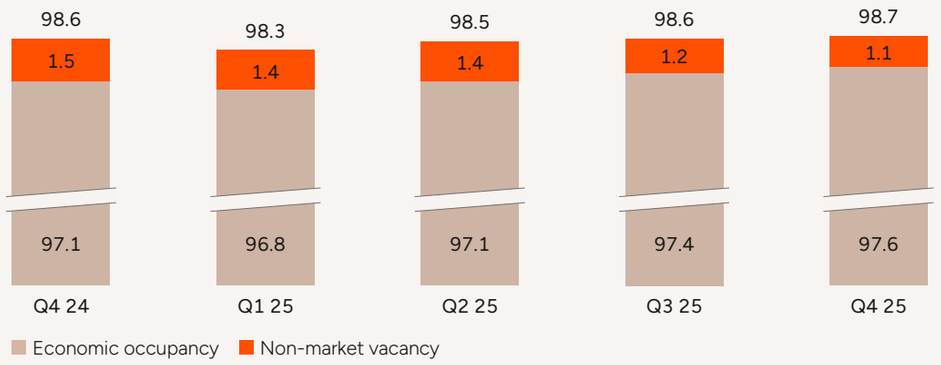
REAL ECONOMIC RESIDENTIAL OCCUPANCY BY COUNTRY

	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
	%	%	%	%	%
Sweden	99.7	99.7	99.7	99.7	99.5
Germany	99.7	99.7	99.9	99.7	99.7
Denmark	99.4	99.4	99.4	99.1	98.9
Czechia	96.5	96.1	96.4	96.6	96.7
Netherlands	99.8	99.6	99.3	99.5	99.6
Norway	97.9	98.8	99.2	98.8	98.8
United Kingdom [1]	82.5	80.3	71.1	64.9	78.1
Poland	97.8	97.2	98.5	98.5	96.1
Finland	94.8	94.6	95.1	95.5	96.6
Total	**98.7**	**98.6**	**98.5**	**98.3**	**98.6**

[1] Headline effects due to delivery and stabilisation of a asset with 464 new units

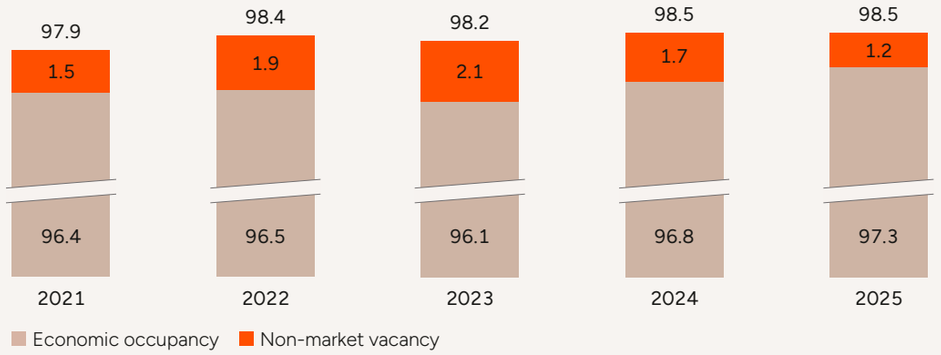
REAL ECONOMIC OCCUPANCY RESIDENTIAL FOR THE QUARTER

%



REAL ECONOMIC OCCUPANCY RESIDENTIAL FOR THE YEAR

%



Property Expenses

On an annual basis, property expenses decreased by 6.0% to SEK 4,361 million (4,638). The decrease was driven by cost control measures including digitalisation in the management companies. Property expenses further decreased year over year due to the shrinking portfolio size, which is a direct result of the privatisation and portfolio sales programmes.

On a quarterly basis, total property expenses decreased by 3.2% to SEK 1,151 million (1,189). The drivers of the quarterly development mirrored the annual trend.

This line item encompasses the non-recoverable operational expenditures related to the management of the portfolio. It is broken down into four categories that include direct property costs, utilities, property management, and property tax.

Utilities

Encompassing costs associated with electricity, water, heating, and waste. For the year, utilities increased by 5.9% to SEK 1,093 million (1,032). The increase is driven by price increases from municipal providers outpacing core CPI increases.

Direct Property Costs

Encompassing facility management, repair & maintenance, bad debt, and other costs associated with direct day-to-day management of the portfolio. For the year, this category contributed direct costs of SEK 1,779 million (1,936) million. The decline of 8.1% is directly attributable to reduced unit costs through efficiencies in the day-to-day management of the portfolio.

Property Tax

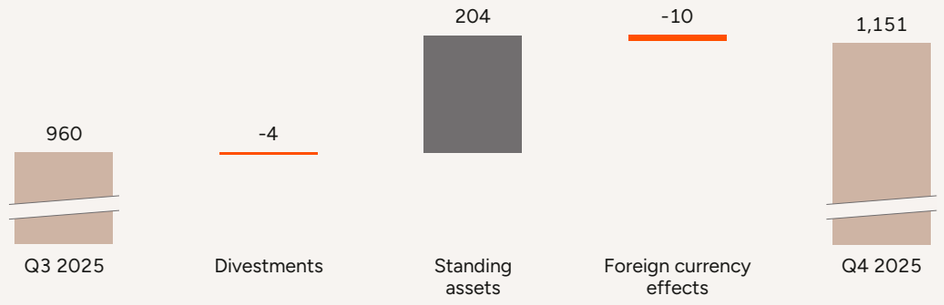
Encompassing taxes paid to state and local governments. For the year, property taxes increased 0.5% to SEK 325 million (324). The change is directly attributable to changes in local and national tax regimes particularly in Sweden.

Property Management

Encompassing costs that include country administrative expenditures related to property management (for example back office functions in respective countries). For the year, property management decreased by 13.7% to SEK 1,164 million (1,349). The decrease is driven by efficiency projects and technology implementation.

PROPERTY EXPENSE DEVELOPMENT BY CATEGORY FOR THE QUARTER

SEK million



PROPERTY EXPENSE DEVELOPMENT BY CATEGORY FOR THE YEAR

SEK million

Net Operating Income

Net operating income, for the year, improved to SEK 11,467 million (11,187), resulting in a LTM net operating income margin of 72.2% (70.4%).

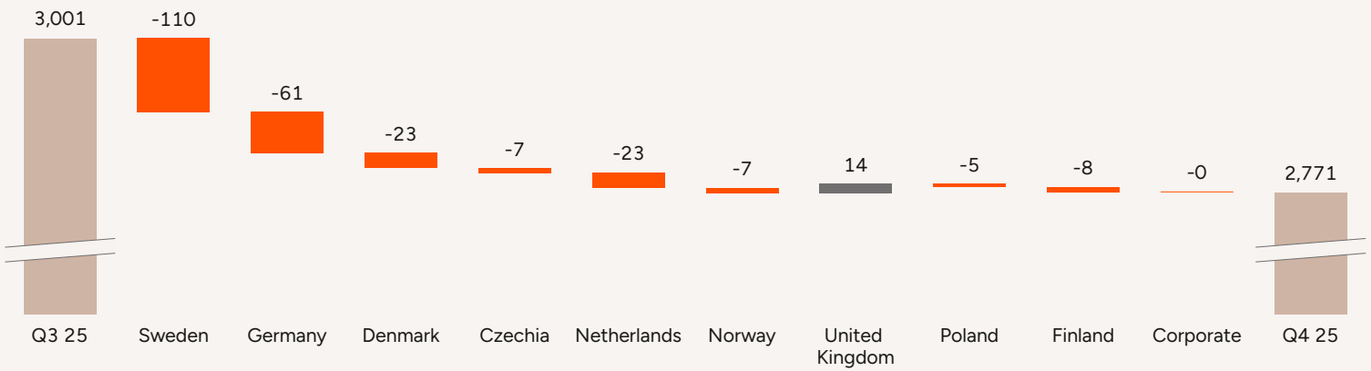
For the fourth quarter, net operating income decreased to SEK 2,771 million (2,868). The quarterly net operating income margin was 70.3% (70.4%).

NET OPERATING INCOME MARGIN

	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
		%	%	%	%
LTM	72.2	72.1	71.6	71.0	70.4
Quarterly	70.3	75.4	74.1	68.9	70.4

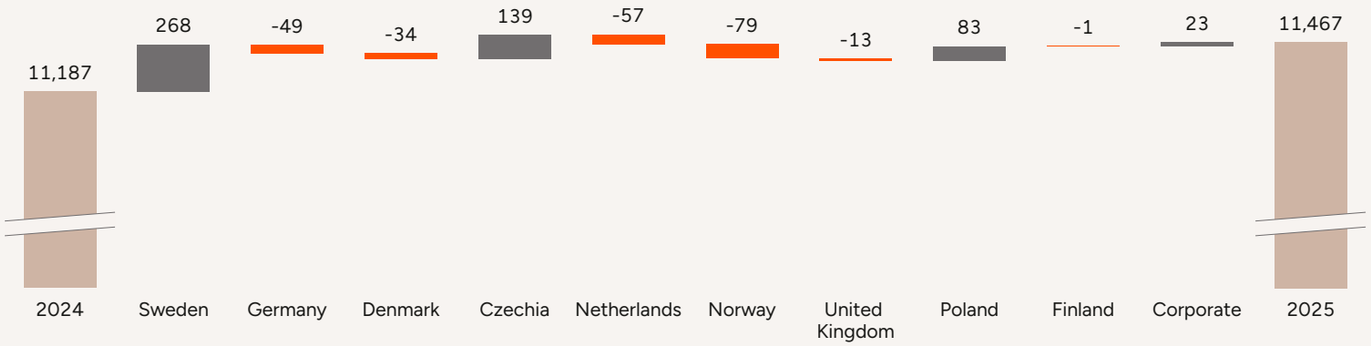
NET OPERATING INCOME PER COUNTRY FOR THE QUARTER [1]

SEK million



NET OPERATING INCOME PER COUNTRY FOR THE YEAR [1]

SEK million



[1] *Corporate consists of eliminations and corporate costs not allocated to the segments. Refer to Note 2.1*

Asset Management

Efficient Capital Allocation

Heimstaden Bostad allocates capital expenditure to non-recurring projects aimed at upgrading, extending, or improving the quality and lifetime of existing assets across four pillars: maintenance, sustainability, tenant improvements, and value-adds.

Total capital expenditures reflecting our four pillars were SEK 3,756 million (3,287) for the year. The year-over-year increase is largely due to increased spending in both maintenance and sustainability which together amounted to SEK 2,347 million (1,980). The drivers were an updated maintenance schedule for the portfolio and timing effects of completions of sustainability investments into the portfolio primarily from Germany.

Maintenance

Value preserving activities necessary to continue operating in the property's current condition including planned maintenance projects such as roofing repairs, façade renovations, and general break-fix work as well as general replacements. Our focus in this category is to ensure the efficiency of the expenditure within the framework of repair versus replace.

Sustainability

Sustainability capex is value add both in terms of capital values as well as ESG goals. Examples of activities are fuel-shift projects, climate shell improvement, energy efficient installations, and energy label renewals. In line with our climate roadmap targets, spending in this category has and will increase over time.

Through the sustainability initiatives, we are able to extract value through reduced costs and increased rental income. Sustainability capex supports our company's previously announced climate roadmap in line with science based targets initiatives.

Sustainability related investments may also be allocated to maintenance, tenant improvements, or value-add depending on the project scope. The classification and reporting continues to evolve to ensure consistent, aligned, and comprehensive coverage of related capex across categories.

FOUR PILLARS OF CAPITAL EXPENDITURE

SEK million	Q4 2025	Q3 2025	Q2 2025	Q1 2025	FY 2025	Q4 2024	FY 2024
Maintenance	677	435	376	302	1 790	625	1,457
Sustainability	292	169	75	21	557	208	523
Tenant improvements	319	299	279	271	1 168	310	1,084
Value-add	92	61	58	30	241	9	223
Total Pillars	**1,380**	**963**	**788**	**625**	**3 756**	**1,152**	**3,287**
Other[1]	64	-41	65	45	133	266	373
Total Capex on standing assets	**1,445**	**922**	**853**	**670**	**3,890**	**1,418**	**3,660**
Investment properties under construction	110	61	108	105	384	301	1,467
Total	**1,555**	**984**	**960**	**775**	**4,274**	**1,718**	**5,127**

[1] *Other consists of stamp duty, capitalised interest, subsidies, and capital expenditure not allocated to pillars in reporting period.*

Tenant Improvements

Tenant improvement (TI) investments remain a key income and value driver for our business. TI's strictly focus upon modernisation at tenant churn which includes targeted renovations of single units that meet our yield on cost hurdle rates. Through our TI programme, we ensure that our asset quality meets and exceeds the tenant expectations without pressuring affordability.

In 2025, the TI programme was a key rental income driver as it delivered SEK 94 million of additional rental income with an average yield on cost of 10.8%. The top four markets for TIs included Germany, Czechia, Denmark, and Sweden. Yield requirements are determined on a per asset basis dependent on location and the stabilised exit yield of each asset.

Value-add

Value add investments are opportunistic initiatives undertaken where assets offer clear potential for incremental value creation. These investments focus on increasing rentable area, optimising unit mix, and unlocking underutilised space within the existing portfolio.

Typical examples include the conversion of commercial areas into residential units, the creation of new attic apartments, and the subdivision of larger apartments into multiple units. Such measures allow us to increase income and improve asset efficiency without expanding the overall footprint of the portfolio.

All value add investments are assessed and approved on a case-by-case basis. Decisions are driven by asset specific conditions, market demand and expected returns, and are not part of a predefined capital programme. Through disciplined opportunistic execution we selectively deploy capital where it delivers attractive risk adjusted returns and enhances long term asset value.

FOUR PILLARS OF CAPITAL EXPENDITURE BY COUNTRY

	Maintenance							Sustainability						
	Q4 2025	Q3 2025	Q2 2025	Q1 2025	FY 2025	Q4 2024	FY 2024	Q4 2025	Q3 2025	Q2 2025	Q1 2025	FY 2025	Q4 2024	FY 2024
Sweden	152	79	90	87	408	152	388	25	21	20	8	73	40	92
Germany	162	93	68	47	370	113	257	46	51	16	9	122	38	72
Denmark	133	111	69	54	365	154	329	15	15	10	14	54	11	36
Czechia	88	71	65	51	275	78	215	193	75	24	-14	278	105	300
Netherlands	112	59	72	45	288	112	210	4	2	2	–	8	9	12
Norway	9	6	2	11	28	13	33	–	–	–	–	–	1	4
United Kingdom	2	2	–	–	4	1	1	–	–	–	–	–	–	–
Poland[1]	–	–	–	–	–	–	–	-2	-1	1	1	-2	–	–
Finland	20	12	10	7	50	4	24	11	7	2	4	24	5	7
Total	**677**	**435**	**376**	**302**	**1,790**	**625**	**1,457**	**292**	**169**	**75**	**21**	**557**	**208**	**523**

	Tenant Improvements							Value-add						
	Q4 2025	Q3 2025	Q2 2025	Q1 2025	FY 2025	Q4 2024	FY 2024	Q4 2025	Q3 2025	Q2 2025	Q1 2025	FY 2025	Q4 2024	FY 2024
Sweden	71	58	45	35	208	40	138	37	35	29	14	115	15	154
Germany	161	144	140	142	587	154	546	40	18	27	11	95	10	24
Denmark	8	20	19	15	62	13	63	4	6	–	4	14	2	6
Czechia	75	68	69	72	284	88	290	2	1	–	–	3	–	–
Netherlands	–	–	–	–	–	1	1	7	1	1	–	9	-21	–
Norway	–	1	–	2	4	6	18	1	–	–	–	1	1	15
United Kingdom	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Poland[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finland	5	8	5	5	22	9	27	1	–	1	1	2	2	23
Total	**319**	**299**	**279**	**271**	**1,168**	**310**	**1,084**	**92**	**61**	**58**	**30**	**241**	**9**	**223**

[1] *Poland reported negative sustainability capex since they received government grants related to the installation of solar panels, thus reducing capex investments.*

Outstanding Commitments

For the year, Heimstaden Bostad has not made any new commitments for new development and construction. For the quarter, 85 units were delivered in Germany.

Looking ahead, we expect to receive 533 units in Sweden, and 182 units in Czechia accounting for an estimated fair value of SEK 1,463 million and an estimated NOI of SEK 60 million (on an annualised basis). The majority of these deliveries are expected to occur through 2026.

OUTSTANDING COMMITMENTS

SEK million

DELIVERIES RECEIVED IN THE YEAR

	Homes	Value at completion	Total Cost	Estimated NOI added
	Units	SEK million	SEK million	SEK million
Sweden	346	825	888	N/A[1]
Germany	85	451	291	16
Denmark	–	–	–	–
Czechia	–	–	–	–
Netherlands	–	–	–	–
Norway	–	–	–	–
United Kingdom	–	–	–	–
Poland	–	–	–	–
Finland	–	–	–	–
Total	**85**	**451**	**291**	**16**

[1] *During the third quarter of 2025, the property Söderbymalm, comprising 346 residential units located in Haninge, Stockholm County, was divested. Consequently, Söderbymalm does not contribute to Net Operating Income (NOI) from Q3 2025 onwards*

OUTSTANDING COMMITMENTS

	Homes	Estimated value at completion	Remaining commitments	Estimated NOI added
	Units	SEK million	SEK million	SEK million
Sweden	533	1,191	402	48
Germany	–	–	–	–
Denmark	–	–	–	–
Czechia	182	272	81	12
Netherlands	–	–	–	–
Norway	–	–	–	–
United Kingdom	–	–	–	–
Poland	–	–	–	–
Finland	–	–	–	–
Total	**715**	**1,463**	**482**	**60**

Realised Gains/Losses from Divestment of Properties

Since the launch of the privatisation programme, SEK 19,451 million in total sales value has been achieved in eight countries reflecting 4,443 residential units at a 27.9% premium to book value. Net proceeds, which represent the total revenue generated from sold units after deducting transaction costs, repayment of secured asset-level debt, and taxes payable or deferred upon sale, is SEK 11,328 million since programme inception.

For Q4 standalone, 798 (530) residential units were sold across seven countries for a total sales value of SEK 2,890 million at an average premium to book value of 32.5% (24.1%). Sold units include signed contracts currently held for sale awaiting transfer to buyer. Net proceeds, for the quarter, was SEK 1,783 (1,511) million. Further splits detailing estimated proceeds are presented in the waterfall. Realised gains from divestment of properties were SEK 682 (364) million for the quarter.

Assets held for sale only include units that had signed purchase agreements as of the balance sheet date but not transferred. Per the balance sheet date, a total of SEK 1,522 million (2,163) was held for sale in Denmark, Czechia, the Netherlands, Norway, and Poland.

ESTIMATED NET PROCEEDS WATERFALL SINCE PRIVATISATION PROGRAMME INCEPTION [1] [2]

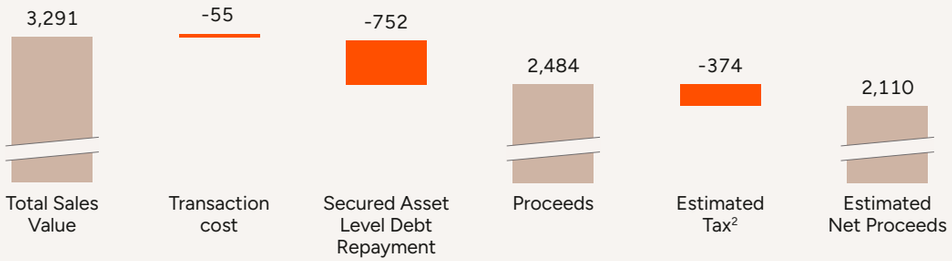
SEK million	
Total sales value	19,451
Book value	15,205
Gross premium	4,246
Gross premium, %	27.9
Total sales value	19,451
Less: Investment to prepare for sale	19
Less: Transaction costs	314
Less: Secured debt repayment	5,907
Less: Estimated tax	1,883
Net proceeds	**11,328**
Net proceeds ratio, %	**58.2**
Total proceeds eligible for debt repayment	**17,235**
Asset monetisation ratio, %	**113.4**

[1] *Other privatisation cost included in other administrative expenses since inception was SEK 191 million and SEK 33 million in the quarter*
[2] *Includes signed transactions that may not have been transferred to the new owner*

During the year, portfolio sales outside the privatisation programme were signed across Sweden, Denmark, and Czechia, generating estimated net proceeds of SEK 2,009 million.

ESTIMATED Q4 NET PROCEEDS WATERFALL FROM PORTFOLIO SALES AND PRIVATISATION [1]

SEK million

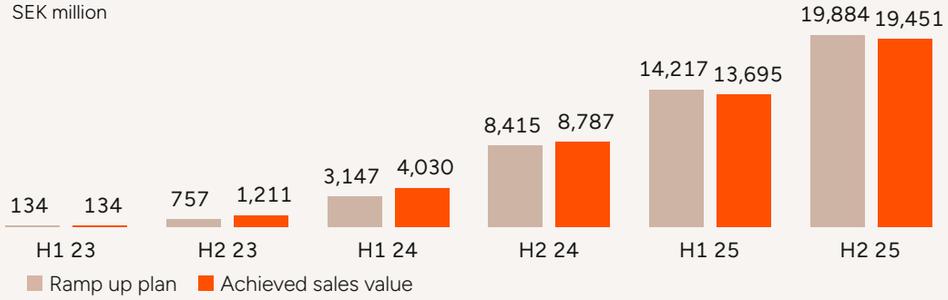


ESTIMATED Q4 NET PROCEEDS BY SALES TYPE [1]

SEK million	Total Sales Value	Transaction Cost	Secured Asset Level Debt Repayment	Proceeds	Estimated Tax [2]	Estimated Net Proceeds
Portfolio sales	401	-4	–	397	-69	328
Privatisation programme	2,890	-51	-752	2,087	-305	1,783
Total	**3,291**	**-55**	**-752**	**2,484**	**-374**	**2,110**

CUMULATIVE PRIVATISATION SALES [3]

SEK million



[1] *Includes signed transactions that may not have been transferred to the new owner*
[2] *Assumes all taxes are paid upon closing, actual proceeds will be higher due to tax optimisation and deferrals*
[3] *Including initial H1 23 and H2 23 plan (refer to 2023 annual report). H1 23 units represent pilot sales before the full privatisation perimeter was established and released at scale in Q3 23*

Market Update

Sweden

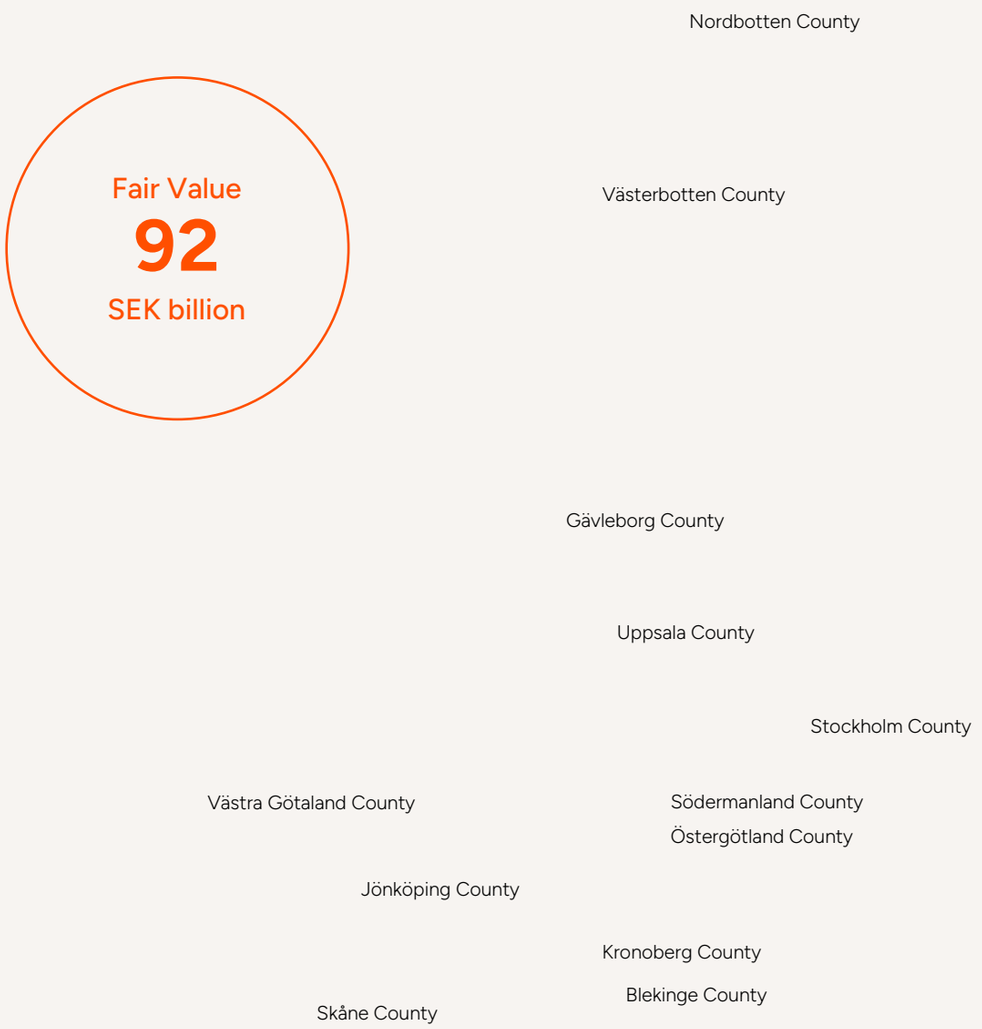
Sweden is Heimstaden Bostad's longest standing market and remains central to our long-term strategy. Operating within a fully regulated rental framework, the portfolio is managed in accordance with a clearly defined re-letting strategy. Rental growth is driven by annual rent negotiations, tenant improvements, and re-letting at optimised utility value rent. Our focus for 2025 centered upon operational excellence, enhanced letting efficiency, and disciplined capital allocation. Execution for the year was supported by robust tenant demand, stable macroeconomic conditions, and further strengthening of internal processes.

Rental income performance for 2025 was defined by a combination of occupancy improvements and negotiated rent increases, where Heimstaden Bostad successfully negotiated an average uplift of 5%. As a result, annual rental income increased to SEK 5,078 million (4,873) or 4.2% (9.6%) and annual like-for-like rental income growth remained at 5.7% (5.7%).

Cost efficiency contributed positively to overall performance, driven by disciplined cost management and efficiencies delivered through the operating platform. In addition, utility expenses decreased due to the milder winter.

Throughout the year, there were disposals of SEK 1,558 million in Sweden. These disposals focused upon assets where we saw limited potential for long-term value creation and we applied the proceeds for increased balance sheet flexibility and reinvestment at better risk-adjusted returns.

Entering 2026, we do so with operational momentum. Our Swedish portfolio is expected to maintain high occupancy, resilient NOI margins, and show positive rental development. Risks include utility-cost inflation and broader macroeconomic conditions.



Portfolio Performance

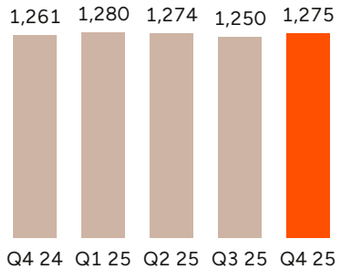
Sweden

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Rental income	SEK m	1,275	1,250	5,078	1,261	4,873
Net operating income	SEK m	748	859	3,190	734	2,921
Net operating income margin	%	58.7	68.7	62.8	58.2	59.9
Like-for-like rental income growth	%	5.7	5.7	5.7	5.3	5.7
Real economic occupancy	%	99.7	99.7	99.7	99.5	99.1
Fair value of investment properties	SEK m	91,633	91,321	91,633	91,565	91,565
Fair value change	SEK m	-60	121	705	1,309	2,068
Fair value change	%	-0.1	0.1	0.8	1.4	2.3
Homes	Units	46,444	46,382	46,444	47,275	47,275
Capital expenditures	SEK m	371	123	874	347	1,195
Average valuation yield [1]	%	3.7	3.7	3.7	3.5	3.5
Acquisitions	SEK m	–	–	–	6	244
Sales value	SEK m	–	15	1,558	1,255	1,255

[1] *The valuation yield corresponds to the passing net operating income on a normalised basis as assessed by the valuer relative to the valuation of said property. Accordingly, the valuation yield may differ materially from stabilised yield due to rent reversion and can be volatile for markets with a higher volume of new builds and associated lease-up vacancy*

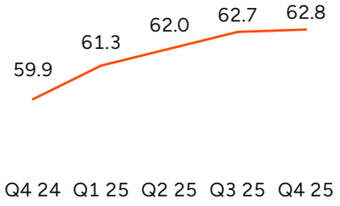
RENTAL INCOME

SEK million



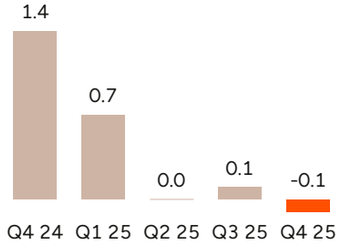
NET OPERATING INCOME MARGIN

Last twelve months, %



FAIR VALUE CHANGE

%



Market Update

Germany

Germany is Heimstaden Bostad's second largest market, offering notable upside through active business plans with large value-add capex potential. The portfolio comprises 29,751 apartments, located across six of the seven largest cities, with concentration in Berlin and Hamburg. The strategy for rental growth and value creation centers upon long-term ownership, driven by re-letting at optimised rents and targeted tenant improvement capex, while privatisation remains selective. In 2025, local operations were restructured to strengthen processes, enhance local governance, and reduce operating costs. These initiatives are expected to sustainably support margin improvement and earnings quality in the coming years.

For 2025, annual rental income increased by 0.8% (5.5%) to SEK 2,862 million (2,840). The change in annual rental income is attributable to foreign exchange effects. Annual like-for-like rental income growth moderated for the year to 4.6% (5.7%) due to the lower CPI environment and increased regulation impacted our tenant improvement investments. Annual real economic occupancy remained at 99.7%.

Capital expenditure investments focused on tenant improvement projects, modernisation, and maintenance of the existing portfolio as well as Sustainability capex for energetic modernisations.

Looking ahead, the operating environment will remain supportive as limited new construction activity will provide positive spillover to our standing asset performance. However, as the regulatory landscape is ever evolving, we foresee a reduction in the number of tenant improvement investments made in the coming year.

Fair Value
80
SEK billion

Portfolio Performance

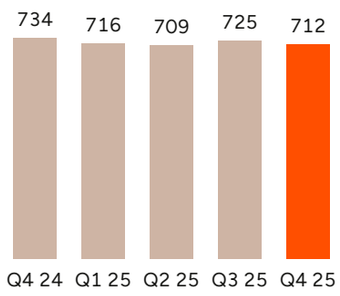
Germany

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Rental income	SEK m	712	725	2,862	734	2,840
Net operating income	SEK m	510	571	2,151	538	2,200
Net operating income margin	%	71.6	78.7	75.2	73.3	77.5
Like-for-like rental income growth	%	4.1	3.8	4.6	4.7	5.7
Real economic occupancy	%	99.7	99.7	99.8	99.7	99.7
Fair value of investment properties	SEK m	79,540	80,985	79,540	81,925	81,925
Fair value change	SEK m	-148	20	926	-144	-813
Fair value change	%	-0.2	0.0	1.2	-0.2	-1.0
Homes	Units	29,751	29,672	29,751	29,690	29,690
Capital expenditures	SEK m	418	353	1,369	369	1,113
Average valuation yield [1]	%	3.1	3.2	3.1	3.0	3.0
Acquisitions	SEK m	–	–	–	–	–
Sales value	SEK m	14	3	48	13	107

[1] *The valuation yield corresponds to the passing net operating income on a normalised basis as assessed by the valuer relative to the valuation of said property. Accordingly, the valuation yield may differ materially from stabilised yield due to rent reversion and can be volatile for markets with a higher volume of new builds and associated lease-up vacancy*

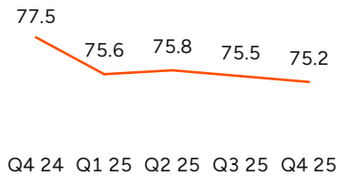
RENTAL INCOME

SEK million



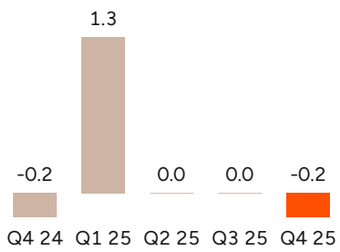
NET OPERATING INCOME MARGIN

Last twelve months, %



FAIR VALUE CHANGE

%



Market Update

Denmark

The Danish residential market continued to benefit from strong operating fundamentals and a persistent undersupply of new housing, underpinning another year of solid operational performance.

Annual rental income decreased to SEK 3,412 million (3,595) or -5.1% (1.6%) reflecting the impact of the ongoing privatisation programme and strategic divestments of assets. Excluding these effects, annual like-for-like rental income growth was 2.9% (3.2%). Annual occupancy increased to 99.3% (98.3%) due to the combination of operational initiatives alongside our investment focus on regions experiencing household growth and housing shortages, which are set to continue to exacerbate further given the limited new supply pipeline.

Strong demand for residential was evident not only in the rental market but also in the owner-occupied segment. The Danish privatisation programme continued to deliver strong results with a total of 549 (518) units sold at total sales value of SEK 4,311 million (3,615) for an average premium to book value of 31.4% (18.5%). Housing prices in Copenhagen, for the year, increased by a record-high 22.7% (9.5%) while supply fell to an all-time low towards the end of 2025.

Given our Danish portfolio characteristics with the majority constructed within the past two decades, the majority of our capital exependiture investments relate to ordinary maintenance and a handful of older regulated assets as opposed to value-add measures, such as TI's.

For 2026, strong demand for residential units in Denmark are expected to persist, underpinned by an ongoing supply–demand imbalance. This environment is expected to support further improvements in operational performance with like-for-like rental income growth being increasingly supported by rent reversion realised upon tenant churn.

Fair Value
68
SEK billion

Portfolio Performance

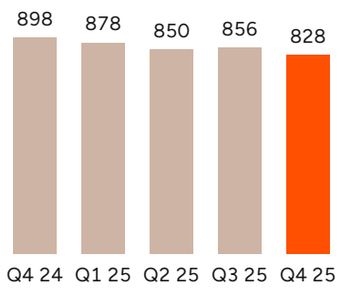
Denmark

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Rental income	SEK m	828	856	3,412	898	3,595
Net operating income	SEK m	648	672	2,609	701	2,643
Net operating income margin	%	78.3	78.4	76.5	78.1	73.5
Like-for-like rental income growth	%	1.9	2.5	2.9	3.8	3.2
Real economic occupancy	%	99.4	99.4	99.3	98.9	98.3
Fair value of investment properties	SEK m	68,209	68,115	68,209	71,301	71,301
Fair value change	SEK m	2,216	-358	4,414	325	564
Fair value change	%	3.4	-0.5	6.9	0.5	0.8
Homes	Units	19,566	19,686	19,566	20,361	20,361
Capital expenditures	SEK m	165	151	504	188	467
Average valuation yield [1]	%	3.8	3.8	3.8	4.0	4.0
Acquisitions	SEK m	–	–	–	2	549
Sales value	SEK m	1,068	1,253	4,864	1,768	4,383

[1] *The valuation yield corresponds to the passing net operating income on a normalised basis as assessed by the valuer relative to the valuation of said property. Accordingly, the valuation yield may differ materially from stabilised yield due to rent reversion and can be volatile for markets with a higher volume of new builds and associated lease-up vacancy*

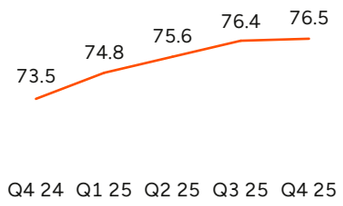
RENTAL INCOME

SEK million



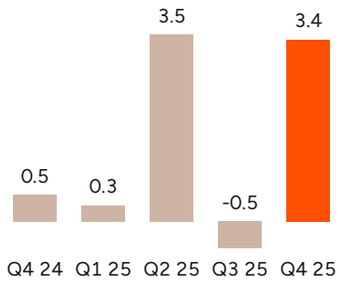
NET OPERATING INCOME MARGIN

Last twelve months, %



FAIR VALUE CHANGE

%



Market Update

Czechia

Czechia is Heimstaden Bostad's fourth-largest market by fair value and second-largest by number of homes, comprising 40,009 units. The portfolio was acquired in 2020 and has since delivered largely uninterrupted rental income growth. The vast majority of the portfolio is located in Ostrava complemented by a smaller presence in western Czechia, including in Prague and Pilsen. Operating within a fully liberalised housing market, the portfolio continues to benefit from a supply-demand imbalance.

Annual rental income increased to SEK 1,868 million (1,797) or 3.9% (4.6%) due, in large part to, rental income growth exceeding inflation and value-accretive tenant investments undertaken at tenant churn. An additional source of upside is the legacy indefinite leases, with approximately 21% of leases held at below-market rent levels until tenant churn, providing clear reversionary potential as rents reset to market levels. Annual like-for-like rental growth reached 7.7% (8.4%).

Heimstaden Bostad executed on a number of asset disposals as part of our portfolio optimisation strategy. Approximately 1,400 units were sold to domestic investors at a 15% premium to book value, while a further 800 single-family units were disposed in smaller lot sizes at an average 25% premium to book value. In December 2025, we initiated a smaller scale privatisation programme targeting 173 new-build apartments with completion end of 2026.

Sustainability capex targeting energy savings and a reduction in CO_2 emissions gained further momentum in 2025 with total investments of SEK 197 million (12). These investments enabled the insulation of approximately 1,600 apartments and the conversion of around 500 apartments from coal-fired district heating to newly installed heat pumps.

Fair Value
30
SEK billion

Portfolio Performance

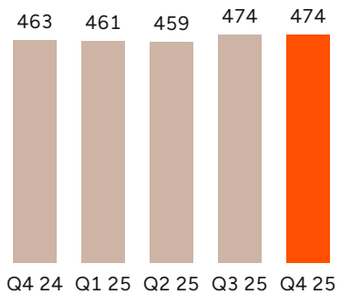
Czechia

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Rental income	SEK m	474	474	1,868	463	1,797
Net operating income	SEK m	382	388	1,483	346	1,344
Net operating income margin	%	80.6	81.9	79.4	74.6	74.8
Like-for-like rental income growth	%	6.8	6.8	7.7	9.3	8.4
Real economic occupancy	%	96.5	96.1	96.4	96.7	96.3
Fair value of investment properties	SEK m	29,652	30,160	29,652	28,406	28,406
Fair value change	SEK m	-61	684	1,856	533	1,773
Fair value change	%	-0.2	2.3	6.7	1.9	6.7
Homes	Units	40,009	40,677	40,009	41,985	41,985
Capital expenditures	SEK m	359	217	842	271	860
Average valuation yield [1]	%	5.0	5.0	5.0	5.0	5.0
Acquisitions	SEK m	–	–	–	–	491
Sales value	SEK m	460	138	1,146	120	120

[1] *The valuation yield corresponds to the passing net operating income on a normalised basis as assessed by the valuer relative to the valuation of said property. Accordingly, the valuation yield may differ materially from stabilised yield due to rent reversion and can be volatile for markets with a higher volume of new builds and associated lease-up vacancy*

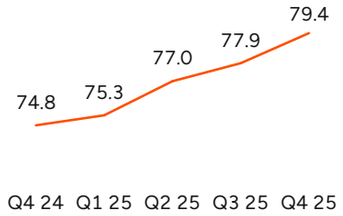
RENTAL INCOME

SEK million



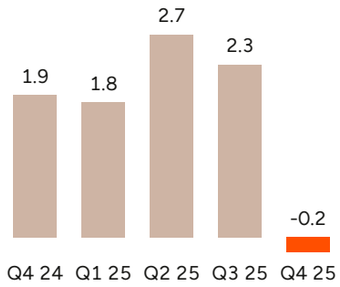
NET OPERATING INCOME MARGIN

Last twelve months, %



FAIR VALUE CHANGE

%



Market Update

Netherlands

The Dutch portfolio is geographically diversified and plays a central role in Heimstaden Bostad's privatisation programme, with more than 90% of the portfolio earmarked for unit-by-unit sales. Privatisation efforts were fully mobilised at the beginning of 2025, leading to the sale of 1,155 (937) residential units at an average premium to book value of 42.8% (46.5%).

Delivering these results required a focused optimisation of the sales organisation, aimed at maximising realised prices without compromising market absorption. In locations where inventory accumulation became apparent, targeted, asset-level decisions were made to re-let select units, thereby supporting local market pricing and sustaining value across the privatisation pipeline.

In parallel, efforts were made to maintain an efficient operation in the letting portfolio and steps have been taken to adapt overhead to the organic downsizing of the portfolio due to privatisation sales. Overall, operational performance improved with annual like-for-like rental income growth of 5.0% (6.2%) while the annual rental income declined to SEK 1,298 million (1,405) as a result of the privatisation programme.

In addition, we have initiated reinvestment soundings for parts of the privatisation proceeds in new development projects, allowing capital gains tax arising from privatisation profits to become non-payable.

Fair Value
28
SEK billion

Portfolio Performance

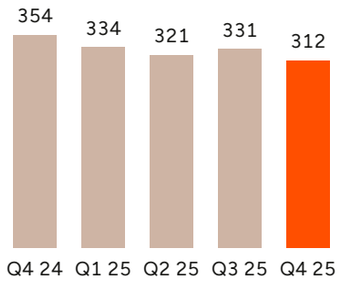
Netherlands

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Rental income	SEK m	312	331	1,298	354	1,405
Net operating income	SEK m	240	263	1,023	267	1,080
Net operating income margin	%	76.9	79.4	78.9	75.4	76.9
Like-for-like rental income growth	%	4.5	4.4	5.0	6.5	6.2
Real economic occupancy	%	99.8	99.6	99.6	99.6	99.7
Fair value of investment properties	SEK m	27,607	28,894	27,607	30,256	30,256
Fair value change	SEK m	85	371	1,424	546	4,120
Fair value change	%	0.3	1.3	5.4	1.8	15.8
Homes	Units	11,194	11,820	11,194	12,618	12,618
Capital expenditures	SEK m	133	72	343	122	256
Average valuation yield [1]	%	3.4	3.5	3.4	3.6	3.6
Acquisitions	SEK m	–	–	–	–	–
Sales value	SEK m	1,245	986	3,862	1,097	3,190

[1] *The valuation yield corresponds to the passing net operating income on a normalised basis as assessed by the valuer relative to the valuation of said property. Accordingly, the valuation yield may differ materially from stabilised yield due to rent reversion and can be volatile for markets with a higher volume of new builds and associated lease-up vacancy*

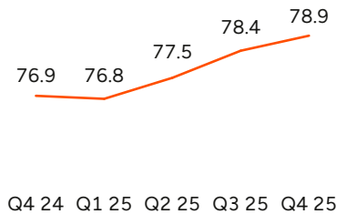
RENTAL INCOME

SEK million



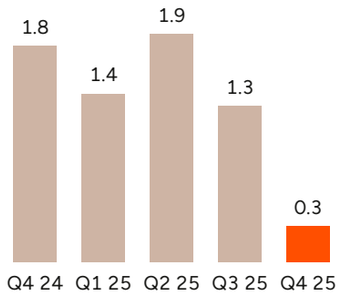
NET OPERATING INCOME MARGIN

Last twelve months, %



FAIR VALUE CHANGE

%



Market Update

Norway

The Norwegian residential market is underpinned by robust owner-occupier demand, limited housing supply, and resilient rental market fundamentals. The portfolio strategy combines long-term ownership with select privatisation, enabling efficient capital allocation while retaining exposure to rental market dynamics. The portfolio is concentrated in the capital region of Oslo.

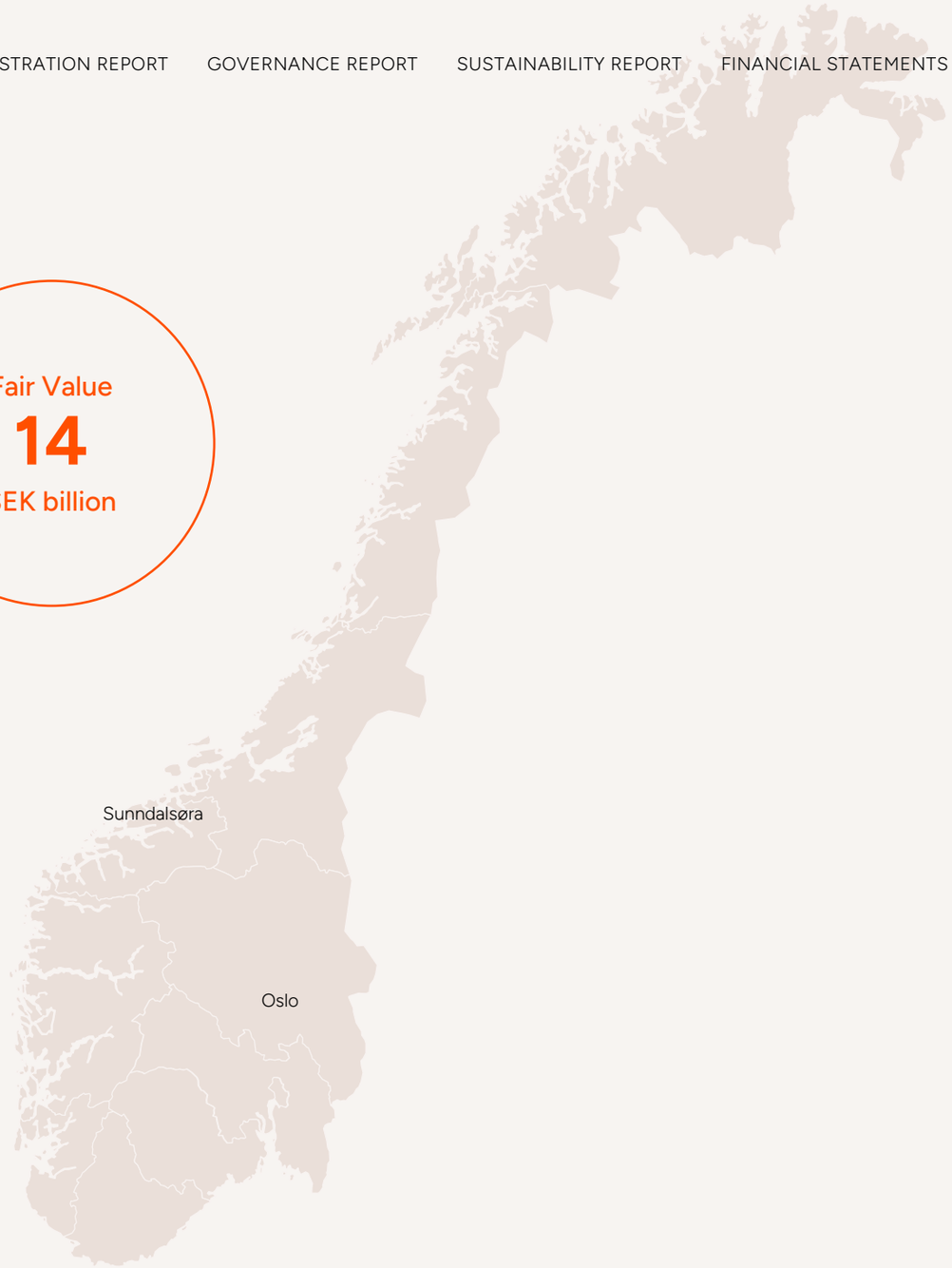
Privatisation is progressing on schedule, with Heimstaden Bostad having sold 594 units since launch of the local programme in 2024, generating total sales proceeds of SEK 2,686 million. Sales have been deliberately paced to optimise for the seasonal effects that are particularly strong in the Norwegian market, enabling the programme to prepare inventory build-up for the best seasonal periods to scale up sales volumes.

Despite a declining portfolio size following privatisation, operational performance remained strong and in line with expectations. Annual rental income decreased to SEK 632 million (720) or -12.2% (-2.9%) while annual like-for-like rental income growth reached 2.9% (5.0). Results were supported by a robust rental market in Oslo and effective capture of market rent reversion at tenant churn. Annual real economic occupancy remained high at 98.6% (99.0%).

Capital expenditure was selectively allocated to reinforce rental performance while preparing units for future privatisation, supporting unit readiness, operational efficiency, and portfolio quality.

Looking ahead, the Norwegian market outlook continues to be favorable, with significantly reduced construction activity further tightening supply alongside anticipated interest rate cuts underpinning demand and price resilience. Against this backdrop, the privatisation programme is well positioned to achieve attractive pricing through 2026.

Fair Value
14
SEK billion



Portfolio Performance

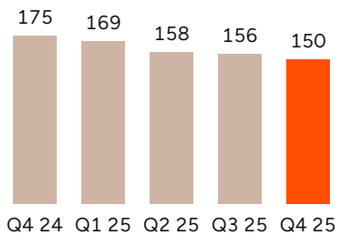
Norway

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Rental income	SEK m	150	156	632	175	720
Net operating income	SEK m	110	117	478	147	557
Net operating income margin	%	73.5	75.3	75.6	84.0	77.4
Like-for-like rental income growth	%	2.0	2.5	2.9	3.4	5.0
Real economic occupancy	%	97.9	98.8	98.6	98.8	99.0
Fair value of investment properties	SEK m	13,539	14,585	13,539	16,377	16,377
Fair value change	SEK m	-438	-117	-382	-351	18
Fair value change	%	-3.1	-0.8	-2.7	-2.1	0.1
Homes	Units	3,382	3,505	3,382	3,865	3,865
Capital expenditures	SEK m	65	26	205	244	296
Average valuation yield [1]	%	3.3	3.3	3.3	3.2	3.2
Acquisitions	SEK m	–	–	–	–	–
Sales value	SEK m	261	473	1,856	425	832

[1] *The valuation yield corresponds to the passing net operating income on a normalised basis as assessed by the valuer relative to the valuation of said property. Accordingly, the valuation yield may differ materially from stabilised yield due to rent reversion and can be volatile for markets with a higher volume of new builds and associated lease-up vacancy*

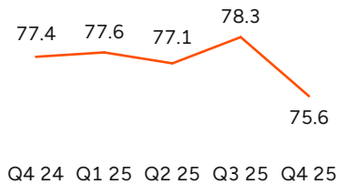
RENTAL INCOME

SEK million



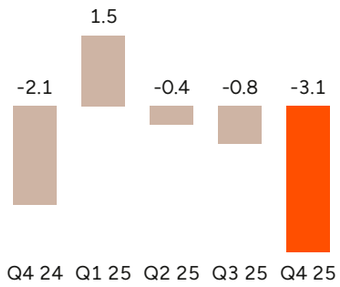
NET OPERATING INCOME MARGIN

Last twelve months, %



FAIR VALUE CHANGE

%



Market Update

United Kingdom

Following the completion of our Edinburgh scheme in December 2024, the UK portfolio comprises 1,417 units. The four largest assets are located in Birmingham (751 units) and Edinburgh (464 units), complemented by a smaller presence in Greater London.

The portfolio is now positioned as a stabilised income portfolio of high-quality, modern, purpose-built residential assets in major urban markets. The newly built assets are energy-efficient, aligning with sustainability objectives while minimising long-term stranding risk.

As development delivery has concluded, our UK focus has shifted toward operational stabilisation. The primary near-term priority has been the lease-up of our Edinburgh asset, where leasing activity has followed a measured absorption curve consistent with comparable, amenitised build-to-rent schemes.

Operational performance was materially impacted by portfolio composition effects, with the annual real economic occupancy of 74.5% (91.5%), reflecting the inclusion of the Edinburgh asset throughout 2025. Excluding this effect, underlying occupancy across the stabilised portfolio remained stable at approximately 94.1%.

The UK portfolio is expected to be fully stabilised in 2026. With development viability increasingly constrained, new supply is expected to remain limited, strengthening pricing power at both re-letting and lease renewal and supporting continued strong like-for-like rental income growth.

Fair Value
5
SEK billion

Portfolio Performance

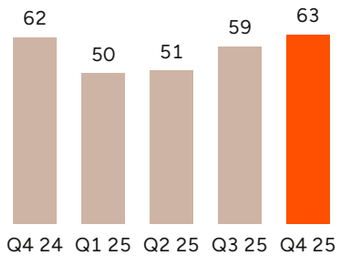
United Kingdom

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Rental income	SEK m	63	59	223	62	211
Net operating income	SEK m	45	31	139	48	152
Net operating income margin	%	72.3	52.9	62.4	76.8	72.4
Like-for-like rental income growth	%	23.4	6.7	8.2	7.1	20.2
Real economic occupancy	%	82.5	80.3	74.5	78.1	91.5
Fair value of investment properties	SEK m	4,805	4,947	4,805	5,344	5,344
Fair value change	SEK m	-56	-43	-20	-59	143
Fair value change	%	-1.1	-0.9	-0.4	-1.1	2.8
Homes	Units	1,417	1,415	1,417	1,413	1,413
Capital expenditures	SEK m	10	17	39	140	541
Average valuation yield [1]	%	3.9	3.7	3.9	3.4	3.4
Acquisitions	SEK m	–	–	–	–	–
Sales value	SEK m	–	–	–	–	–

[1] *The valuation yield corresponds to the passing net operating income on a normalised basis as assessed by the valuer relative to the valuation of said property. Accordingly, the valuation yield may differ materially from stabilised yield due to rent reversion and can be volatile for markets with a higher volume of new builds and associated lease-up vacancy*

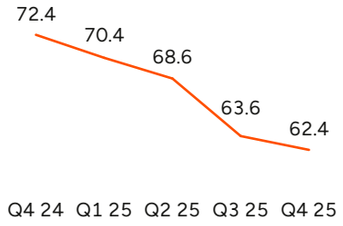
RENTAL INCOME

SEK million



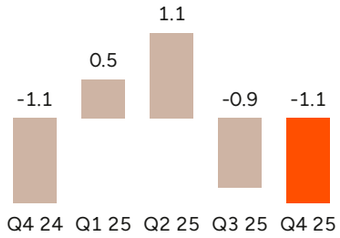
NET OPERATING INCOME MARGIN

Last twelve months, %



FAIR VALUE CHANGE

%



Market Update

Poland

Our Polish portfolio consists of recently completed newbuilds concentrated in Warsaw and Kraków. Operating within a liberalised rental framework, performance is supported by a persistent housing undersupply, historically low vacancy in the private rental market, and the ongoing lease-up of modern, ESG-certified assets. Rental levels are set at market rates upon both initial letting and renewals, if in-place tenants want to stay after the fixed lease term ends.

In 2025, strategic priorities were the ongoing stabilisation of the large number of units completed in second half of 2024, optimisation of the capital structure through competitive sustainability-linked financing, and recycling of capital through selective unit disposals. These initiatives have strengthened the portfolio's operating and financial profile, delivering greater efficiency, and strong cash flow generation.

Annual rental income grew to SEK 242 million (170) or 42.2% (146.4%). Rental income benefited from higher-than-expected reletting rents. Annual like-for-like rental income growth also performed at 8.9% (7.3%), supported by strong letting performance, both in relation to market rent growth and sustained high occupancy rates through efficient stabilisation of completed developments.

Portfolio optimisation continued through the privatisation of 167 units, supporting execution of privatisation strategy.

Looking ahead, we expect continued strong rental and owner-occupier price appreciation and a further ramp up in our privatisation sales. The flexibility of the rental framework allows us to dynamically optimise between rental income generation and privatisation, adjusting our approach in response to liquidity and pricing conditions in individual sub-markets.

Fair Value

4

SEK billion

Portfolio Performance

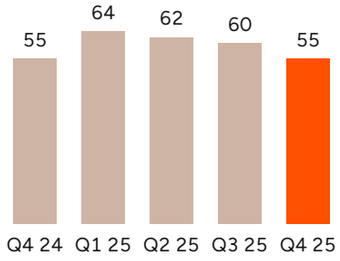
Poland

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Rental income	SEK m	55	60	242	55	170
Net operating income	SEK m	50	55	221	49	139
Net operating income margin	%	91.0	91.8	91.4	89.4	81.4
Like-for-like rental income growth	%	8.5	15.9	8.9	3.1	7.3
Real economic occupancy	%	97.8	97.2	98.0	96.1	92.0
Fair value of investment properties	SEK m	4,431	4,589	4,431	4,701	4,701
Fair value change	SEK m	56	35	173	152	751
Fair value change	%	1.3	0.8	4.1	3.4	19.0
Homes	Units	1,937	2,016	1,937	2,052	2,052
Capital expenditures	SEK m	-4	-1	-3	18	318
Average valuation yield [1]	%	5.5	5.5	5.5	5.5	5.5
Acquisitions	SEK m	–	–	–	–	1,606
Sales value	SEK m	241	125	398	–	–

[1] *The valuation yield corresponds to the passing net operating income on a normalised basis as assessed by the valuer relative to the valuation of said property. Accordingly, the valuation yield may differ materially from stabilised yield due to rent reversion and can be volatile for markets with a higher volume of new builds and associated lease-up vacancy*

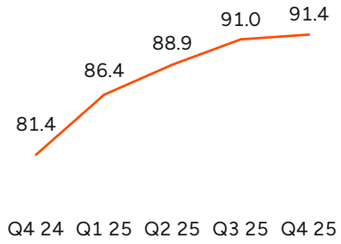
RENTAL INCOME

SEK million



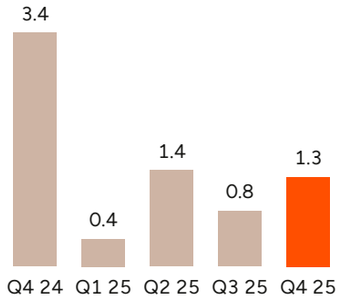
NET OPERATING INCOME MARGIN

Last twelve months, %



FAIR VALUE CHANGE

%



Market Update

Finland

Heimstaden Bostad entered the Finnish market in 2021. The market is characterised by a transparent liberal regulatory environment that balances free market dynamics for both supply and demand. Uniquely in a European context, Finland has been able to stimulate substantial new residential construction, bringing supply closer to underlying urban demand and resulting in softer price dynamics in major cities.

Our Finnish operating model centres upon CPI-linked indexation, capturing rent reversion, and tenant improvement capex upon churn. For 2025, the key focus areas included strengthening operational performance, deepening cooperation with key operating partners, and ensuring disciplined capital allocation.

The current oversupply of rental housing is expected to be absorbed over time as urbanisation and immigration lead to material influx of residents to the larger urban areas across Finland combined with new housing construction having come to a standstill. Tenant velocity has been high with continued price sensitivity, resulting in a need to be more aware of balancing rental growth and occupancy. Real economic occupancy remained stable as it ended the year at an annual level of 95.0% (95.0%).

Annual rental income decreased to SEK 280 million (286) or -2.2% (6.9%), supported by indexation and continued investment in tenant improvements (TI). Annual like-for-like rental income growth reflected the challenges from oversupply in the market at 1.5% (6.9%), underpinned by CPI adjustments and rent reversion generated through tenant improvements.

Portfolio optimisation was also a focus for 2025 with selective disposals of minority-owned assets upon churn. A total of 13 units were sold for SEK 21 million.

Fair Value
4
SEK billion

North Ostrobothnia

North Savo

Central Finland

Pirkanmaa

Päijät-Häme

Helsinki-Uusimaa

Portfolio Performance

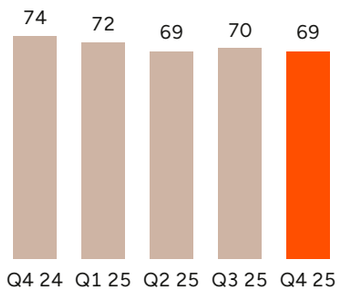
Finland

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Rental income	SEK m	69	70	280	74	286
Net operating income	SEK m	34	42	149	39	150
Net operating income margin	%	49.6	60.6	53.3	52.7	52.5
Like-for-like rental income growth	%	-1.8	0.0	1.5	5.8	6.9
Real economic occupancy	%	94.8	94.6	95.0	96.6	95.0
Fair value of investment properties	SEK m	3,896	3,854	3,896	3,852	3,852
Fair value change	SEK m	89	-21	161	3	13
Fair value change	%	2.3	-0.5	4.3	0.1	0.3
Homes	Units	2,990	3,144	2,990	3,156	3,156
Capital expenditures	SEK m	37	27	98	19	82
Average valuation yield [1]	%	5.4	5.5	5.4	5.6	5.6
Acquisitions	SEK m	–	–	–	–	–
Sales value	SEK m	3	7	21	3	13

[1] *The valuation yield corresponds to the passing net operating income on a normalised basis as assessed by the valuer relative to the valuation of said property. Accordingly, the valuation yield may differ materially from stabilised yield due to rent reversion and can be volatile for markets with a higher volume of new builds and associated lease-up vacancy*

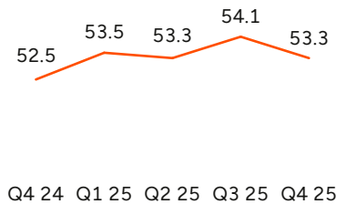
RENTAL INCOME

SEK million



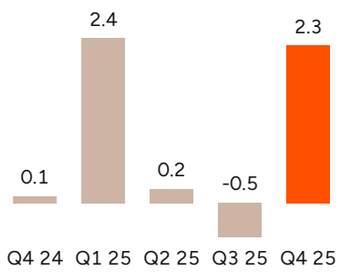
NET OPERATING INCOME MARGIN

Last twelve months, %



FAIR VALUE CHANGE

%



Residential Outlook 2026

Not All Progress is Visible

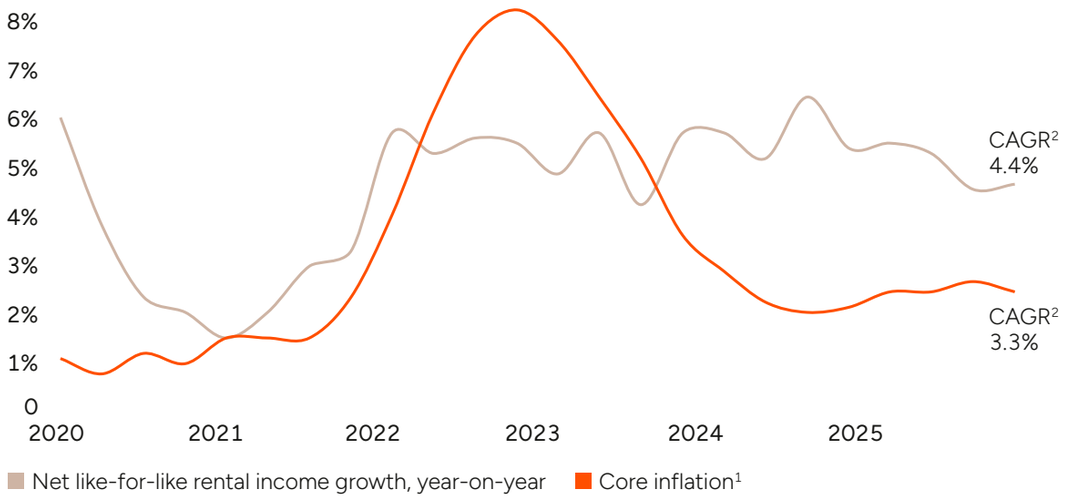
While supply-demand dynamics ultimately matter most, they are overlooked as a key driver of the investment psychology within real estate. Despite strong operational performance and a stabilised interest rate environment, the pace of recovery in values remains muted relative to fundamentals and anchored more in present visibility rather than in future potential.

Christian Fladeland
Co-CEO
Heimstaden Bostad

Sustained Rental Growth Ahead of Inflation

Following the inflation spike in 2022–2023, market observers expressed uncertainty regarding our ability to pass inflation onto rental income growth. When inflation subsequently declined, similar concerns were raised as to whether rental growth would fade. Both assumptions have been consistently refuted. Residential rental income growth quickly caught up with inflation and has remained resilient even as inflation moderated, demonstrating clear real growth potential in residential rents even in an inflationary environment.

INFLATION SETS THE FLOOR, NOT THE CEILING



[1] Core inflation across HSTB markets, weighted on a like-for-like basis.
[2] CAGR calculated based on year-end growth rates, 2020–2025.
Source: National statistics institutes and Heimstaden Research.

Over the same period, commercial real estate benefited from market-standard indexation clauses that translated inflation directly into rental income growth. In contrast to residential assets - where rental growth often lags inflation due to local regulatory frameworks - commercial rents tend to move ahead of underlying fundamentals due to such indexation mechanisms. The key question is whether these indexed rent levels are sustainable, particularly as non-terminability periods expire.

In 2025 the sustainability of commercial rent indeation was being tested as the sector experienced rising vacancy rates and more frequent negative rent reversions (required capital expenditure taken into account).

Rising construction costs and a higher cost of capital are driving sharp increases in the rent levels required to incentivise new residential construction as the clearing rents have increased significantly faster than actual rents. The result being a major contributor to the persistent and growing housing shortage (until further rental growth materialises). This imbalance is expected to continue to support rental performance for many years and is a key driver of the anticipated recovery in interest coverage.

Funding Conditions More Accommodating Than Ever

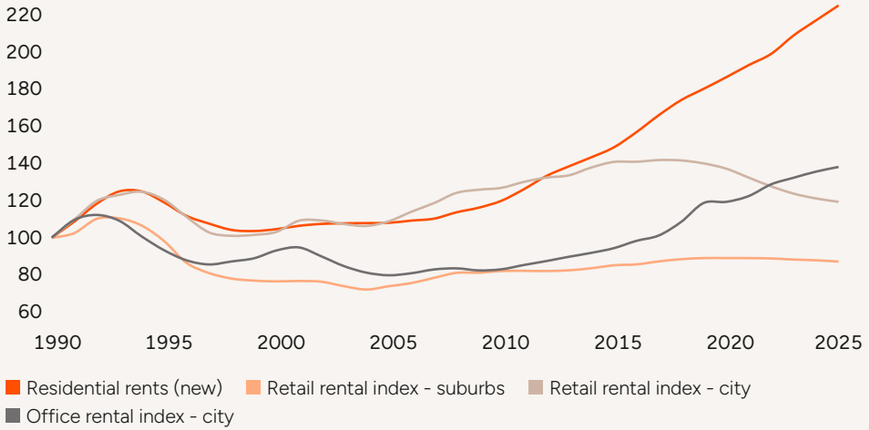
Only two years ago, concerns around a "credit crunch" and a "maturity wall" in real estate featured prominently in market discourse. As we enter 2026, funding markets for residential real estate are highly competitive, supported by greater clarity on the interest-rate environment and lenders' increasing selectivity toward sectors in which they are willing to deploy capital.

The primary driver of this shift is the strength of the fundamentals in residential real estate at a time when commercial real estate has faced heightened uncertainty with cautious real estate investors reducing leverage metrics. In this environment, demand for new lending has been moderate, while competition among lenders for exposure to specific sectors has intensified.

In addition, banks are experiencing pressure on profitability as declining interest rates are compressing net interest margins. This has increased the incentive to increase lending volumes to protect profitability in a more subdued lending market.

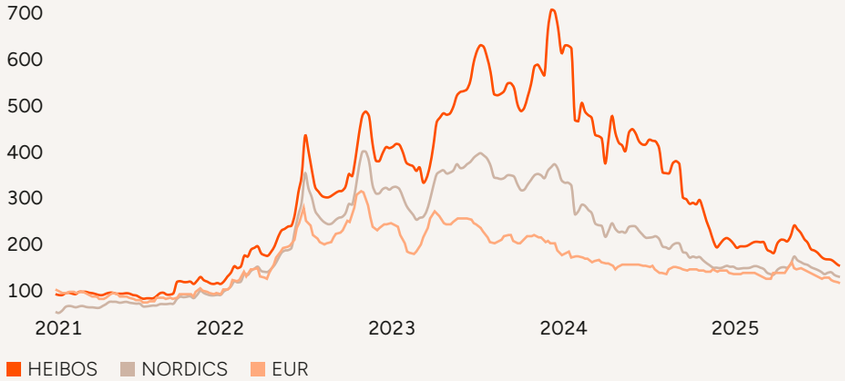
While base rates remain higher than pre-2022 levels, funding margins have returned to levels that we consider to be comparable with the

RESIDENTIAL: FUNDAMENTALLY NON-SUBSTITUTABLE ASSET CLASS[1]



[1] Indices are based on a sample of 127 German cities.
Source: Bulwiengesa GmbH, RIWIS.

REAL ESTATE CREDIT SPREADS - HSTB VS EUR RE AND NORDIC RE, 2021 – 2025



Note: HEIBOS Index consists of 10 outstanding securities, including all HSTB EUR Investment-Grade (IG) bonds. The EUR Index comprises 344 outstanding securities, covering all EUR IG real estate bonds issued by European peers across all real estate sectors. The NORDICS Index comprises IG-rated EUR bonds of Nordic real estate issuers, 57 securities.
Source: Bloomberg and Heimstaden Research.

most competitive conditions of the past decade. Combined with the deleveraging impact from our privatisation programme and strong rental growth, we are confident that we will reach compliance with our Financial Policy ICR target of 1.8x on a S&P-defined basis by end-2026.

Capital Values Have Yet to Reflect Fundamentals

Market commentary often treats new all-time highs as evidence of excess, implying that what rises must inevitably fall. While periods of exuberance can lead to pricing becoming detached from fundamentals, we do not believe that new nominal highs, in themselves, are indicative of bubble-like conditions. In an inflationary environment, nominal prices should, over time, reach new highs.

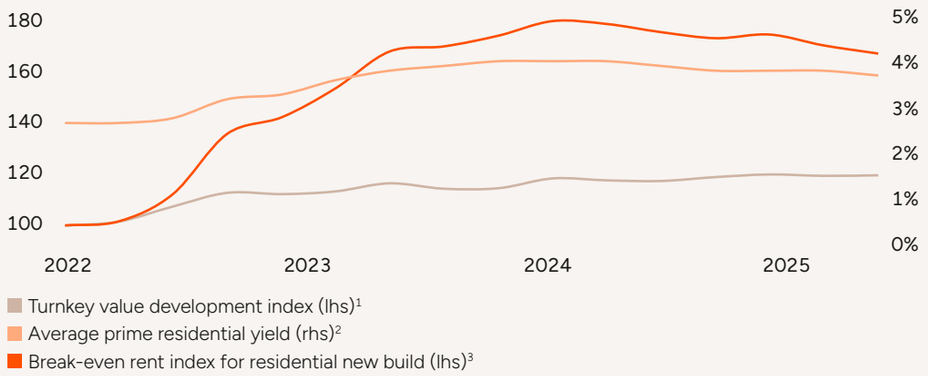
In the years leading up to 2022, rising residential capital values were largely driven by declining yield requirements in a low-interest rate environment, while rental growth generally tracked inflation. The yield compression supported by higher capital values played an important role in enabling new housing supply, rather than being driven by excessive rental growth.

Despite a persistent housing shortage, strong construction activity helped contain both rental growth and residential prices during a prolonged period of low inflation, preserving affordability and capacity for future rental growth should supply become more constrained.

Today, the picture looks markedly different. Construction costs have increased by more than 30%, ownership housing markets in many countries are at or near all-time highs, and yet residential capital values remain below 2022 levels in nominal terms. This has resulted in a real decline in residential capital values that is highly unusual when taken in a historical context.

At the same time, the structural housing shortage remains unresolved and, at current capital values, largely uneconomic to address through new supply. We view this disconnect between fundamentals and pricing as unsustainable over the long term and believe it underscores the attractive long-term investment opportunities in residential real estate.

SUPPLY SHORTAGE CANNOT BE ADDRESSED WITHOUT MATERIAL RENTAL GROWTH



[1] Turnkey Value Development Index initially assumes a cost split of 20% land and 80% hard and soft construction costs. Land values are indexed using the Land Cost Index for Germany, while hard and soft construction costs are indexed using the EU Construction Cost Index. Developer funding costs are calculated as EURIBOR plus a development funding margin, assuming a fixed Loan-to-Cost ratio of 60%. The final cost base includes a 15% developer margin.
[2] Average residential prime yield for Stockholm, Amsterdam, Berlin and Copenhagen.
[3] Average residential yield × turnkey value index, relative to the 2022 baseline.
Source: Bloomberg, CBRE Research, Eurostat, Destatis & Heimstaden Research.

Equity Back in Focus as Credit Normalises

In recent years, uncertainty around asset valuations, interest rates, and refinancing conditions led many real estate investors to favour credit strategies. The prevailing view was that attractive, equity-like returns could be achieved through senior positions in the capital structure, supported by contractual cash flows and enhanced downside protection.

With capital values under pressure and refinancing risk in focus, this approach was widely expected to create a favourable negotiating dynamics for credit investors. However, as market conditions stabilised and funding markets became increasingly competitive, the opportunity to generate outsized credit returns at scale has proven more limited than initially anticipated.

As uncertainty around valuations has receded and funding conditions have improved, investor attention is increasingly refocusing on the underlying fundamentals of the asset class. The disconnect between capital values and long-term fundamentals is now receiving greater attention, gradually steering investor interest toward equity.

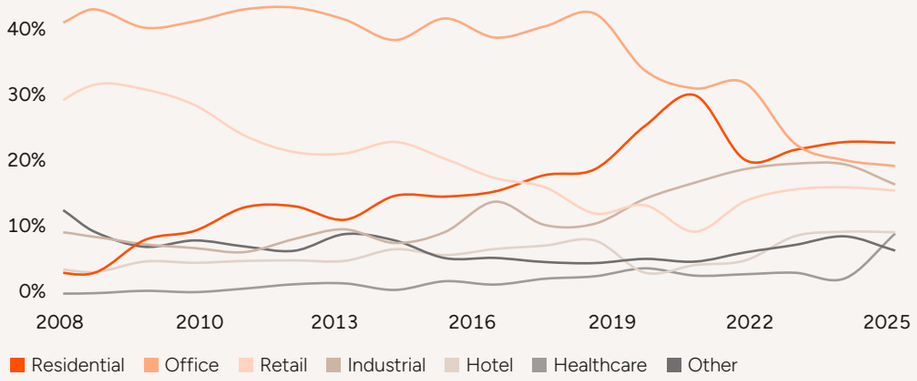
Equity returns in residential real estate are underpinned by resilient, inflation-linked income growth, and long-term capital appreciation. With rental growth structurally supported by supply-demand imbalances and greater clarity on interest rates and financing conditions, the foundation for attractive equity returns has strengthened. We believe as a gradual but meaningful transition in investor focus from credit back to equity.

Ownership Housing Sets the Pace

Concerns regarding the impact of higher interest rates on owner-occupied housing prices attracted significant attention in 2022. Since then, consistent all-time highs across several ownership markets have often been attributed to factors that were already well understood, such as persistent supply shortages or expectations of falling interest rates. Notably, interest rates have declined only from peak levels and remained materially higher than what was widely anticipated as recently as early 2022.

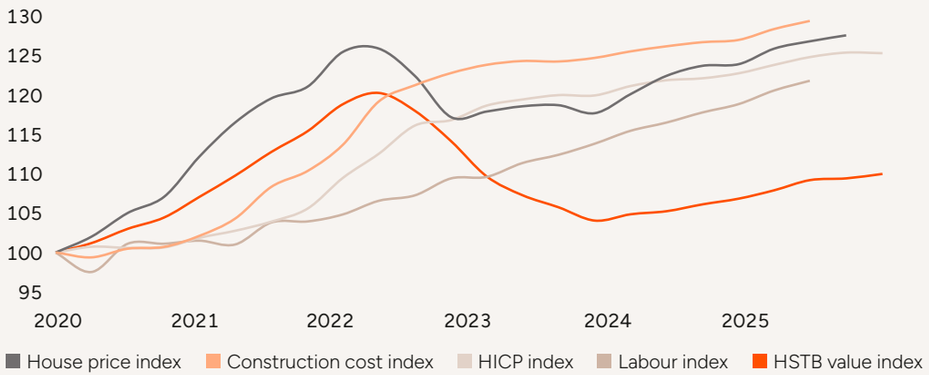
The dynamics at play are fundamentally structural. Leading up to 2022, rising residential prices limited less by households' ability to pay and more by borrowing constraints introduced after the financial crisis. Debt-to-income caps and affordability metrics were stress-tested against interest rate levels well above those prevailing in recent years, effectively moderating price growth despite strong demand.

SHARE OF EUROPEAN INVESTMENT VOLUMES BY REAL ESTATE SEGMENT, 2008 – 2025



Disclaimer: Graph prepared using source data provided by CBRE on a non-reliance basis and for information purposes only. You may not rely on the data for any purpose whatsoever and CBRE shall not be liable for any loss or damage (whether direct, indirect or consequential) as a result of unauthorised use of or reliance on this data.
Source: CBRE Research (29/01/2026).

VALUATION GAP: HSTB VALUES OFFER STEEP CATCH-UP POTENTIAL



[1] All indices are weighted by HSTB GAV as of Q4 2025.
Source: Eurostat, National statistics institutes and Heimstaden Research.

Since then, continued wage growth has supported higher borrowing capacity, while sharply declining construction activity has further constrained supply. This dynamic underpins a favourable outlook for further price growth in owner-occupied housing markets.

During the era of near-zero interest rates, real estate was often viewed as a fixed-income substitute with investors prioritising income stability and yield spreads. Historically, however, the core driver of real estate returns has been income growth and its translation into capital appreciation. Inflation and higher interest rates, by constraining new supply, further reinforce this relationship. Ownership housing markets, where demand imbalances feed most directly through to prices most efficiently, are leading the current cycle.

High Conviction in Residential Real Estate

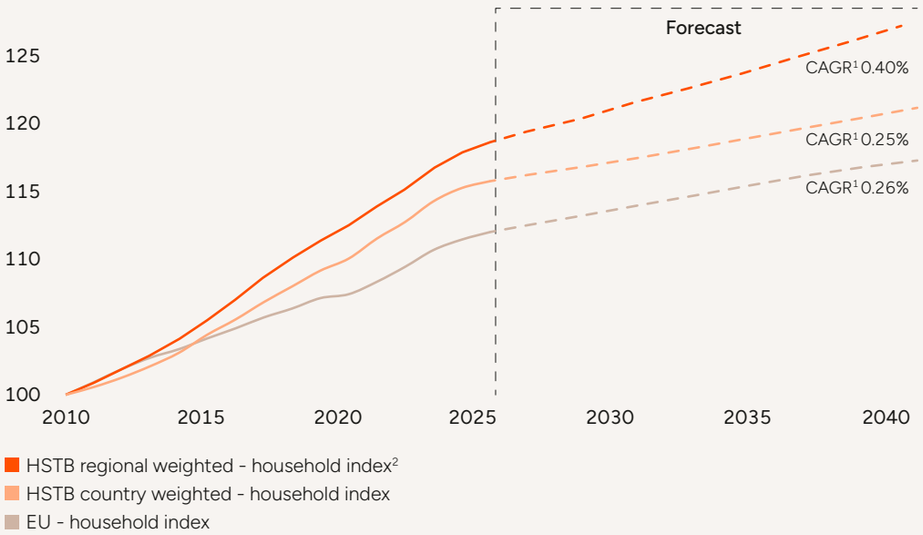
We are, first and foremost, investors combining operational excellence with a disciplined focus on value creation for the benefit of our customers and shareholders. This mindset drives a continuous reassessment of our conviction in the asset class and challenges whether any structural changes warrant a revision to our long-term assumptions. As outlined above, our conviction in a sustained supply shortage within a largely non-cyclical asset class remains firm. The portfolio is located in some of the most resilient economies globally with strong long-term growth prospects, supportive labour markets, and wage growth that has exceeded inflation over time.

Against this backdrop, it is difficult to identify structural or technological forces that could materially disrupt occupier demand for our assets, as has been observed in other real estate segments. Nor do we see a credible scenario in which construction costs decline meaningfully or land availability expands sufficiently in constrained urban growth areas that the supply-demand imbalance is fundamentally altered.

As a result, we believe that we see the market as being in the early stages of recovery, and our assets are well positioned for meaningful catch-up potential over the current cycle. We view higher capital values a necessary condition for restoring balance in the housing market, supporting our confidence in the long-term resilience of residential real estate and reinforces our commitment as a long-term owner and operator.

Christian Fladeland
Co-CEO & Chief Investment Officer
Heimstaden Bostad

HOUSEHOLD FORMATION IS IMPORTANT BUT ASSET SELECTION IS KEY



[1] CAGR, 2025-2040.
[2] Weighted by HSTB GAV as of Q4 2025 at NUTS 3 level.
Source: Oxford Economics and Heimstaden Research.

Investment Properties

Change in Fair Value of Investment Properties

Change in fair value of investment properties, for the year were SEK 9,256 million (8,639) corresponding to 2.9% (2.7%) of fair value. The average valuation yield was 3.70% (3.64%). On a quarter-over-quarter basis this is stable compared to 3.71% in Q3. The entire portfolio is valued by external valuers each quarter.

Sweden

Annual fair values grew by SEK 705 million (2,068) or 0.8% (2.3%). Sweden benefitted from continued strong rental performance as negotiated rent increases surpassed inflation, allowing for continued yield expansion to coincide with value growth. With continued real rental growth prospects and yields stabilising on the back of a normalised SEK interest rate curve, we expect value growth to continue in 2026.

Germany

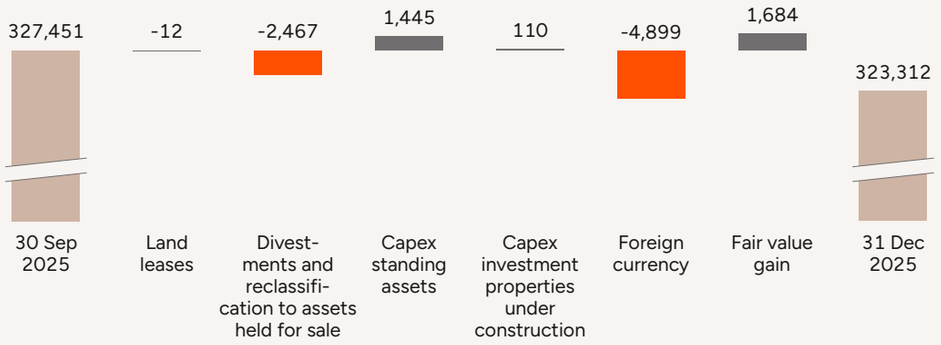
Annual fair values grew by SEK 926 million (-813) or 1.2% (-1.0%). While operating performance continued to drive NOI growth, valuation yields will continue to expand as rent reversion is crystallised.

AVERAGE VALUATION YIELD

%	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Sweden	3.67	3.67	3.69	3.63	3.50
Germany	3.12	3.23	3.21	3.19	3.02
Denmark	3.80	3.76	3.81	3.97	3.98
Czechia	4.99	4.98	5.02	5.03	4.96
Netherlands	3.45	3.45	3.37	3.48	3.60
Norway	3.28	3.29	3.22	3.11	3.20
United Kingdom	3.90	3.73	3.00	2.55	3.43
Poland	5.54	5.53	5.53	5.52	5.50
Finland	5.41	5.53	5.50	5.50	5.65
Total	**3.70**	**3.71**	**3.70**	**3.66**	**3.64**

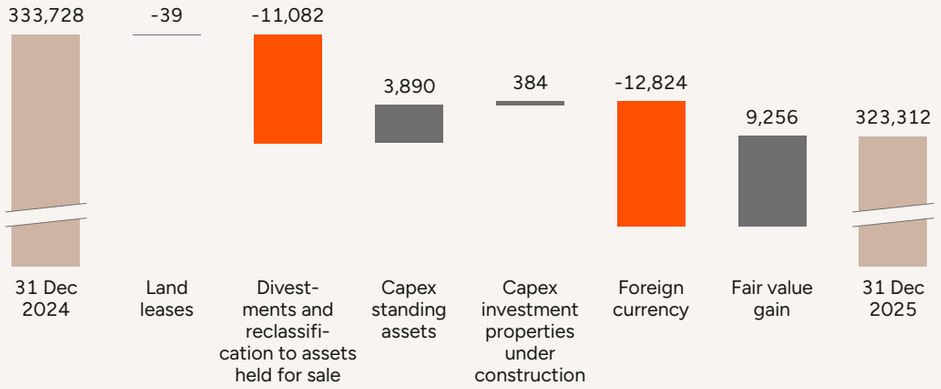
FAIR VALUE DEVELOPMENT FOR THE QUARTER

SEK million



FAIR VALUE DEVELOPMENT FOR THE YEAR

SEK million



Denmark
Fair values have been positively affected by the market movement with an annual increase of SEK 4,414 million (564) or 6.9% (0.8%), mainly driven by strong ownership housing market performance and decreasing valuation yields. With no signs of meaningful increased supply short-term and employment markets remaining strong, we foresee continued positive valuation momentum going into 2026.

Czechia
Annual fair values grew by SEK 1,856 million (1,773) or 6.7% (6.7%). Rental performance has been the key driver of valuation growth with valuation yields remaining stable. With supply/demand dynamics alongisde accretive apartment upgrades, we see NOI-driven value growth to continue into 2026.

Netherlands
Annual fair values grew by SEK 1,424 million (4,120) or 5.4% (15.6%). With privatisation being the highest and best use for our valuation basis, ownership market developments are the main driver of fair value appreciation.

Norway
Annual fair values declined by SEK -382 million (18) or -2.7% (0.1%). While the residential market in Oslo continued to show strength with good liquidity, we saw an increased supply among buy-to-let investors capitalising on the price momentum. This resulted in moderate price pressure (which we expect to reverse in 2026) as the supply increase will be absorbed by transactions.

United Kingdom
Annual fair values declined by SEK -20 million (143) or -0.4% (2.8%). The fair value of the UK portfolio declined modestly on the back of more modest rental growth and stabilising yields. Our yields for 2025 continue to be impacted by the stabilisation vacancy associated with our new development in Edinburgh.

Poland
Annual fair values grew by SEK 173 million (751) or 4.1% (19.4%) driven by rental growth and continued lack of supply. Poland benefits from favourable economic conditions and an easing monetary policy including interest rate cuts.

Finland
Annual fair values grew by SEK 161 million (13) or 4.3% (0.4%). Although the Finnish residential market is still recovering from an oversupply of housing, we succeeded in documenting accretive rent reversion potential via tenant improvements, which supported value growth.

COUNTRY FAIR VALUE DEVELOPMENT
SEK million and %

	Q4 2025		Q3 2025		Q2 2025		Q1 2025		FY 2025		Q4 2024		FY 2024	
	%	SEK million	%	SEK million	%	SEK million	%	SEK million	%	SEK million	%	SEK million	%	SEK million
Sweden	-0.1	-60	0.1	121	0.0	16	0.7	628	0.8	705	1.4	1,309	2.3	2,068
Germany	-0.2	-148	0.0	20	0.0	14	1.3	1,041	1.2	926	-0.2	-144	-1.0	-813
Denmark	3.4	2,216	-0.5	-358	3.5	2,385	0.3	171	6.9	4,414	0.5	325	0.8	564
Czechia	-0.2	-61	1.3	371	2.7	755	1.8	477	6.7	1,856	1.9	533	6.7	1,773
Netherlands	0.3	85	2.3	684	1.9	561	1.4	406	5.4	1,424	1.8	546	15.6	4,120
Norway	-3.1	-438	-0.8	-117	-0.4	-65	1.5	238	-2.7	-382	-2.1	-351	0.1	18
United Kingdom	-1.1	-56	-0.9	-43	1.1	56	0.5	23	-0.4	-20	-1.1	-59	2.8	143
Poland	1.3	56	0.8	35	1.4	65	0.4	17	4.1	173	3.4	152	19.4	751
Finland	2.3	89	-0.5	-21	0.2	6	2.4	86	4.3	161	0.1	3	0.4	13
Total	**0.5**	**1,684**	**0.2**	**692**	**1.2**	**3,793**	**1.0**	**3,086**	**2.9**	**9,256**	**0.7**	**2,315**	**2.7**	**8,639**

Funding

Liability Management

For the year, Heimstaden Bostad completed approximately SEK 59,500 million (41,900), including both refinancings and new financings, across both unsecured capital markets and a combination of secured and unsecured bank financing.

Liability management was further supported by the privatisation programme as the net release of proceeds, which includes repayment of secured debt, was SEK 11,342 million (9,041) for the year.

Capital Markets

In 2025, Heimstaden Bostad issued approximately SEK 14,600 million across seven transactions. Funding in both SEK and EUR, six of the transactions were green.

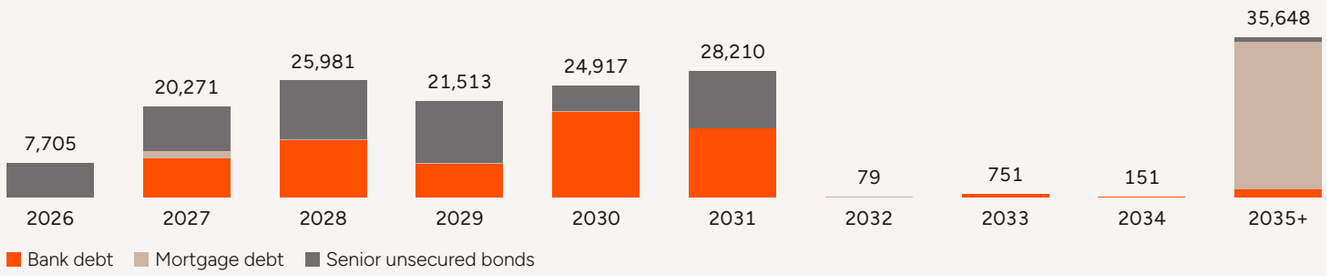
2025 CAPITAL MARKETS ACTIVITY (MILLIONS)

ISIN	Currency	Security	Nominal	Coupon (bps)	Issue date	Maturity
XS2988694381	SEK	Senior	650	3m+120	21-Jan	21-Jan-2027
XS3005533891	SEK	Senior	850	3m+135	18-Feb	28-Feb-2028
XS3079553189	SEK	Senior	500	3m+100	23-May	23-May-2027
XS3099959705	SEK	Senior	1,250	3m+150	19-Jun	19-Jun-2029
XS3105178795	EUR	Senior	500	375	2-Jul	2-Oct-2030
XS3110851824	SEK	Senior	350	3m+155	4-Jul	4-Jul-2030
XS3168266958	EUR	Senior	500	375	10-Sep	10-Mar-2031
XS3227944959 [1]	EUR	Hybrid	500	500	*See footnote & RHS table*	

[1] *Subsequent to the balance sheet date on 13-Jan-2026, issued hybrid XS3227944959 replacing ISIN XS2125121769 with First Reset Date of 4-Apr-2026*

INTEREST BEARING DEBT MATURITY SCHEDULE

SEK million



INTEREST BEARING DEBT MATURITY BY TYPE

SEK million

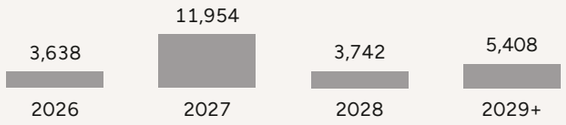
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035+	Total
Senior Unsecured bonds	7,705	10,011	13,009	13,989	5,758	12,979	–	–	–	1,082	64,533
Mortgage debt	–	1,544	354	23	107	–	79	4	–	32,846	34,956
Bank debt	–	8,716	12,618	7,501	19,052	15,231	–	747	150	1,720	65,735
Total	**7,705**	**20,271**	**25,981**	**21,513**	**24,917**	**28,210**	**79**	**751**	**151**	**35,648**	**165,224**

HYBRID BOND RESET DATES BY INSTRUMENT (IN EUR MILLIONS)

ISIN	Nominal	Held on Own Book	Coupon	Reset Date
XS2125121769 [1]	500	164	338	*Called on 14-Jan-2026*
XS2397251807	600	119	363	13-Jan-2027
XS2294155739	800	176	263	1-May-2027
XS2357357768	600	254	300	29-Jan-2028
XS2930588657	500	–	625	4-Mar-2030
XS3227944959 [1]	500	–	500	19-Apr-2031

HYBRID BONDS RESET DATES BY YEAR [2]

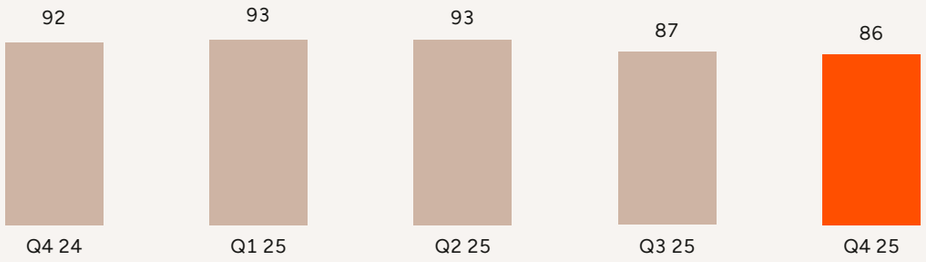
SEK million



[2] *Net of which held on own book. As of the balance sheet date before January 2026 refinancing exercise*

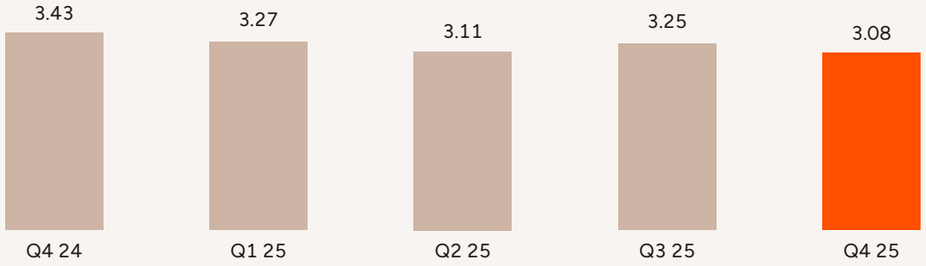
INTEREST RATE HEDGE RATIO

%



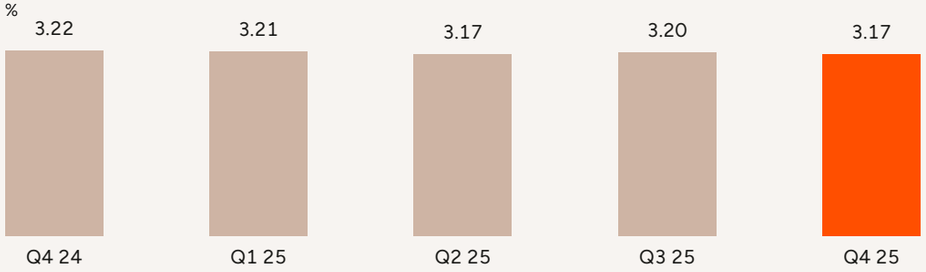
AVERAGE INTEREST RATE DURATION

Years



AVERAGE INTEREST RATE

%



Bank Financing

Operating across nine countries, the portfolio's geographic diversity enables competitive bank funding at attractive terms characterised by long tenors and substantial volumes. For the year 2025, approximately SEK 44,900 million was raised across 24 transactions.

Residential real estate continues to be a preferred asset class for bank lending. In addition bank markets became increasingly competitive throughout the year resulting in further margin compression.

Interest Expenses, Hedging, and ICR

For the year, interest expenses were SEK 5,811 million (6,023). and the average interest rate ended the year at 3.17% from 3.22% a year ago. This development was driven by stabilisation in long-term base rates and the refinancing of higher-cost debt raised in 2023 and 2024, supporting an improvement in the interest coverage ratio (ICR). Further deleveraging was achieved through the deployment of cash proceeds from the privatisation programme to reduce outstanding debt.

The year ended with a interest rate hedge ratio of 86% (92%) well above our financial policy of >75%. The average interest rate duration of our hedge portfolio was 3.08 years.

FINANCIAL POLICY

		Policy	Q4 2025
ICR, rolling 12 months, (S&P)	Multiple	≥ 1.8	1.7
Net Debt / Net Debt + Equity, (S&P)	%	≤ 60	54
Average Loan Tenor	Years	≥ 4	7.6
Loan Maturity in Individual Year	%	≤ 25	17
Share of Loans From Individual Lender	%	≤ 20	7.7
Interest Rate Hedge Ratio	%	≥ 75	86
Liquidity ratio	Multiple	≥ 1.25	3.16

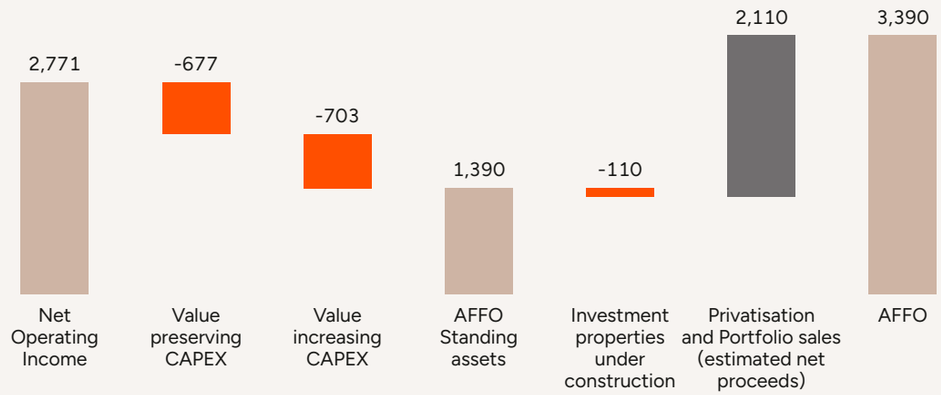
The year-end ICR, as defined by S&P, is 1.7x (1.6x). Looking ahead, we anticipate continuous improvement in the ICR, driven by growth in NOI, limited financing needs, and continued deleveraging from our privatisation programme. Although the high hedge ratio restricts the short-term upward potential of the ICR, it shields the ratio from downside risks, reinforcing our comfort in the S&P ICR guidance of 1.8x by year-end 2026.

Liquidity Management

Heimstaden Bostad ended the quarter with SEK 22,992 million of unutilised credit facilities. The Financial Policy dictates that the Company shall maintain a strong liquidity position via a >1.25x liquidity ratio per S&P's definition, and to balance and manage refinancing risks that no more than 25% of total debt may mature in a given year. On 31 December 2025, Heimstaden Bostad's S&P-method liquidity ratio was 3.16x.

ADJUSTED FUNDS FROM OPERATIONS (AFFO) FOR THE QUARTER

SEK million



ADJUSTED FUNDS FROM OPERATIONS (AFFO)

SEK million	Q4 2025	FY 2025	Q4 2024	FY 2024
Net Operating Income	2,771	11,467	2,887	11,187
Value preserving CAPEX	-677	-1,790	-625	-1,457
Value increasing CAPEX	-703	-1,966	-527	-1,830
AFFO Standing assets	**1,390**	**7,711**	**1,735**	**7,900**
Investment properties under construction	-110	-384	-301	-1,467
Privatisation and Portfolio sales (estimated net proceeds)	2,110	8,350	3,224	6,261
AFFO	**3,390**	**15,676**	**4,658**	**12,693**

Cash Flow

SEK million	Q4 2025	FY 2025	Q4 2024	FY 2024
Operating activities	887	2,826	1,753	3,321
Investing activities	1,640	9,685	1,699	2,486
Financing activities	-2,785	-13,269	-14,034	-13,357
Change	**-259**	**-757**	**-10,583**	**-7,550**
Period opening balance – Cash and cash equivalents	3,052	3,647	14,419	11,276
Currency effects	-114	-211	-189	-78
Closing balance – Cash and cash equivalents	**2,679**	**2,679**	**3,647**	**3,647**

Net cash flow from operating activities for the quarter was SEK 887 million (1,753). The main difference from operating profit/loss is fair value adjustment of investment properties and interest paid.

Adjusted Funds from Operations

Adjusted Funds from Operations (AFFO) is a cash-based metric that highlights the core operational drivers of the Company's cash generation before interest expenses, including net proceeds from privatisations.

The AFFO metric relies upon five distinct building blocks and is defined as Net Operating Income less value preserving capex (maintenance capital expenditure), value-add capex (tenant improvements, value-add, and sustainability), and capital expenditure on investment property under construction, and added proceeds from privatisation and other divestments.

For the year, AFFO increased by 23.5% to SEK 15,676 million (12,693) mainly driven by the privatisation plan, reduced construction and strong NOI performance.

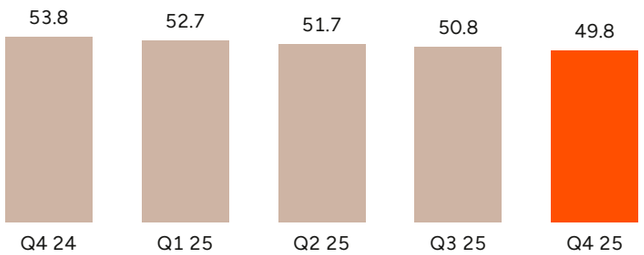
Alternative Performance Measures

For more information, definitions, and methodology refer to our homepage.

Financial Metrics

NET LOAN-TO-VALUE

%

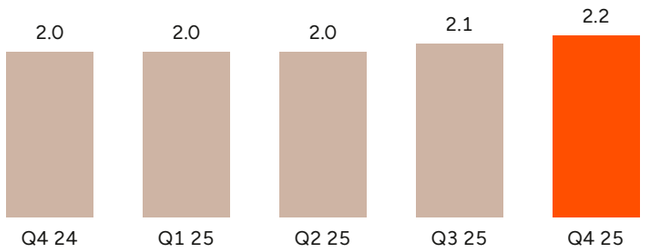


SEK million	2025	2024
Interest-bearing secured liabilities	99,392	121,703
Interest-bearing unsecured liabilities	65,075	62,589
Less: Cash and cash equivalents	2,679	3,647
Net interest-bearing liabilities	**161,788**	**180,645**
Fair value of investment properties	323,312	333,728
Assets held for sale[1]	1,522	2,163
Total investment properties including assets held for sale	**324,834**	**335,891**
Net LTV, %	**49.8**	**53.8**

[1] *The calculation was changed in 2024 to include assets held for sale. The comparables were restated, but there was no impact on the total Net loan-to-value.*

INTEREST COVERAGE RATIO

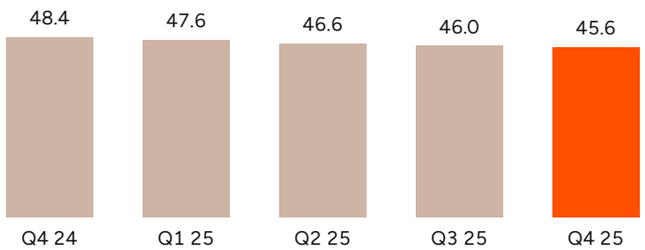
multiple



SEK million last 12 months	2025	2024
Profit before unrealised fair value adjustment	12,656	11,512
Transaction costs from business combination	-48	17
Adjusted profit before unrealised fair value adjustment	**12,607**	**11,529**
Interest expenses	5,811	6,023
Less: Interest income	108	207
Net financial items	**5,704**	**5,816**
ICR	**2.2**	**2.0**

NET DEBT / TOTAL ASSETS

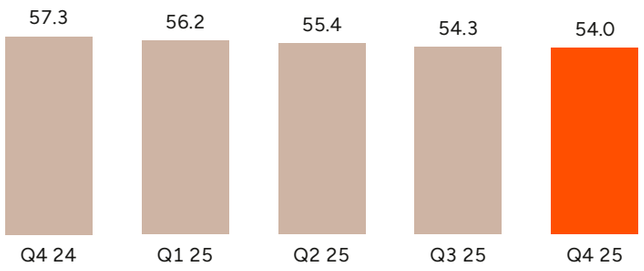
%



SEK million	2025	2024
Net interest-bearing liabilities	161,788	180,645
Total assets	354,719	373,106
Net debt / Total assets, %	**45.6**	**48.4**

NET DEBT / NET DEBT + EQUITY (S&P METHOD)

%



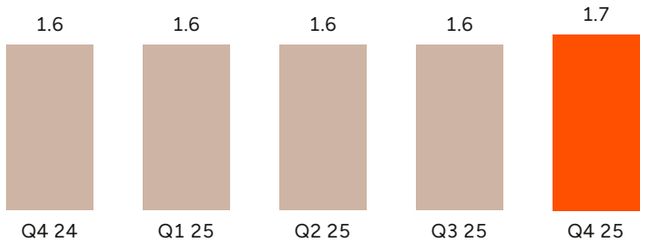
SEK million	2025	2024
Equity	162,090	159,485
50% hybrid[1]	12,371	13,610
Equity adjusted	**149,718**	**145,874**
Total interest-bearing liabilities	164,467	184,292
Lease liabilities	1,323	1,356
Less: Cash and cash equivalents	-2,679	-3,647
50% of hybrid equity as debt (S&P adj.)[1]	12,371	13,610
Net interest-bearing liabilities, adjusted (Net debt)	**175,482**	**195,611**
Net debt + equity	**325,201**	**341,485**
Net debt / (net debt + equity)	**54.0**	**57.3**

This metric is calculated according to S&P's rating methodology, with 50% of hybrid bonds classified as debt.

[1] *50% hybrid adjusted for change in accounting policy to revalue hybrids at closing rate. Refer to Note 1.6 in the Consolidated Financial Statements for explanation of the change*

INTEREST COVERAGE RATIO (S&P METHOD)

multiple



SEK million	2025	2024
Profit before unrealised fair value adjustment	**12,656**	**11,512**
Depreciation and amortisation	127	155
Transaction costs from business combination[1]	-48	17
Privatisation cost	110	75
Adjustment, prior years[2]	–	77
Realised gains/losses from divestment of properties	-2,218	-1,682
EBITDA, adjusted	**10,626**	**10,154**
Interest expenses	5,811	6,023
Capitalised interest	22	45
50% interim-equity hybrid dividend annual (S&P)	472	433
Interest expense, adjusted	**6,304**	**6,502**
ICR incl. hybrid bonds as 50% debt	**1.7**	**1.6**

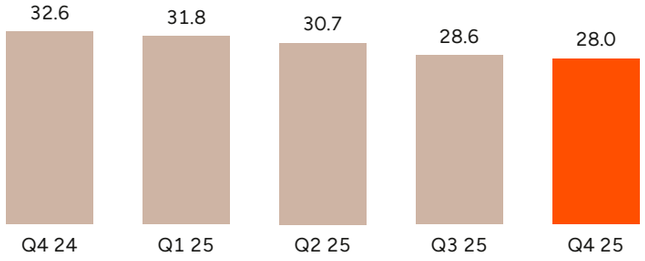
This metric is calculated according to S&P's rating methodology, with 50% of hybrid bonds classified as debt.

[1] *Adjustment of other operating expenses related to final settlements on real estate transfer tax (RETT) from the Akelius transaction*

[2] *Adjustment is related to non-recurring property expenses and non-deductible VAT from prior years*

SECURED LOAN-TO-VALUE

%



SEK million	2025	2024
Interest-bearing secured liabilities	99,392	121,703
Total assets	**354,719**	**373,106**
Secured loan-to-value, %	**28.0**	**32.6**

Operational Metrics

All figures in SEK million unless otherwise specified.

RESIDENTIAL SHARE OF INVESTMENT PROPERTIES, %

	2025	2024
Fair value residential properties, standing assets	297,907	307,347
Fair value investment properties, standing assets	320,668	331,151
Residential share of investment properties, %	**92.9**	**92.8**

LIKE-FOR-LIKE RENTAL INCOME GROWTH

	2025[1]	2024[1]
Rental income current period	15,560	15,142
Rental income previous period	14,831	14,343
Like-for-like rental income growth, %	**4.9**	**5.6**

[1] *Only properties owned in the current period and the comparison period are included.*

ADJUSTED FUNDS FROM OPERATIONS (AFFO)

	2025	2024
Net Operating Income	11,467	11,187
Value preserving CAPEX	-1,790	-1,457
Value increasing CAPEX	-1,966	-1,830
AFFO Standing assets	**7,711**	**7,900**
Investment properties under construction	-384	-1,467
Privatisation and Portfolio sales (estimated net proceeds)	8,350	6,261
AFFO	**15,676**	**12,693**

NET OPERATING INCOME MARGIN

	2025	2024
Rental income	15,892	15,898
Net operating income	11,467	11,187
Net operating income, %	**72.2**	**70.4**

ECONOMIC OCCUPANCY, RESIDENTIAL

	2025	2024
Theoretical rental income on residential units	14,940	14,982
Economic vacancy	-403	-478
Rental income on residential units	**14,537**	**14,504**
Economic occupancy, %	**97.3**	**96.8**

REAL ECONOMIC OCCUPANCY, RESIDENTIAL

	2025	2024
Theoretical rental income on residential units	14,940	14,982
Adjusted to real vacancy	-222	-231
Adjusted theoretical rental income	**14,718**	**14,751**
Real economic occupancy, %	**98.5**	**98.5**

EQUITY RATIO

	2025	2024
Equity	162,090	159,485
Assets	354,719	373,106
Equity ratio, %	**45.7**	**42.7**

EBITDA

	2025	2024
Profit before unrealised fair value adjustment	12,656	11,512
Transaction cost from business combination	-48	17
Depreciation and amortisation	127	139
EBITDA	**12,734**	**11,668**

NET DEBT/EBITDA

	2025	2024
Net interest-bearing liabilities	161,788	180,645
EBITDA	12,734	11,668
Net debt / EBITDA, multiple	**12.7**	**15.5**

Quarterly Financial Information

Condensed Financial Information

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Condensed Statement of Cash Flows 56

Condensed Financial Information

Condensed Statement of Comprehensive Income[1]

SEK million	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Rental income	3,939	3,982	3,954	4,018	4,076
Property expenses	-1,151	-960	-1,014	-1,235	-1,188
Net operating income before service charges	**2,787**	**3,022**	**2,940**	**2,783**	**2,888**
Service income	630	433	472	582	562
Service costs	-647	-454	-484	-597	-582
Net service charges	**-17**	**-21**	**-12**	**-15**	**-20**
Net operating income	**2,771**	**3,001**	**2,928**	**2,768**	**2,868**
Corporate administrative expenses	-192	-200	-156	-200	-257
Other operating items	28	-103	-105	-101	-194
Realised gains/losses from divestment of properties	682	642	463	431	364
Profit before unrealised fair value adjustments	**3,289**	**3,340**	**3,130**	**2,897**	**2,782**
Fair value adjustment of investment properties	1,684	692	3,793	3,086	2,315
Value adjustment of inventory properties	-26	1	-10	2	14
Operating profit/loss	**4,948**	**4,033**	**6,913**	**5,986**	**5,111**
Share of net profits/losses of associated companies and joint ventures	93	-36	-28	7	21
Impairment of goodwill	-3,707	–	–	–	–
Interest income	29	6	30	42	30
Interest expenses	-1,388	-1,462	-1,441	-1,519	-1,576
Foreign exchange gains/losses	1,201	287	-2,015	4,052	-621
Fair value adjustment of derivative financial instruments	61	147	-292	153	368
Other financial items	-18	-334	-9	-66	-122
Profit/loss before tax	**1,219**	**2,641**	**3,158**	**8,655**	**3,211**

SEK million	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Income tax expense/income	-896	1,061	-1,007	-1,986	-714
Profit/loss for the period	**323**	**3,702**	**2,151**	**6,670**	**2,497**
Other comprehensive income					
Currency translation differences	-3,351	-850	3,723	-8,318	1,852
Total comprehensive income/loss	**-3,028**	**2,852**	**5,874**	**-1,648**	**4,349**
Profit/loss attributable to:					
The Parent Company's shareholders	207	3,616	2,002	6,449	2,279
Non-controlling interests	116	86	149	221	218
Comprehensive income/loss attributable to:					
The Parent Company's shareholders	-3,044	2,781	5,680	-1,788	4,191
Non-controlling interests	16	71	194	140	158

[1] *Comparables restated, refer to Note 1.6 for details on change in accounting policy*

Condensed Statement of Financial Position

SEK million	31 December 2025	30 September 2025	30 June 2025	31 March 2025	31 December 2024
ASSETS					
Investment properties	323,312	327,451	329,682	323,360	333,728
Goodwill and Intangible assets	14,803	18,692	18,763	18,485	19,002
Machinery and equipment	293	303	308	269	293
Investments in associated companies and joint ventures	8,360	8,471	8,582	8,395	8,847
Derivative financial instruments	22	29	42	84	57
Deferred tax assets	339	299	518	336	819
Other financial assets	534	922	970	957	952
Total non-current assets	**347,662**	**356,167**	**358,863**	**351,885**	**363,697**
Inventory properties	820	877	892	859	896
Rent and trade receivables	282	201	263	268	238
Other financial assets	1,046	1,219	1,359	1,481	1,598
Derivative financial instruments	1	1	5	18	8
Prepayments	707	599	664	1,055	859
Cash and cash equivalents	2,679	3,052	4,115	3,173	3,647
Assets held for sale	1,522	1,424	1,797	1,122	2,163
Total current assets	**7,057**	**7,373**	**9,096**	**7,976**	**9,409**
TOTAL ASSETS	354,719	363,540	367,959	359,862	373,106

SEK million	31 December 2025	30 September 2025	30 June 2025	31 March 2025	31 December 2024
EQUITY AND LIABILITIES					
Total equity	**162,090**	**165,108**	**162,251**	**156,636**	**159,485**
Interest-bearing liabilities	155,752	163,053	154,097	158,715	172,912
Lease liabilities	1,281	1,296	1,311	1,272	1,297
Derivative financial instruments	382	468	713	503	632
Deferred tax liabilities	21,080	20,683	22,278	21,268	20,668
Other financial liabilities	1,587	1,756	1,809	1,814	1,875
Total non-current liabilities	**180,082**	**187,255**	**180,209**	**183,572**	**197,384**
Interest-bearing liabilities	8,715	7,205	21,519	15,617	11,379
Lease liabilities	42	43	46	49	59
Trade payables	685	468	404	580	662
Other liabilities	1,163	1,286	1,513	1,312	1,803
Derivative financial instruments	42	29	56	19	28
Accrued expenses and prepaid income	1,901	2,146	1,961	2,076	2,304
Total current liabilities	**12,547**	**11,177**	**25,499**	**19,653**	**16,237**
TOTAL EQUITY AND LIABILITIES	354,719	363,540	367,959	359,862	373,106

Condensed Statement of Changes in Equity

SEK million	Share capital	Other capital contri-butions	Currency translation reserve	Retained earnings[1]	Attributable to Parent Company shareholders[1]	Hybrid bonds[1]	Non-controlling interests	Total equity
Opening balance, 1 January 2024	**97**	**131,887**	**10,166**	**-31,152**	**110,997**	**24,249**	**13,485**	**148,731**
Effects from change in accounting policy	–	–	–	-2,219	-2,219	2,219	–	–
Opening balance, 1 January 2024 restated	**97**	**131,887**	**10,166**	**-33,371**	**108,778**	**26,468**	**13,485**	**148,731**
Profit/loss for the period	–	–	–	–	7,986	7,986	214	8,200
Currency translation differences	–	–	–	3,407	–	3,407	39	3,446
Total comprehensive income/loss	**–**	**–**	**–**	**3,407**	**7,986**	**11,393**	**253**	**11,647**
Issue of hybrid bonds	–	–	–	–	–	5,743	–	5,743
Cost of issuance	–	–	–	-61	-61	–	–	-61
Buyback of hybrid bonds	–	–	–	-19	-19	-5,759	–	-5,778
Coupon expense on hybrid	–	–	–	-796	-796	796	–	–
Coupon paid on hybrid	–	–	–	–	–	-796	–	-796
Currency translation on hybrid bonds	–	–	–	-769	-769	769	–	–
Total transactions with the company's owners	**–**	**–**	**–**	**-1,645**	**-1,645**	**753**	**–**	**-893**
Equity, 31 December 2024	**97**	**131,887**	**13,573**	**-27,031**	**118,526**	**27,221**	**13,738**	**159,485**
Opening balance, 1 January 2025	**97**	**131,887**	**13,573**	**-27,031**	**118,526**	**27,221**	**13,738**	**159,485**
Profit/loss for the period	–	–	–	12,067	12,067	–	455	12,522
Currency translation differences	–	–	-5,393	–	-5,393	–	-51	-5,444
Total comprehensive income/loss	**–**	**–**	**-5,393**	**12,067**	**6,674**	**–**	**405**	**7,078**
Cost of issuance	–	–	–	-10	-10	–	–	-10
Buyback of hybrid bonds	–	–	–	129	129	-985	–	-856
Coupon expense on hybrid	–	–	–	-589	-589	589	–	–
Coupon paid on hybrid	–	–	–	–	–	-589	–	-589
Currency translation of hybrid bonds	–	–	–	959	959	-959	–	–
Total transactions with the company's shareholders	**–**	**–**	**–**	**489**	**489**	**-1,944**	**–**	**-1,455**
Equity, 30 September 2025	**97**	**131,887**	**8,180**	**-14,474**	**125,689**	**25,277**	**14,143**	**165,108**
Profit/loss for the period	–	–	–	207	207	–	116	323
Currency translation differences	–	–	-3,251	–	-3,251	–	-100	-3,351
Total comprehensive income/loss	**–**	**–**	**-3,251**	**207**	**-3,044**	**–**	**16**	**-3,028**
Buyback of hybrid bonds	–	–	–	9	9	–	–	9
Currency translation of hybrid bonds	–	–	–	534	534	-534	–	–
Total transactions with the company's shareholders	**–**	**–**	**–**	**543**	**543**	**-534**	**–**	**9**
Equity, 31 December 2025	**97**	**131,887**	**4,929**	**-13,724**	**123,188**	**24,743**	**14,159**	**162,090**

[1] *Comparables restated, refer to Note 1.6 for details on change in accounting policy*

Condensed Statement of Cash Flows

SEK million	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Operating activities					
Profit/loss before tax	1,219	2,641	3,158	8,655	3,211
Adjustments to reconcile profit before tax to net cash flows:					
Fair value adjustment on investment properties	-1,684	-692	-3,793	-3,086	-2,315
Value adjustment of inventory properties	26	-1	10	-2	-14
Fair value adjustment of derivative financial instruments	-61	-147	292	-153	-368
Interest income	-29	-6	-30	-42	-30
Interest expenses	1,388	1,462	1,441	1,519	1,576
Share of net profits/losses of associated companies and joint ventures	-93	36	28	-7	-21
Realised gains/losses from divestment of properties	-682	-642	-463	-431	-364
Other adjustments	2,581	-173	2,063	-4,005	687
Working capital changes					
Increase(-)/decrease(+) in rent and other receivables	-40	263	255	-498	-134
Increase(+)/decrease(-) in trade and other payables	74	-198	-247	-300	988
Cash generated from operations	**2,699**	**2,543**	**2,714**	**1,650**	**3,214**
Interest paid	-1,458	-1,447	-1,345	-1,559	-1,493
Interest received	21	–	21	31	27
Paid income tax	-376	-221	-316	-131	4
Net cash flows from operating activities	**887**	**875**	**1,074**	**-9**	**1,753**

SEK million	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Investing activities					
Acquisition of investment properties	–	–	–	–	-10
Proceeds net of direct transaction cost from divestments of properties	3,075	3,317	3,763	3,841	3,393
Capital expenditure on investment and inventory properties	-1,564	-999	-976	-788	-1,737
Purchases/sales of machinery and equipment	15	-17	-16	-3	-19
Purchases of intangible assets	-28	-17	-27	-15	-22
Investments of associated companies and joint ventures	159	-7	-9	-2	67
Other cash flows from investing activities	-17	5	-3	-3	27
Net cash flows from investing activities	**1,640**	**2,283**	**2,732**	**3,030**	**1,699**
Financing activities					
Proceeds from issuance of interest-bearing liabilities	4,160	20,691	6,232	4,962	8,332
Repayment of interest-bearing liabilities	-7,056	-24,768	-8,699	-7,014	-22,330
Proceeds from issuances of hybrid bonds	–	–	–	–	5,743
Buyback of hybrid bonds	–	–	–	-985	-5,759
Hybrid bonds coupons	–	–	-306	-435	-148
Settlement of derivative financial instruments	–	-134	–	–	–
Other cash flows from financing activities	110	-4	-34	12	129
Net cash flows from financing activities	**-2,785**	**-4,215**	**-2,808**	**-3,461**	**-14,034**
Net change in cash and cash equivalents	-259	-1,057	998	-439	-10,583
Cash and cash equivalents at the beginning of the period	3,052	4,115	3,173	3,647	14,419
Net currency exchange effect in cash and cash equivalents	-114	-6	-56	-35	-189
Cash and cash equivalents at the end of the period	**2,679**	**3,052**	**4,115**	**3,173**	**3,647**

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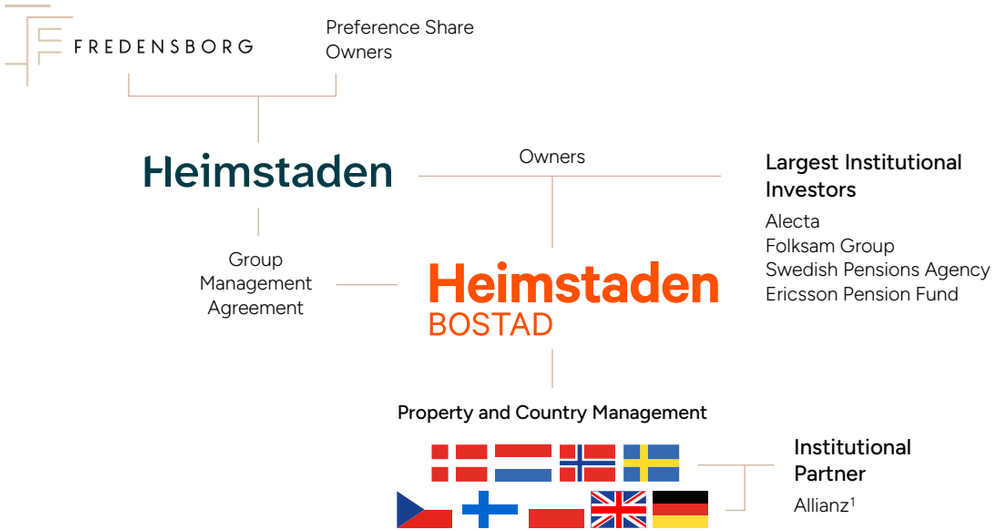
Corporate Administration Report



Annual Review

Net Operating Income

Rental income, for the year, remained flat at SEK 15,892 million (15,898). The stable rental income is due to indexation and tenant improvement investments attributes while foreign exchange effects, privatisation and portfolio sales had a negative impact.

For the year, real economic occupancy remained flat at 98.5% (98.5%). During the year, real economic occupancy improved (quarterly basis), however the headline figure was distorted beginning H1 2025 when the United Kingdom delivered 464 new development units, which has been gradually stabilising throughout the year with occupancy increasing as planned.

On an annual basis, property expenses decreased by 6.0% to SEK 4,361 million (4,638). The decrease was driven by cost control measures including digitalisation in the management companies. Property expenses further decreased year over year due to the shrinking portfolio size, which is a direct result of the privatisation and portfolio sales programmes.

Net operating income improved to SEK 11,467 million (11,187), resulting in a LTM net operating income margin of 72.2% (70.4%).

Investment Properties

Change in fair value of investment properties, for the year were SEK 9,256 million (8,639) corresponding to 2.9% (2.7%) of fair value. The average valuation yield was 3.70% (3.64%). Valuations were supported by operating fundamentals in each of our nine country portfolios alongside strong ownership housing developments in select countries. The total fair value of investment properties at year end was SEK 323,312 million (333,728).

Realised gains from divestment of properties increased to SEK 2,218 million (1,682) related to divestments from the privatisation programme, portfolio sales and inventory properties.

Interest Expenses and Liability Management

For the year, interest expenses were SEK 5,811 million (6,023). and the average interest rate ended the year at 3.17% from 3.22% a year ago. This development was driven by stabilisation in long-term base rates and the refinancing of higher-cost debt raised in 2023 and 2024, supporting an improvement in the interest coverage ratio (ICR). Further deleveraging was achieved through the deployment of cash proceeds from the privatisation programme to reduce outstanding debt.

Throughout the first half of 2025, Heimstaden Bostad issued three senior unsecured SEK bonds of SEK 500 million, SEK 650 million and SEK 850 million.

In the second quarter, Heimstaden Bostad priced the inaugural senior unsecured EUR Green Bond of EUR 500 million. The Green Bond was issued under the respective Green Bond Framework which outlines the criteria for Heimstaden Bostad to issue green bonds to finance energy-efficient buildings. The framework was reviewed by Sustainalytics, which has provided a positive Second-Party Opinion. Two additional senior unsecured SEK bonds were priced for SEK 350 million and SEK 1,250 million respectively.

In the second half of 2025, Heimstaden Bostad issued one EUR-denominated senior unsecured Green Bond of EUR 500 million.

In addition to the transactions above, S&P and Fitch both affirmed Heimtaden Bostad's investment grade rating of BBB- and raised the Outlook to Stable.

Profit/loss for the Period

Profit before tax was SEK 15,673 million (10,990), driven by the factors mentioned above.

Income tax expense increased to SEK 2,827 million (2,790), resulting in a profit for the year of SEK 12,485 million (8,200).

Equity

Total equity increased to SEK 162,090 million (159,485) driven by total comprehensive income of SEK 4,050 million, and offset by currency translation impacts on hybrid bonds. The share capital consist of 61,012,418 shares at a par value of SEK 1.58. None of the Company's shares are owned by the Company. There has not been any new shares issued during the year.

Parent Company Results

The Parent Company is Heimstaden Bostad AB. The object of the Parent Company's operations is to own and manage shares in the subsidiaries, external borrowing and financial risk management. Income/loss before tax was SEK 748 million (-502) and the Parent Company's assets totalled SEK 213,095 million (202,206).

Risks

For risks and risk management, refer to page 67–69.

Proposed Appropriation of Accumulated Profit

According to the Parent Company's Balance Sheet, the following earnings are at the disposal of the Annual General Meeting:

SEK	
Share premium reserve	129,437,115,324
Hybrid bonds	24,742,825,848
Currency translation reserve	-227,068,671
Retained earnings	-42,306,995,124
Profit (loss) for the year	81,317,274
Total	**111,727,194,651**

The Board of Directors proposes that the result for the year is distributed as follows:

SEK	
Dividends to shareholders	–
Share premium reserve	129,437,115,324
Hybrid bonds	24,742,825,848
Currency translation reserve	-227,068,671
Retained earnings	-42,225,677,850
Total	**111,727,194,651**

It is proposed that the funds at the disposal of the Annual General Meeting of SEK 111,727,194,651 is to be carried forward. No dividend shall be paid to any of the Share Classes.

Governance Report

Helge Leiro Baastad
Chairperson of the Board
Heimstaden Bostad

Message from the Chairperson

Sound and effective corporate governance is fundamental to Heimstaden Bostad's long-term value creation, resilience, and legitimacy as a responsible participant in the residential real estate market.

Throughout the year, the Board has remained focused on its responsibilities for oversight, risk management, and long-term stewardship in a changing external environment characterised by geopolitical uncertainty, regulatory developments, and heightened stakeholder expectations. As financial markets have stabilised and the Company has continued to strengthen its credit metrics, the Board has sustained its strong focus on financial resilience while continuing to enhance its oversight across other areas of risk management and compliance and further strengthening the integration of sustainability considerations across the Group.

Sustainability considerations, including climate-related risks, social responsibility in housing provision, and responsible business conduct, are embedded in the Company's strategy and risk assessment processes. The Board considers sustainability and risk management to be closely interconnected and essential to Heimstaden Bostad's long-term ability to deliver attractive risk-adjusted returns while fulfilling its responsibilities towards tenants, investors, and society.

The governance framework described in this report supports the Board's oversight of management and provides clear roles, processes, and controls to ensure effective leadership of the Company. Strong governance is viewed as a key enabler for balancing long-term value creation with the responsible management of risks and impacts. The Board therefore continuously evaluates its own work, composition, and effectiveness, and reviews the governance framework to ensure it remains appropriate in light of the Company's development and risk profile.

Helge Leiro Baastad
Chairperson of the Board
Heimstaden Bostad

Corporate Governance Structure

As a Swedish public limited liability company with corporate bonds listed on Euronext Dublin, corporate governance is mainly based on Swedish law, the Articles of Association and internal rules and policies. In addition to rules and regulations provided by the relevant stock exchanges, the Company applies the Swedish Corporate Governance Code (the "Code"). Deviations from the Code can be seen on page 63.

The internal rules and procedures, such as the Rules of Procedures for the Board and Audit & GRC Committee Instruction, are available on the Company's external webpage, and the Company's Key Policy Framework, is available to the employees via the intranet.

Read more at www.heimstadenbostad.com

Share Classes and Owners

The Company is owned by Heimstaden AB (publ.), together with institutional investors. Shareholders holding more than 10 per cent of the shares are listed in the table to the right.

Shareholders hold a stapled combination of common shares and B shares, where Heimstaden AB holds a higher proportion of common shares to B shares compared to the institutional investors. A and B shares have seniority and rights to a predefined level of dividends but carry lower voting rights than common shares. C shares only carry voting rights. Heimstaden AB is the only holder of A shares and C shares. The voting rights are apparent from the Articles of Association, available on the Company's website. Contractually, no shareholder may vote for more than sixty-five percent (65%) of the votes pertaining to the total aggregate voting rights to common shares, B shares and C shares.

Issuance of dividend, as determined at the Annual General Meeting ("AGM"), is subject to the applicable law as well as the dividend policy under the Shareholders' Agreement.

No shares were issued in 2025 and no capital injections were made.

OWNERSHIP STRUCTURE AS OF 31 DECEMBER 2025

	Year of initial investment	Total Capital (SEK billion)	Capital Share, %	Voting Share, %
Heimstaden AB	2013	48	36.0	50.1
Alecta	2013	51	38.7	30.4
Folksam Group	2020	25	18.9	14.5
Swedish Pensions Agency	2021	3	2.1	1.6
Ericsson Pension Fund	2013	2	1.6	1.2
Others		4	2.8	2.2
Total		**132**	**100**	**100**

Investment and Asset Management

The Company holds a real estate portfolio across nine countries and has contracted Heimstaden AB (through its subsidiary Heimstaden Group Manager AB, hereafter referred to as the "Group Manager") as investment and asset manager.

Heimstaden AB and the Group Manager hold substantial experience in acquiring, developing, and actively managing residential real estate. The Group Manager holds the strategic and administrative responsibility for the operations of the Company, and the Board performs the oversight of the Group Manager's execution of its contractual obligations. The responsibilities of the Group Manager are stipulated in the Group Management Agreement.

General Meeting

The General Meeting ("GM") is the Company's highest governing body. The GM serves as the main meeting place between shareholders, and the Group Manager.

Board of Directors (ESRS 2 GOV 1)

The Board of Directors (the "**Board**") is responsible for setting the Company's strategic direction, ensuring sound governance and risk management, and overseeing that Group Manager fulfils its undertaking to manage the business sustainably and in the best interests of shareholders and stakeholders.

The Board has adopted Rules of Procedures as well as instructions to the Audit & GRC Committee ("**A&GRC Committee**") and to the Co-CEOs, regulating the duties of the Board and the division of work between the functions. The Board's work follows an Annual Board Wheel and a financial calendar.

The Board annually holds a two-day strategy meeting with deep dive discussions regarding financial targets, sustainability and business strategy for the Company.

The Co-CEOs, the CFO and the Board Secretary participate in all board meetings, other executives of the Group Manager participate when relevant.

The Co-CEOs report to the Board and present a management review at each pre-scheduled Board meeting related to quarterly reports and annual report, including information on the strategic, financial and operational performance and development.

In 2025, the Board held seven (7) meetings, excluding per capsulam meetings.

Audit & GRC Committee (ESRS 2 GOV 1)

The Board-appointed A&GRC Committee is a preparatory and advisory working committee to the Board with respect to financial reporting and financial statements, audits, internal control, sustainability reporting process as well as governance-, risk- and compliance-management processes and systems. It briefs the Board on the Company's approach and performance in relation to sustainability, compliance, risks, and opportunities in bi-annual updates or, if needed, on additional ad-hoc basis.

The A&GRC Committee has access to and can leverage the Group Manager's expertise within its various areas of responsibility, with subject matter expert presenting relevant matters to the A&GRC Committee.

In 2025, the A&GRC Committee consisted of the following Board Members: John Giverholt (A&GRC Chairperson), Daniel Kristiansson, and Helge Leiro Baastad. All members are independent in relation to the Company and its senior executives, one member is independent in relation to the major shareholders, and the A&GRC Chairperson is a financial expert in accounting and auditing.

For details regarding sustainability reporting by the Board in 2025, see page 64.

Composition and Diversity of the Board (ESRS 2 GOV 1)

Per the Articles of Association, the Board shall consist of three to eleven members, with up to five deputies. The Board is elected by the GM and the Shareholders' Agreement governs the right to nominate members. The Articles of Association contain no restrictions regarding electability of members of the Board.

The Company strives to achieve a balanced, diversified composition of the Board, supporting the Company's long-term sustainability and equality goals.

In line with item 4.1 of the Code, a composition is sought which bring a diverse range of industry-relevant expertise, with extensive experience in governance, audit, finance, and global market dynamics, providing well-rounded insights that enhance the Company's operations. Further, gender, age, and independence from the Company and major shareholders are also considered. In 2025, the Board comprised 33% women and 67% men, and fulfilled the requirements of independence pursuant to the Code.

For further information on the members of the Board, see pages 65–66 and Note 2.5 on page 146.

Evaluation of and by the Board

The Chairperson ensures an annual evaluation of the Board's work where members of the Board respond anonymously to a questionnaire covering its work as well as the work of the Group Manager and the A&GRC Committee. The Chairperson collects and presents the results as a separate agenda item at a board meeting during which no Group Manager representatives are not present.

A separate evaluation is done within the A&GRC Committee, following the same procedure, led by the Chairperson of the A&GRC Committee.

The Board also conducts a yearly review of the Company and its operations where relevant reports from the external Auditor are addressed. In connection therewith, the Auditor also holds meetings with the Board without representatives of the Group Manager being present.

Remuneration to Board Members and Senior Executives

Per the Shareholders' Agreement, remuneration is only paid to members of the Board who are independent of major shareholders.

The AGM sets the remuneration for the respective eligible members of the Board. There is no separate remuneration being set for work within the A&GRC Committee. The remunerations awarded in 2025 are presented on page 146.

No remuneration is paid by the Company to the senior executives as this function is provided pursuant to the Group Management Agreement.

Deviations from the Swedish Corporate Governance Code

The Company complies with the Code, except as explained below.

The Company makes no public announcement of GM (other than including the date of the AGM in the financial calendar available on the Company's webpage) and both AGM and GMs are regularly held per capsulam (section 1.1 and 1.2 in the Code). Due to the limited shareholder base, and the fact that all shareholders consent thereto, there is no need for public disclosures of general meeting dates or for carrying out physical meetings.

The Company has not established a nomination committee (section 1.3, 1.4, 2.1–2.7, 4.6, 9.1, 10.2, and 10.3 in the Code). Due to the limited shareholder base and the fact that appointment of Board members is regulated by the Shareholders' Agreement, there is no need for a nomination committee. Matters normally resting with such committee is handled by the Board as part of its general work.

No remuneration committee has been established, and no formal remuneration guidelines are applied by the Company (section 7.3–7.5 in the Code). Matters normally resting with such a committee is handled by the Board as a whole as part of its general work, with conflicted members abstaining from participating in preparing such proposals. The right to remuneration is limited pursuant to the Shareholders' Agreement. The Company's senior executives are provided by the Group Manager pursuant to the Group Management Agreement and thus not remunerated by the Company. See further in pages 146.

Internal Auditor

HSTB's internal audit function reports functionally to the A&GRC committee and administratively to the CFO, with unrestricted access to people, records, and systems. The core objective of the internal audit function is providing independent, risk-based, and forward-looking assurance and insights. The internal auditor seeks to be a trust provider to the Audit committee, and trusted advisor to Management. The function is not bound by the IIA standards but rather follow these when applicable.

Auditor

In accordance with the Articles of Association, the Company is to appoint one or two auditors, with or without deputies. At the 2025 AGM, audit firm EY was elected as auditor for the period up to and including the 2026 AGM, with Authorised Public Accountant Jonas Svensson as the principal auditor.

Group Manager's Senior Executives (ESRS 2 GOV 1)

The Company has no senior executives of its own, instead such function is provided as part of the Group Management Agreement.

The Co-CEOs' responsibilities are governed by the Group Management Agreement, the Co-CEO Instruction, and Rules of Procedure for the Board.

The senior executives of the Group Manager comprise seven (7) individuals by year end. Co-CEOs are presented below. Information on the current senior executives is at all times presented on the Company website.

The senior executives are responsible for delivery on the scope of services under the Group Management Agreement, ensuring the Company's strategic, financial, and operational development. To ensure the continued success of the Company, the Group Manager has organised its work under different Executive Committees, currently the following:

1) Executive Sustainability Committee

The Chief Operating Officer chairs the Executive Sustainability Committee which is responsible for developing the corporate sustainability strategy and ensuring its implementation throughout the Company. The Committee consists of relevant CXOs and other relevant senior employees, and have been tasked with the following:

- establish and maintain the Company's sustainability strategy and relevant targets, the latter being approved by the Board
- prepare overviews and summaries on top sustainability risk and opportunities to be presented to the A&GRC Committee, which in turn may relay the same to the Board for its decision
- monitor and follow up on Sustainability Key Performance Indicators for the Company; and
- act as an advisory forum on sustainability topics in general.

2) Executive GRC & Internal Control Committee

The Chief Legal Officer chairs the Executive GRC & Internal Control Committee, which prepares matters for the A&GRC Committee and is tasked with monitoring and executing on decisions taken by the A&GRC Committee or the Board within these areas.

This includes assessing and commenting on findings by the internal auditor and suggesting relevant actions, review, and implementation of group wide policies, setting the top risk and opportunity picture for the Company, and general alignment on GRC matters including whistle-blowing. The committee consists of relevant senior executives and directors of the Group Manager.

Board of Directors

(ESRS 2 GOV-1)

	Helge Leiro Baastad	**Daniel Kristiansson**	**Rebecka Elkert**	**John Giverholt**	**Klas Åkerbäck**	**Wenche Karin Nistad**
	Chairperson	Member	Member	Member	Member	Member
Year elected	2023	2023	2023	2019	2023	2024
Born	1960	1974	1974	1952	1973	1952
Nationality	Norwegian	Swedish	Swedish	Norwegian	Swedish	Norwegian
Education	MSc in Business from NHH Norwegian School of Economics.	MSc in Finance, Stockholm School of Economics.	MSc in Business and Economics, University of Uppsala.	BSc, University of Manchester and MSc Accounting and Auditing, NHH Norwegian School of Economics.	MSc in Financial Economics, Stockholm University.	MSc in Business from NHH, Norwegian School of Economics.
Other assignments	Chairperson of the Board at Bertel O. Steen , Kavli Holding AS and Core Equity AS. Board member at Itera ASA.	Board experience includes postions at Vattenfall, SBAB, Swedfund International, Vasallen, and Industrifonden.	Deputy Board Member at Ellevio, Board Member at Tornet Bostadsproduktion, and Board Member at Sinoma.	Board Member at Heimstaden AB and Fredensborg 1994 AS.	Involved in the founding and management of real estate companies including Fastighets AB Regio and Trophi Fastighets AB. Previous board experience Trophi Fastighets AB, Fastighets AB Regio and Ellevio.	-
Employment and work experience	Two decades of experience as CEO of the Nordic insurance and pension company Gjensidige and has extensive experience in financing and corporate governance.	Stewardship and Corporate Governance Specialist at Alecta. Extensive experience of corporate governance and corporate finance from previous positions, including Investment Director at the Swedish Ministry of Finance and Vice President at Citigroup.	Head of Alternative Investments at Folksam. Extensive investment experience from a wide range of asset classes, previous roles as Head of Sustainable Investments at Carnegie Investment Bank, Portfolio Manager Alternative Investments and ESG Responsible at SEB Liv.	Extensive capital markets background as CFO of DNB and CEO of Ferd. Formerly served on the Boards of Telenor, Kongsberg Gruppen, Gjensidige Forsikring, and Scatec Solar, in addition to board assignments with family-owned businesses.	Senior Portfolio Manager Real Estate, Alecta. Extensive real estate investment experience from Trophi Fastighets AB and Tredje AP-fonden. Extensive real estate and corporate governance experience and several years of board representation including being chair.	Significant industry experience from the bank and credit sector in Norway. CEO of the Norwegian Guarantee Institute for Export Credits from 2005 to 2021, deputy CEO of Luxo, Director of Bergen Bank, and Den Norske Bank.
Independent of Company	Yes	Yes	Yes	Yes	Yes	Yes
Independent of Major Shareholder	Yes	No. Dependent in relation to the Company's main shareholders through his employment with Alecta.	No. Dependent in relation to the Company's main shareholders through her employment with Folksam.	No. Dependent in relation to the Company's main shareholder due to his Board position with Heimstaden AB and Fredensborg 1994 AS.	No. Dependent in relation to the Company's main shareholders through his employment with Alecta.	Yes
Own shareholdings and those of related parties in 2025	-	-	-	-	-	-
Attendance at board meetings	7 of 7	7 of 7	7 of 7	6 of 7	7 of 7	7 of 7
Attendance at Audit & GRC Committee meetings	5 of 5	5 of 5	-	Chairperson, 5 of 5	-	-

	Fredrik Reinfeldt	Bente A. Landsnes	Ivar Tollefsen
	Member	Member	Member
Year elected	2023	2021	2021
Born	1965	1957	1961
Nationality	Swedish	Norwegian	Norwegian
Education	MSc in Business Administration, Department of Business Administration at Stockholm University.	Frogner Handelsskole, Oslo, spec. Accounting and language.	-
Other assignments	Chairperson of the Board of the Center for AMP, Visita and Drivkraft Sverige, and President of the Swedish Football Association. Board Member of Heimstaden AB.	Vice Chair in Norbit ASA, Chairperson of the Board of Hvitsten AS and member of the Zagreb Stock Exchange Supervisory Board. Former Board Member of Verdipapirsentralen ASA, Danske Bank A/S, and Federation of European Securities Exchanges (FESE). Board Member of Heimstaden AB.	Chairperson of Fredensborg AS, Fredensborg 1994 AS, Servatur Holding AS, and Heimstaden AB.
Employment and work experience	Experienced politician who led the Moderates party for 12 years and served as Sweden's Prime Minister for two terms. After retiring from politics in 2015, Fredrik has had assignments as an advisor to Nordic Capital and Bank of America Merrill Lynch.	Extensive experience in financial services, digital transformation, change and reputation management, financial reporting, investor relations, corporate governance, and ESG. Former CEO at Oslo Børs (Stock Exchange).	Founder and controlling shareholder of Fredensborg AS which through the control of Heimstaden AB controls 50.1% of the votes of Heimstaden Bostad. In addition to his controling shareholding, Ivar is deemed to be of great importance for Heimstaden Bostad due to his vast personal connections and business relationships.
Independent of Company	Yes	Yes	No
Independent of Major Shareholder	No. Dependent in relation to the Company's main shareholder due to his Board position with Heimstaden AB.	No. Dependent in relation to the Company's main shareholder due to her Board position with Heimstaden AB.	No. Indirect majority shareholder in Heimstaden Bostad AB.
Own shareholdings and those of related parties in 2025	-	-	Indirect majority shareholder in Heimstaden Bostad AB.
Attendance at Board meetings	5 of 7	7 of 7	6 of 7
Attendance at Audit & GRC Committee meetings	-	-	-

Co-CEOs

	Helge Krogsbøl
	Chief Executive Officer
Employed since	2018
Born / Nationality	1968 / Norwegian
Education	The Norwegian School of Marketing, Oslo
Previous experience	Extensive experience in executive positions as SVP in Pandox AB, Regional Director at Thon Hotels Benelux, Managing Partner Room2Room, and as CEO at First Hotels.

	Christian Fladeland
	Deputy Chief Executive Officer
Employed since	2019
Born / Nationality	1986 / Danish
Education	MSc in Economics, University of Copenhagen
Previous experience	Extensive experience within real estate capital markets management from his position as Partner at Colliers International Denmark.

List of full Senior Management: Link

Governance, Risk, and Compliance

The Company is committed to continuously improve and contribute to sustainable and responsible development, ensuring long-term value creation for investors, tenants and society.

Key Policy Framework

The Key Policy Framework guides the way of work within the Company and lays the foundation for its governance structure. It stipulates the Company's standards and processes for corporate governance, risk management, and compliance. The Group Manager prepares the policy documents, and local GRC functions review and, if required, make local versions adapted to local law and/or local requirements.

Code of Conduct

The Code of Conduct, which stands at the core of the Key Policy Framework, is based on the Company's values and its commitments to high ethical standards in accordance with the UN Global Compact and other internationally recognised standards and norms. Employees are expected to at all times comply with both the Code of Conduct and applicable laws and regulations.

The Code of Conduct is complemented by detailed policies, manuals, and guidelines – all available on the intranet. Together, these documents form the governing framework that guides the daily work within the Company.

A summary of the respective policies is included on page 70.

Implementation and Training

The Group Manager sets strategy on the GRC initiatives, and its GRC function exercises oversight and compliance monitoring in respect of the Company as a whole. Local GRC functions ensure local adaption and implementation.

Planning, implementation and follow up is done in accordance with a structured Compliance Management System with regular reporting to the Group Manager who in turn reports to the A&GRC Committee.

All employees undergo training in relation to relevant parts of the Key Policy Framework, as well as on specific policies and manuals relevant for their function, both as part of onboarding and recurringly with mandatory training courses. All employees receive annual refresher in the Code of Conduct, ensuring awareness and yearly confirmation.

Business Partners

Through the Business Partner Principles, which all external suppliers are to adhere to, the Code of Conduct is extrapolated to the Company's suppliers who are consequently held to the same standard as the Company and its employees.

In addition to adhering to the Business Partner Principles, external providers are subject to supplier due diligence and monitoring processes.

Internal Control

This report is prepared in accordance with the Annual Accounts Act and the Code, with this section limited to internal controls over financial reporting. The Board has the overall responsibility to ensure that satisfactory internal controls over corporate financial reporting is applied throughout the Company to ensure reliable financial reporting and that the Company complies with applicable laws and regulations.

Control Environment

Segregation and delegation of responsibility have been documented and communicated through the Rules of Procedures of the Board, the Co-CEO Instruction, A&GRC Committee Instruction as well as a group level authorisation matrix, as approved by the Board, and is further supported by structured preapproval processes.

The control environment follows the Company's organisational structure, underpinned by its internal policies and guidelines, to ensure alignment with the Company's values and strategic objectives. Through the Executive GRC & Internal Control Committee, the Group Manager continuously monitor, assess, plan and execute in respect of financial performance and internal control activities as well as improvements thereof. The results are presented to and followed up by the A&GRC Committee.

Risk Assessment

The Executive GRC & Internal Control Committee, with input from relevant stakeholders, identifies, analyse and decide on the Company's material risks and opportunities (including Sustainability) to be included in the risk register. The Company's risk register is presented to and approved by the A&GRC Committee who reviews the risk management process to ensure that all material risk areas are covered.

The Company's key risks, including material errors in financial and non-financial reporting or operational inefficiencies, are periodically assessed, and mitigated through a structured process, outlined on page 69 of this report.

Control Activities

Preventive, detective, and corrective control activities are embedded at both senior executive level and operational level across the organisation to ensure that potential errors in financial and operational reporting are avoided or identified and corrected. These activities include:

- A monthly Business Review Process, led by the Group Manager, with in-depth reviews of country management operational reporting against forecast and budgets
- Internal control review process covering the countries' financial closing process, local internal controls, and fraud prevention
- Quarterly consolidated financial reporting in accordance with Group Acconting Manual. Including consolidation on country level reconciled with management operational review and reporting to the Board on aggregated level as well as external reporting to investors and markets.

Information and Communication

Expectations regarding loyalty and adherence to the Key Policy Framework are actively communicated by the Group Manager to employees, consultants and suppliers, and employees are in addition participating in townhall meetings, receiving compliance tips through the intranet and enrolled in mandatory online trainings. Policies and guidelines regarding the financial reporting process are owned by the Chief Financial Officer who engages with all countries to ensure consistent application of the Group Accounting Manual and to foster an improvement-oriented feedback culture.

Risk Management

The Company's risk management objective is to maximise returns at acceptable risk levels without compromising the Company's vision, values, or Code of Conduct. There is a continuous monitoring of the identified risks and opportunities and their impact on operations and mitigating actions. At the end of 2025 the Company has identified the risks listed to the right as the main risks in terms of level of impact and likelihood:

Risk	Description	Mitigating Actions	Risk/Opportunity
Cyber Security	Threat of cyberattacks or system failures that could disrupt operations, compromise data, and damage reputation.	Centralisation of IT services and migrate IT infrastructure to cloud-based solutions. Running trainings and simulations with employees. Maintain updated policy documents. Conduct annual penetration tests and system audits.	High / N/A
Privacy / GDPR	Non-compliance with General Data Protection Regulation (GDPR) can damage to customers' and employees' privacy, and lead to fines and reputational harm for the Company.	Maintaining updated policy documents incl. art. 30 records, privacy statements and Data Processing Agreements for both internal and external processing. Recurring training of employees.	Medium / N/A
Regulatory Changes	Changes to legislation in markets where the Company operates may directly or indirectly impact the operations and profitability.	Maintaining an open dialogue with policy makers, taking an active stance and, when relevant, adapt in relation to regulations affecting the Company's operations. Monitoring regulatory changes.	Medium / Low
Bribery and Corruption	Risk of unethical or fraudulent behaviour among employees, partners, or suppliers leading to financial or reputational loss.	Mandatory, recurring trainings to all employees, encompassing also related topics (conflict of interest, gifts and hospitality and counterparty screening), and internal procedures for procurement and supplier screening. Running awareness campaigns.	Medium / N/A
Refinancing	Potential inability to access capital markets on favourable terms to manage debt rollover and liability management in line with the Financial Policy.	Establishment and use of comprehensive and granular financial model for the Company's group, where significant attention is devoted to the debt maturity profile, as well as the impact of refinancing at current market terms, to enable real-time sensitivity analysis on key credit metrics, including debt covenants and rating metrics, and ensure that the Company is well-informed in advance of any metrics are at risk of being breached. Maintain a Financial Policy stipulating the target credit metrics for the group, including leverage thresholds, average loan tenor, and maximum amount of maturity in a given year. Target to build more headroom for upcoming maturities during periods of higher than usual volatility in financial markets and refinancing risk is increasing, by prefunding for longer periods ahead in time and maintain increased cash reserves and unutilised sources of liquidity.	Medium / Low
Valuation Uncertainty	Decline or volatility in property values that could pressure refinancing, ratings, and financial stability.	The Financial Policy dictates the LTV tolerance of the Group and when out of compliance herewith, the Group Manager is to propose a plan how to restore compliance through deleveraging. To manage and balance the risk of valuation declines, the Company targets a diversified property portfolio, with no market exceeding 30% of GAV, and focus on regions with strong economic development, favourable demographics, and supply/demand imbalances. To ensure transparency and confidence in reported values, the property portfolio is valued by reputable third-party valuers each quarter.	Medium / High
Corporate Governance and Compliance Breach	Risk of violating internal policies or external laws such as procurement, sanctions, or equal treatment regulations.	Strong tone from the top and recurring training and check ins through compliance campaigns to uphold the key policy framework and the Company's way of work. Foster a culture of speaking up and maintain channels for reporting incidents or suspicions thereof, including externally managed whistleblowing channel.	Medium / N/A
Non-Compliance with Regulations Causing Fatalities	Breach of safety or operational regulations potentially causing serious damage, injury, or fatalities.	Ensure internal control activities cover laws and regulations, and are followed up according to plan in the countries.	Medium / N/A
Interest Rate and Currency	Financial exposure to rate or currency fluctuations impacting results as well as credit and rating metrics.	To manage and mitigate interest rate and currency risk, fixed rate loans and interest rate swaps are applied to balance out the interest rate hedge ratio in accordance with the Financial Policy, and investments are funded in local currency or matched via cross-currency swaps (to the extent financially justifiable) with continuous monitoring of Loan-to-Value (LTV) per currency.	Low / Low
Stranded Assets Not in Line with EPBD	Non-compliance with energy-efficiency standards could render properties devalued, non-lettable, or costly to upgrade.	Monitor upcoming directives. Execute on the Board approved Climate Transition Plan, including eg. transition to low-carbon energy systems, improve energy efficiency. Regular revaluation to avoid income loss through prioritizing upgraders, apply retrofitting etc. Improving on these metrics will also improve terms on financing.	Low / N/A

Key Policy Framework

The Company's Key Policy Framework is accessible to all employees on our intranet, with the documents marked with * also being available on the Company's external webpages. Each Policy area has a designated policy owner, being BoD, a CxO or Director with the Group Manager, as well as a local policy owner in each country. The Board holds ownership over the structure of the Key Policy Framework as a whole.

The Key Policy Framework, and its supporting documents, are regularly reviewed, and updated as needed, and approved by the relevant policy owner.

Policy Framework our Governing documents (G1-1)	Approved by the Board
Code of Conduct* sets out the way of work and the ethical standards the Company and its employees are to be held to. Is available in local languages in all our countries.	●
Business Plan defines our Investments and Visions when it comes to acquisitions, projects, geographical markets and return profiles.	●
Authorisation Matrices sets the approval levels in the Company.	●
Anti-Corruption Policy complementing the Code of Conduct by specifying the Company's position against corruption and bribery, setting out processes to ensure transparency and accountability.	
BoD Indemnification Policy defines the commitment to indemnify and cover penalties and legal fees imposed on employees being appointed as board of directors in any of the Company's subsidiaries or affiliates under specific conditions., provided compliance with laws and internal policies.	
Brand & Communications Policy establishes the framework for internal and external communication, securing trustworthy and timely communication. Also covers brand, marketing, and public affairs strategy.	
Business Partner Policy and Business Partner Principles* set out requirements for business partners and suppliers, holding them to the same ethical standards as the Company and its employees. The Company's Business Partner Policy and Principles align with the UN's Global Compact principles on human rights, working conditions, environment, and anti-corruption.	
Cyber/IT Security Policy safeguards information and protect customers, employees and assets by outlining strategy, infrastructure requirements and guidelines for protection measures, user expectations, and responsibilities, in accordance with industry standards.	
Financial Policy establishes the financial standards for the Company, governs the issuance and management of financial instruments of the Company and establish guidelines for financial risks and long-term goals.	●
Insider Policy sets out the Company's rules and procedures for capital markets compliance and handling of confidential and inside information, ensuring a compliant and responsible management of insider information.	
Investment/CapEx Policy defines a common set of requirements throughout the Company to ensure accountability and investment compliance across the value chain, mitigate investment risks and enhance the yield on cost for our capital expenditures.	
Investment Policy ensures proper valuation procedures, processes for acquisitions and divestments, compliance with Financial Policy, alignment with strategy and policies.	
People & Culture Policy strives to create and sustain a Friendly Workplace that embodies our values of Dare, Care, and Share and addresses how the Company works in respect of Diversity, Equity, Inclusion, and Belonging (DEIB).	
Privacy Policy sets requirements across all countries, ensuring accountability and compliance with privacy/GDPR standards in our Company.	
Risk Policy sets out a risk management programme to optimise the balance between risk and return within the business on country, functional and group levels.	
Sustainability Policy* sets out the Company's sustainability goals and processes for achieving them. Contributes to solving environmental, social and governance (ESG) challenges where the Company has the greatest impact.	●
Tax Policy* outlines the principles and guidelines that govern our approach to tax compliance and management.	
Whistleblower Policy ensures Company transparency and compliance with laws by promoting a culture of speaking up and facilitating the handling and reporting of irregularities.	

Sustainability Report

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Sustainability Highlights

- Continued access to sustainable finance, supported by green assets valued at approximately SEK 76 billion supporting green bond issuance of SEK 13,767 million in FY25
- Met all KPIs tied to outstanding sustainability-Linked loans of SEK 5,818 million, reinforcing the climate transition strategy
- Sustainability capex from the prior year, driving a 5% reduction in energy intensity and a 10% reduction on a weather corrected basis, exceeding the 2% target
- Continued advancement towards Science Based Targets, achieving a 14.2% reduction compared with the 2020 baseline, despite higher supplier emission factors in several markets
- Tenant energy consumption accounts for more than 86% of total emissions
- Improved tenant experience, with customer service metrics strengthening year on year, including higher service index, customer trust, and security scores
- Since 2021, the partnership between Heimstaden Bostad and SOS Children's Villages reached over 100,000 children in 26 countries through 56 projects, with SEK 54 million funded this year. Total funding of SEK 454 million since the partnership started

		2025	2024
Sustainable Finance			
Green Asset Fair Value	SEK m	75,920	73,420
Outstanding Green Bonds	SEK m	13,767	315
Outstanding Sustainability linked Loans	SEK m	5,818	15,414
EU Taxonomy			
EU Taxonomy aligned Revenue	%	22%	26%
EU Taxonomy aligned Capex	%	18%	22%
EU Taxonomy aligned Opex	%	4%	4%
Energy			
Improvement in EPC labels	Units	5,425	
Improvement in EPC labels from E or worse to D or better	Units	2,002	2,275
Absolute energy consumption	GWh	1,053	1,087
Weather corrected energy intensity	kWh/sqm	148	165
GHG Emission			
Science Based Target - 42% by 2030	%	-14.2%	-15.5%
Scope 1 and 2 market-based	tCO_2eq	167,972	153,643
Scope 3 Category 13	tCO_2eq	103,166	120,415
Weighted average emission factors	gCO_2e per kWh	257	252
Inclusive Housing and Jobs			
Inclusive housing	Units	4,889	4,977
Inclusive jobs	Number	224	263
Customer Scorecard			
Service index	0-100	74.8	71.3
Take customer seriously	0-100	78.2	73.8
Security score	0-100	76.2	73.6

Sustainability Ratings

Rated MORNINGSTAR | SUSTAINALYTICS

2025	2024
Negligible risk	Negligible risk

CDP Discloser 2025

2025	2024
B	B

GRESB REAL ESTATE

2025	2024
2 Stars	1 Star

About this Sustainability Report

ESRS2 BP-1 Basis for Preparation | **ESRS 2 BP-2** Disclosures in Relation to Specific Circumstances

Heimstaden Bostad's Sustainability Report covers governance, performance and progress against key ESG areas is prepared in accordance with Swedish Annual Accounts Act. Chapter 6, inclding the implementation of European Union's Corporate Sustainability Reporting Directive (CSRD), the related European Sustainability Reporting Standards (ESRS) and EU Taxonomy (Article 8).

The sustainability topics disclosed are based on the material issues identified through the Double Materiality Assessment (DMA) performed in accordance with ESRS 1 General Requirements. Independent limited assurance on the Sustainability Report has been provided by the external auditor, EY.

The scope of the Sustainability Report mirrors the financial statements. The DMA described in ESRS 2 IRO 1 includes the Impacts, Risks and Opportunities (IROs) covering own operations, as well as the up- and downstream value chains, ESRS 2 SBM-1. The report follows the categorisation of short, medium and long-term time horizons as defined in ESRS 1.

- **Short-term:** the financial year from 1 January 2025 to 31 December 2025, aligned with the reporting period covered by the financial statements
- **Medium-term:** from the end of the short-term reporting period to 5 years
- **Long-term:** more than 5 years fom the end of the reporting period

While significant resources are allocated to implementing the sustainability action plan and achieving long-term strategic objectives, the detailed anticipated financial impact and allocation of capital and operating expenditures by material topic will be incorporated in future reports.

This Sustainability Report applies the same basis for preparation, definitions, and estimation methodologies as the 2024 sustainability report, with no material changes. Changes in material topics since the 2024 reporting cycle are described in the DMA section.

When data depends on estimations, such as tenant energy consumption or supplier engagement metrics, the calculations are based on Energy Performance Certificates (EPC), local emission factors, and relevant historical information. The methodologies used for calculating and reporting sustainability metrics are described in the accounting policies for each material topic, which clarifies whether the underlying data are directly measured or based on estimates.

Incorporation by reference

In presenting this sustainabiility report, some ESRS disclosures are incorporated by reference to other sections of this report:

GOV 1: Information related to the Board of Directors on page 62

GOV 5: Information related to the risk management approach on page 69

Heimstaden Bostad Sustainability Reporting Timeline

- **2018** First Sustainability Report
- **2019** Reporting as per Global reporting initiatives GRI framework for the first time
- **2020** Climate-related disclosures using the TCFD recommendations for the first time
- **2021** EU Taxonomy reporting for the first time
- **2022** Reporting started on Science Based Target for emission reduction of 42% by 2030
- **2023** Incorporated CSRD material topics under GRI framework
- **2024** First fully aligned CSRD report on ESRS framework excluding review
- **2025** Limited assurance on CSRD report for the first time

Sustainability Governance

ESRS 2 GOV 1 The Role of the Administrative, Management and Supervisory Bodies | **GOV-2** Information Provided To and Sustainability Matters Addressed By the Undertaking's Administrative, Management and Supervisory Bodies
GOV-3 Integration of Sustainability Related Performance in Incentive | **GOV-4** Statement on Due Diligence | **GOV-5** Risk Management and Internal Controls over Sustainability Reporting

The Board of Directors holds the ultimate responsibility for approving the ESG strategy and targets, including Greenhouse Gas (GHG) Emissions Risk Management, Climate Risk Management, and Water Risk Management. The Board of Directors oversees the Company's performance quarterly through the Audit & Governance, Risk, and Compliance Committee (A&GRC).

The Board of Directors delegates authority to the A&GRC to review interim updates to policies and related methodologies, including DMA updates, to ensure alignment with the ESG strategy and the targets approved by the Board. Material changes to ESG strategy or targets remain reserved to the Board of Directors. The A&GRC reviews and recommend material changes to the ESG strategy, policies, and relevant targets for the Board of Directors to approve.

The Executive Sustainability Committee (ESC) reviews results, recommends strategies, sets implementation plans for priorities in line with relevant reporting frameworks and reports to the Co-CEOs. The ESC consists of: COO (Chair), Co-CEOs, CFO, CLO, and CPCO.

Incentive schemes for Country Managers include performance indicators linked to annual reductions in CO_2e emissions and purchased energy. In 2025, 10% of their bonuses were linked to these performance indicators. These schemes are reviewed and updated each year to reflect current priorities and are approved by Co-CEOs, CFO, COO, and CPCO.

The report on due diligence (ESRS 2 GOV-4) is located in the appendix to the Sustainability Report.

Heimstaden Bostad applies structured risk management and internal controls to ensure the accuracy and completeness of sustainability reporting. Data is consolidated at group level with standardised definitions and validation checks across all countries.

The COO sets the ESG strategy, targets, and KPIs, owns the associated risks, and drives sustainability across the organisation.

The CFO oversees reporting and provides regular updates to the A&GRC which reports to Board of Directors. Sustainability data is subject to the same control standards as financial information, supported by independent reviews and corrective measures to ensure reliability and regulatory compliance.

Policy Management

All sustainability related policies are made available to relevant stakeholders. Policies applicable to employees and those responsible for implementation are stored on the Company's intranet and supported by internal communication and training. Policies relevant to external stakeholders are published on the Heimstaden Bostad's website.

Strategy and Business Model

ESRS 2 SBM-1 Strategy, Business Model and, Value Chain

Heimstaden Bostad's strategy and business model is presented in the Leadership section of the Annual Report. The Company's business model is centred on owning and operating residential properties to provide Friendly Homes for tenants, while creating sustainable, long-term value for investors and society. Most activities relate to the letting, maintenance, and improvement of standing assets, ensuring comfort, safety, and quality across the Company's portfolio. Sustainability is integrated throughout the value chain, from procurement and investment decisions to tenant engagement and community impact. Sustainability is embedded in the business model and is guided by Science Based Targets and a commitment to Net Zero emissions aligning with the Paris Agreement's 1.5°C pathway. The Company's Climate Transition Plan integrates energy efficiency, renewable energy, adaptation, and sustainable financing to balance growth with environmental and social responsibility. Heimstaden Bostad manages over 156,000 homes across nine European markets, generating most of the revenue from residential letting. This represents the Company's largest economic contribution and source of sustainability impact through energy use, carbon emissions, and community well-being.

Upstream: Investments focus on maintaining and improving the property portfolio through energy efficient retrofits, tenant improvements and smart building systems that enhance performance and reduce emissions. Work is delivered with trusted contractors and utility partners who meet strict sustainability, safety, and labour standards.

Own Operations: Daily activities include property management, leasing, and tenant interaction through a vertically integrated platform that ensures efficiency, consistency, and service quality. Continuous improvements optimise resource use and strengthen the tenant's experience.

Downstream: Tenants live in Heimstaden Bostad's homes where the focus is on safe, inclusive, and comfortable living environment.

ESRS2 SBM-2 Interests and Views of Stakeholders

Strategic engagement with stakeholders is a core part of Heimstaden Bostad's sustainability strategy and supports the ambition to operate in a transparent and responsible way. Engagement activities help identify and prioritise relevant topics for the Company and society while aligning expectations with strategic and sustainability objectives.

Insights from such engagement guide the choice of focus areas, performance indicators, and forward looking commitments. These insights ensure that targets reflect issues that matter most to those affected by or influencing the company's operations. Engagement principles are defined in the Stakeholder Management Strategy and linked to DMA, which guides topic selection and supports stakeholder informed targets. Regular dialogue through daily operations, communication on policy updates, and structured engagement strengthens decision making, refines materiality conclusions and supports continuous improvement, including the review and adjustment of targets to meet expectations and reduce negative impacts. Heimstaden Bostad aims to maintain long-term relationships with key stakeholders whose views shape focus areas and target ambition. The table outlines stakeholder groups, engagement methods, and how their perspectives support target setting.

Stakeholders	How Engagemet is Organised	Purpose of Engagement	Outcomes of Engagement
Tenants	Customer surveys, local events, customer portal, digital help centre, and other channels. Customers can also raise concerns via whistleblowing system.	Deliver Friendly Homes by gathering, analysing and acting on tenant feedback and suggestions.	Yearly Improvement plans with focus areas such as recycling, energy efficiency and communication.
Employees	Quarterly surveys, personal development plan discussions, regular one-to-ones, trainings, conferences, and work health and safety groups. Employees can also raise concerns via whistleblowing system.	Create a high performing and friendly workplace gathering, analysing and acting on employee feedback and suggestions.	Continuous development of processes, trainings and, culture building initiatives.
Suppliers	Procurement process, including meetings, negotiations, order placements and due diligence process. Suppliers can also raise concerns via whistleblowing system.	Ensure that suppliers adhere to our Business Partner Principles, assess their ESG risks and practices, and monitor their ESG progression.	Continuous development of procurement process to focus on suppliers who demonstrate best practice and support in reaching ESG goals.
Public bodies	Industry related discussions via membership in industry organisations, and dialogue forums for urban planning, neighbourhood safety and environment, etc. Direct engagement with municipalities and regulators.	Ensure compliance with existing and future legislation, maintain industry knowledge of best practices, collaborate to create safe and inclusive neighbourhoods.	Give expert input on upcoming regulations, either directly or via our industry organisations. Develop local collaborations such as Business Improvement Districts (BIDs).
Lenders and Investors	Annual and sustainability reports, bond and green bond issuance, conference meetings, Investor/Bank ESG Questionnaires, capital market presentations, and individual meetings with banks and investors.	Communicate strategy to leners and investors and ensure that such approach aligns with market best practices.	Meet financial stakeholders' sustainability data requirements and uphold duty to keep investors informed of ESG related information.
Media	Proactively via press releases and interviews, reactively by answering requests and questions. Spokespeople receives recurrent media training.	Transparent communication regarding our goals, targets and, achievements, including stories about impact on society, customers, and industry.	Clear media presence and public perception, coverage of key topics. Media coverage is measured monthly and shared with relevant internal stakeholders.
Shareholders	Owner dialogues and meetings, annual and sustainability reports, ESG ratings and assessments, annual general meeting, and meetings with shareholder representatives.	Ensure alignment with our sustainability strategy and related targets, delivering a long-term stable profit with consideration given to people, ethics, and the environment.	Meet shareholder needs for sustainability data and uphold duty to keep shareholders informed of ESG-related topics.
Local community	Meetings with special interest and industry organisations, partnerships with local non-profit organisations, attendance at career fairs, etc. Members of the local community can also raise concerns via whistleblowing function.	Ensure community engagement and social responsibility, working together towards safe and inclusive neighbourhoods.	Create job and internships opportunities for people far from the labour market, offer inclusive housing contracts in collaboration with local organisations, focus on climate change mitigation and adaptation.

Materiality Assessment Process

IRO-1 Description of the Process to Identify and, Assess Material Impacts, Risks, and, Opportunities

In accordance with CSRD, ESRS 1 and ESRS 2 IRO-1, Heimstaden Bostad has established a structured DMA process to identify and prioritise sustainability related IROs across the value chain. The assessment integrates both impact materiality (inside-out) and financial materiality (outside-in) perspectives, ensuring that disclosures reflect the issues most relevant to stakeholders and the Company's long-term value creation.

The DMA is firmly embedded within the Company's governance framework, aligning sustainability priorities with business strategy, risk management, and capital allocation. Oversight is provided by the ESC supported by the Sustainability and GRC functions, reviewed by the A&GRC and approved by the Board of Directors for any changes to the material topics.

The methodology follows the principles outlined in the EFRAG ESRS Implementation Guidance on Materiality and draws on the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises.

This ensures comprehensive consideration of human rights, environmental due diligence, and responsible business conduct. The DMA operates on a recurring cycle to maintain relevance and proportionality over time, with a full reassessment every two years and annual reviews to validate and update results in line with regulatory guidance, stakeholder expectations, and business developments. The approach covers:

Identification

Screening of ESRS topics and sub-topics, considering business activities, stakeholder impacts, and value chain dependencies.

Stakeholder Engagement

Gathering input from key internal and external stakeholders, including employees, tenants, investors, suppliers, financial partners, and community representatives. The outcomes of engagement are reported to A&GRC and Board of Directors during DMA reivew.

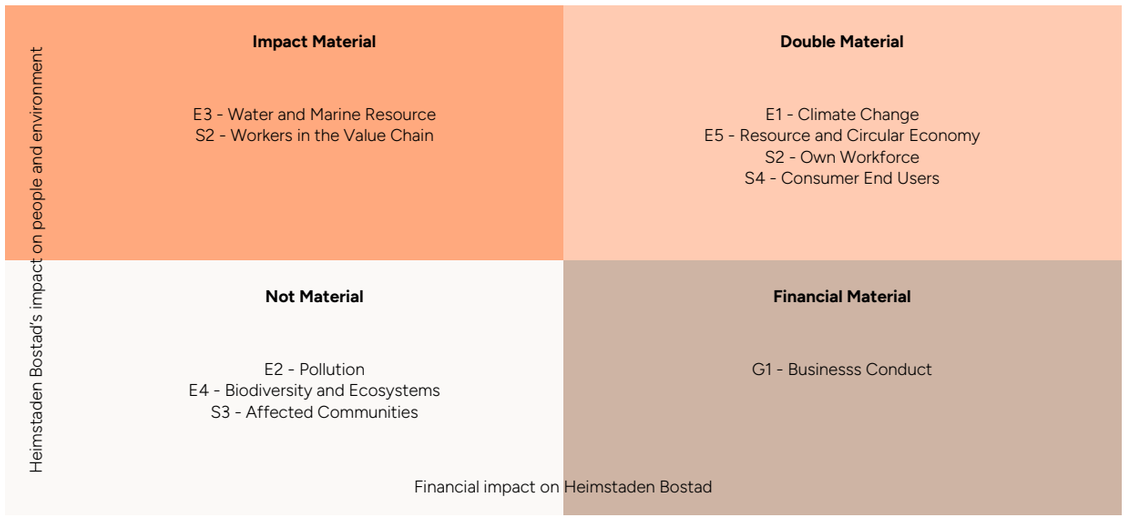
Assessment

Evaluating identified IROs using EFRAG criteria. Impact materiality assessed through screening of assets, scale, scope, irremediability, and likelihood, with severity prioritised for human rights matters. Financial materiality assessed through likelihood and magnitude of potential financial effects.

Validation and Integration

Validation through the established governance process and integration of outcomes into corporate strategy, risk management, and performance reporting to align sustainability and financial objectives.

A comprehensive DMA conducted in 2024 established the Heimstaden Bostad's ESRS-aligned baseline and identified the sustainability topics most material to the Company and its stakeholders. In 2025, the assessment was revisited to confirm topic relevance and refine classifications in response to regulatory developments, stakeholder feedback, and internal analysis, maintaining alignment with EFRAG guidance.



SBM-3 Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

The DMA identified 20 sub-material topics that guide Heimstaden Bostad's approach to managing IRO's. These topics are integrated into the Company's sustainability strategy, and business model, and their financial effects are reflected in property valuation and cashflows assumptions ensuring focus on areas such as climate change, resource circularity, workforce well-being and responsible business conduct. Material topics span from supply chain to investments to operations and tenant relations are considered across different time horizons. While key risks relate to emissions, materials, and workforce conditions, opportunities arise in inclusive housing, sustainable finance, and circular renovation. These outcomes reinforces existing strategic priorities and the business model across the value chain. Based on the material IROs identified through the DMA, management has not identified a significant risk of material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the financial statement The illustration shows where material impacts, risks and opportunities occur across the value chain.

	UPSTREAM Investments made in the properties to ensure long term value. **Supply chain workers**	OWN OPERATIONS Properties are managed and operated to create Friendly Homes **Employees**	DOWNSTREAM Tenants live in apartments **Tenants**
E	● E1 - GHG Emissions from operating properties- Scope 3 (Category 1 and 2) ● E1 - Transition costs related to fossil fuel phase-out, regulatory changes, and climate mitigation efforts ● E1 - Sustainable Finance ● E5 - Inflow procurement of virgin materials ● E5 - Outflow- Reuse and circular renovation	● E1 - GHG Emissions from operating properties - Scope 1 ● E1 - GHG emissions from tenant's energy consumption Scope 2 (Where HSTB is in Energy contract)	● E1 - GHG emissions from tenant's energy consumption - Scope 3 Category 13 (Where tenant is in Energy contract) ● ● E1 - Property damage due to extreme weather events ● E3 - Tenants water consumption
S	● S2 - Human rights violations in high-risk countries and categories	● S1 - Failure to attract and retain talent ● S1 - Work-life balance ● S1 - Physical and mental health and safety risks ● S1 - Unequal pay practices ● S1 - Inclusive jobs ● S1 - Data protection and privacy breaches	● S4 - Data protection and privacy breaches ● S4 - Physical health and safety risks ● S4 - Inclusive housing
G	● G1 - Corruption and bribery	● G1 - Corruption and bribery	● G1 - Corruption and bribery

● Negative impact ● Positive impact ● Risk ● Opportunity

E1 Climate Change

Climate change is a key focus for Heimstaden Bostad's climate strategy, following net zero pathways, reducing emissions and makes its buildings better prepared for climate risks via energy efficiency upgrades, sustainable financing, and targeted adaptation efforts.

Heimstaden Bostad's climate strategy is guided by validated Science Based Targets initiative (SBTi), commitment to Net Zero and aligning with the Paris Agreement's 1.5°C pathway, demonstrating a firm commitment to emission reduction and long-term resilience across the Company's portfolio.

The Climate Transition Plan, developed in accordance with the UK Transition Plan Task Force (TPT) framework, outlines a clear and transparent route toward achieving a 42% reduction in absolute Scope 1, 2, and 3 (Category 13 - Downstream Leased Assets) emissions by 2030, from a 2020 baseline, and Net Zero emissions by 2050 at the latest.

A holistic approach integrates mitigation, adaptation, and financing measures across all markets and throughout the value chain. Efforts encompass the phased elimination of fossil fuels, enhancement of energy and water efficiency, and expansion of renewable energy generation. Climate risk assessments are systematically embedded into acquisitions, developments, and ongoing operations to ensure long-term resilience. Through the Company's Green and Sustainability-Linked Financing Framework, capital allocation is strategically aligned with climate objectives, supporting sustainable growth and value creation.

In 2025, advancement of the Company's climate strategy continued through measurable emission reductions, energy performance and steady progress in decarbonising portfolios towards net zero goals.

5,425
Improved EPC labels units

10%
Weather Corrected Energy Intensity Reduction

14.2%
Emission Reduction- Against SBTi Target

Topic
- Climate Change Mitigation
- Climate Change Adaptation
- Energy

Key Policies and Frameworks
- Sustainability Policy
- Climate Adaptation Catalogue
- Energy Management Guidelines
- Standard Operating Procedures (SOPs) for Energy
- Green and Sustainability-Linked Financing framework

Key Targets
- 42% emissions reduction by 2030
- Net Zero by 2050
- Reduce purchased energy by 2% annually per sqm

Key Actions
- Fossil fuel phase out (oil, coal, gas heating)
- Energy efficiency upgrades (insulation, heat pumps, smart meters)
- EPC labels improvements
- Renewable energy integration (on-site solar PV, green Power Purchase Agreements)
- Climate risk assessment & adaptation plans per property
- Expansion of sustainability-linked financing

E1-1 Transition Plan for Climate Change Mitigation | **E1-4** Targets Related to Climate Change Mitigation and Adaptation

Heimstaden Bostad's Climate Transition Plan sets a 2030 midterm target to reduce absolute emissions by 42%. This target supports Heimstaden Bostad's ambition to decarbonise its portfolio and strengthen long-term resilience. The target also reflects the Company's direction toward alignment with 1.5°C target goal of the Paris Agreement, achieving Net Zero greenhouse gas emissions by 2050. The Company is not excluded from the European Union Paris aligned Benchmarks.

The Climate Transition Plan integrates mitigation, adaptations and financing measures across all markets. It combines energy efficiency, electrification, renewable energy expansion and climate adaptation, supported by scenario analysis conducted under the Task Force on Climate-related Financial Disclosures (TCFD) framework. The first analysis was completed in 2022 to test portfolio resilience and investment strategy.

Climate governance is embedded within Heimstaden Bostad's organisational structure. The Board of Directors, A&GRC Committee and the ESC oversee progress and approve the Climate Transition Plan and related targets, while implementation is led by Group Manager and Country Managers.

Variable pay for Country Managers is linked to emission and energy-reduction indicators, reinforcing accountability across operations. Supporting measures include the Energy Management Guidelines (2023–2025) for data accuracy and optimisation, market level targets aligned with the EU Energy Performance of Buildings Directive (EPBD) recast for 2026, and annual review of climate KPIs in line with ESRS 2 GOV 3.

Heimstaden Bostad also commits that 27% of its suppliers by spend, covering purchased goods and services, will have approved Science Based Targets by 2027. This commitment extends the Company's decarbonisation impact beyond its direct operations and strengthens climate accountability throughout its value chain.

The Climate Transition Plan prioritises the decarbonisation of high-intensity assets and focuses on practical, scalable measures, tailored to local energy conditions and regulatory frameworks. Key actions include insulation and façade upgrades, heating-system optimisation, digital energy control systems, and improvement of EPC ratings through ongoing building upgrades and insulation projects.

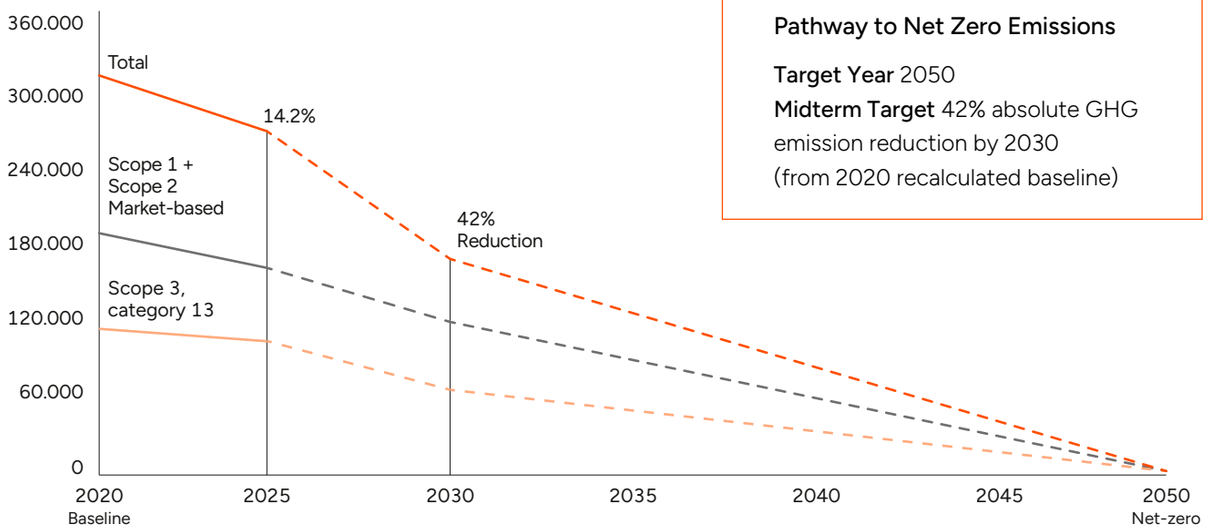
The Company continues to phase out fossil-fuel systems by replacing oil and gas boilers with heat pumps, hybrid, and central geothermal installations while expanding rooftop solar capacity and long-term renewable Power Purchase Agreements (PPAs). Adaptation measures guided by the Climate Adaptation Catalogue address physical climate risks through improved stormwater systems, green roofs, and passive-cooling designs.

Financing for decarbonisation and adaptation is provided through the Green and Sustainability-Linked Financing Framework, which enables investment to EU Taxonomy aligned projects that deliver measurable environmental benefits. Progress towards the climate targets is monitored quarterly and reported annually through the Annual Sustainability Report. This integrated approach ensures that policy, governance and financing mechanisms together drive measurable emission reductions and a resilient, energy efficient property portfolio.

The transition plan is supported by a capital investment plan of SEK 5,500 million allocated through 2030 to achieve the SBTi target and decarbonisation pathway.

Transition Plan

EMISSION REDUCTION PATHWAYS IN % TO 2050[1]



Pathway to Net Zero Emissions

Target Year 2050
Midterm Target 42% absolute GHG emission reduction by 2030 (from 2020 recalculated baseline)

[1] *Pathways after 2030 are figurative and are dependent on emission factors and the speed of GHG emissions reduction*

SCIENCE-BASED CLIMATE TARGET[1]

		2025	Baseline (recalculated) 2020	Target
Scope 1 CO_2e	Tonnes	23,639	28,966	–
Scope 2 Market-based CO_2e	Tonnes	144,333	171,707	–
Scope 3, category 13 CO_2e	Tonnes	103,166	115,242	–
Total emissions included in target	Tonnes	271,138	315,916	–
% change of CO_2e emissions compared to 2020, with a recalculated baseline	%	-14.2%	–	-42% by 2030
% of suppliers by spend who have Science based targets[2]	%	12%	–	27% by 2027

[1] *Target 42% reduction by 2030*
[2] *Target 27% by 2027. Data includes full year, all countries*

Key Decarbonisation Levers

Lever 1
Energy Efficiency and Optimisation

Improve building performance through insulation upgrades, heating system optimisation, and advanced energy management. A targeted 2% annual reduction in purchased energy per square meter.

Lever 2
Electrification and Phase Out of Fossil Fuel Systems

Transition from fossil based heating to renewable and electric solutions. Deployment of heat pumps, hybrid systems, and electrified technologies enables the phase out of fossil heating across all markets.

Lever 3
Renewable Energy Integration

Expand renewable energy generation and procurement across the portfolio through the purchase of origin certified renewable electricity advancing the transition towards renewable energy supply.

Lever 4
Dependency on External Energy Transition

Engage with utilities policy makers and suppliers to support decarbonisation pathways and the transition towards green energy.

Sustainable Financing

Align capital allocation with climate objectives through the Green and Sustainability-Linked Financing Framework. Investments are prioritised for EU Taxonomy aligned projects with the highest emission reduction potential and long-term value creation.

ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Heimstaden Bostad's climate risk management approach is aligned with TCFD recommendations and ESRS. Climate related IROs are assessed to understand potential effects on asset performance, portfolio resilience, and long-term business viability.

While the Board of Directors holds overall responsibility for the topic, oversight of climate related risks have been delgated to the A&GRC Committee and the Group Manager, supported by the GRC and Sustainability functions coordinates execution. Country teams carry out local risk assessments and adaptation actions. Results are consolidated through the internal climate dashboard and annually in the DMA and Annual Sustainability Report.

Heimstaden Bostad screens its activities and strategic plans for actual and potential future GHG emission sources through a structured process embedded in its policies, identifying both current emission sources such as fossil-fuel heating, grid adoptions to renewable sources, building energy use and renovation works, as well as future emission risks arising from evolving energy systems and tenant consumption patterns in the climate roadmap.

Heimstaden Bostad conducted its first group wide climate risk assessment and scenario analysis in 2022 and revisited it in 2025. The work follows the TCFD recommendations to identify and evaluate climate related impacts, risks and opportunities and to test the resilience of the investment strategy. The scenario analysis illustrates how different climate pathways affect Heimstaden Bostad's operations and portfolio over short- and long-term horizons.

The analyses are based on public sources such as the Copernicus Climate Change Service (C3S), the European Environment Agency (EEA) Floods Directive reports and, river basin risk studies from the International Commission for the Protection of the Rhine (ICPR) and the International Commission for the Protection of the Danube River (ICPDR). Outputs feed directly into the DMA, ensuring that financial and environmental materiality are considered together.

Scenario Analysis

	Short-Term	Short-Term	Long-Term	Long-Term
RCP	2.6	8.5	2.6	8.5

	Regulatory	Technological	Market	Reputation	Acute	Systemic
Elevated Average Temperature	The Value of Financial Assets is Affected	Energy-Efficiency Technical Solutions	Changed Market Price for Services and Goods due to Increased Cost for CO_2 Emissions	Energy Requirements in Environmental Certifications	Deteriorating Human Health	Increased Demand for Property Maintenance
	Increased Tax and Insurance Costs	Fossil-Free Heating Systems	Emission Reduction Requirements in New Builds	Poorer Housing	Threatened Ecosystems and Biodiversity Loss	Deteriorating Water Quality
	Increased Costs for CO_2 Emissions				Less Products and Timber from Forestry	
Rising Sea Leve	Difficulties in Insuring Affected Properties	Increased Demand for Damage Control Systems	some Properties Might be Unable to Rent Out	Pricing of Land and Properties Affected	Property-Related Damage	Some Locations Become Uninhabitable
Extreme Heat	Legislation on Heat Control in Relation to Customers' Health	Increased Need for Cooling Systems		Customer Satisfaction Decline	Forest Fires	Health Problems, Increased Mortality, Drought, and Water Scarcity
Heavy Rain	Legislation on Property Flooding Control	Demand for Water and Storm-Resistant Technical Solutions		Customers' Personal Assets are Destroyed	Momentary Floods	Recurring Floods that Destroy Assets and Customers' Belongings
					Strong Flows	

Scenario Assumptions

- RCP 2.6 – Stringent mitigation: Strong policy action leading to negative global emissions by 2100, limiting temperature rise to 0.5–1.5 °C.
- RCP 4.5 – Intermediate: Emissions peak around 2040, stabilising temperature rise between 2–3 °C by 2100.
- RCP 8.5 – High emissions: Limited action and continued emissions, leading to a 3.5–5 °C rise by 2100.

Heimstaden Bostad identifies climate-related risks that arise from both physical hazards and transition drivers. Physical hazards are classified into acute and chronic categories to support consistent assessment across the resilience analysis. Acute physical hazards include events such as extreme rainfall, flooding, and severe heat events that occur with sudden onset. Chronic physical hazards include gradual changes such as increasing average temperatures, long-term shifts in precipitation patterns, and progressive sea level rise.

Transition risks are assessed as a separate category and include regulatory changes, shifts in energy prices, market expectations, and technology requirements. These three categories are applied consistently when reviewing exposure, sensitivity, and adaptive capacity across the asset base.

A key challenge in climate-risk assessment lies in reconciling TCFD's long-term time horizons with operational planning cycles. While TCFD focuses on extended horizons, business planning operates on shorter cycles, short-term (1 year), medium-term (2–5 years), and long-term (beyond 5 years). Aligning these frameworks allows long-range climate projections to be translated into nearterm operational strategies that strengthen resilience in both investment and maintenance planning.

Identification of relevant climate-related risks and opportunities refers datasets from the Intergovernmental Panel on Climate Change (IPCC), applying Representative Concentration Pathways (RCP) 2.6, 4.5, and 8.5 across both 2040 and 2100 horizons. Assessments also use data from SMHI, EEA, Copernicus, and regional flood basin models to quantify medium and long- term exposure to extreme rainfall, heat stress, and sea-level rise. These scenarios guides assessments of physical and transitional risks under different global emission trajectories.

The climate risk and vulnerability assessment is applied at property level using an EU Taxonomy aligned methodology. The assessment uses a multiple data source across all countries and relies on historical weather data and future climate scenarios. Climate exposure and vulnerability are combined into a final risk score for each property. Properties with high risk are prioritised for adaptation. The areas highlighted on the right side represent the key climate related risk and opportunity impacting the organisation.

	Heavy Precipitation and River Flooding	Heat Stress
Physical Risks	Analysis of 3,585 buildings indicates 35 percent at high risk under RCP 4.5 and 59 percent under RCP 8.5, with the greatest exposure in Germany, Denmark, the Netherlands, and Sweden.	Chronic risk associated with higher mean temperatures. While heat does not directly damage building structures, it affects tenant well-being and raises cooling demand. Under RCP 8.5, several markets show heightened exposure to prolonged summer heat.
	Fossil-fuel Dependency	**Policy and Market Shifts**
Transition Risk	Slow adaptation to renewable energy sources and new regulatory requirements could lead to increased compliance costs, reduced competitiveness, and potential obsolescence of energy-intensive assets and may impact achieving net zero goals in the long-term. These transition risks are assessed across the entire value chain.	Accelerated decarbonisation and energy efficiency standards in the EU could raise retrofit costs but also create opportunities for green-finance incentives and improved asset valuation.
Opportunities	Investment in energy efficient refurbishment, renewable energy projects, and sustainable financing instruments strengthens long-term value creation. These measures reduce operating costs, improve asset performance, and contribute to progress towards environmental targets. They also help protect asset value, promote stable occupancy, lower insurance premiums and reduce exposure to disruptions caused by weather related events.	

Findings from climate risk and scenario analyses are systematically embedded into the DMA to ensure dual consideration of:

- Financial materiality, reflecting the impacts of climate related hazards on asset value, maintenance and operating costs, and financing conditions across own operations and downstream assets
- Environmental materiality, evaluating the portfolio's contribution to greenhouse-gas emissions, resource use, and long-term climate resilience along the downstream value chain.

Heimstaden Bostad conducts climate related scenario analysis to evaluate physical and transition risks across short-, medium- and long-term horizons. Forward looking projections for heat stress, extreme rainfall, flooding and policy changes help illustrate how exposure and vulnerability may evolve.

The assessment also considers how shifts in regulation, energy policy, carbon pricing and technology could raise costs for assets that rely on fossil fuel heating or outdated energy systems, while creating opportunities through energy efficiency upgrades, renewable energy projects and sustainable financing. These insights are incorporated into the DMA by identifying material risks and opportunities within each time-horizon and estimating their potential financial and operational effects.

DMA results guides investment choices, maintenance planning and supplier engagement. Risks are prioritised using a scoring approach that reflects likelihood, financial and environmental consequences, and alignment with long-term strategy. The areas highlighted below represent the key climate related risk and opportunity impacting the organisation.

The resilience assessment applies a structured review of climate related impacts under 2040 and 2100 scenarios. It covers all business units that hold or manage real estate and spans the full geographic footprint of the investment portfolio, using country level data from national climate agencies and the Intergovernmental Panel on Climate Change.

The analysis focuses on property operations, capital planning and tenant related impacts, while also considering upstream energy supply and downstream effects on long-term asset value. These boundaries are applied consistently to interpret resilience outcomes and to compare results across scenarios. Overall, the resilience analysis indicates that the strategy remains robust under multiple climate futures. The Company's portfolio diversification, energy efficiency measures and sustainable financing strengthen the organisation's ability to manage climate risks.

Formal scenario analysis is concentrated on the medium and long-term, as RCP scenarios are designed for long-horizon climate modelling, while short term effects are evaluated through operational risk processes. Rising rainfall levels and increasing heat-stress will require ongoing adaptation efforts and improved data integration going forward.

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Impact, Risks, and Opportunities

Table below summarises the material impacts, risks, and opportunities under Climate Change, describing how each is managed through policies, actions, across the upstream, operational, and downstream parts of the value chain.

Time Horizon: Short-term, medium-term and, long-term. Applicable for all the material topics below.

Topic	Sub-Topic	Description	Management	Impact Material	Financial Material	Positive or Negative Impact/ Risk or Opportunity	Actual/ Potential	Value Chain Direction		
								Upstream	Operation	Downstream
Climate Change Mitigation and Adaptation	Sustainable Finance	The Company's Green and Sustainability-Linked financing framework enables Heimstaden Bostad to fund emission reduction and resilience projects and reduce exposure to transition risk.	Financing is governed by the Green and Sustainability-Linked Financing Framework. Investments are screened for EU Taxonomy alignment and climate-scenario resilience before approval. Annual allocation and impact reports are externally assured and guide future capital planning.		●	Opportunity	Both	●	●	●
Climate Change Adaptation	Property damage due to extreme weather events	Heavier precipitation, flooding, and heat events may increase property costs and lower valuation, threaten asset integrity and tenant comfort. These physical risks have been identi-fied using high-emission climate scenarios (RCP 4.5 and 8.5).	The Climate Adaptation Catalogue sets the process for hazard identi-fication and exposure scoring. Data from IPCC, Copernicus C3S, SMHI, EEA, ICPR and ICPDR inform the analysis, first completed in 2022 and revisited in 2025. Findings guide investments in drainage upgrades, flood-barrier systems, green roofs, and passive-cooling features. Progress is monitored through the DMA and property maintenance planning cycles.	●	●	Negative Impact and Risk	Both			●
Climate Change Mitigation	GHG emissions from Operating properties	GHG emissions arising from energy and fuel used directly under the company's operational control, including common areas, building systems, and property management activities. These emissions depend on building efficiency, energy sources, and operational practices	The Sustainability Policy and Energy Management Guidelines govern reduction measures. Actions include conversion to district or geothermal heating, installation of high efficiency heat pumps, and rollout of AI-based smart metres controls. Scope 1 and 2 data are reviewed monthly against SBTi aligned targets.	●		Negative Impact	Both		●	●
Climate Change Mitigation	Transition cost linked to fossil shift and changing legislation	Stricter energy standards and carbon pricing mechanisms increase compliance and retrofit costs while encouraging investment in low-carbon technologies.	Transition risks are assessed through the Climate Transition Plan and scenario analysis consistent with a 1.5 °C pathway (RCP 2.6). Capital allo-cation prioritises assets with the highest potential for emission reduction and resilience improvement. Regulatory exposure and cost forecasts are updated annually within the DMA.		●	Risk	Both	●	●	●
Energy	GHG emissions from tenant's energy consumption	Energy used for heating, cooling, and household power continues to be a major source of GHG emissions Scope 3 Category 13 - Downstream Leased assets (where tenants hold the energy contract). The impact is greatest in markets where energy is still fossil-fuel based, occurring across all time horizons.	The Energy Management Guidelines define data collection and engage-ment procedures. Smart meters and tenant dashboards provide near real time feedback. Efficiency programmes and renewable electricity options are promoted where feasible. Results inform short-term operational planning and long-term decarbonisation modelling.	●		Negative Impact and Risk	Both		●	●

E1-2 Policies Related to Climate Change Mitigation and Adaptation | **E1-3** Actions and Resources in relation to Climate Change Policies

The identified impacts, risks, and opportunities are connected to the Company's sustainability related policies and the actions taken to achieve climate objectives. These policies are maintained on the Intranet, and regulary reviewed to ensure alignment with regulatory requirements, and communicated through internal learning and leadership programs.

Senior Executives, supported by the People and Culture function, ensure consistent application across all markets. The Sustainability Policy and related manuals and guidlines addresses climate change mitigation by the Company committing to reduce scope 1, 2, and 3 emissions in line with the Paris Agreement, supported by short and medium-term targets. The policy covers all emission scopes, across the value chain.

Climate related impacts and risks identified through assessment tools guide investment choices, renovation priorities, and resilience measures. These actions support targets for reduced emissions, improved energy performance, and increased renewable integration. Progress toward the 2030 and 2050 climate targets is monitored through the Environmental Management System, which tracks indicators and informs decisions.

Sustainability Policy	The cornerstone of the Company's environmental management system is the Sustainability Policy that sets the ambition to reduce Scope 1, 2, and 3 emissions in line with the Paris Agreement and the 1.5 °C pathway. It commits Heimstaden Bostad to achieving a 42% emission reduction by 2030 (from 2020 levels) and Net Zero by 2050. The policy covers all operations and value-chain activities and embeds climate objectives into acquisitions, maintenance planning, and procurement. It is approved by the Board of Directors and reviewed bi-annually by the GRC and Sustainability functions.
Energy Management Guidelines	Provide practical procedures for energy measurement, data accuracy, and performance optimisation. They ensure 100 percent Scope 1 and 2 data coverage, set the standard for energy audits, and define minimum efficiency requirements for refurbishments and new developments.
Climate Adaptation Catalogue	Outlines risk-assessment methodology, exposure scoring, and prioritisation of adaptation actions. It is informed by IPCC, Copernicus C3S, SMHI, and EEA datasets and river-basin analyses (ICPR, ICPDR). The Catalogue guides site-specific resilience measures and ensures climate risks are addressed in investment and maintenance decisions.
Climate Transition Plan	Establishes the pathway for fossil fuel phase out and renewable energy adoption under multiple climate scenarios (RCP 2.6, 4.5 and 8.5). It incorporates policy, technology, and market risks into business planning, ensuring compliance with emerging regulation and access to green capital.
Green and Sustainability-Linked Financing Framework	Defines criteria for financing climate-related projects, ensuring all funded activities meet EU Taxonomy requirements. This framework links financing terms to performance KPIs such as energy intensity and carbon reduction, with annual allocation and impact reports externally assured.
Environmental Management System (EMS)	Adopted to coordinate energy efficiency, waste reduction, and climate adaptation. The EMS aligns daily operations with regulatory obligations and long-term sustainability goals, enabling systematic tracking of progress.

Approximately SEK 1,200 million was invested in sustainability linked projects with actions across all markets focused on energy efficiency, renewable energy integration and climate resilience. The continued implementation of these action is supported by the company's ability to secure financial resources on favourable terms including sustainability linked loans that can lower the cost of capital when environmental performance improves. Projects and assets that are aligned to EU Taxonomy helps access to green bonds which channel funding towards investments that reduces emissions and improve long term asset quality. For new construction and major redevelopment projects, the Company applies Life Cycle Assessment (LCA) principles to guide design and material choices across the full asset life cycle.

Decarbonisation Levers

Energy Efficiency and Optimisation	In Germany and Sweden, for a portfolio of 7,995 units the company has committed for the alignment with the CRREM decarbonisation pathway which will lead to a reduction in operational emissions and improved energy efficiency across the portfolio. A total of 16,445 units underwent heating system upgrades or other optimisation measures, while the building envelope was improved in 15,733 units, enhancing energy performance in 32,178 units. These measures were supported by capital expenditure of SEK 800 million on building upgrades and insulation, improving EPC ratings across the portfolio. The investment increased the share of assets rated EPC A from 9% in 2024 to 11% in 2025 and upgraded 2,002 units from EPC E or worse to EPC D or better during the year.
Electrification and Phase Out of Fossil Fuel Systems	Capital expenditure of SEK 116 million was invested in heating system transitions during 2025. This included disconnecting 463 units in Czechia from a carbon intensive district heating and transitioning 13 buildings in Germany and Denmark, comprising 811 units from central oil or natural gas heating to a heat pump solution. Since 2020, more than 40% of oil heated units across the total portfolio have been phased out, leaving only 593 units with central oil heating in the portfolio, all of which are located in Germany. A transition plan is in place for these remaining units, with implementation scheduled for 2026 and 2027.
Renewable Energy Integration	Heimstaden Bostad aims for purchasing 100% of the electricity through renewable electricity contracts. Renewable Energy Certificates are commonly available at the end of the reporting year or beginning of the next one. 13% of these contractual instruments are unbundled.
Dependency on External Energy transition	Heimstaden Bostad has secured decarbonisation commitments from district heating suppliers covering 89,827 units, representing 86% of current Scope 2 emissions. Despite this supplier emission factors increased across all markets in 2025, leading to SBTi progress in 2025, slightly below last year at -14.2%, compared with -15.5% in 2024. Operational efficiency gains from insulation measures and the phase out of fossil fuel heating partially offset these increases, ensuring that Heimstaden Bostad remains on track to meet its SBTi target. If supplier emission factors had remained flat at FY2024 levels, SBTi progress would have been stronger, highlighting the growing dependency of supplier performance on progress towards Science Based Targets and Net Zero ambitions.

Sustainable Financing

Sustainable financing is a key component of the Company's sustainability strategy. Sustainability Linked Loans tie financing terms to measurable environmental performance, and the Company's Green and Sustainability Linked Financing Framework ensures that capital supports EU Taxonomy aligned projects. Allocation and impact reports are assured by external auditor EY. The eligible Use of Proceeds and Allocation Criteria are outlined below:

- **New buildings:** Constructed after 1 January 2021 and designed with at least 10% lower energy demand than Nearly Zero Energy Buildings standards.
- **Existing buildings:** Constructed before 1 January 2021, equipped with energy management systems and either EPC rating A or within the top 15% of national energy performance.
- **Major renovations:** Projects that reduce energy demand by at least 30% or comply with national renovation standards.
- **Energy efficiency measures:** Investments in heat pumps, smart controls, efficient lighting, windows, insulation, ventilation, heating optimization, efficient pumps, and renewable energy enabling solutions.

The table below shows overview of green assets and sustainability-linked financing:

SEK million	2025	2024
Fair Value of Green Assets - EU Taxonomy aligned properties	75,920	73,420
Outstanding Green Bonds	13,767	315
Oustanding Loans linked with Sustainability KPI	5,818	15,415

SUSTAINABILITY-LINKED KPIS FOR MARGIN REDUCTION IN 2025

	Target	Result
Sustainalytics rating	Negligible Risk	Negligible Risk
SBTi emission reduction target	14.1%	14.2%
EPC Label improvement from E or worse to D or better (in units, cumulative)[1]	4,000	4,277

[1] *Cumulative improvement measured from baseline year 2023, starting at 0*

Sustainability-Linked Bond Principles 1 ('SLBP') established by the International Capital Markets Association ('ICMA') in June 2020 and the Sustainability Linked Loan Principles 2 ('SLLP') established by the Loan Markets Association ('LMA'), the Asia Pacific Loan Market Association ('APLMA') and the Loan Syndication and Trading Association ('LSTA') in March 2023. This framework replaces the previous green bond framework published in 2019. Sustainalytics has provided a second-party opinion to this Framework, verifying its credibility, impact and alignment with the ICMA and LMA Principles.

The aim of this Framework is to raise capital through green bonds and loans (Green Financing Instruments) and the net proceeds of the Green Financing Instruments will finance or refinance in whole or in part, a portfolio of green eligible projects (such portfolio hereinafter referred to as Eligible Green Projects Portfolio). Eligible projects are assets, capital expenditures and/or operational expenditures undertaken by Heimstaden Bostad that enable climate change mitigation and adaption in Eligible Green Projects with EU Taxonomy. Transitioning to a low carbon, climate change resilient, and environmentally sustainable economy requires capital. By setting up the Green Bond Framework, Heimstaden Bostad aims to mobilise debt capital for environmentally sustainable purposes. Heimstaden Bostad's sustainability strategy focuses on upgrading properties to modern standards, delivering environmental and social benefits. Aligned with the Paris Agreement, it prioritises reducing carbon footprint, enhancing energy efficiency, and building climate resilience.

The Green Bond allocation is based on property valuations and exchange rates as of 31 December 2025. It represents the portion of property value financed by the Green Bonds. The 2025 report details the properties funded by the 2025 Green Bonds and confirms their compliance with Heimstaden Bostad's Green Bond Framework 2023. The allocated projects promote the transition towards low carbon, climate change resilient, and environmentally sustainable economy. It further accelerated Heimstaden Bostad's commitments towards reducing emissions by 42% from a 2020 baseline, covering Scope 1, Scope 2, and Scope 3. Refinancing relates to the continued financing of EU Taxonomy aligned residential properties, including acquisition and historic energy efficiency investments embedded in the assets.

During the active period, the Green Bond proceeds were allocated to existing fully EU Taxonomy aligned Green Assets valuing SEK 76 billion that meets recognized performance thresholds. These include buildings within the top 15% of the national building stock in terms of primary energy demand (PED) in Sweden and Germany, and properties with EPC energy class A in Denmark.

The alignment has been assessed against the Substantial Contribution criteria for climate change mitigation and includes compliance with the Do No Significant Harm requirements and Minimum Safeguards. This ensures full alignment with the Green Bond Framework.

ALLOCATED PROCEEDS

Location	Total Square metres	Allocated Amount (SEK m)	EU Taxonomy alignment criteria
Sweden	74,165	2,726	Top 15%
Germany	119,691	5,012	Top 15%
Denmark	118,875	6,029	EPC A
Total	**312,721**	**13,767**	**-**

OVERVIEW OF ENERGY PERFORMANCE CERTIFICATES

Country	Sweden		Germany		Denmark		Czechia		Netherlands		Norway		United Kingdom		Poland		Finland		Total
EPC	kWh/m²/ year	# of units	kWh/ (m² a)	# of units	kWh/ m² /year	# of units	kWh/ m² /year	# of units	kWh/ m² /year	# of units	kWh/ m² /year	# of units	SAP Assessment score	# of units	kWh/ (m² a)	# of units	E number (kWh/ m² /year)	# of units	# of units
A 2020					20	1257													1,257
A 2015					<30 + 1000/A	3,803													3,803
A 2010					<52.5 + 1650/A	3,354													3,354
A+++									≤50	156									156
A++									≤75	55									55
A+			<30	154					<105	180									334
A	≤50	647	<50	4,636					<160	2,882	≤97				≤59	211	E number ≤ 75		8,376
B	≤75	2,678	<75	3,012	<70+ 2200/A	4,173	<75	1,875	<190	2,544	≤115	19	81-91	957	≤70	596	76 ≤ E number ≤ 100	160	16,013
C	≤100	2,198	<100	3,248	<110+ 3200/A	6,452	<100	10,663	<250	3,427	≤140	329	69-80	351	≤88	1,154	101 ≤ E number ≤ 130	517	28,340
D	≤135	8,288	<130	4,689	<150+ 4200/A	655	<150	15,971	<290	1,019	≤179	444	55-68	6	≤105		131 ≤ E number ≤ 160	786	31,859
E	≤180	21,058	<160	6,094	<190+5200/A	10	<200	10,032	<335	560	≤220	857			≤123	135	161 ≤ E number ≤ 190	1,294	40,040
F	≤235	12,875	<200	5,222	<240+ 6500/A		<250	1,085	<380	271	≤280	1,049			≤140		191 ≤ E number ≤ 240	77	20,579
G	>235	2,184	<250	1,589	>240+ 6500/A	2	>250	1,870	>380	283	>F	553					241 ≤ E number	128	6,609
H			>250	1,352															1,352
No labels				178		18				51		2		99					348
Total label coverage																			
A units	1%		16%		42%				28%						9%				11%
B to C units	8%		21%		53%		30%		54%		8%		93%		86%		21%		41%
D to E units	60%		35%		3%		63%		13%		37%				5%		70%		32%
F to H units	31%		27%				7%		5%		54%						8%		15%
No label			1%		2%						1%		7%						1%

SHARE OF CERTIFIED BUILDINGS

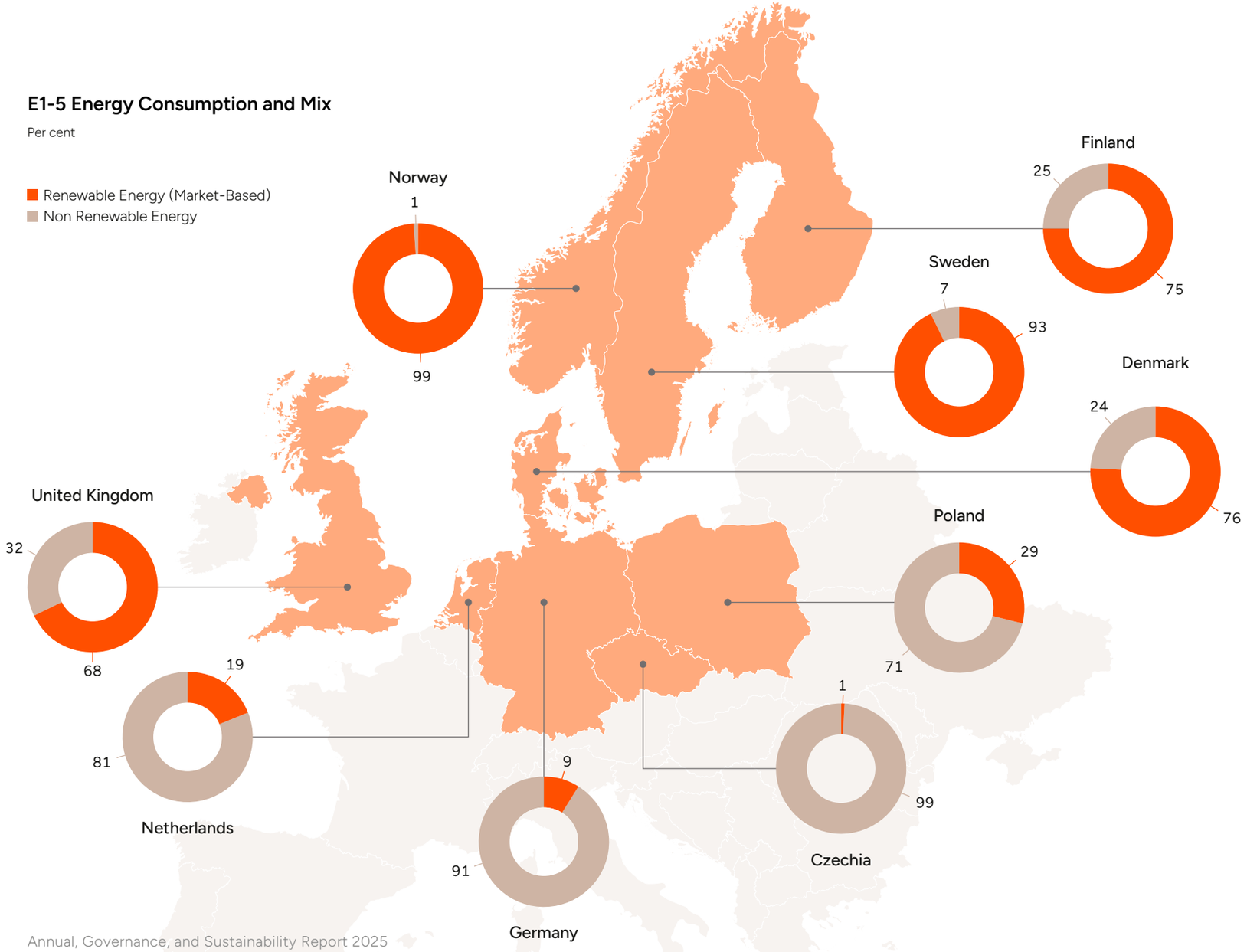
Countries (% of sqm)	Certificates	2025	2024
Sweden	Miljöbyggnad	13%	15%
Denmark	DGNB	1%	1%
Poland	BREEAM	95%	95%
Share of total sqm of certified buildings		**5%**	**5%**

SHARE OF EU TAXONOMY ALIGNED GREEN BUILDINGS (TOP 15 % & EPC A CRITERIA)

Metric	2025
Green Building area (million sqm)	2.3
Total Portfolio area (million sqm)	11.0
Share of EU Taxonomy aligned Green Buildings	**23%**

E1-5 Energy Consumption and Mix

Per cent



TOTAL PURCHASED ENERGY 2024

Per cent

TOTAL PURCHASED ENERGY 2025

Per cent

Renewable Energy (Market-Based)
Non Renewable Energy

ENERGY CONSUMPTION AND MIX

	Sweden		Germany		Denmark		Czechia		Netherlands		Norway		United Kingdom		Poland		Finland		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Energy consumption and mix																				
1. Fuel consumption from coal and coal products (MWh)		–		–		–		–		–		–		–		–		–		–
2. Fuel consumption from crude oil and petroleum products (MWh)		–	5,189	6,479		–		–		–		–		–		–		215	5,189	6,694
3. Fuel consumption from natural gas (MWh)		–	95,409	90,305	1,843	790	1,499	3,759	6,055	6,636		–		–		–		–	104,806	101,490
4. Fuel consumption from other fossil sources (MWh)		–	73	–	–	–	330	296	–	–		–		–		–		–	403	296
5. Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	32,649	15,105	58,774	62,322	15,271	22,356	289,364	296,643	–	–	85	135	232	–	10,971	8,299	6,186	6,484	413,533	411,344
6. Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**32,649**	**15,105**	**159,445**	**159,106**	**17,114**	**23,146**	**291,193**	**300,698**	**6,055**	**6,636**	**85**	**135**	**232**	**–**	**10,971**	**8,299**	**6,186**	**6,700**	**523,931**	**519,824**
Share of fossil sources in total energy consumption (%)	7%	3%	91%	93%	24%	32%	99%	96%	81%	78%	1%	1%	32%	–	71%	72%	25%	27%	50%	48%
7. Consumption from nuclear sources (MWh)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Share of consumption from nuclear sources in total energy consumption (MWh)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8. Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen etc) (MWh)	327	968	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	327	968
9. Consumption of purchased or acquired electricity, heat steam and cooling from renewable sources (MWh)	418,829	447,361	15,608	11,632	53,177	49,186	4,095	11,247	1,436	1,915	12,108	23,254	485	236	4,516	3,298	18,336	18,062	528,589	566,191
10. The consumption of self-generated non-fuel renewable energy (MWh)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11. Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**419,156**	**448,329**	**15,608**	**11,632**	**53,177**	**49,186**	**4,095**	**11,247**	**1,436**	**1,915**	**12,108**	**23,254**	**485**	**236**	**4,516**	**3,298**	**18,336**	**18,062**	**528,916**	**567,159**
Share of renewable sources in total energy consumption (%)	93%	97%	9%	7%	76%	68%	1%	4%	19%	22%	99%	99%	68%	100%	29%	28%	75%	73%	50%	52%
Total energy consumption (MWh) (calculated as the sum of lines 6 and 11)	**451,806**	**463,434**	**175,053**	**170,738**	**70,291**	**72,331**	**295,288**	**311,944**	**7,491**	**8,551**	**12,193**	**23,390**	**717**	**236**	**15,487**	**11,598**	**24,522**	**24,762**	**1,052,847**	**1,086,984**
Weather corrected total [2]	**475,678**	**478,170**	**200,566**	**220,390**	**79,533**	**80,234**	**311,468**	**387,016**	**9,277**	**10,001**	**13,090**	**23,356**	**717**	**236**	**16,618**	**15,561**	**25,165**	**27,559**	**1,132,112**	**1,242,523**
Energy intensity kWh/sqm/year [1, 2]	138	141	103	98	75	75	139	130	85	98	185	202	281	290	101	126	136	141	138	145
Weather corrected energy intensity in kWh/sqm/year [2]	145	145	119	131	84	82	147	181	104	115	202	204	281	290	110	174	142	162	148	165
Annual change in energy intensity in kWh/sqm/year (weather corrected) [2]	1%	–	-9%	–	2%	–	-19%	–	-10%	–	-1%	–	-3%	–	-37%	–	-12%	–	-10%	-
Total solar PV [2]																				
Installed capacity (photovoltaic cells), kWp [2]	2,523	1,820	–	–	720	719	–	–	451	213	–	–	–	–	431	25	24	24	4,148	2,801
Estimated energy production , MWh [2]	1,967	1,101	–	–	1,000	1,000	–	–	381	174	–	–	–	–	377	25	20	20	3,745	2,320

[1] *Based on comparable properties, for more information see the reporting principles in the General Information section. Target: Reduce purchased energy by 2% annually (weather corrected).*
[2] *Poland reports actuals for solar PV energy production.*

E1-6 Gross Scopes 1, 2, 3 and Total GHG Emissions

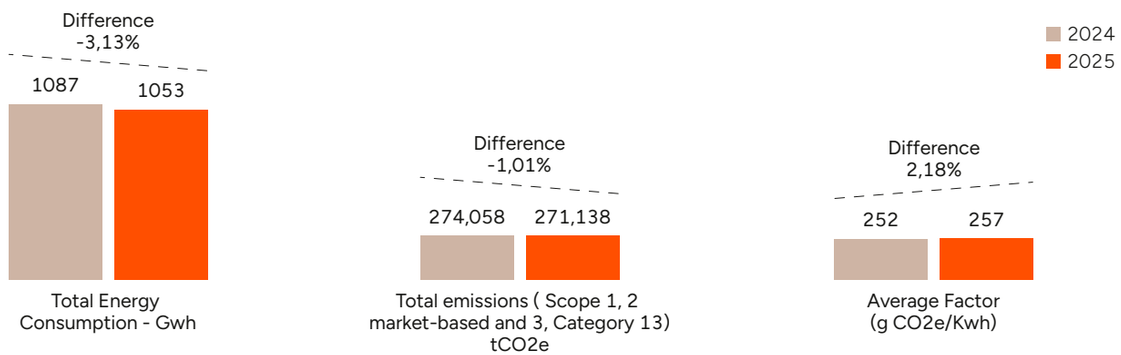
ENERGY INTENSITY PER NET REVENUE

GHG intensity per sqm	2025	2024	%
Total energy consumption per income (MWh/SEK m)	58.5	61.7	-5%
Net Revenue used to calculate GHG Intensity SEK m	18,009	17,609	
Net Revenue other SEK m	–	–	
Net Revenue per financial statemen- SEK m	18,009	17,609	

GHG INTENSITY PER NET REVENUE

tCO_2e/SEK m	2025	2024	%
Total GHG emissions scope 1, 2 (location-based) and 3 category 13	16	17	-6
Total GHG emissions scope 1, 2 (market-based) and 3 category 13	15	16	-6

WEIGHTED AVERAGE EMISSION FACTORS



GHG INTENSITY PER SQM

kg CO_2e/sqm	2025	2024	%
Scope 1 and 2 market-based	15	15	–
Scope 1, 2 market-based and 3 category 13 emissions	25	24	4

GROSS SCOPES AND TOTAL GHG EMISSIONS

tCO_2e	2025	2024	%
Scope 1 GHG emissions			
Gross Scope 1 GHG emission	**23,639**	**20,485**	15%
Of which from property heating	22,241	19,175	16%
Of which from vehicles	1,397	1,311	7%
Scope 2 GHG emissions			
Gross location-based Scope 2 GHG emission	153,041	160,728	-5%
Gross market-based Scope 2 GHG emissions	144,333	133,014	9%
Significant Scope 3 GHG emissions			
Total Gross indirect (Scope 3) GHG emissions	**146,874**	**120,415**	
1. Purchased goods and services	15,860	–	
2. Capital goods	19,132	–	
3. Fuel and energy-related Activities (not included in Scope 1 or 2)	3,515	–	
13. Downstream leased assets	103,166	120,415	-14%
15. Investments	5,201	6,661	
Total GHG emissions scope 1, 2 (location-based), and scope 3	**323,554**	**308,290**	
Total GHG emissions scope 1, 2 (market-based), and scope 3	**314,846**	**280,575**	

The remaining Scope 3 categories each account for less than 0.5% of Scope 3 emissions and are considered immaterial in the context of Heimstaden Bostads's business model and climate priorities. No Biogenic emissions to be reported. The GHG caclulation follows the financial control principles. For details refer to accounting policy.

E3 Water and Marine Resources

E3-1 Policies Related to Water and Marine Resources | **E3-2** Actions and Resources in Relation to Water and Marine Resources
E3-3 Targets Related to Water and Marine Resources | **E3-4** Water Consumption

Tenant water consumption is identified as a material topic due to its environmental impact in the downstream value chain. While Heimstaden Bostad does not operate in marine environments, responsible water use across its property portfolio contributes to sustainable resource management, cost efficiency, and climate resilience. Water related risks such as scarcity, flooding, and infrastructure degradation are integrated into the Company's overall sustainability and risk management strategy, ensuring preparedness for changing climate conditions and local water availability.

Heimstaden Bostad sources all water for its own operations from local municipalities in the countries. The Company does not use surface water or groundwater and does not source water directly from natural water bodies or marine environments. Heimstaden Bostad manages tenant water consumption through continuous monitoring, tenant awareness programs, efficiency upgrades, and targeted investments guided by the Sustainability Policy, Climate Adaptation Catalogue, and Energy Management Guidelines. All policies are available for both internal and external stakeholders on the intranet and on the website. The approach focuses on reducing consumption, preventing leaks, and optimising performance across all properties, with a target to cut tenant water use by at least 1% per square metre annually until 2030 (baseline 2019). Progress against this target is monitored annually.

Topic

- Tenant water consumption

Key Policies and Frameworks

- Sustainability Policy
- Climate Adaptation Catalogue
- Energy Management Guidelines

Key Targets

- Reduce water consumption by at least 1% per square per year until 2030

Key Actions

- Installation of smart water meters.
- Water efficient fixtures
- Integration of water risk assessments into the broader sustainability strategy
- Tenant engagement programs

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Time Horizon: Short-term, medium-term and long-term.

Topic	Sub-Topic	Description	Management	Impact Material	Financial Material	Positive or Negative Impact/ Risk or Opportunity	Actual/ Potential	Value Chain Direction		
								Upstream	Operation	Downstream
Water	Tenant water consumption	Tenants account for most of the water used in Heimstaden Bostad's properties, higher consumption increases energy demand for heating and treatment, raising greenhouse gas emissions and pressure on local water and wastewater systems specially in areas with high water stress and affected during drought periods.	Managed through smart metering, leak detection, and water efficient fixtures supported by tenant awareness and integrated climate adaptation planning.	●		Negative Impact and Risk	Both			●

In 2025, extensive measures improved efficiency and measurement accuracy. Smart meters were installed across multiple markets, enabling real-time monitoring and early leak detection, while outdated fixtures were replaced with water-efficient models. Renovations in Sweden, Finland, and Czechia expanded metering and upgrades, and pilot projects tested heat recovery from wastewater to combine energy and water efficiency. In Sweden Heimstaden Bostad has invested a total of SEK 27 million in the project to install individual water metering for tenants, with the aim of raising awareness of water consumption and making tenants responsible for their own water bills.

Investments in efficient fixtures, metering, and leak prevention reduce operating costs and strengthen resilience to utility price volatility. Combined with tenant engagement and awareness programmes, these measures ensure responsible water use and long-term operational efficiency. Water risk assessments are integrated into broader asset and procurement evaluations to identify high risk locations and inform investment prioritisation.

WATER CONSUMPTION

	Unit	2025	2024	2019 (baseline)
Total water consumption	Million m^3	10,764,608	11,284,001	3,437,108
Total water consumption in areas of high-water stress	Million m^3	136,373	124,372	-
Water Consumption per Million SEK Net Revenue	Million m^3/million SEK Net Revenue	598	641	-
Water Consumption per Million EUR Net Revenue	Million m^3/million EUR Net Revenue	6,466	-	-
Total Building water intensity[1]	m^3 per sqm per year	0.90	1.05	1.3

E5 Resource Use and Circular Economy

E5-1 Policies Related to Resource Use and Circular Economy | **E5-2** Actions and Resources in Relation to Resource Use and Circular Economy | **E5-3** Targets Related to Resource Use and Circular Economy

Heimstaden Bostad addresses resource use and circular economy through responsible material procurement, efficient renovation practices, and waste reduction initiatives guided by the Sustainability Policy, Ecosystem Services and Biodiversity Guidelines and the Procurement Manual. The Company recognises that material inflows and outflows present both environmental and business risks, while circular rennovation and reuse practices offer opportunities for resilience and value creation.

Heimstaden Bostad manages resource use and circular economy impacts through the Sustainability Policy, Procurement Manual and Ecosystem Services and Biodiversity Guidelines, promoting responsible material sourcing, efficient design, and circular renovation. Building on earlier initiatives in circular renovation and high-recycling demolition projects, the Company continues to integrate durable, low-emission, and PVC-free materials into new builds and refurbishments to extend asset life and lower embodied carbon. Modular construction and regional sourcing help minimise waste and transport emissions, while partnerships with recyclers in Denmark and Czechia support reuse and recovery of materials.

As part of this development, the Company is refining procurement and documentation practices so that information on material categories, reuse flows, and waste streams can be organised in a manner that reflects ESRS requirements.

Heimstaden Bostad is also working with external partners and service providers to support a gradual move towards more structured reporting formats that collects better data for circular economy. These efforts will enable clearer insights and will form the basis for future measurable targets for material efficiency and circular performance. This will further enable Heimstaden Bostad to define clear targets, systematically track progress and commit to continuous improvement over time.

Topic

- Resource inflows, including resource use
- Resource outflows related to products and services

Key Policies and Frameworks

- Sustainability Policy
- Ecosystem Services and Biodiversity Guidelines
- Procurement Manual
- Business Partner Principles and Guidelines

Key Actions

- Circular renovation and reuse initiatives in Denmark and Czechia
- Integration of circular design and modular construction in new builds and renovation
- Development of process and systems for quantitative disclosures

SBM-3 Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model

Time Horizon: Medium-term and long-term. Applicable for both material topics below.

Topic	Sub-Topic	Description	Management	Impact Material	Financial Material	Positive or Negative Impact/ Risk or Opportunity	Actual/ potential	Value Chain Direction		
								Upstream	Operation	Downstream
Resource Inflows, including resource use	Inflow - procurement of virgin materials	The procurement of materials such as concrete, steel, and timber presents opportunities to reduce environmental impact and strengthen supply resilience through increased use of recycled content, alternative materials, and efficient design. These approaches can lower carbon emissions, support resource efficiency, and reduce exposure to supply shortages and price volatility	Focused on sustainable sourcing, recycled content, and efficient material design in new builds and refurbishments.		●	Opportunity	Both	●	●	●
Resource outflows related to products and services	Outflow - Reuse and, circular renovation	Renovation and demolition generate waste but also create opportunities for reuse and recycling, reducing embodied carbon and conserving resources.	Material outflows are managed by integrating circular design and modular construction principles into renovation and new build project.	●		Negative Impact and Risk	Both		●	●

Key examples of Resource Use and Circular Economy activities

Inflow

In 2025, Heimstaden Bostad installed 131 full kitchens including countertops, in Denmark at a total cost of SEK 8.5 million. All kitchens installed during the year were Nordic Swan Eco labelled ensuring that environmental considerations were integrated into kitchen procurement. The Nordic Swan Eco label is a third party verified certification covering raw materials, production, use, and end-of-life. The certification supports reduced environmental impact across the product life-cycle and aligns with Heimstaden's priorities for responsible resource-use and circular economy practices

Outflow

Heimstaden Bostad transformed 150 tonnes of residual window glass into new glass wool insulation as part of a large scale renovation project at the Hostrups Have property in Frederiksberg, Denmark. The project represents an investment of SEK 26 million. The initiative was carried out in collaboration with Heimstaden Denmark, BYENS TAG & FACADE A/S, and Saint Gobain Isover Denmark, building on a circular method developed by Isover to reuse residual glass from energy renovation projects in the production of new glass wool insulation. As part of the project, 5,200 windows were converted into approximately 80,000 m² of glass wool.

A total of 52 apartments were demolished in Czechia, with 51 handled by a demolition partner achieving a recycling rate of over 90%. This ensured that the majority of materials removed from the homes were recovered and prepared for reuse. In total, nearly 8,500 tonnes of materials were recycled or prepared for reuse, supporting a high level of material recovery from demolition activities.

EU Taxonomy

Taxonomy eligible activities have been identified through a detailed review of the Climate Delegated Act (Regulation EU 2021/2139), the Complementary Climate Delegated Act (Regulation EU 2022/1214), the Environmental Delegated Act (Regulation EU 2023/2486), and the amendments to the Climate Delegated Act (Regulation EU 2023/2485).

Fifteen activities have been confirmed as taxonomy eligible within three environmental objectives: Climate Change Mitigation, Climate Change Adaptation, and Transition to a Circular Economy.

These includes: construction and renovation of energy efficient buildings; installation, maintenance, and repair of renewable energy technologies and charging stations; consultancy and professional services related to energy performance and climate risk management; activities promoting circular economy practices such as demolition, material recovery, and reuse. To qualify as taxonomy aligned under Regulation EU 2020/852, an economic activity must: Make a substantial contribution to at least one environmental objective; Cause no significant harm to the remaining objectives (DNSH principle), comply with Minimum Safeguards on social and governance standards and, fulfil the technical screening criteria (TSC).

Alignment has been assessed in accordance with Annex I of the Climate Delegated Act. Each eligible activity undergoes a detailed evaluation to confirm compliance with the TSC and DNSH requirements.Heimstaden Bostad maintains comprehensive governance processes addressing anti-corruption, fair competition, taxation, and human rights to ensure full adherence to the minimum safeguards. Investments are classified as Category A, directly linked to the construction, acquisition, and ownership of energy efficient buildings. Financial metrics such as turnover, capex, and opex are allocated to taxonomy aligned activities through a transparent linkage principle, ensuring that only activities fulfilling technical criteria are included.

In 2025, 22% of turnover was taxonomy aligned under the Climate Change Mitigation objective, representing a slight decrease compared to 2024 due to reassessment of existing EU Taxonomy aligned properties. Capex alignment reached 18%, a decrease from 2024. Capex alignment was higher in 2024 due to the acquisition and ownership of new buildings, while the 2025 alignment reflects only EU Taxonomy aligned capex spend. Heimstaden Bostad remains 100 percent taxonomy eligible contributing to the EU's environmental objectives.

Revenue, capex and opex applied in the reporting templates are derived from the consolidated financial statements presented on pages 131 and 151 in this Annual Report. Revenue corresponds to the amounts disclosed in Rental Income paid by Tenants. Capex are based on additions, renovations and investments Opex reflect expenses presented together with maintenance, repair and service costs included in property expenses and other operating expenses.

The data ensures full consistency between the financial statements and the taxonomy reporting templates, reflecting the same accounting principles and consolidation scope applied throughout the Annual Report.

The economic activities included in the EU Taxonomy alignment are fully presented in the taxonomy tables, with compliance with the technical screening criteria, including EPC A or best 15 percent national benchmarks, climate risk assessments and DNSH requirements, assessed and documented in accordance with the Climate Delegated Act. Heimstaden Bostad does not carry out any nuclear or fossil gas related economic activities, and these activities are therefore not applicable to the EU Taxonomy disclosure.

SUMMARY OF TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

	Taxonomy eligibility in %		Taxonomy-alignment in %	
	2025	2024	2025	2024
Turnover	100	100	22	26
Capex	100	100	18	25
Opex	100	100	4	4

Taxonomy-aligned Turnover

	Year			Substantial Contribution Criteria						DNSH Criteria ('Does No Significant Harm') (h)									
Economic activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Bio-diversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Bio-diversity (16)	Minimum Safeguard (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		SEK million	%	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Aquisition and ownership of buildings	CCM 7.7	3,487	22.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	25.9%		T
Turnover of eligible Taxonomy-aligned activities (A.1)		**3,487**	**22.0%**	**78.0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**-**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**25.9%**		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0.0%	E	
Of which Transitional		3,487	22.0%	0%						-	-	-	-	-	-	Y	25.9%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Aquisition and ownership of buildings	CCM 7.7	12,404	78.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								**74.1%**		
Turnover of Taxonomy-eligible not but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**12,404**	**78.0%**	**78.0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**74.1%**		
A. Turnover of Taxonomy eligible activities (A1+A2)		**15,892**	**100%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		0	0%																
TOTAL		**15,892**	**100%**																

Taxonomy-aligned Capex

	Year			Substantial Contribution Criteria						DNSH Criteria ('Does No Significant Harm') (h)									
Economic activities (1)	Code (a) (2)	Capex (3)	Proportion of Capex, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Bio-diversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Bio-diversity (16)	Minimum Safeguard (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Capex, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		SEK million	%	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	300	7.0%	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	Y	-	-	Y	3.9%	E	-
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4		0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0.0%	E	-
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	28	0.7%	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0.1%	E	-
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	8	0.2%	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0.1%	E	-
Acquisition and ownership of buildings	CCM 7.7	434	10.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	21.0%	-	T
Professional services related to energy performance of buildings	CCM 9.3	6	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0.0%	E	-
Demolition and wrecking of buildings and other structures	CE 3.3	2	0.0%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	-	Y	Y	0.0%	E	-
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**778**	**18.2%**	**18.2%**	**0%**	**0%**	**0%**	**0%**	**0%**	**-**	**Y**	**-**	**-**	**-**	**-**	**Y**	**25.0%**		
Of which Enabling		343	8.0%	8.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	Y	-	-	-	-	Y	4.1%	E	
Of which Transitional		434	10.2%	10.2%						-	Y	-	-	-	-	Y	21.0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Aquisition and ownership of buildings	**CCM 7.7**	**3,496**	**81.8%**	**EL**	**EL**	**EL**	**EL**	**EL**	**EL**								**75.0%**		
Capex of Taxonomy-eligible not but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**3,496**	**81.8%**	**81.0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**75.0%**		
A. Capex of Taxonomy eligible activities (A1+A2)		**4,274**	**100%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		0%	0%																
TOTAL		**4,274**	**100%**																

Taxonomy-aligned Opex

	Year			Substantial Contribution Criteria						DNSH Criteria ('Does No Significant Harm') (h)									
Economic activities (1)	Code (a) (2)	Opex (3)	Proportion of Opex, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Bio-diversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Bio-diversity (16)	Minimum Safeguard (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Opex, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		SEK million	%	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.5	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	Y	-	-	Y	0.1%	E	-
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0.0%	E	-
Acquisition and ownership of buildings	CCM 7.7	141.0	4.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	4.0%	-	T
Professional services related to energy performance of buildings	CCM 9.3	0.7	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0.1%	E	-
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**141**	**4.3%**	**4.4%**	**0%**	**0%**	**0%**	**0%**	**0%**	**-**	**Y**	**-**	**-**	**-**	**-**	**Y**	**4.1%**		
Of which Enabling		-	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	-	Y					Y	0.1%	E	
Of which Transitional		141	4.0%	4.0%						-	Y	-	-	-	-	Y	4.0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Aquisition and ownership of buildings	CCM 7.7	3,109	96.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								95.8%		
Capex of Taxonomy-eligible not but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**3,109**	**96.0%**	**96%**	**0%**	**0%**	**0%**	**0%**	**0%**								**95.8%**		
A. Opex of Taxonomy eligible activities (A1+A2)		**3,250**	**100%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		0	0%																
TOTAL		**3,250**	**100%**																

Accounting Policies – Environment

ESRS DR	Datapoint/Metric	Accounting Policy
Entity specific metric	Scope and Boundaries	Data collection and consolidated data provided in the report has been compiled from various systems for all countries. Comparable properties: Properties with the full year's (01.01.2025-31.12.2025) energy and water data, where Heimstaden Bostad is on the contract for energy and water supply to the property.
Entity specific metric	Environmental Certificates	Environmental certificates are accounted for based on the total sqm covered by certifications across the portfolio.
Entity specific metric	Homewowners Association (HOA)	Heimstaden Bostad follows the financial control approach under the GHG Protocol. Energy and water consumption from Homeowners associations (HOAs) is reported under Scope 1 and 2 if Heimstaden Bostad holds 50% or more ownership or voting rights. Otherwise, it is reported under Scope 3. Country-specific approaches vary based on data availability.
Entity specific metric	Energy Performance Certificates (EPCs)	Data on energy performance certificates (EPC's) is collected for all countries where Heimstaden Bostad operates. In countries where there is no equivalent EPC standard, Heimstaden Bostad estimates the EPC using methods equivalent to those in other European countries. The standards of EPCs and their grades differ greatly between the nine countries where Heimstaden Bostad owns properties. This creates challenges in comparing the performance between countries and in preparing a consolidated overview of the Group's performance. Heimstaden Bostad is tracking EPC label improvements on unit level, therefore, in 2025 the number of units is disclosed. The number of units includes both residential and commercial units, and therefore will differ from the number of homes.
E1-5	Electricity Consumption	In general, the Sustainability Report covers electricity used in the common areas of a building. Electricity is 100% renewable.

ESRS DR	Datapoint/Metric	Accounting Policy
E1-5	Energy Consumption and Mix	This report covers energy purchased by Heimstaden Bostad (scope 1 and 2), and does not include tenant energy data when they have their own energy supply contracts (scope 3, category 13). Energy data includes heating and electricity consumption, which is collected quarterly and annually in all nine countries in different systems and consolidated in a digital platform for the Sustainability Report. Heimstaden Bostad, the tenant, or a Homeowner Association, could be the contracting party responsible for providing energy for the tenant space. This varies from country to country, thus affecting the amount of energy Heimstaden Bostad purchases in each country. In cases where actual energy consumption data was unavailable from suppliers during the preparation of the Sustainability Report, estimates have been used to account for the missing data. Estimations are based on local expertise in each country, using historical data, energy performance certificates, and/or the best available statistics. Calculation methodology was changed from 2024 leading to restating energy intensity and weather corrected intensity for 2024 for comparable numbers. The current calculation reflects the consumption for the areas where Heimstaden Bostad in on the contract.
E1-5	Heat Consumption	Energy use for heating is often procured by Heimstaden Bostad and is therefore included in the reporting for Sweden, Germany, Norway, Czechia, Denmark, Poland, and Finland. In The Netherlands and the UK, most of the tenants have individual energy contracts, limiting Heimstaden Bostad's access to their data. Consequently, the reporting only includes heating data for a select subset of properties in these regions. Heimstaden Bostad uses conversion factors from the local energy suppliers to convert litres of oil and cubic metres of natural gas into MWh. For the fuel mix of district heating, a similar approach is applied, using emission factors from local energy suppliers. Emission factors for heating are from 2024, if emission factors for 2025 were not available. Heating produced with heat pumps, or other electricity heating, is reported under electricity consumption.

ESRS DR	Datapoint/Metric	Accounting Policy
E1-6	Gross Scopes 1, 2, 3 and Total GHG Emissions	Emission factors are collected annually and consolidated in a digital platform for the Sustainability Report. • Reported Scope 1 emissions derive from fuel combustion where Heimstaden Bostad has contracted the energy supplier for property heating, from leakage of refrigerants, and from fuel used in Company-owned and leased service vehicles. • Reported Scope 2 emissions derive from purchased heating, cooling, and electricity in the properties where Heimstaden Bostad is on the contract. • Reported Scope 3 emissions for 2024 and 2025 cover all categories applicable to Heimstaden Bostad's organisation. GHG data in this report is collected and reported in accordance with the GHG Protocol financial control approach. Gases included in the calculations are mainly CO_2 and CH_4 but can also include refrigerants or CH_2 and N_2O used in the production of district heating. Emission factors for market-based calculations are obtained directly from the energy suppliers. Emission factors from the Association of Issuing Bodies (AIB) are used for electricity scope 2 location-based, and from Exiobase for Scope 3 category 1 and 2. For scope 1, 2 and 3 category 3 and 13 Heimstaden Bostad uses emission factors from International Energy Agency (IEA) and The Department for Environment, Food and Rural Affairs of the Government of the United Kingdom (DEFRA) for different energy fuels. The global warming potential (GWP) rates from the IPCC's Fourth Assessment Report are used for refrigerants. Emission factors for electricity are from 2025, while for heating they are mainly from 2024 and some from 2023. Heimstaden Bostad reports Scope 3 emissions for Category 13 (tenant energy use, excluding waste), as it is a key contributor to the total carbon footprint. Calculations are based on the Energy Performance Certificate (EPC)-based estimates, applying standardised kWh per square meter values.

ESRS DR	Datapoint/Metric	Accounting Policy
E1-6	Gross Scopes 1, 2, 3 and Total GHG Emissions	To ensure accuracy, country-specific methodologies are applied that reflect differences in energy management and reporting requirements. Heimstaden Bostad has a Supplier Engagement target (part of our SBTi-approved climate target) where Category 1 is addressed, which is the other major Scope 3 area. The 2025 figures are included to track progress toward Heistaden Bostad's climate targets. New acquisitions made during the reporting year are excluded from the calculations, as they have no material impact on the final numbers. For emissions calculations, 100% of Scope 3, Category 13 emissions are estimated. Emissions from Kojamo Oyj are accounted for under Scope 3 Category 15 Investments based on the Group's 20 percent ownership share. The reported emissions represent 20 percent of Kojamo Oyj's Scope 1 and Scope 2 emissions and are included with a one year reporting lag
E1-6	Baseline Recalculation	For each acquisition and divestment, Heimstaden Bostad's total GHG emissions may change. Heimstaden Bostad has set 2020 as the base year and developed base year recalculations principles in line with the GHG Protocol. Recalculations of the base year are necessary to enable comparison of emissions and to track development on a like-for-like basis over a longer period.
Entity specific metric	Share of Spend from Suppliers that have SBTi based Targets	Share of spend from suppliers that have SBTi based targets is calculated by consolidating the total spend with suppliers with SBTi based targets and dividing it by the total spend (excluding Heimstaden Bostad, energy, rent and capital goods).
EU Taxonomy	Alignment calculation	Service income is excluded from taxonomy-aligned revenue. Where an entire building is classified as taxonomy-aligned for revenue purposes, income related to associated parking spaces also considered. Revenue from the sale of assets is excluded from taxonomy alignment, irrespective of the building's EPC classification.
E3	Water Consumption	Water consumption is reported quarterly and annually in all nine countries in different systems and consolidated in a digital platform for the Sustainability Report.
Third-party validation	Environmental Metrics	The metrics have not been subject to separate third-party verification, other than the limited assurance provided by EY in accordance with CSRD requirements.

S1 Own Workforce

S1-5 Targets Related to Managing Material Negative Impacts, Advancing Positive impacts, and Managing Material Risks and Opportunities

People are the foundation of Heimstaden Bostad's long-term value, commited to creating a supportive and inclusive culture that promotes fairness, health, and development across all parts of organisation.

Heimstaden Bostad supports all of its workforce through fair treatment, safe work environments, and equal access to development, guided by core people and safety policies. Working conditions and equal opportunity influence wellbeing, productivity, and the ability to attract and retain talent. Risks related to health, safety, pay equity, and inclusion can affect engagement and operational performance, while strong culture, fair compensation, and inclusive employment offer opportunities for long-term stability and value creation. All material risks and opportunities relate to all workforce, besides Inclusive Jobs.

Topic

- Working condition
- Equal treatment and opportunities for all

Key Policies and Frameworks

- Code of Conduct
  - Including Human Rights and Labour Rights
- The People & Culture Policy and Manual
  - incuding work health & safety, diversity, inclusion & belonging, good leadership, opportunities for growth, and well-being committments

Key Targets

- Engagement target top 25th percentile in the employee satisfaction survey
- 100% completion of Reflect & Act - Personal Development Plan
- Zero unexplained pay gaps (gender or otherwise)
- Maintain voluntary turnover below 15%
- 50/50 gender balance across the organisation
- 190 inclusive jobs by 2026

Key Actions

- Mental health campaign
- Implementation of global gender pay gap system
- Launched EU Pay Transparency Directive implementation
- New Diversity Board appointed for period 2025/2026
- Global DEIB training launched in local languages
- Emerging leadership training programs
- Sustainability workshop for group and countries

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Time Horizon: short-term, medium-term, long-term. Applicable for all material topics below.

Topic	Sub-Topic	Description	Management	Impact Material	Financial Material	Positive or Negative Impact/ Risk or Opportunity	Actual/ Potential	Value Chain Direction		
								Upstream	Operation	Downstream
Working Condition	Work-life balance	High workload periods and unclear expectations can affect well-being, motivation, and engagement. Survey results highlight the need for psychological safety, trust, and better balance.	Managers monitor workload, ensure overtime remains manageable, and apply clear communication routines. Monthly wellbeing themes, micro learning, and flexibility support healthy work routines.	●		Negative Impact	Both		●	
Working Condition	Physical health and safety risk	Employees may face risks from operational tasks and mental strain. Injury rates, illness related absences, and survey feedback reflect the need for continued safety and wellbeing support.	Training covers safety procedures, ergonomics, hazardous materials, and emergency readiness. Wellbeing programmes, safety instructions in all languages, and continuous monitoring of safety metrics guide improvements.	●		Negative Impact	Both		●	
Working Condition	Failure to attract talent	Talent shortages affect service quality, operational capacity, and tenant satisfaction. High turnover or limited internal mobility increases recruitment costs and operational disruption.	Engagement surveys, performance talks, leadership development, and internal succession planning support retention. Turnover is tracked and root causes analysed. Recruitment processes are improved to increase fairness and efficiency.		●	Risk	Both		●	
Equal treatment and opportunities for all	Unequal pay practices	Unexplained pay differences create fairness concerns and compliance risk. Variations across markets make consistent wage practices challenging.	Annual compensation reviews based on Mercer methodology address pay gaps. Gender pay gap analyses include factors such as age and performance. Structured wage intervals support fair and competitive pay.		●	Risk	Both		●	
Equal treatment and opportunities for all	Lack of diversity and Inclusion	Limited diversity, especially in leadership roles, reduces representation and may affect innovation, culture, and equal opportunity.	Bias reducing tools, leadership training, flexible holiday models, and targeted recruitment actions promote inclusion. The Diversity Board guides initiatives and partnerships support diverse hiring.	●		Negative Impact	Both		●	
Equal treatment and opportunities for all	Inclusive jobs	Inclusive jobs provide opportunities for people far from the labour market and strengthen social inclusion and representation across the workforce.	Youth positions and social inclusion roles are offered in local organisation with more than fifty employees.	●		Positive Impact	Both		●	

S1-1 Policies Related to Own Workforce | **S1-2** Processes for Engaging with Own Workers and Workers Representatives about Impacts | **S1-3** Processes to Remediate Negative Impacts and Channels for Own Workers to Raise Concerns | **S1-17** Incidents, Complaints and Severe Human Rights Impacts

Heimstaden Bostad manages its workforce through policies that promote fair, safe, and inclusive working conditions. The Company has not identified any operations or geographic areas at significant risk of forced labour, compulsory labour or child labour. These matters were assessed as not material and the related disclosures are therefore not applicable. All workforce related policies are subject to regular review to ensure alignment with regulatory requirements. The policies are available to the employees via the intranet and communicated through mandatory trainings and other ongoing internal communication.

These policies cover work life balance, occupational health and safety, diversity and inclusion, equal pay, ethical conduct, development and human rights, aligning with the UN Guiding Principles, the ILO Declaration and the International Bill of Human Rights. Country Managers supported by the People and Culture function, ensure that the policies are applied consistently across all markets, and employees receive reinforcement through structured onboarding and role specific training.

Dialogue with employees is central to maintaining awareness of working conditions and identifying risks and impacts. Engagement is supported through forums, safety committees, leadership communication, Reflect and Act discussions, one on ones, townhalls, and Diversity Board activities. At present, these actions are embedded in existing processes and day-to-day operations. As a result, no significant dedicated financial resources (capex or opex) have been allocated, nor are material future financial allocations planned.

Employees have multiple channels to raise concerns or seek remedy. The whistleblower channel, administered externally, allows anonymous reporting of misconduct or breaches of the Code of Conduct and other internal polcies as well as laws and regulations. Local grievance channels through managers and People and Culture or the relevant GRC function promote early resolution and accountability, see more in G1 section.

Incident reporting and workforce feedback are captured in internal systems, with all confirmed whistleblowing cases reviewed and reported biannually to the A&GRC Committee. Corrective and preventive actions are taken based on these findings, reinforcing transparency and continuous improvement, supporting a culture grounded in openness and integrity and our commitment to a workplace free from discrimination, harassment, and unethical practices.

The higher number of whistleblowing cases in 2025 reflects increased employee awareness and confidence in reporting mechanisms following targeted whistleblowing training. In addition, several cases concerned issues that would have been more appropriately handled through established local grievance channels.

WHISTLEBLOWING AND DISCRIMINATION CASES

	2025	2024
Number of reported whistleblowing cases	24	9
Number of confirmed whistleblowing cases	5	2
Incidents of discrimination	–	–
Number of reported discrimination/harassment cases from all reported whistleblowing cases	2	1
Number of confirmed harassment cases from all reported whistleblowing cases	2	–

S1-4 Taking Action on Material Impacts on Own Workforce, and Approaches to Mitigating Material Risks and Pursuing Material Opportunities Related to Own Workforce, and Effectiveness of Those Actions | **S1-9** Diversity Metrics | **S1-16** Remuneration metrics

To manage material impacts relating to talent attraction and retention, work life balance, equal treatment, and physical and mental wellbeing, the Company implemented a range of targeted actions in 2025 while preparing further enhancements for 2026. Leadership capability was strengthened through initiatives such as the Heimstaden Academy, New at Leading, learning pathways, and improved Reflect and Act processes. Work life balance is supported through clear workload expectations, manager guidance, and flexible vacation arrangements. Health and safety were reinforced through growth mindset themes, the Mental Health campaign and safety instructions.

Equal treatment and inclusion were strengthened through global diversity, equity, inclusion, and belonging learning, diversity statements in job advertisements, and employer branding with inclusive representation. The new system for gender pay gap analysis was implemented and the European Union Pay Transparency Directive project was launched to ensure full compliance. The recruitment processes were updated through a new system that improves candidate experience and provides stronger data for decision making.

The Diversity Board established for the 2025–2026 period provides long-term governance, oversight, and strategic guidance on equity, inclusion, and belonging. The Board supports equal opportunities across the organisation, promotes inclusive decision making, and fosters a work environment where employees feel respected, valued, and able to contribute their perspectives.

DIVERSITY METRICS

	2025					2024				
	Women (%)	Number of women	Men (%)	Number of men	Total	Women (%)	Number of women	Men (%)	Number of men	Total
Gender split in the Board[1]	33	3	67	6	9	33	3	67	6	9
Gender split in Country Management team[2]	40	32	60	48	80	36	27	64	47	74
Gender split for all managers[3]	38	91	62	151	242	36	83	64	147	230
Gender split all employees[3, 4]	39	726	61	1,137	1,864	39	709	61	1,182	1,891
Under 30 years old	48	117	52	125	242	45	97	56	121	218
Between 30–50 years old	41	417	59	587	1,005[5]	39	413	61	636	1,050[5]
Over 50 years old	31	192	69	425	617	32	199	68	425	624

[1] Target 50-50, incl. CEO
[2] Including Country manager
[3] Entity Specific
[4] Excluding 1 non-declared gender
[5] Total employees includes 1 non-declared gender

REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)

	2025	2024
Gender pay gap	6.21%	7.29%
Annual total remuneration ratio (highest paid individual to the median annual total remuneration for all employees, excluding the highest-paid individual)	7.64	7.94

REFLECT AND ACT

	2025	Target
Completion rate	92.1%	100%

S1-6 Characteristics of the Undertaking's Employees | **S1-7** Characteristics of Non-employee Workers in the Undertaking's Own Workforce

Heimstaden Bostad sets time bound and outcome oriented targets to reduce negative impacts on its workforce, advance positive outcomes, and manage material risks and opportunities identified through its DMA. These targets guide progress on priority areas such as wellbeing, inclusion, pay equity, learning and development, and health and safety. Targets are developed and reviewed annually using insights from employee surveys, team dialogues, and engagement with worker representatives, ensuring that performance tracking and lessons learned directly inform continuous improvement.

A full understanding of the workforce requires detailed information on the characteristics of employees and non-employee workers. Heimstaden Bostad monitors and discloses key demographic data including age distribution, gender representation, employment type, geographical distribution, and other workforce characteristics that support effective planning, management of impacts, and assessment of risks and opportunities. Information about non-employee workers is also included to ensure transparency over individuals whose work is part of the Company's value creation but who are not directly employed.

Non-employee workers consist mainly of external consultants engaged for specific projects or specialist tasks, and they do not form part of the Company's structural workforce.

The number of voluntary turnover for 2025 was 14%, while involuntary reached 15%.

TOTAL NUMBER OF EMPLOYEES (HEAD COUNT)

	2025			2024		
Total number of employees (head count)	Total	Women	Men	Total	Women	Men
Total number of employees	1,864[1]	726	1,137	1,892[1]	709	1,182
Total number of permanent employees	1,697[1]	656	1,040	1,741[1]	650	1,090
Total number of temporary employees	167	70	97	151	59	92
Total number of non-guaranteed hours employees	–	–	–	–	–	–
Total number of full-time employees	1,715[1]	631	1,083	1,774[1]	635	1,138
Total number of part-time employees	149	95	54	118	74	44
Total number of employees who have left undertaking	530			564		
Percentage of employee turnover	29%			30%		

[1] *Includes 1 non-declared gender*

NUMBER OF EMPLOYEES IN COUNTRIES REPRESENTING AT LEAST 10% OF TOTAL NUMBER OF EMPLOYEES

	Czechia	Germany	Sweden	Denmark
Total number of employees	580	333	463	229
Total number of permanent employees	522	305	438	215
Total number of temporary employees	58	28	25	14
Total number of non-guaranteed hours employees	–	–	–	–

CHARACTERISTICS OF NON-EMPLOYEE WORKERS IN THE UNDERTAKING'S OWN WORKFORCE

	2025	2024
Non-employee workers[1]	63	73

[1] *Non-employee workers = contingent workers, external consultants (specific person working on specific project or area, or representing the Company under their period of consultancy)*

S1-13 Training and skills development metrics | **S1-14** Health and safety metrics | **S1-15** Work-life Balance Metrics

The quarterly employee satisfaction survey achieved 95% participation, and provides insight into engagement, inclusion, wellbeing, and leadership support and informs local and organisational action plans.

During 2025, both the scope and quality of the questions in the Employee Engagement Survey were revised. This resulted in a more focused and precise survey, enabling to better identify relevant insights and address improvement actions in a more targeted and efficient manner.

Health and safety metrics in 2025 reflect continued focus on injury prevention, with several positive developments. The number of high-consequence work-related injuries decreased from 18 to 8, resulting in an improved lost time injury frequency rate. While the total number of recordable injuries increased (95 vs. 84), the reduction in high-severity incidents indicates progress in managing the most serious safety risks. No work-related fatalities were recorded in either 2024 or 2025.

The Company's internal policy ensures equal parental leave for all employees, regardless of gender. Employee development is supported through regular performance and career development reviews, in which all employees are enrolled. To strengthen competencies and compliance, 8,031.25 hours of mandatory training were delivered during the reporting period.

HEALTH AND SAFETY METRICS

	2025	2024
Fatalities	–	–
High-consequence work-related injuries (accidents)	8	18
Rate of high-consequence work-related injuries	2.5	5.3
Recordable work-related injuries	95	84
Rate of recordable work-related injuries	29.4	24.6
Lost Time Injury frequency rate (LTIFR)	2.5	5.3
Lost Day Rate (LDR)	93.9	65.7
Incidents	31	32
Absence due to illness	6.7%	5.6%
Number of hours worked	3,226,152	3,418,238
Number of days away	1,515	1,123
Total Recordable Case Frequency (TRCF)	31.9	29.8
Proportion of all employees covered by H&S management system	–	–
Injuries and ill health with regard to travelling for work purposes	–	–

EMPLOYEE ENGAGEMENT SURVEY

	2025	2024
Engagement score	7.8	7.6
Diversity & Inclusion score	8.4	8.7
Health & Wellbeing score	8.3	8.1

[1] *The benchmark for the top 25% in the engagement score is 8.2*

S1-8 Collective Bargaining Coverage and Social Dialogue | **S1-10** Adequate Wages

Dialogue and representation are supported through collective bargaining agreements, structured consultation mechanisms, and regular communication channels.

Collective bargaining agreements apply in Czechia, Sweden, Denmark, and Germany, covering around 56.5% of all employees, with equivalent terms and dialogue structures in other markets. Additional channels include safety committees, leadership communications, Reflect and Act dialogues, and direct engagement with employee representatives. These mechanisms ensure that employees can contribute to developments affecting working conditions and that their perspectives inform workplace improvements, risk management, and the setting and tracking of workforce related targets. Heimstaden Bostad does not track the global percentage of employees covered by workers' representatives, and operates only in the EEA countries.

Heimstaden Bostad ensures that all employees receive an adequate wage, based on national benchmarks and regular compensation reviews. There were no employees who earned below the applicable adequate wage benchmark in 2025.

During 2025, the Inclusive Jobs target was revised to reflect the same proportional relationship as when the original goals were established - that is approximately 10% of the total workforce. This ensures that the target remains representative of the organisation's current size, taking into account the reduction in headcount since the initial targets were set.

COLLECTIVE BARGAINING COVERAGE

Employees – EEA (countries with >50 employees representing >10% total employees)

	2025	2024
0–19%	Germany	Germany
20–39%		
40–59%	Denmark	Denmark
60–79%		
80–100%	Czechia and Sweden	Czechia and Sweden

INCLUSIVE JOBS: SOCIAL INCLUSION POSITIONS AND YOUTH POSITIONS (ENTITY SPECIFIC)

	2025	2024
Inclusive jobs in total[1]	224	263
of which social inclusion positions	14	22
of which youth positions	210	241

[1] *Inclusive jobs is only a focus area once the local organisation has reached 50 employees. Includes all people who have been employed during the year.*

S2 Workers in the Value Chain

S2-1 Policies related to value chain workers | **S2-2** Processes for engaging with value chain workers about impacts | **S2-3** Processes to remediate negative impacts and channels for value chain workers to raise concerns | **S2-4** Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action | **S2-5** Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Heimstaden Bostad is committed to advancing responsible business practices throughout the entire value chain. Strong policy implementation, continuous dialogue with stakeholders, and careful oversight help prevent negative impacts and support positive outcomes for residents, partners, and communities.

Heimstaden Bostad addresses workers in the value chain through established structured governance, policies, and oversight mechanisms to promote responsible business conduct throughout its operations. The Company's approach focuses on managing ethical, social, and compliance-related risks through clear accountability, supplier requirements, and systematic processes for assessment, engagement, and follow-up. These foundations support consistent implementation across markets and provide a framework for addressing risks, incidents, and improvements in a transparent and controlled manner.

Heimstaden Bostad upholds ethical standards through its Code of Conduct and Whistleblowing Policy, ensuring transparency and accountability across operations and the value chain. The Company's zero-tolerance approach to forced labour, child labour, human trafficking, and any human rights violations is reinforced by the Modern Slavery Act and Human Rights Statements, with the Co-CEOs accountable for implementation. All relevant policies are reviewed at least annually to ensure continued relevance and compliance across the value chain, available on Heimstaden Bostad's website.

Topic

- Human rights violations in high-risk countries and categories

Key Policies and Frameworks

- Code of Conduct
  - including human rights and labour rights
- Whistleblowing Policy
- Business Partner Policy and Principles
- Modern Slavery Act Statement
- Human Rights Statement

Key Targets

- 100% of the Company's contracted business partners sign the Business Partner Principles

Key Actions

- Supplier Self-Assessment
- Supplier engagement

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Time Horizon: short-term, medium-term, long-term

Topic	Sub-Topic	Description	Management	Impact Material	Financial Material	Positive or Negative Impact/ Risk or Opportunity	Actual/ Potential	Value Chain Direction		
								Upstream	Operation	Downstream
Working Conditions	Human rights violations in high-risk countries and categories	Workers in the high-risk areas of the vaue chain, such as procurement of solar panels and construction materials, may face human rights violations such as forced labour, child labour, trafficking, or unsafe working conditions. Limited transparency and complex subcontracting create higher exposure to these risks. All Tier 1 suppliers are included in the scope.	Zero-tolerance policy through the Code of Conduct, Modern Slavery Act Statement, and Business Partner Principles. All new suppliers must complete the Supplier Self-Assessment form. Effectiveness is monitored through qualitative methods, including self assessments and risk evaluations.	●		Negative Impact and risk	Both	●		

Business Partner Principles

Heimstaden Bostad's main suppliers by spend are EU-based construction companies operating under turnkey contracts, where contractors hold full responsibility for their own workforce. To ensure responsible business conduct across its value chain, the Company requires all suppliers to adhere to the Business Partner Principles (BPP). The BPP, aligned with the UN Global Compact, define mandatory requirements on human rights, labour conditions, environment, and anti-corruption for all partners and are embedded in supplier contracts. In 2025, the Company reached 68% of new suppliers who had signed the BPP and is developing processes to engage the workers in the value chain in tracking performance against targets and identifying lessons learned.

The Company addresses this matter through established policies, internal procedures and management practices. These actions do not require significant dedicated capex or cpex beyond normal operating activities. Accordingly, no material current or future financial resources have been specifically allocated.

Supplier Assessment and Engagement

The Company identifies and assesses material negative impacts on value chain workers through its supplier due diligence processes. All new supplier contracts require completion of a Supplier Self Assessment form, which includes the BPP as a mandatory component and serves as the primary tool for assessing suppliers against environmental and social criteria. Suppliers operating in higher risk categories are subject to an enhanced due diligence process to identify actual and potential negative impacts on value chain workers, whether systemic or linked to specific business relationships or individual incidents. Identified impacts are primarily related to working conditions and health and safety risks among contractors and service providers, while also considering potential impacts arising from the transition towards greener and climate neutral operations. Supplier engagement includes training and governance meetings with suppliers based on risk, spend, and incidents reported. Workers' views are reflected indirectly through these activities, undertaken at different frequencies depending on their nature, with the insights gathered informing policies and actions. The engagement is led by contract managers with oversight from Group Procurement.

Whistleblowing and Remediation

The Company has implemented proper channels for reporting incidents and legal breaches. Anonymous reporting is available through the whistleblowing channel. The reports are directed to Group first, then to Legal & GRC in countries or People & Culture depending on the category. Serious violations like bribery, corruption, or health and safety breaches lead to termination of contract and, if applicable, are reported to the authorities. Remediation follows the Whistleblowing and Procurement Processes, which define clear investigation steps and corrective actions. The Company engages affected workers and stakeholders to ensure fair outcomes, including compensation where appropriate, contract revisions, and strengthened monitoring to prevent recurrence. Oversight of remediation efforts is conducted by the A&GRC and the GRC function, together with Operations for implementation of remediation efforts. No severe human rigts issues or incidents occurred in 2025.

S4 Consumers and End-Users

S4-1 Policies related to consumers and end-users | **S4-2** Processes for engaging with consumers and end-users about impacts | **S4-3** Processes to remediate negative impacts and channels for consumers and end-users to raise concerns | **S4-4** Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions | **S4-5** Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Heimstaden Bostad's priority is to enhance the customer experience and promote inclusive housing. A strong focus on data protection, health and safety, and social inclusion helps mitigate risks and create long-term value, reinforcing tenant wellbeing, and trust.

Heimstaden Bostad's approach to consumers and end-users is centred on building trust, safeguarding tenant rights, and fostering inclusive and safe living environments. Through structured engagement, clear responsibilities, and robust data protection and safety frameworks, the Company seeks to manage risks related to privacy, health, and security while creating positive social outcomes. This approach supports long-term tenant satisfaction, strengthens community relationships, and underpins consistent service quality across markets.

Heimstaden Bostad's Privacy Policy and Manual set principles for transparent and fair processing of personal data in line with GDPR, ensuring accuracy, minimal collection, and defined retention periods. Additional security measures such as encryption, access control, and incident response, help protect tenant information.

The policy is made available on the intranet. The CLO oversees policy compliance with support from Group Legal & GRC and local Legal & GRC teams or Finance teams. To build on safety and security, the Business Partner Principles and Code of Conduct emphasise sustainability, ethical sourcing, and quality materials to offer healthy and inclusive living space.

Topic

- Data protection and privacy breaches
- Physical health and safety risk
- Inclusive housing

Key Policies and Frameworks

- Code of Conduct
- Business Partner Policy and Principles
- Privacy Policy and Manual

Key Targets

- Customer survey
  - Service Index (Target 72.6)
  - Takes Customer Seriously (Target 75.3)
  - Security Score (Target 74.6)
- 5,000 inclusive housing contracts by 2026

Key Actions

- Customer Satisfaction Survey
- Local events and activities
- Digital privacy training

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Time Horizon: short-term, medium-term, long-term. Applicable for all material topics below.

Topic	Sub-Topic	Description	Management	Impact Material	Financial Material	Positive or Negative Impact/ Risk or Opportunity	Actual/ Potential	Value Chain Direction		
								Upstream	Operation	Downstream
Information related impacts for consumers and/or end users	Data protection and privacy breaches	Failing to comply with data protection laws, such as GDPR, can result in regulatory fines and reputational damage.	Ensuring GDPR-compliant, fair, and transparent data processing supported by Privacy Policies, Manuals, encryption, access control, and clear retention rules. Regular risk assessments, breach notifications, structured remediation, and mandatory training every 18 months strengthen awareness.	●	●	Negative Impact and Risk	Both		●	●
Personal safety of consumers and or end users	Physical health and safety risk	Failure to comply with rigorous standards may result in physical harm or exposure to hazardous conditions, leading to increased vacancy rates, tenant dissatisfaction, and damage to our reputation.	Caretakers receive biannual training and conduct daily oversight of fire systems, lighting, waste handling, playgrounds, and seasonal hazards, supported by legislative compliance and clear internal guidelines.	●	●	Negative Impact and Risk	Both		●	●
Social inclusion of consumers and end users	Inclusive housing	Offering inclusive housing contracts for vulnerable groups and strengthening tenant loyalty and brand reputation by integrating social inclusion principles into our business mode	Partnering with municipalities and organisations to offer inclusive housing solutions, crisis accommodation, tutoring, and support for refugees and vulnerable groups.	●		Positive Impact	Both			●

Engaging with Consumers and End-Users

Heimstaden Bostad fosters open communication and structured engagement to enhance tenant experiences and strengthen local communities. Regular customer satisfaction surveys, including annual and life-cycle-based assessments, help understand expectations and identify improvements. Local events and activities, digital tools such as the MyHome portal, Help Centre, newsletters and other various communication channels ensure tenants have easily accessible information about their homes.

Feedback is integrated into strategy and effectiveness is monitored through satisfaction metrics and survey results, with the Group Directors of Brand & Communications and Customer Care & Insights overseeing consumer and end-user engagement. Tenants can raise their concerns via the Whistleblowing channel anonymously and without fear of retaliation, or through Customer Satisfaction Surveys, MyHome portal, or email, where a dedicated response teams will handle the complaints in an efficient and transparent manner. In 2025 there were zero severe human rights incidents, and no cases of non-respect of international guidelines involving consumers.

Data Protection and Privacy Breaches

The Company ensures fair and transparent processing of personal data by clearly identifying the legal basis for all activities and informing tenants of their rights. Regular risk assessments identify and address privacy risks, and data breaches are promptly reported to the Group Legal & GRC team, relevant authorities, and affected individuals when necessary. Non-conformities are escalated to Country Managers with follow-up actions to prevent recurrence. Critical issues are escalated to the CLO. The Country Privacy Forum and Executive GRC & Internal Control Committee drive continuous improvement and risk oversight. All employees complete digital privacy training every 18 months, supplemented by local sessions based on risk exposure.

Physical Health and Safety Risks

Heimstaden Bostad complies with all relevant legislation and authority guidelines to ensure safe living environments. The Facility

Management oversees implementation of the physical health and safety risks measures, with performance monitored through inspections, tenant satisfaction surveys, and compliance checks.

Inclusive Housing

Across the markets, Heimstaden Bostad works with authorities and NGOs on initiatives that support inclusive housing. This includes collaboration with municipalities in Denmark to provide access to selected homes for people at risk of homelessness, and partnerships in Czechia with NGOs to deliver social housing and support transitional homes for young people leaving care. The Company addresses these matters through day-to-day operations. These actions do not require significant dedicated capex or opex beyond normal operating activities. Accordingly, no material current or future financial resources have been specifically allocated.

LOCAL COMMUNITY TARGETS AND TRACKING

	2025	2024
Inclusive housing contracts in total	4,889	4,977

Customer Score Cards

Heimstaden Bostad's 2025 Customer Score Card survey, completed in October 2025, shows continued progress across all key areas, reflecting growing tenant trust and satisfaction:

- Overall Satisfaction reached 77.2 (+5.7 points) marking a significant increase in trust and positive sentiment towards Heimstaden Bostad as a landlord.
- Service Index improved to 74.8 (+3.5 points), with notable gains in "Taking the customer seriously" and "Help when needed."
- Product Index averaged 72.2 (+2.4 points), indicating better home quality, comfort, and maintenance. Tenants highlighted improvements in shared spaces and outdoor areas.
- Sustainability Index rose to 67.5 (+4.9 points) as tenants increasingly recognise visible environmental and social improvements in their living environments.

These results confirm that Heimstaden Bostad's focus on listening to tenants, improving digital self-service tools, and enhancing operational quality is strengthening relationships and customer loyalty.

CUSTOMER SCORE CARDS (ENTITY SPECIFIC)

Service index (scale 0–100)

	2025	2024
Total (weighted average)[1]	**74.8**	**71.3**
Sweden	78.6	76.5
Germany	53.8	51.5
Denmark	74.1	72.8
Czechia	77.2	72.6
Netherlands	67.8	62.2
Norway	79.4	79.1
United Kingdom	72.1	78.1
Poland	87.9	87.5
Finland	79.1	76.4

[1] *Target 72.6 for 2025*

Takes customer seriously (scale 0–100)

	2025	2024
Total (weighted average)[1]	**78.2**	**73.8**
Sweden	82.5	80.6
Germany	47.3	43.1
Denmark	75.7	73.9
Czechia	82.4	78.6
Netherlands	66.9	55.4
Norway	87.8	85.8
United Kingdom	73.6	75.9
Poland	89.5	89.3
Finland	82.1	75.7

[1] *Target 75.3 for 2025*

Security score (scale 0–100)

Security score (scale 0–100)	2025	2024
Total (weighted average)[1]	**76.2**	**73.6**
Sweden	79.6	77.4
Germany	60.3	58.7
Denmark	77.4	77.8
Czechia	75.8	70.9
Netherlands	72.1	69.5
Norway	76.8	76.4
United Kingdom	79	82.1
Poland	91.8	90.1
Finland	75	75.3

[1] *Target 74.6 for 2025*

G1 Business Conduct

G1-1 Business conduct policies and corporate culture | **G1-2** Management of relationships with suppliers | **G1-3** Prevention and detection of corruption and bribery | **G1-4** Incidents of corruption or bribery | **G1-6** Payment practices

Heimstaden Bostad upholds strong business conduct through strict compliance with laws, clear ethical expectations, and continuous training of employees to raise and maintain awareness that fosters a culture of accountability. Robust governance practices reduce exposure to corruption, bribery, misuse of resources, and other integrity related risks, ensuring responsible and transparent operations across the organisation.

Business Conduct

The ethical standards and way of work in Heimstaden Bostad is guided by the Key Policy Framework, centered around the Code of Conduct which aligns with the UN Global Compact and other internationally recognised standards and norms. The Code of Conduct set the ethical standards and clearly stipulates the Company's positions on zero tolerance for corruption, fraud, discrimination, harassment, and other forms of misconduct, also addressing the Company's commitments in relation to human rights, working conditions and the environment.

The Key Policy Framework, including its detailed manuals and guidelines, applies to all employees and consultants of the Company, including the Group Manager within its execution of the Group Management Agreement, as well as all members of the Board of Directors. It is regularly reviewed and updated when necessary, with the Code of Conduct and other selected policies being presented to the Board of Directors for approval. See page 70 in the Governance Report for details on the Key Policy Framework.

Topic

- Corruption and Bribery

Key Policies

- Code of Conduct
- Group and Country Authorisation Matrices
- Whistleblowing Policy
- Anti-Corruption Policy and Manual
  - Gifts and Hospitality guideline
- Business Partner Policy and Procurement Manual
  - Business partner principles
  - Know Your Counterparty (KYC) Questionnaire
- Insider Policy and Manual
- Group Accounting Manual
- Memberships, Sponsorships, Sustainability Partnerships & Donations Guideline

Key Actions

- Dedicated mandatory training for employees
- Awareness campaigns
- Supplier management

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Time Horizon: short-term, medium-term, long-term

Topic	Sub-Topic	Description	Management	Impact Material	Financial Material	Positive or Negative Impact/ Risk or Opportunity	Actual/Potential	Value Chain Direction		
								Upstream	Operation	Downstream
Corruption and Bribery	Corruption and Bribery	Corruption, bribery and misuse of resources pose significant integrity risks that can undermine trust, distort fair competition, and expose the Company to legal and reputational harm.	Zero tolerance policy through the Code of Conduct, Anti-Corruption Policy, Business Partner Principles, and Insider Policy supported by due diligence, supplier self-assessment, sanction screening, and mandatory trainings for all employees.		●	Risk	Both	●	●	●

Management Responsibility

The Group Manager sets strategy on all GRC initiatives for the Company, including the Key Policy Framework, and exercise oversight and monitoring through its GRC function, while local GRC functions ensure local adaption and implementation. A structured compliance management system is applied for implementation and follow-ups, with regular reporting to the Group Manager who, through its Executive GRC & Internal Control Committee, in turn reports to the A&GRC Committee. For more information, see the Governance Report page 64.

The Board of Directors' sustainability-linked competence was assessed via a survey, with 44% answering good, 56% answering satisfactory, signaling that all members have ESG-related expertise.

Mandatory Employee Training

All employees undergo training in relation to the Key Policy Framework, as well as on specific policies and manuals relevant for their function, both as part of onboarding and recurringly with mandatory training courses, running over an 18 month interval. All employees receive annual refresher in the Code of Conduct, ensuring awareness and yearly confirmation. The ethical culture is strengthened through continuous training and dialogue and a culture of speaking up is fostered.

Supplier Management

Through the Business Partner Principles, which all external suppliers are to adhere to, the Code of Conduct is extrapolated to the Company's suppliers who are consequently held to the same standard as the Company and its employees.

In addition to adhering to the Business Partner Principles, external providers are assessed on ethics and sustainability as part of supplier due diligence, including KYC checks and sanction screening, applying a risk based approach. The Company recurringly assesses the level of compliance by the supplier through screening, self-assessment questionnaires, and governance meetings. In Norway, due diligence is extended in accordance with the Norwegian Transparency Act.

Whistleblowing

An independent whistleblowing channel is available to employees, customers, and external stakeholders for reporting concerns related to irregularities, unlawful behaviour, or breaches of the Code of Conduct or other parts of the Key Policy Framework. The system may be accessed via the Company's website or intranet. There is zero tolerance for retaliation or discrimination against any individual who reports concerns in good faith, in accordance with EU whistleblower protection regulations. Breach of the Code of Conduct or other parts of the Key Policy Framework may lead to disciplinary action and, when necessary, reporting to authorities. The system is owned and managed by an external third party to ensure anonymity and confidentiality, and all reported cases are assessed and handled in accordance with the Whistleblowing Policy. The Board receives biannual updates on reported whistleblowing cases. For the full overview of the whistleblowing cases, see page 105.

Bribery and Corruption

To prevent risks associated with bribery and corruption, including financial risk, liabilities and reputational damage as well as stakeholder trust,

Heimstaden Bostad addresses these topics within its policy framework, including the Code of Conduct.

In addition to the zero tolerance towards corruption and bribery stated in the Code of Conduct, Heimstaden Bostad has further emphasised its commitment to these issues by adopting an Anti-Corruption Policy and Manual and related guidelines, aligning with the United Nations Convention against Corruption. These documents provide each employee more detailed guidance on how to act and the tools to identify permitted and non-permitted activities, setting a foundation for sound decision making throughout the organisation.

The Anti-Corruption Policy and its related documents are part of the mandatory employee training program, and the trainings covers the policy, definition of corruption, procedures for detection and reporting of suspicion. All employees, including all employees in functions-at-risk, such as investment teams, completed mandatory anti-corruption training.

Corruption risks are integrated into the Risk Tool, and the risks are thereby monitored, reviewed, and updated each quarter by relevant local teams and then consolidated to the top risk register by the Group Manager. The top risk register is reviewed twice each year by the A&GRC Committee and the Board of Directors.

Incidents of Corruption or Bribery

There was one confirmed case of corruption in 2025. The case was isolated to one country and one city only, resulting in the dismissal of an employee. Investigation and mitigating actions that were completed in 2025 include an update of system routines to ensure proper approval processes in the relevant country. Internal Audit had a specific audit to focus on approval processes (across all countries), no further findings related to this issue.

Payment Practices

The Company's Procurement Manual defines standard contract and invoicing terms. Standard payment terms require a minimum of thirty days from the date of invoicing, and the Company's practice is to ensure that all invoices are paid in full within the due date. No differentiation is applied to payment terms for different categories of suppliers. There are no legal proceedings currently outstanding relating to late payments.

CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY

	2025
Number of reported cases of corruption or bribery from all reported whistleblowing cases	5
Number of confirmed incidents of corruption or bribery	1
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	1
Number of convictions for violation of anti-corruption and anti- bribery laws	-
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	-
Amount of fines for violation of anti-corruption and anti- bribery laws	-

Accounting Policies

ESRS DR	Datapoint/Metric	Accounting Policy
Entity specific	Employee engagement survey	Employee engagement survey scores are reported annually to track employee engagement, diversity & inclusion, and health & well-being across the organisation. These scores are benchmarked against the top 25th percentile to assess performance relative to industry standards.
Entity specific	Inclusive jobs	Inclusive jobs reported include social inclusion positions and youth positions.
Entity specific	Social inclusion positions	Employment for individuals far from the labour market, such as recently arrived immigrants, longtime unemployed, or people with disabilities.
Entity specific	Youth positions	Employment for individuals under 25 years old.
S1-6	Characteristics of the undertaking's employees	Employee data pertains to Heimstaden Bostad. The HR system underpins all employee data. All employee data in this report is based on the data from the last day of the reporting period, unless otherwise stated. Headcount principle is used. The headcount includes summer jobs, interns, students or people on long-term leave. Employee data is collected annually.
S1-6	Turnover	Number of employees who leave voluntarily or due to dismissal, retirement, or death in service, divided by the headcount.
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Heimstaden Bostad reports on non-employee (contingent) workers with an estimation of the total number of workers who are not employees and whose work is controlled by Heimstaden Bostad. It is reported as headcount at end of the reporting period. Examples of non-employee workers in own workforce can be facility management (caretakers, cleaners), property management (repairs, plumbers, electricians, maintenance), staff (finance, procurement, People & Culture, marketing), and construction (workers on the building/construction projects/sites).

ESRS DR	Datapoint/Metric	Accounting Policy
S1-8	Collective bargaining coverage and social dialogue	The percentage of employees covered by collective bargaining agreements is calculated by headcount number of employees covered by collective bargaining agreements divided by headcount number of employees. For reporting purposes, countries with more than 50 employees and representing more than 10% of total employees are included in the coverage assessment.
S1-9	Diversity metrics	The gender and age distribution is calculated from headcount.
S1-13	Training and skills development metrics	The data is collected annually from employee performance reviews, and from the employee intranet.
S1-14	Health and safety metrics	Health and safety data includes rate of fatalities, non-fatal accidents, work-related ill health, and workdays lost. It covers employees from Heimstaden Bostad and is based on accidents and incidents that occurred during the reporting year.
S1-14	Fatality	A high-consequence work-related injury; a work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.
S1-14	High-consequence work-related injuries (accidents)	Accidents at work resulting in sick leave. Fatalities are not included in this consolidation.
S1-14	Rate of high-consequence work-related injuries	Number of high consequence work-related injuries excluding fatalities divided by Number of hours worked times 1,000,000.

ESRS DR	Datapoint/Metric	Accounting Policy
S1-14	Recordable work-related accident	Incidents at work resulting in an accident, but no sick leave.
S1-14	Rate of recordable work-related injuries	Number of recordable work-related injuries divided by Number of hours worked times 1,000,000.
S1-14	Recordable work-related injuries:	Incidents at work resulting in an injury, but no sick leave.
S1-14	Recordable work-related ill health	Incidents at work resulting in ill health, but no sick leave.
S1-14	Incident	Incident or risk for people or properties.
S1-14	Absence due to illness	Short term and long term sick leave hours divided by All working hours
S1-14	Number of hours worked	Number of hours of all employees worked in the reporting period.
S1-14	Lost Time Injury frequency rate (LTIFR)	Number of lost time injuries in the reporting period times 1,000,000 divided by Total hours worked in the reporting period.
S1-14	Number of days lost	Sick leave days in total, including injuries that occurred prior to the reporting year with sick leave extending into the reporting year. The numbers from 2024 are restated for comparability.
S1-14	Lost Day Rate (LDR)	Total Number of Lost Days times 200,000 divided by Number of Employee Labour Hours Worked.

ESRS DR	Datapoint/Metric	Accounting Policy
S1-15	Work-life balance	Percentage of employees entitled to take family-related leave.
S1-16	Annual total remuneration ratio	Calculated from the base monthly salary (annualised) pro-rated, bonuses and one-time payments. The number from 2024 is restated for comparability.
S1-16	Gender pay gap	Calculated from the base monthly salary (annualised) on a full-time basis. Overtime pay or bonuses are not included. Only includes permanent and fixed term employees. The number from 2024 is restated for comparability.
S1-17	Incidents, complaints and severe human rights impacts	The data is mainly collected via the whistleblowing function that can be accessed anonymously. To manage these cases, Heimstaden Bostad has established dedicated Whistleblowing committees. Whistleblowing cases are handled through a neutral third party on a secure digital platform, ensuring anonymity and preventing retaliation risk. Whistleblowing cases are reported to the Board of Directors on a quarterly basis.
Entity specific	Customer Score Card	The Customer Score Card survey is done yearly in all countries. The survey platform consolidates data on Service index (scale 0–100), Takes customer seriously (scale 0–100), and Security score (scale 0–100). The reported percentage represents the proportion of customers who rated their experience as "satisfied" or "very satisfied" on the Customer Score Cards.
Entity specific	Inclusive Housing Contracts	Inclusive Housing Contracts data is collected quarterly in the countries in different systems and consolidated in a digital platform for the Sustainability Report. Numbers are reported for relevant countries.
G1-4	Confirmed incidents of corruption or bribery	Number of confirmed incidents of corruption or bribery reported via the whistleblowing function.
Third-party validation	Social metrics	The metrics have not been subject to separate third-party verification, other than the limited assurance provided by EY in accordance with CSRD requirements.

Sustainability Report

Appendix

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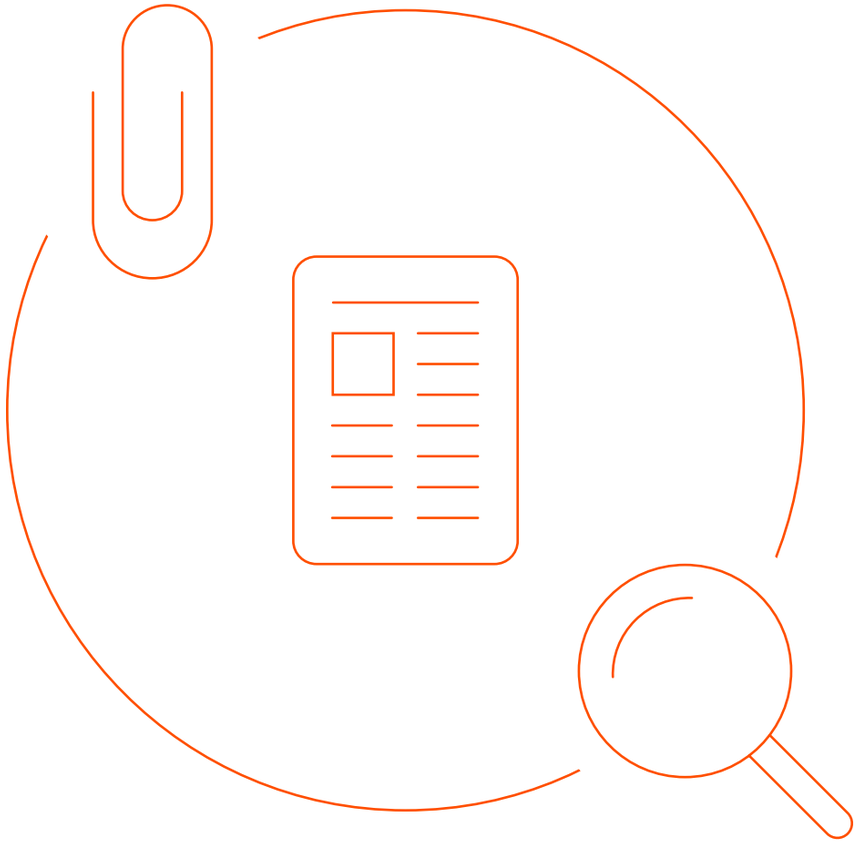

ESRS2 GOV-4 Report on Due Diligence

Core elements of Due Diligence	Paragraphs or pages in the Sustainability Report	Does the disclosure relate to people and/or the environment?
a) Embedding due diligence in governance, strategy and business model	ESRS 2, GOV-1 page 62, 64–66, 74	People and Environment
	ESRS 2, GOV-2 page 74	People and Environment
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	ESRS 2 SBM 3 S1 page 104	People
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b) Engaging with affected stake-holders in all key steps of the due diligence	ESRS 2, GOV-2 page 74	People and Environment
	ESRS 2 SBM-2 page 76	People and Environment
	ESRS 2 IRO-1 page 77	People and Environment
	E1-2 page 86	Environment
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c) Identifying and assessing adverse impacts	ESRS 2 IRO-1 page 77	People and Environment
	ESRS 2 SBM 3 page 68–69	People and Environment
	ESRS 2 SBM 3 E1 page 85	Environment
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	ESRS 2 SBM 3 S2 page 111	People
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d) Taking actions to address those adverse impacts	IRO-1 page 77	Environment
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	E3-2 page 93	Environment
	E5-2 page 95	Environment
	S1-4 page 106	People
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	S4-4 page 112	People
e) Tracking effectiveness of these efforts and communicating	E1-4 page 80	Environment
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	E1-9 - not material	Environment
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List of Datapoints in Cross-cutting and Topical Standards that Derive from Other EU Legislation

Disclosure Requirement and Related Datapoint	SFDR (23) Reference	Pillar 3 (24) Reference	Benchmark Regulation (25) Reference	EU Climate Law (26) Reference	Page Number
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1	Employee engagement survey scores are reported annually to track employee engagement, diversity & inclusion, and health & well-being across the organisation. These scores are benchmarked against the top 25th percentile to assess performance relative to industry standards.	Commission Delegated Regulation (EU) 2020/1816 (27) , Annex II		62
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		62
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				121
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		-
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		-
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29) , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		-
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		-
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	80–81
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		80

Disclosure Requirement and Related Datapoint	SFDR (23) Reference	Pillar 3 (24) Reference	Benchmark Regulation (25) Reference	EU Climate Law (26) Reference	Page Number
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		81
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				90–91
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ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				91–92
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		92
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	-
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		-
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) **ESRS E1-9** Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			-
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			-
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		-

Disclosure Requirement and Related Datapoint	SFDR (23) Reference	Pillar 3 (24) Reference	Benchmark Regulation (25) Reference	EU Climate Law (26) Reference	Page Number
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				-
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				93
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				93
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				-
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				-
ESRS E3-4 Total water consumption in m 3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				94
ESRS 2- SBM 3 E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				94
ESRS 2- SBM 3 E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				94
ESRS 2- SBM 3 E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				94
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				-
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				-
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				-
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				-
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				-
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				104
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				104
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				105

Disclosure Requirement and Related Datapoint	SFDR (23) Reference	Pillar 3 (24) Reference	Benchmark Regulation (25) Reference	EU Climate Law (26) Reference	Page Number
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		105
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				105
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				105
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				105
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		108
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				108
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		106
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				-
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				105
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		105
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				111
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				110
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				110
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		110

Disclosure Requirement and Related Datapoint	SFDR (23) Reference	Pillar 3 (24) Reference	Benchmark Regulation (25) Reference	EU Climate Law (26) Reference	Page Number
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		110
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				111
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				112
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		113
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				113
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				117
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				116
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		117
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				116–117

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Consolidated Statement of Comprehensive Income

SEK million	Note	2025	2024[1]
Rental income	2.1, 2.2	15,892	15,898
Property expenses	2.1, 2.3, 2.5	-4,361	-4,642
Net operating income before service charges		**11,530**	**11,256**
Service income	2.1, 2.2	2,117	2,060
Service cost	2.1, 2.2	-2,181	-2,129
Net service charges		**-64**	**-69**
Net operating income		**11,467**	**11,187**
Corporate administrative expenses	8.1	-748	-874
Other operating items	2.4	-281	-482
Realised gains/losses from divestment of properties	2.6	2,218	1,682
Profit before unrealised fair value adjustments		**12,656**	**11,512**
Fair value adjustment of investment properties	2.1, 3.1	9,256	8,639
Value adjustment of inventory properties	2.1, 4.1	-32	-707
Operating profit/loss		**21,880**	**19,444**
Share of net profits/losses of associated companies and joint ventures	3.4	36	-58
Impairment of goodwill	3.2	-3,707	–
Interest income	2.7	108	207
Interest expenses	2.7	-5,811	-6,023
Foreign exchange gains/losses	2.7	3,526	-1,773
Fair value adjustment of derivative financial instruments		70	-615
Other financial items	2.7	-427	-191
Profit/loss before tax		**15,673**	**10,990**
Income tax expense/income	2.8	-2,827	-2,790
Profit/loss for the period		**12,845**	**8,200**

SEK million	Note	2025	2024[1]
Other comprehensive income			
Currency translation differences	2.9	-8,795	3,446
Total comprehensive income/loss		**4,050**	**11,647**
Profit/loss attributable to:			
The Parent Company's shareholders		12,274	7,986
Non-controlling interests		571	214
Comprehensive income/loss attributable to:			
The Parent Company's shareholders		3,630	11,393
Non-controlling interests		420	253

[1] *Comparables restated. refer to Note 1.6 for details on change in accounting policy*

Consolidated Statement of Financial Position

SEK million	Note	31 December 2025	31 December 2024[1]
ASSETS			
Investment properties	2.1, 3.1	323,312	333,728
Goodwill and Intangible assets	3.2	14,803	19,002
Machinery and equipment	3.3, 6.5	293	293
Investments in associated companies and joint ventures	3.4	8,360	8,847
Derivative financial instruments	6.1	22	57
Deferred tax assets	7.1	339	819
Other financial assets	3.5	534	952
Total non-current Assets		**347,662**	**363,697**
Inventory properties	2.1, 4.1	820	896
Rent and trade receivables	4.2	282	238
Other current assets	4.3	1,046	1,598
Derivative financial instruments	6.1	1	8
Prepayments	4.4	707	859
Cash and cash equivalents	4.5	2,679	3,647
Assets held for sale	3.1	1,522	2,163
Total current assets		**7,057**	**9,409**
TOTAL ASSETS		**354,719**	**373,106**

SEK million	Note	31 December 2025	31 December 2024[1]
EQUITY AND LIABILITIES			
Share capital		97	97
Other capital contributions		131,887	131,887
Currency translation reserve		4,929	13,573
Retained earnings		-13,724	-27,031
Total equity attributable to Parent Company shareholders	5	**123,188**	**118,526**
Hybrid bonds		24,743	27,221
Non-controlling interests		14,159	13,738
Total equity	5	**162,090**	**159,485**
Interest-bearing liabilities	6.1, 6.3, 6.4	155,752	172,912
Lease liabilities	6.5	1,281	1,297
Derivative financial instruments	6.1	382	632
Deferred tax liabilities	7.1	21,080	20,668
Other financial liabilities		1,587	1,875
Total non-current liabilities		**180,082**	**197,384**
Interest-bearing liabilities	6.4	8,715	11,379
Lease liabilities	6.5	42	59
Trade payables		685	662
Other liabilities	7.2	1,163	1,803
Derivative financial instruments	6.1	42	28
Accrued expenses and prepaid income	7.3	1,901	2,304
Total current liabilities		**12,547**	**16,237**
TOTAL EQUITY AND LIABILITIES		**354,719**	**373,106**

[1] *Comparables restated. refer to Note 1.6 for details on change in accounting policy*

Consolidated Statement of Changes in Equity

SEK million	Note	Share capital	Other capital contributions	Currency translation reserve	Retained earnings[1]	Attributable to Parent Company shareholders[1]	Hybrid bonds[1]	Non-controlling interests	Total equity
Opening balance, 1 January 2024		**97**	**131,887**	**10,166**	**-31,152**	**110,997**	**24,249**	**13,485**	**148,731**
Effects from change in accounting policy		–	–	–	-2,219	-2,219	2,219	–	–
Opening balance, 1 January 2024, restated		**97**	**131,887**	**10,166**	**-33,371**	**108,778**	**26,468**	**13,485**	**148,731**
Profit/loss for the period		–	–	–	7,986	7,986	–	214	8,200
Currency translation differences	2.9	–	–	3,407	–	3,407	–	39	3,446
Total comprehensive income/loss		**–**	**–**	**3,407**	**7,986**	**11,393**	**–**	**253**	**11,647**
Issue of hybrid bonds		–	–	–	–	–	5,743	–	5,743
Cost of issuance of hybrid bonds		–	–	–	-61	-61	–	–	-61
Buyback of hybrid bonds		–	–	–	-19	-19	-5,759	–	-5,778
Net coupon expense on hybrid bonds		–	–	–	-796	-796	796	–	–
Net coupon paid on hybrid bonds		–	–	–	–	–	-796	–	-796
Currency translation of hybrid bonds		–	–	–	-769	-769	769	–	–
Total transactions with the company's shareholders		**–**	**–**	**–**	**-1,645**	**-1,645**	**753**	**–**	**-893**
Equity, 31 December 2024	5	**97**	**131,887**	**13,573**	**-27,031**	**118,526**	**27,221**	**13,738**	**159,485**
Opening balance, 1 January 2025		**97**	**131,887**	**13,573**	**-27,031**	**118,526**	**27,221**	**13,738**	**159,485**
Profit/loss for the period		–	–	–	12,274	12,274	–	571	12,845
Currency translation differences	2.9	–	–	-8,644	–	-8,644	–	-151	-8,795
Total comprehensive income/loss		**–**	**–**	**-8,644**	**12,274**	**3,630**	**–**	**420**	**4,050**
Cost of issuance of hybrid bonds		–	–	–	-10	-10		–	-10
Buyback of hybrid bonds		–	–	–	138	138	-985	–	-847
Net coupon expense on hybrid bonds		–	–	–	-589	-589	589	–	–
Net coupon paid on hybrid bonds		–	–	–	–	–	-589	–	-589
Currency translation of hybrid bonds		–	–	–	1,493	1,493	-1,493	–	–
Total transactions with the company's shareholders		**–**	**–**	**–**	**1,033**	**1,033**	**-2,478**	**–**	**-1,445**
Equity, 31 December 2025	5	**97**	**131,887**	**4,929**	**-13,724**	**123,188**	**24,743**	**14,159**	**162,090**

[1] *Comparables restated. refer to Note 1.6 for details on change in accounting policy*

Consolidated Statement of Cash Flows

SEK million	Note	2025	2024
Operating activities			
Profit/loss before tax		15,673	10,990
Adjustments to reconcile profit before tax to net cash flows:			
Fair value adjustment on investment properties	3.1	-9,256	-8,639
Value adjustment of inventory properties	4.1	32	707
Fair value adjustment of derivative financial instruments		-70	615
Interest income	2.7	-108	-207
Interest expenses	2.7	5,811	6,023
Share of net profits/losses of associated companies and joint ventures	3.4	-36	58
Realised gains/losses from divestment of properties	2.6	-2,218	-1,682
Other adjustments	4.6	466	1,980
Working capital changes			
Increase(-)/decrease(+) in rent and other receivables		-19	-494
Increase(+)/decrease(-) in trade and other payables		-671	423
Cash generated from operations		**9,605**	**9,774**
Interest paid		-5,808	-6,106
Interest received		73	205
Paid income tax		-1,043	-552
Net cash flows from operating activities		**2,826**	**3,321**

SEK million	Note	2025	2024
Investing activities			
Acquisition of investment properties	3.1	–	-538
Proceeds net of direct transaction cost from divestments of properties	2.6	13,996	8,103
Capital expenditure on investment and inventory properties	3.1, 4.1	-4,327	-5,182
Purchases/sales of machinery and equipment	3.3	-21	-22
Purchase of intangible assets	3.2	-88	-56
Investments in associated companies and joint ventures	3.4, 3.5	142	54
Other cash flows from investing activities		-17	128
Net cash flows from investing activities		**9,685**	**2,486**
Financing activities			
Proceeds from issuance of interest-bearing liabilities	6.4	36,044	34,718
Repayment of interest-bearing liabilities	6.4	-47,537	-47,221
Proceeds from issuances of hybrid bonds	5	–	5,743
Buyback of hybrid bonds	5	-985	-5,759
Hybrid bonds coupons		-741	-1,003
Settlement of derivative financial instruments		-134	–
Other cash flows from financing activities		84	164
Net cash flows from financing activities		**-13,269**	**-13,357**
Net change in cash and cash equivalents		-757	-7,550
Cash and cash equivalents at the beginning of the period		3,647	11,276
Net currency exchange effect in cash and cash equivalents		-211	-78
Cash and cash equivalents at the end of the period		**2,679**	**3,647**

Notes to the Consolidated Financial Statements

1. Corporate information and General Accounting Policies

1.1 Corporate Information

Heimstaden Bostad AB (publ), Corp. ID No. 556864-0873, is a Swedish limited liability company with its registered office in Malmö, at Carl Gustafs Väg 1, SE-217 42. Heimstaden Bostad's operations consist of owning, developing, and managing residential properties.

The ultimate parent entity of Heimstaden Bostad AB is Fredensborg 1994 AS, a company domiciled in Norway.

1.2 General Accounting Policies

Basis of Preparation

The Consolidated Financial Statements are prepared in accordance with IFRS® accounting standards and in accordance with Swedish law by applying the Swedish Corporate and Sustainability Reporting Board's recommendation RFR 1 Supplementary accounting rules for groups. This section summarises material accounting policy information in the preparation of these financial statements. This section must be read in conjunction with the specific notes that also include material accounting policy information.

The Board of Directors approved these Consolidated Financial Statements on 26 February 2026. They will be presented to the Annual General Meeting on 9 March 2026.

The Consolidated Financial Statements are prepared on a going-concern basis. The measurement basis is historical cost, except for investment property, derivative financial instruments and contingent consideration, which are measured at fair value.

Unless otherwise indicated, amounts are shown in SEK million. Due to rounding, figures and percentages may not sum precisely. Comparative information refers to the preceding period unless stated otherwise.

Consolidation

Heimstaden Bostad controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and through its power over the subsidiary can influence the level of these returns. Generally, there is a presumption that a majority of voting rights results in control. Subsidiaries are fully consolidated from the date on which control is transferred to Heimstaden Bostad and deconsolidated from the date that control ceases. All Group companies are set to have 31 December as their year-end. Accounting policies of subsidiaries are changed where necessary to ensure consistency.

Intercompany transactions, balances, and unrealised gains or losses on transactions between Group companies are eliminated.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Associated companies and joint ventures are investments where Heimstaden Bostad has significant influence or joint control. The investments are accounted for using the equity method in the Consolidated Financial Statements.

When Heimstaden Bostad ceases to have control of a subsidiary, it derecognises the related assets, liabilities, non-controlling interest and other components of equity. On an asset sale, any gain or loss is recognised in realised gains/losses from divestment of properties in the Statement of Comprehensive Income. If the divestment meets the criteria of a discontinued operation, the profit/loss on divestment is presented as a separate line item divestment of business unit.

Any retained interest in the entity is remeasured to its fair value at the date when control is lost. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture, or

financial asset. The change in the carrying amount is recognised in the Statement of Comprehensive Income.

On disposal of a foreign operation, the component of other comprehensive income relating to that foreign operation is reclassified to the Statement of Comprehensive Income.

Asset Acquisitions

For acquisition of a subsidiary that is not considered a business combination, Heimstaden Bostad allocates the cost between the individual identifiable assets and liabilities based on their relative fair values as at the date of acquisition. Such transactions do not give rise to goodwill. The Group recognises only the identifiable assets and liabilities. Any deferred tax is subject to the initial recognition exemption in accordance with IAS 12.

Foreign Currencies

The Group determines each entity's functional currency and each entity's financial statements are measured in that currency.

Foreign currency transactions are translated at the exchange rate on the transaction date. Monetary assets and liabilities in foreign currencies are translated at the closing rate. Resulting exchange differences are recognised in the Statement of Comprehensive Income as foreign exchange gains/losses. Non-monetary items measured at historical cost are translated at the transaction-date rate.

The Consolidated Financial Statements are presented in Swedish kronor (SEK), which is also the Parent Company's functional currency. Translation differences arising on consolidation of foreign operations are recognised in other comprehensive income.

Statement of Cash Flows

The Statement of Cash Flows have been prepared in accordance with the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows.

1.3 Significant Estimates

The preparation of the Group's consolidated financial statements requires management to make estimates and assumptions that affect the Statements of Comprehensive Income and Financial Position, and the accompanying disclosures. Presented below are the Group's significant sources of estimation uncertainty, and their nature.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Heimstaden Bostad bases its assumptions and estimates on parameters available when the Consolidated Financial Statements are prepared. Uncertainty about these assumptions and estimates may occur due to market changes or circumstances arising that are beyond the control of the Group. In such cases, the related amounts are prospectively adjusted.

Estimation of Fair Value of Investment Properties

Heimstaden Bostad measures its investment properties at fair value, with changes recognised in fair value adjustment of investment properties in the Statement of Comprehensive Income. Valuations are obtained from independent valuation specialists.

The estimation uncertainty arises from the valuation method and non-observable inputs. Assumptions used to arrive at the fair value are sensitive.

The uncertainty in respect of individual properties is normally considered to be in the range of +/– 5% and should be regarded as the uncertainty that exists in assumptions and estimates made. For Heimstaden Bostad, a range of uncertainty of +/– 5% could result in a change in fair value adjustment of investment properties of SEK +/– 16,166 million, corresponding to a range of investment properties in the Statement of Financial Position of SEK 307,146– 339,477 million.

Management assesses the accuracy and reasonableness of the third-party values provided, prior to their adoption, as well as in relation to the valuation of assets under construction or redevelopment when internal assumptions surrounding cost and margin deductions are required. Independent valuers are rotated every five years. The key assumptions used to determine the fair value of the investment properties and sensitivity analyses are provided in Note 3.1.

Impairment Testing of Goodwill

Each year and whenever impairment indicators are present, Heimstaden Bostad tests goodwill for impairment. Recoverable amounts for CGUs have been determined by calculating value in use and are estimated using a Discounted Cash Flow (DCF) model.

The estimation uncertainty arises from the assumptions about future cash flows, growth rates, and discount rates.

The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash flows and growth rates used. For these calculations management applies estimates related to key assumptions. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis are disclosed and explained in Note 3.2.

1.4 Significant Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which is considered to have the most significant effect on the amounts recognised in the Consolidated Financial Statements.

Hybrid Bonds

Management makes a judgement on the classification of hybrid bonds as equity based on the nature of the contractual obligation of the instrument. Hybrid bonds are judged to not be part of equity attributable to the owners of the parent company as the holders of hybrid bonds have no votes in the company.

There is no explicit contractual obligation to settle the agreement by paying cash or another financial asset, nor are there any other circumstances indicating that the agreement will be settled in cash or other financial assets. Heimstaden Bostad is entitled to postpone coupons for an indefinite period as long as hybrid bond holders are notified within the agreed period and the hybrid bond is subordinated to all other creditors.

Management applies judgement on the measurement of hybrid bonds at the balance sheet date. The hybrid bonds are issued in, and must be redeemed in, the underlying foreign currency. Management therefore measures the hybrid bonds using the closing exchange rate. Changes in exchange rates do not affect profit or loss, but instead reflect movements between equity components and are recognised directly in equity. See Note 5 for further information on the accounting policies for hybrid bonds.

Consolidation of Partnerships

Heimstaden Bostad with Allianz has two partnerships owning parts of the Swedish and German portfolio. Heimstaden Bostad consolidates the partnership based on the following judgements:

- due to its existing rights through 50.1% of voting rights and ab|ility to direct relevant activities;
- exposure, or rights, to variable returns through its shareholdings; and
- the ability to use its power over the partners through its role as manager to affect the amount of the returns.

Assets Held for Sale

Investment properties are classified as assets held for sale when the asset is available for immediate sale, there is commitment to locate a buyer, and the sale is highly probable within a year. Management has made the judgement that all criteria are met at the point in time the contract for sale is signed. These assets are classified on the balance sheet as current assets. See Note 3.1 for details on assets held for sale

1.5 Climate Related Matters

Based on the material Impacts, Risks and Opporunities (IROs) identified through the Double Materiality Assessment (DMA), management has not identified a significant risk of material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the financial statements.

The Group considers climate related matters in estimates and assumptions where relevant, including impacts that may arise from physical and transition risk. The Group believes that residential real estate will remain essential in a low-carbon economy and that its business model will continue to be viable. Climate-related risks do not currently have a significant impact on measurement; however, the Group continuously monitors developments in such risks and their potential implications. The areas most directly impacted by climate-related matters are as follows:

- The fair value of investment property includes assessments of climate-related risks. Valuations consider factors such as the energy efficiency of assets, expected future investments in energy efficiency as part of climate change adaptation, and risks to assets arising from expected increases in precipitation due to climate change. See Note 3.1 for further information on investment properties.
- Green bonds are supported by EU Taxonomy-aligned investment properties, which are energy efficient and contribute to lower CO_2 emissions. Green bonds are generally more attractive in the market and therefore carry lower margins compared with equivalent non-green bonds. See Notes 6.1, 6.3 and 6.4 for further information on interest-bearing liabilities.
- The goodwill impairment test is based on expected future cash flows discounted to present value. Climate-related risks are reflected in these assessments to the extent they impact cash flows, including through tenant preferences for energy-efficient buildings and increased maintenance requirements resulting from climate-related effects. Discount rates are calculated based on market data and are assumed to reflect all relevant factors, including climate-related risks. See Note 3.2 for further details on the impairment test of goodwill.

1.6 New and Changed Accounting Policies and Disclosures

Recently Issued Accounting Standards, Interpretations, and Amendments

The Group applied for the first-time Amendments to IAS 21: Lack of Exchangeability, which is effective for annual periods on or after 1 January 2025. The amendment did not have a material impact on the Group's financial statements.

Standards Issued but not yet Effective

The following standards, interpretations, and amendments to existing standards are not required to be adopted for the 2025 fiscal year. The Group has performed an initial assessment, and not applied any of these changes early. The amendments to IFRS 7, IFRS 9, and the introduction of IFRS 19 are not expected to have a material impact on the Group's Consolidated Financial Statements. IFRS 18 is expected to have a material impact on the Group's primary financial statement presentation and related disclosures, with changes to the structure and composition of the Statement of Comprehensive Income and Statement of Cash Flows, the introduction of new subtotals, and expanded disclosure requirements. The Group has commenced a preliminary review of the new standard and is developing an implementation plan to ensure readiness for adoption on the effective date.

Relevant new standards, interpretations, and amendments	Effective date
Amendments to IFRS 7 and IFRS 9: Classification and Measurement of Financial Instruments	1 January, 2026
Amendments to IFRS 7 and IFRS 9: Contracts Referencing Nature-dependent Electricity	1 January, 2026
IFRS 18: Presentation and Disclosure in Financial Statements	1 January, 2027
IFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January, 2027

Change in Disclosure of Property Expense Categories

During the year, the Group revised its disclosure of property expense categories. The revised classification provides more relevant information by aligning the categories of property expenses with the Group's business model. Costs previously categorised under "Other", "Property Management", and "Repairs and Maintenance" are now presented as "Direct Property Costs".

The change affects presentation only, with no impact on total property expenses. Comparative figures have been reclassified in Note 2.1 Segment Reporting and Note 2.3 Property expenses, which also includes the definitions of each category.

Change in Presentation of Service Income and Costs

During 2025, the Group changed its accounting policy for the presentation of service income and service costs in the Consolidated Statement of Comprehensive Income. Previously, service income was presented as "service charges paid by tenants" and service costs under "property expenses." Under the new policy, service income and service costs are presented separately, with new subtotals for "net operating income before service charges", and "net service charges" before the existing subtotal "net operating income."

The change in policy and presentation provides reliable and more relevant information by enhancing comparability of service income, service costs, and property expenses across markets, and better represents the cost carried by the Group.

The change has been applied retrospectively with comparables being restated. The change impacts total property expenses, but has no impact on total net operating income, and only represents a change in presentation. Refer to the Consolidated Statement of Comprehensive Income, Note 2.1 Segment reporting, Note 2.2 Rental income and service income for the impacts of the accounting policy change.

Change in Measurement and Presentation of Hybrid Bonds

During 2025, the Group changed its accounting policy for foreign-currency denominated hybrid bonds classified as equity. Previously, such instruments were translated into the functional currency using the spot exchange rate at the date of issuance and were not subsequently retranslated. Under the new policy, foreign-currency hybrid capital is retranslated at the closing exchange rate at each reporting date.

The change in policy provides reliable and more relevant information because it reflects the equity structure at current exchange rates. As foreign-currency hybrid instruments would be repurchased or settled at the prevailing exchange rate, measuring them at the closing rate gives users a clearer view of the Group's equity composition and related foreign exchange exposure. As part of the change, hybrid bonds are judged to not be part of equity attributable to the owners of the parent company as the holders of hybrid bonds have no votes in the company, therefore the hybrids are presented as a separate class of equity.

The change has been applied retrospectively and has no impact to total equity; the change only represents a change between the classes of equity presented. Refer to the restated Consolidated Statement of Changes in Equity for the impacts of the accounting policy change.

2. Income and Expenses

2.1 Segment Reporting

Accounting Policies

The Group organises its operations by geography, with nine reportable segments: Sweden, Germany, Denmark, the Netherlands, Czechia, Norway, United Kingdom, Poland, and Finland. Senior management is the chief operating decision maker and monitors net operating income and changes in the value of managed properties in the identified segments. Additionally, management monitors the value of investment properties in each segment. Other items are not allocated per segment in the segments' profits, assets, and liabilities. The segment statements include only directly attributable items and items that can be allocated to the segments in a reasonable and reliable manner. See also Note 3.1 for fair value of investment properties per segment.

2025

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Eliminations[1]	Total
Statement of Comprehensive Income											
Rental income	5,078	2,862	3,412	1,868	1,298	632	223	242	280	-4	15,892
Property Expenses [2]											
Utilities	-841	-56	-127	-1	–	-21	-9	–	-41	1	-1,093
Direct property costs	-633	-322	-362	-175	-136	-96	-33	-5	-47	29	-1,779
Property tax	-90	–	-141	-16	-64	-3	-2	-2	-8	–	-325
Property management	-325	-288	-169	-175	-74	-34	-41	-20	-35	-4	-1,164
Total property expenses	**-1,888**	**-667**	**-798**	**-367**	**-274**	**-153**	**-84**	**-26**	**-131**	**27**	**-4,361**
Service income	97	833	239	747	100	23	1	66	12	–	2,117
Service cost	-97	-877	-244	-765	-101	-24	-1	-61	-12	–	-2,181
Net service charges	**–**	**-44**	**-5**	**-18**	**-1**	**-1**	**–**	**5**	**–**	**–**	**-64**
Net operating income	**3,190**	**2,151**	**2,609**	**1,483**	**1,023**	**478**	**139**	**221**	**149**	**23**	**11,467**
Net operating margin %	**62.8**	**75.2**	**76.5**	**79.4**	**78.9**	**75.6**	**62.4**	**91.4**	**53.3**	**–**	**72.2**
Corporate administrative expenses	–	–	–	–	–	–	–	–	–	-748	-748
Other operating items	–	–	–	–	–	–	–	–	–	-281	-281
Realised gains/losses from divestment of properties	24	14	953	127	1,079	-31	–	51	–	–	2,218
Segment profit before unrealised fair value adjustment	**3,214**	**2,165**	**3,562**	**1,610**	**2,102**	**447**	**139**	**272**	**149**	**-1,006**	**12,656**
Fair value adjustment on investment properties	705	926	4,414	1,856	1,424	-382	-20	173	161	–	9,256
Value adjustment of inventory properties	–	–	–	–	–	-32	–	–	–	–	-32
Segment profit/loss	**3,919**	**3,091**	**7,976**	**3,466**	**3,526**	**33**	**120**	**445**	**310**	**-1,006**	**21,880**

[1] *Consists of eliminations and corporate cost not allocated to the segments.*
[2] *Property expenses recharged to the tenants are disclosed as service income and the related costs are classified as service cost.*

2024

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Eliminations[1]	Total
Statement of Comprehensive Income											
Rental income	4,873	2,840	3,595	1,797	1,405	720	211	170	286	-1	15,898
Property Expenses [2]											
Utilities	-818	-30	-127	–	–	-17	-3	–	-41	4	-1,032
Direct property costs	-718	-295	-476	-240	-161	-103	-23	-4	-52	136	-1,936
Property tax	-87	–	-144	-16	-65	-4	–	2	-11	–	-324
Property management	-330	-270	-197	-183	-98	-39	-32	-28	-35	-139	-1,349
Total property expenses	**-1,952**	**-595**	**-944**	**-438**	**-324**	**-163**	**-58**	**-30**	**-138**	**1**	**-4,642**
Service income	90	762	252	758	116	25	1	45	12	–	2,060
Service cost	-90	-807	-260	-773	-117	-25	-1	-46	-10	–	-2,129
Net service charges	**–**	**-45**	**-8**	**-15**	**-1**	**–**	**–**	**-2**	**2**	**–**	**-69**
Net operating income	**2,921**	**2,200**	**2,643**	**1,344**	**1,080**	**557**	**152**	**139**	**150**	**–**	**11,187**
Net operating margin %	**59.9**	**77.5**	**73.5**	**74.8**	**76.9**	**77.4**	**72.4**	**81.4**	**52.5**	**–**	**70.4**
Corporate administrative expenses	–	–	–	–	–	–	–	–	–	-874	-874
Other income and expenses	–	–	–	–	–	–	–	–	–	-482	-482
Realised gains/losses from divestment of properties	78	34	520	25	1,009	17	–	–	–	–	1,682
Segment Profit before unrealised fair value adjustment	**2,999**	**2,234**	**3,163**	**1,369**	**2,089**	**574**	**152**	**139**	**150**	**-1,357**	**11,512**
Fair value adjustment on investment properties	2,068	-813	564	1,773	4,120	18	143	751	13	–	8,639
Value adjustment of inventory properties	–	–	–	–	–	-707	–	–	–	–	-707
Segment profit/loss	**5,067**	**1,421**	**3,727**	**3,141**	**6,209**	**-115**	**296**	**890**	**163**	**-1,357**	**19,444**

[1] *Consists of eliminations and corporate cost not allocated to the segments.*
[2] *Property expenses recharged to the tenants are disclosed as service income and the related costs are classified as service cost.*

RECONCILIATION OF PROFIT

SEK million	2025	2024
Segment profit/loss	21,880	19,444
Share of net profits/losses of associated companies and joint ventures	36	-58
Impairment of goodwill	-3,707	–
Financial income and expenses	-5,704	-5,816
Foreign exchange gains/losses	3,526	-1,773
Other financial items	-427	-191
Fair value adjustment of derivative financial instruments	70	-615
Profit/loss before tax	**15,673**	**10,990**

2025

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Corporate/ Adjustments	Total
Statement of Financial Position											
Investment properties	91,633	79,540	68,209	29,652	27,607	13,539	4,805	4,431	3,896	–	323,312
Inventory properties	69	–	–	132	–	434	–	185	–	–	820
Non-current segment assets	3,281	8,011	2,736	197	162	21	6	7	4	–	14,425
Total segment assets	**94,983**	**87,551**	**70,945**	**29,981**	**27,769**	**13,994**	**4,811**	**4,623**	**3,899**	**–**	**338,557**
Total segment liabilities	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Capital expenditures on investment properties	874	1,369	504	842	343	205	39	-3	98	–	4,274

2024

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Corporate/ Adjustments	Total
Statement of Financial Position											
Investment properties	91,565	81,925	71,301	28,406	30,256	16,377	5,344	4,701	3,852	–	333,728
Inventory properties	–	–	–	88	–	547	–	261	–	–	896
Non-current segment assets	3,184	11,994	3,103	197	245	21	6	7	4	–	18,761
Total segment assets	**94,749**	**93,919**	**74,404**	**28,691**	**30,501**	**16,945**	**5,350**	**4,969**	**3,856**	**–**	**353,385**
Total segment liabilities	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Capital expenditures on investment properties	1,195	1,113	467	860	256	296	541	318	82	–	5,127

Investments in financial assets that are managed by the corporate finance team are not considered to be segment assets.

The Group's borrowings and derivative financial instruments are not considered to be segment liabilities, but are managed by the corporate finance team at Group level.

RECONCILIATION OF ASSETS

SEK million	2025	2024
Total segment assets	338,557	353,385
Other assets, non-current	1,565	2,362
Investments in associated companies and joint ventures	8,360	8,847
Other assets, current	3,558	4,866
Cash and cash equivalents	2,679	3,647
Total assets	**354,719**	**373,106**

RECONCILIATION OF LIABILITIES

SEK million	2025	2024
Total segment liabilities	–	–
Interest-bearing liabilities, non current	155,752	172,912
Other liabilities, non-current	24,330	24,472
Interest-bearing liabilities, current	8,715	11,379
Other liabilities, current	3,833	4,858
Total liabilities	**192,629**	**213,621**

2.2 Rental Income and Service Income

Accounting Policies

Heimstaden Bostad leases out its investment properties to tenants (lessee). Lease contracts are generally short-term and cancellable by tenants subject to statutory or contractual notice periods. These leases are classified as operating because substantially all risks and rewards, and control of the properties, remain with the Group. Lease payments are largely fixed and subject to annual indexation. Rental income is recognised on a straight-line basis over the lease term. Contracts are generally invoiced monthly and do not contain a significant financing component. Lease types include residential, commercial premises, and garages, parking and other premises.

Initial direct costs of negotiating and arranging leases are expensed when incurred. Tenant incentives are recognised as a reduction of rental income on a straight-line basis over the lease term. Amounts receivable from tenants for early termination or dilapidations are recognised in the Statement of Comprehensive Income when the right to receive them arises.

Service income is services provided to tenants in addition to leasing. Service income typically consists of utilities, property tax and direct property services invoiced to tenants separately. Service income is recognised in the period when the related services are provided. The Group assesses whether it acts as principal or agent for each service and jurisdiction. Revenue is recognised on a gross basis when the Group controls the specified services before transfer to the tenant. If the Group does not control the services before transfer, revenue is recognised on a net basis.

No single customer accounts for more than 1% of total revenues. For rental income and service income by geographic market, see Note 2.1.

RENTAL INCOME AND SERVICE INCOME

SEK million	2025	2024
Rental income before lease incentives	16,042	16,043
Lease incentives	-151	-146
Rental income	**15,892**	**15,898**
Service income	2,117	2,060
Total revenue	**18,008**	**17,957**

RENTAL INCOME DISTRIBUTED BY PROPERTY CATEGORY

SEK million	2025	2024
Residential	14,631	14,621
Commercial premises	1,032	1,053
Garages, parking spaces and other premises	229	224
Total rental income	**15,892**	**15,898**

SERVICE INCOME DISTRIBUTED BY PROPERTY CATEGORY

SEK million	2025	2024
Residential	1,987	1,940
Commercial premises	130	120
Total service income	**2,117**	**2,060**

Most of the Group's lease contracts that generate rental income include a three-month notice period, resulting in non-cancellable lease payments covering three months. An undiscounted maturity analysis of operating leases as of 31 December are as follows:

2025 MATURITY ON LEASE CONTRACTS

SEK million	Residential	Commercial premises	Garages and parking spaces
Within one year	3,503	725	109
1–5 years	196	845	–
> 5 years	113	662	–
Total lease contracts	**3,812**	**2,232**	**109**

2024 MATURITY ON LEASE CONTRACTS

SEK million	Residential	Commercial premises	Garages and parking spaces
Within one year	3,571	1,364	107
1–5 years	346	558	–
> 5 years	132	328	–
Total lease contracts	**4,049**	**2,249**	**107**

2.3 Property Expenses and Service Cost

Accounting Policies

Property expenses are operational expenditures related to management of the portfolio and are classified as follows:

- Utilities: electricity, heating, water, and waste
- Direct property costs: repairs and maintenance, facility management, insurance, homeowner association fees, bad debt, and other direct operating costs associated with direct day-to-day management of the portfolio
- Property tax: taxes paid to state and local government
- Property management: indirect and administrative costs such as customer service, property administration, letting, marketing, and general management services

Service costs are property expenses that qualify as a cost base for service income and typically consists of utilities, property tax and direct property services incurred. Service cost is recognised in the period when the related costs are incurred. Service cost for vacant units is presented as service cost without related service income generating a net service income loss.

For property expenses and service cost by geographic market, see Note 2.1.

PROPERTY EXPENSES AND SERVICE COST

SEK million	2025	2024
Utilities	-1,093	-1,032
Direct property costs	-1,779	-1,936
Property tax	-325	-324
Property management	-1,164	-1,349
Total property expenses	**-4,361**	**-4,642**
Service cost	**-2,181**	**-2,129**

2.4 Other Operating Items

SEK million	2025	2024
Investment grants from governments	112	–
Hospitality income	–	39
Other operating income	13	58
Other operating income	**125**	**97**
Donations - "A Home for a Home" partnership	-54	-74
Audit fees	-32	-38
Transaction costs from business combinations [1]	48	-18
Privatisation cost [2]	-110	-75
Depreciation	-106	-123
Hospitality cost	–	-44
Other operating expenses	-153	-207
Other operating expenses	**-405**	**-579**
Total other operating items	**-281**	**-482**

[1] Relates to final settlements on real estate transfer tax (RETT) from the Akelius transaction.
[2] Privatisation cost is indirect administrative costs directly linked to the privatisation business unit.

The audit fee refers to the audit of the Consolidated Financial Statements and the annual financial statements for the Group companies. Other assurance services provided by the auditors include services related to review procedures on interim reports and other attestation services.

EY

SEK million	2025	2024
Audit fees	-26	-33
Other assurance services	-2	-3
Other services	-2	–
Total	**-30**	**-36**

OTHER AUDITORS

SEK million	2025	2024
Audit fees	-6	-5
Total	**-6**	**-5**

TOTAL

SEK million	2025	2024
Audit fees	-32	-38
Other assurance services	-2	-3
Other services	-2	–
Total	**-36**	**-41**

2.5 Employee Benefit Expenses and Senior Management Compensation

Accounting Policies

Employee benefits in the form of salaries, paid vacation, paid absence due to illness, etc., are recognised as employees perform services in exchange for compensation. All Heimstaden Bostad's pension obligations consist of defined contribution plans, which are met through ongoing payments to the independent authorities or organisations that administer the plans. Defined contribution plan obligations are expensed in Statement of Comprehensive Income as they are incurred.

AVERAGE NUMBER OF EMPLOYEES

	2025			2024		
	Women	Men	Total	Women	Men	Total
Sweden	157	287	445	168	293	461
Germany	109	185	295	123	181	304
Denmark	76	135	211	78	139	216
Czechia	218	364	582	251	383	635
Netherlands	47	62	109	47	64	111
Norway	22	70	92	20	72	92
United Kingdom	7	10	17	8	9	16
Poland	18	12	29	18	9	27
Finland	–	4	4	–	4	4
Total	**655**	**1,128**	**1,783**	**713**	**1,153**	**1,866**

Remuneration

The Co-CEO's and senior management receive remuneration from Heimstaden AB and these costs are included in the administrative services from Heimstaden AB. For other employees, the customary pension commitments within the framework of general pension plans apply.

The Board of Directors and Group management are presented on pages 65–66.

BOARD MEMBER REMUNERATION

SEK	2025 Board fees	2024 Board fees
Helge Leiro Baastad	-960,000	-960,000
Ivar Tollefsen	–	–
John Giverholt	–	–
Bente A Landsnes	–	–
Fredrik Reinfeldt	–	–
Daniel Kristiansson	–	–
Klas Åkerbäck	–	–
Rebecka Elkert	–	–
Wenche Karin Nistad[1]	-300,000	-200,000
Total	**-1,260,000**	**-1,160,000**

[1] *New in 2024. Board fees per AGM of SEK 300,000 pro-rated for the number of months served as Board member in 2024.*

SALARIES, REMUNERATION, SOCIAL SECURITY, AND PENSION COST

2025

Position	Board Members	Employees	Total
SEK million			
Base salary	–	-916	-916
Benefits	–	-39	-39
Social security costs	–	-198	-198
Pension costs	–	-54	-54
Variable remuneration	–	-27	-27
Board remunerations	-1	–	-1
Total	**-1**	**-1,235**	**-1,236**
Women in %	33	37	

2024

Position	Board Members	Employees	Total
SEK million			
Base salary	–	-962	-962
Benefits	–	-47	-47
Social security costs	–	-185	-185
Pension costs	–	-65	-65
Variable remuneration	–	-21	-21
Board remunerations	-1	–	-1
Total	**-1**	**-1,279**	**-1,280**
Women in %	33	38	

2.6 Realised Gains/Losses from Divestment of Properties

Accounting Policies

Realised gains/losses on divestment of investment properties arise from properties that have either been transferred during the period or are classified as assets held for sale at the reporting date. Properties are classified as assets held for sale when they contract is signed for sale, but not yet transferred.

The realised gain/loss on divestment is determined as the difference between the sales price, net of direct transaction costs, and the most recent carrying amount at the latest financial reporting date prior to sale. Realised gains or losses on assets held for sale represent the difference between sales price and carrying amount, adjusted for properties transferred from assets held for sale to divested investment properties.

REALISED GAINS/LOSSES FROM DIVESTMENT OF INVESTMENT PROPERTIES

SEK million	2025	2024
Proceeds net of direct transaction cost from divestments of properties from privatisation programme	9,875	7,068
Proceeds net of direct transaction cost from divestments of properties from portfolio sales	3,964	1,035
Carrying value of divested investment properties	-11,980	-6,643
Realised gains/losses from assets held for sale at balance sheet date	321	222
Proceeds net of direct transaction cost from divestments of inventory properties	157	–
Carrying value of divested inventory properties	-119	–
Realised gains/losses on divestments of properties	**2,218**	**1,682**

2.7 Financial Income and Expenses

Accounting Policies

Payments in accordance with interest-rate derivative agreements are included in interest expenses and are expensed in the period to which they relate. Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets are capitalised to the cost of those assets, until the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Comprehensive Income in the period they incur.

FINANCIAL INCOME AND EXPENSES REPORTED IN COMPREHENSIVE INCOME STATEMENT

SEK million	2025	2024
Interest income, promissory notes	2	2
Interest income, associated companies and joint ventures	35	50
Interest income, bank deposits	70	155
Total interest income	**108**	**207**
Interest expenses, loans	-5,647	-6,612
Interest expenses, derivatives	-183	547
Interest expenses, leasing	-2	-3
Interest expenses capitalised in investment properties	22	45
Total interest expenses	**-5,811**	**-6,023**
Foreign exchange losses	-3,385	-3,755
Foreign exchange gains	6,910	1,983
Total foreign exchange gains/losses	**3,526**	**-1,773**
Gain(+)/loss(-) on extinguishment of interest-bearing liabilities	-366	–
Other financial income	56	–
Other financial expenses	-117	-191
Total other financial items	**-427**	**-191**

2.8 Income Tax Expense/Income

Accounting Policies

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in the countries where Heimstaden Bostad operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the group operates and generates taxable income. Current tax is determined by this year's taxable income, and calculated using the tax rates applicable at the balance sheet date.

Income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Comprehensive Income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The Group has recognised taxes related to Hybrid capital (see Note 5) directly in equity. No other tax items have been recognised directly in other comprehensive income or equity. For information about deferred tax see Note 7.1.

In accordance with the amendments to IAS 12 Income Taxes issued by the IASB regarding the OECD Pillar Two Model Rules, the Group has applied the mandatory temporary exception and therefore does not recognise deferred tax assets or liabilities related to Pillar Two income taxes.

The Group applies all available OECD transitional reliefs, including the Transitional Country-by-Country Reporting (CbCR) Safe Harbour and, where enacted and assessed as qualifying, the Qualified Domestic Minimum Top-up Tax (QDMTT) Safe Harbour.

The Group performed an assessment of Pillar Two tax as of 31 December 2025 and recognised no current top-up tax for 2025 or 2024.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	2025	2024
Current tax expense	-1,173	-944
Change in deferred tax	-1,654	-1,846
Income tax expense	**-2,827**	**-2,790**

During the year, Germany enacted an approximately 5% gradual reduction in the corporate income tax rate by 2032. Deferred tax balances have been remeasured to reflect the lower future rates, resulting in a reduction of deferred tax liabilities by SEK 1,798 million and recognised as tax income. The differences between the effective tax rate for the year and the tax expense based on the Swedish tax rate of 20.6% are explained below. Profit/loss from associated companies are reported net after tax which also impacts the effective tax rate. The underlying tax rates in the countries in operation are in the range of 19% to 30.2%.

RECONCILIATION OF EFFECTIVE TAX RATE

SEK million	2025	2024
Reported profit/loss before tax	15,673	10,990
Nominal Swedish tax rate (20.6%)	-3,229	-2,264
Tax effect of:		
Tax effect of different statutory tax rates	-155	-283
Non-deductible interest	-564	-584
Non-taxable income/cost	67	-98
Impairment of goodwill	-763	–
Fair value change of investment properties below initial recognition	136	207
Initial recognition reversal from divestments	-253	-113
Tax attributable to previous years	52	118
Tax rate change revaluation and other changes [1]	1,881	228
Income tax expenses reported in the Consolidated Statement of Comprehensive Income	**-2,827**	**-2,790**
Effective tax rate, %	**18**	**25**

[1] *Consists of valuation effects related to change in tax rate, utilisation of non-recognised deferred tax assets and other changes*

2.9 Other Comprehensive Income

Other comprehensive income is related to foreign currency translation differences that may be reclassified to Statement of Comprehensive Income in subsequent periods. For more information see Note 1.2.

SPECIFICATION OF OTHER COMPREHENSIVE INCOME

SEK million

Country	Currency code	2025	2024
Czechia	CZK	-710	206
Denmark	DKK	-1,834	917
Netherlands, Germany, and Finland	EUR	-4,660	2,161
Norway	NOK	-819	-341
Poland	PLN	-182	144
United Kingdom	GBP	-439	321
Non-controlling interests	EUR	-151	39
Total		**-8,795**	**3,446**

The exchange rates of the currencies relevant to Heimstaden Bostad have developed as follows:

Basis 1 local currency to SEK

		Closing rate		Average rate	
Country	Currency code	31 Dec 2025	31 Dec 2024	Q4 2025	Q4 2024
Czechia	CZK	0.4475	0.4548	0.4482	0.4553
Denmark	DKK	1.4483	1.5369	1.4824	1.5332
Netherlands, Germany & Finland	EUR	10.8169	11.4600	11.0621	11.4371
Norway	NOK	0.9133	0.9725	0.9439	0.9832
Poland	PLN	2.5660	2.6795	2.6100	2.6563
United Kingdom	GBP	12.4080	13.8525	12.9198	13.5128

3. Non-current Assets

3.1 Investment Properties

Accounting Policies

Investment properties comprise completed properties, properties under construction, and land and building rights that are held, to earn rental income or for capital appreciation or both. A property held under a lease is classified as investment property when it is held to earn rental income or for capital appreciation, or both.

Acquisition of Investment Properties

An investment property is recognised when Heimstaden Bostad obtains control, which occurs when the material risks and rewards of ownership transfer to the Group upon delivery. Investment properties are initially measured at cost, including transaction costs such as transfer taxes, brokerage fees, and legal expenses. Borrowing costs directly attributable to the construction or redevelopment of assets that require a substantial period to become ready for their intended use are capitalised.

Subsequent Measurement of Investment Properties

Subsequent measurement is at fair value, which reflects market conditions at the reporting date. Fair value adjustment of investment properties is recognised in Statement of Comprehensive Income in the period in which they arise.

Subsequent expenditure on standing assets is capitalised when it is probable that future economic benefits will flow to the Group and the cost can be measured reliably. Heimstaden Bostad exercises judgement in determining whether the capitalisation criteria are met, assessed at both the project and individual expenditure level with consideration of the expected future economic benefits. Expenditure that does not meet the capitalisation criteria is expensed as incurred.

When part of an investment property is replaced, the cost of the replacement is included in the carrying amount of the property, and the fair value is reassessed.

Investment property under construction is measured at fair value when reliably measurable. If fair value cannot be determined reliably but is expected to become so upon completion, the property is carried at cost until fair value becomes determinable or construction is complete.

Management has determined that investment properties under construction are eligible for fair value measurements once all three following criteria are fulfilled

- Administrative authorisations are obtained
- Construction commenced and costs are committed toward the contractor
- Uncertainty in future rental income has been assumed low

Management considers the following factors when evaluating whether the fair value of property under construction can be measured reliably

- Provisions of the construction contract
- Stage of construction
- Custom or standard project/property
- Reliability of cash flows after completion
- Risks specific to the property
- Experience with similar construction
- Status of construction permits

Divestment of Investment Properties

An investment property is derecognised on divestment. The difference between the net divestment proceeds and the carrying amount of the asset at its most recent valuation is recognised in realised gains/losses from divestment of properties. Divestments include sales from the Privatisation Programme, a business line operating across all segments of the organisation, focused on the sale of individual units to the private homeowner market.

Investment properties are reclassified to current assets in the Statement of Financial Position as assets held for sale when the criteria are met as described in Note 1.4 Significant judgements.

Investment properties classified as held for sale are measured at fair value, corresponding to the contractually agreed sale price. On reclassification, the realised gains/losses from divestment of assets held for sale is recognised in the Statement of Comprehensive Income. Upon transfer of the unit, it is derecognised.

VALUE OF INVESTMENT PROPERTIES PER SEGMENT

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Total
Fair Value of investment properties, 31 December 2023	**89,262**	**79,404**	**71,446**	**25,185**	**27,337**	**17,109**	**4,305**	**1,815**	**3,627**	**319,491**
Acquisitions during the period	244	–	549	491	–	–	–	1,606	–	2,890
Transferred to assets held for sale during the year	-1,213	-79	-3,787	-130	-2,261	-819	–	–	–	-8,290
Land leases	8	–	–	–	–	96	–	78	35	217
Capital expenditure on investment properties	773	1,005	434	814	256	296	1	–	81	3,660
Capital expenditure on investment properties under construction	422	108	32	46	–	–	540	318	1	1,467
Currency translation	–	2,300	2,062	228	804	-323	354	133	95	5,653
Fair Value after transactions	**89,497**	**82,737**	**70,737**	**26,634**	**26,135**	**16,359**	**5,201**	**3,950**	**3,839**	**325,089**
Value change	2,068	-813	564	1,773	4,120	18	143	751	13	8,639
Fair Value of investment properties, 31 December 2024	**91,565**	**81,925**	**71,301**	**28,406**	**30,256**	**16,377**	**5,344**	**4,701**	**3,852**	**333,728**
Acquisitions during the period	–	–	–	–	–	–	–	–	–	–
Transferred to assets held for sale during the year	-1,451	-33	-3,877	-992	-2,705	-1,709	–	-251	–	-11,018
Transferred to inventory properties	-64	–	–	–	–	–	–	–	–	-64
Land leases	3	–	–	–	–	-33	–	7	-16	-39
Capital expenditure on investment properties	737	1,172	496	842	343	199	4	-3	98	3,890
Capital expenditure on investment properties under construction	137	198	8	–	–	7	35	–	–	384
Currency translation	–	-4,648	-4,133	-461	-1,712	-918	-558	-195	-200	-12,824
Fair Value after transactions	**90,928**	**78,614**	**63,795**	**27,796**	**26,183**	**13,922**	**4,825**	**4,259**	**3,735**	**314,056**
Value change	705	926	4,414	1,856	1,424	-382	-20	173	161	9,256
Fair Value of investment properties, 31 December 2025	**91,633**	**79,540**	**68,209**	**29,652**	**27,607**	**13,539**	**4,805**	**4,431**	**3,896**	**323,312**

ASSETS HELD FOR SALE

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Total
Opening balance, 1 January 2024	–	–	**11**	–	**283**	–	**–**	**–**	**–**	**294**
Transferred from investment properties	1,213	**79**	3,787	130	2,261	819	–	–	–	8,290
Divestments	-127	-79	-3,619	-130	-2,198	-490	–	–	–	-6,643
Realised gains/losses from assets held for sale at balance sheet date	79	–	37	–	104	3	–	–	–	222
Closing balance, 31 December 2024	**1,165**	–	**217**	–	**450**	**331**	**–**	**–**	**–**	**2,163**

ASSETS HELD FOR SALE

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Total
Opening balance, 1 January 2025	**1,165**	**–**	**217**	**–**	**450**	**331**	**–**	**–**	**–**	**2,163**
Transferred from investment properties	1,451	33	3,877	992	2,705	1,709	–	251	–	11,018
Divestments	-2,616	-33	-3,875	-732	-2,614	-1,925	–	-184	–	-11,980
Realised gains/losses from assets held for sale at balance sheet date	–	–	87	11	227	-8	–	4	–	321
Closing balance, 31 December 2025	**–**	**–**	**306**	**271**	**767**	**108**	**–**	**71**	**–**	**1,522**

BREAKDOWN BY CATEGORY, 31 DECEMBER 2024

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Total
Investment properties, residential	82,095	74,599	67,029	27,148	29,760	13,780	5,218	4,406	3,311	307,347
Investment properties, commercial	4,969	5,243	3,071	907	206	1,407	43	85	88	16,019
Investment properties, parking	2,823	862	484	103	280	299	82	113	56	5,102
Investment properties, other	435	1,220	576	38	11	385	–	19	1	2,684
Investment properties under construction	740	–	–	–	–	–	–	–	–	740
Land and building rights	255	–	140	211	–	–	–	–	–	606
Land leases	250	–	–	–	–	507	–	78	397	1,232
Fair Value of investment properties	**91,565**	**81,925**	**71,301**	**28,406**	**30,256**	**16,377**	**5,344**	**4,701**	**3,852**	**333,728**

BREAKDOWN BY CATEGORY, 31 DECEMBER 2025

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Total
Investment properties, residential	81,473	73,339	64,016	28,512	27,148	11,203	4,709	4,114	3,393	297,907
Investment properties, commercial	5,173	4,754	3,156	796	188	1,249	39	96	47	15,498
Investment properties, parking	2,875	748	505	104	260	274	57	108	74	5,004
Investment properties, other	1,089	394	355	41	11	339	–	28	1	2,259
Investment properties under construction	493	305	–	–	–	–	–	–	–	798
Land and building rights	277	–	177	199	–	–	–	–	–	653
Land leases	253	–	–	–	–	474	–	85	381	1,193
Fair Value of investment properties	**91,633**	**79,540**	**68,209**	**29,652**	**27,607**	**13,539**	**4,805**	**4,431**	**3,896**	**323,312**

Fair Value of Investment Properties

A significant source of estimation uncertainty is the valuation of fair value of investment properties. The below sections describe the nature of the estimate, the key assumptions, and judgements made in arriving at the carrying value as at the end of the reporting period.

External Valuation

All investment properties are valued quarterly by external real estate advisory companies, whose employees are professionally qualified valuers and have the appropriate competence to carry out the valuation in accordance with the required International Valuation Standards (IVS). The policies and procedures for property valuations are assessed by the Group's in-house valuation team, which has aligned methods with the external valuers. The valuation team holds relevant professional qualifications and are experienced in valuing the types of property in the applicable locations.

At each reporting date, the valuation team analyses the development in property value including review of major unobservable inputs applied and reconciling the information in the valuation computation to rent rolls, market reports, and other relevant documents. The internal team also compares each property's change in fair value with relevant external benchmarks to determine whether the change in fair value is reasonable.

Each Property shall be valued by the same valuer for a maximum period of five (5) years at the time and shall thereafter be replaced by a new independent valuer for a maximum period of five (5) years.

Country	Valuer	Valuation technique
Sweden	CBRE	DCF
Germany	CBRE, Savills	DCF
Denmark	Colliers	DCF
Czechia	Cushman & Wakefield	DCF
Netherlands	JLL	DCF
Norway	Colliers, Nyverdi, Eie, Aktiv	Sales comparison
United Kingdom	Savills	DCF
Poland	Savills	DCF
Finland	CBRE	DCF

Valuation Assumptions

The adopted valuation methodologies are based on best market practice in each respective country. Valuations are based on a "highest-and-best-use" principle, adopting the highest value given by a re-letting scenario (assuming a re-letting of units at market terms upon tenant churn) or a divestment scenario (assuming a sale of each unit upon tenant churn).

The Group acknowledges that there may be instances where observable inputs are limited or not available, necessitating the use of non-observable inputs which are based on assumptions, estimates, and judgements. These inputs may include, but are not limited to, future expectations on rental income and property expense data, future vacancy levels, and yield. Assumptions made in the absence of observable data are based on the best available information and judgement of the management supported by the external valuations.

In most markets, properties are valued using an explicit income approach (discounted cash flow), except for Norway where a sales comparison approach is applied.

When using an explicit income approach, future cash flows are projected for a certain period, usually 10 years, with an assumed sale/exit of either

- part of the property (individual units) during the cashflow period and the remainder at the end of the cashflow period; or
- the whole property at the end of the cash flow period.

The projected cash flows are then discounted back to a present value using an appropriate discount rate.

The inputs into the projected cash flows and the discount rate take into consideration the characteristics, market position and risk profile of the property and, where possible, are informed by market data. Significant non-observable inputs applied in the cash flows and the key assumptions used are

- Assumed market rental income: Expectations of future rental income are based on actual rents and adjusted for future rental increases. Rental growth is modelled by external valuers using accepted RICS valuation methodologies. These assumptions are influenced by the local regulations, location, type, and quality of the properties, as well as any planned improvements. The assumptions are supported by the existing rental contracts, or external evidence such as current market rents for similar units.;
- Assumed property expenses: Expectations of future property expenses are based on valuers market based assumptions and adjusted for future expected market conditions. These assumptions are influenced by location, type, and quality of the properties. Property expenses include assumed capital expenditures including maintenance and necessary investments (including climate related investments) to maintain functionality of the property;
- Stabilised vacancy rates: Expectations of future vacancy rates are based on valuers market based opinion of the normalised economic vacancy percentage of the property over time; and
- Running yield: Expectations of the running yield requirement are based on comparable market transaction data at the valuation date. The yield requirement considers the location, type, and quality of the properties. Macroeconomic factors are considered when there are few comparable market transactions.

The resulting value is benchmarked against other similar transactions in the market.

In Norway, the residential units are valued individually on a vacant possession value basis using a sales comparison approach. The units are compared to market transaction data of similar units taking into consideration the key attributes of each unit. Values are assigned to each unit by three external valuers. The average of those three values is then adopted. The commercial units, parking units and development potential are valued each quarter by an external valuer using a DCF valuation.

There were no material changes to the valuation techniques during the year.

For properties under construction or redevelopment, the DCF model also takes into account cost to complete including developers margin and completion date based on internal forecasts and management's experience and knowledge of market conditions.

Valuation Hierarchy

The majority of the property portfolio is deemed to be at Level 3 in the fair value hierarchy according to IFRS 13 Fair Value Measurement due to the non-observable inputs used in the valuation method. The Norwegian residential assets are based on Level 2 as the inputs to the sales comparison approach are directly or indirectly observable through market transaction data of similar units. There have been no transfers between the levels in the valuation hierarchy throughout the period.

Sensitivity Analysis

A quantitative sensitivity analysis regarding the significant non-observable inputs is shown in the below tables.

Property valuations are estimates and the actual fair value of a property can only be determined when it is sold. Accordingly, the valuation includes non-observable inputs and a degree of uncertainty in the inputs and assumptions made. The uncertainty related to the valuation and its assumptions are reduced by obtaining external assurance from independent third parties in addition to management's internal review, which among other factors include comparing values to recent transactions in the market. A reasonable range of outcomes of the fair value from the methodology applied by the external valuators is in the range of +/-5%.

INTERRELATIONSHIPS OF NON-OBSERVABLE INPUTS

Non-observable input[1]	Assumed market rental income	Assumed property expenses	Running yield, %	Stabilised vacancy rates	Fair value of investment properties
Increase in:					
Assumed market rental income	N/A	–	±	–	↑
Assumed property expenses	–	N/A	±	–	↓
Running yield, %	–	–	N/A	–	↓
Stabilised vacancy rates	↓	↑	±	N/A	↓

[1] *The symbols in the table represent the following impacts to non-obersvable inputs: ↑ increase, ↓ decrease, ± impacted, but direction is dependent on the relative change compared to fair value*

The above table presents the interrelationships between non-obsererervable inputs and the impacts to the fair value of investment property if an input is changed in isolation.

Changes in the non-observable inputs may result in a significantly higher or lower fair value measurement. The tables below present the following information for investment properties in each of our markets

1. The fair value measurements at the end of the reporting period
2. Quantitiative information about the significant non-observable inputs used in the fair value measurement. The summary quantitative information presented is the year one assumption, and future growth is based on the external valuers market based assumptions
3. Impact on investment properties value resulting from a percentage change in the non-observable inputs

SUMMARY OF NON-OBSERVABLE INPUTS

2025

Markets	Fair value (SEK million)	Assumed market rental income	Assumed property expenses	Running yield, %	Stabilised vacancy rates, %
Sweden	91,633	5,285	1,828	3.77	0.49
Germany	79,540	2,895	391	3.15	2.78
Denmark	68,209	3,446	679	4.06	0.00
Czechia	27,607	1,287	249	3.76	0.93
Netherlands	29,652	1,840	402	4.85	3.95
United Kingdom	4,805	300	66	4.87	4.00
Poland	4,431	286	46	5.42	1.83
Finland	3,896	293	88	5.27	2.88
	309,772	**15,632**	**3,748**	**3.84**	

2024

Markets	Fair value (SEK million)	Assumed market rental income	Assumed property expenses	Running yield, %	Stabilised vacancy rates
Sweden	91,565	5,166	1,808	3.67	0.48
Germany	81,925	3,004	436	3.13	1.01
Denmark	71,301	3,689	720	4.16	1.75
Czechia	28,406	1,827	460	4.81	4.15
Netherlands	30,256	1,462	285	3.89	0.90
United Kingdom	5,344	330	73	4.82	4.00
Poland	4,701	301	54	5.27	2.58
Finland	3,852	295	91	5.31	2.86
	317,351	**16,074**	**3,925**	**3.83**	

SENSITIVITY ANALYSIS OF NON-OBSERVABLE INPUTS

2025

Markets	Change in fair value as a % change of assumed market rental income						Change in fair value as a % change of assumed property expenses						Change in fair value as a %-point change of running yield								Change in fair value as a % change of stabilised vacancy							
	-2.00%	-1.50%	-1.00%	1.00%	1.50%	2.00%	-2.00%	-1.50%	-1.00%	1.00%	1.50%	2.00%	1.00%	0.75%	0.50%	0.25%	-0.25%	-0.50%	-0.75%	-1.00%	1.00%	0.75%	0.50%	0.25%	-0.25%	-0.50%	-0.75%	-1.00%
Sweden	-2,802	-2,101	-1,401	1,401	2,101	2,802	969	727	484	-484	-727	-969	-19,199	-15,195	-10,723	-5,695	6,503	13,999	22,736	33,047	-1,408	-1,056	-704	-352	352	704	1,056	1,408
Germany	-1,839	-1,379	-920	920	1,379	1,839	248	186	124	-124	-186	-248	-19,172	-15,301	-10,900	-5,851	6,860	15,014	24,869	37,016	-946	-709	-473	-236	236	473	709	946
Denmark	-1,699	-1,274	-849	849	1,274	1,699	335	251	167	-167	-251	-335	-13,489	-10,643	-7,484	-3,959	4,480	9,589	15,471	22,315	-849	-637	-425	-212	212	425	637	849
Czechia	-685	-514	-342	342	514	685	133	99	66	-66	-99	-133	-5,802	-4,593	-3,242	-1,722	1,967	4,237	6,883	10,009	-346	-259	-173	-86	86	173	259	346
Netherlands	-759	-569	-379	379	569	759	166	124	83	-83	-124	-166	-5,068	-3,971	-2,771	-1,453	1,611	3,408	5,423	7,700	-395	-296	-197	-99	99	197	296	395
United Kingdom	-123	-92	-62	62	92	123	27	20	13	-13	-20	-27	-818	-641	-447	-235	260	550	874	1,241	-64	-48	-32	-16	16	32	48	64
Poland	-106	-79	-53	53	79	106	17	13	8	-8	-13	-17	-691	-539	-374	-196	214	451	712	1,003	-54	-40	-27	-13	13	27	40	54
Finland	-111	-83	-56	56	83	111	33	25	17	-17	-25	-33	-621	-485	-337	-176	194	408	646	912	-57	-43	-29	-14	14	29	43	57

2024

Markets	Change in fair value as a % change of assumed market rental income						Change in fair value as a % change of assumed property expenses						Change in fair value as a %-point change of running yield								Change in fair value as a % change of stabilised vacancy							
	-2.00%	-1.50%	-1.00%	1.00%	1.50%	2.00%	-2.00%	-1.50%	-1.00%	1.00%	1.50%	2.00%	1.00%	0.75%	0.50%	0.25%	-0.25%	-0.50%	-0.75%	-1.00%	1.00%	0.75%	0.50%	0.25%	-0.25%	-0.50%	-0.75%	-1.00%
Sweden	-2,817	-2,113	-1,409	1,409	2,113	2,817	986	739	493	-493	-739	-986	-19,617	-15,545	-10,985	-5,843	6,698	14,453	23,537	34,323	-1,415	-1,062	-708	-354	354	708	1,062	1,415
Germany	-1,917	-1,438	-958	958	1,438	1,917	278	209	139	-139	-209	-278	-19,816	-15,819	-11,271	-6,052	7,101	15,550	25,771	38,386	-968	-726	-484	-242	242	484	726	968
Denmark	-1,772	-1,329	-886	886	1,329	1,772	346	259	173	-173	-259	-346	-13,806	-10,881	-7,643	-4,038	4,554	9,729	15,662	22,532	-902	-676	-451	-225	225	451	676	902
Czechia	-759	-569	-380	380	569	759	191	143	96	-96	-143	-191	-4,887	-3,830	-2,674	-1,403	1,557	3,294	5,245	7,451	-396	-297	-198	-99	99	198	297	396
Netherlands	-752	-564	-376	376	564	752	147	110	73	-73	-110	-147	-6,191	-4,893	-3,448	-1,828	2,079	4,466	7,233	10,479	-379	-285	-190	-95	95	190	285	379
United Kingdom	-137	-103	-69	69	103	137	30	23	15	-15	-23	-30	-918	-720	-502	-264	292	619	985	1,399	-71	-54	-36	-18	18	36	54	71
Poland	-114	-86	-57	57	86	114	20	15	10	-10	-15	-20	-749	-585	-407	-213	234	492	780	1,100	-59	-44	-29	-15	15	29	44	59
Finland	-111	-83	-56	56	83	111	34	26	17	-17	-26	-34	-611	-477	-332	-173	190	401	634	895	-57	-43	-29	-14	14	29	43	57

SENSITIVITY ANALYSIS - NORWAY

Year	Fair value (SEK million)	Change in fair value as a % change of sales price -10%	10%
2025	13,539	-1,354	1,354
2024	16,377	-1,638	1,638

3.2 Goodwill and Intangible Assets

Accounting Policies

Goodwill is initially measured at cost, representing the excess of the consideration transferred, including any recognised non-controlling interests and previously held equity interests, over the fair value of the identifiable net assets acquired.

After initial recognition, goodwill is carried at cost less accumulated impairment losses. For impairment testing, goodwill arising from a business combination is allocated from the acquisition date to each of Heimstaden Bostad's cash-generating units (CGUs) expected to benefit from the acquisition, regardless of whether other assets or liabilities of the acquiree are assigned to those units. When a portion of a CGU to which goodwill has been allocated is disposed of, the associated goodwill is included in the carrying amount of the disposed operation when determining the gain or loss on disposal. The amount of goodwill disposed of is measured based on the relative values of the disposed operation and the portion of the CGU retained.

Intangible assets comprise of software and are expected to have a useful life of 3–15 years.

SEK million	Goodwill	Software/Licences	Total
Opening balance, 1 January 2024	**19,549**	**231**	**19,780**
Investments for the year	–	65	65
Currency translation	270	–	270
Closing balance, 31 December 2024	**19,819**	**295**	**20,115**
Opening balance accumulated depreciation, 1 January 2024	**–**	**-47**	**-47**
Depreciation for the year	–	-6	-6
Closing balance accumulated depreciation, 31 December 2024	**–**	**-53**	**-53**
Opening balance accumulated impairment, 1 January 2024	**-1,058**	**–**	**-1,058**
Closing balance accumulated impairment, 31 December 2024	**-1,058**	**–**	**-1,058**
Carrying amount, 31 December 2024	**18,761**	**242**	**19,002**

SEK million	Goodwill	Software/Licences	Total
Opening balance, 1 January 2025	**19,819**	**295**	**20,115**
Investments for the year	–	88	88
Reclassification	-75	75	–
Currency translation	-554	-5	-559
Closing balance, 31 December 2025	**19,190**	**453**	**19,643**
Opening balance accumulated depreciation, 1 January 2025	**–**	**-53**	**-53**
Depreciation for the year	–	-20	-20
Closing balance accumulated depreciation, 31 December 2025	**–**	**-74**	**-74**
Opening balance accumulated impairment, 1 January 2025	**-1,058**	**–**	**-1,058**
Impairment for the year	-3,707	–	-3,707
Closing balance accumulated impairment, 31 December 2025	**-4,765**	**–**	**-4,765**
Carrying amount, 31 December 2025	**14,425**	**379**	**14,803**

CARRYING AMOUNT OF GOODWILL ALLOCATED BY CGU

	2025			2024		
	Discount rate, %	Goodwill Akelius	Goodwill Country Management	Discount rate, %	Goodwill Akelius	Goodwill Country Management
Sweden	5.4	3,038	243	4.3	3,777	243
Germany	5.5	7,113	899	4.0	10,541	899
Denmark	5.2	1,405	1,331	3.9	1,491	1,331
Czechia	7.5	–	197	6.3	–	197
Netherlands	5.6	–	162	4.5	83	162
Norway	6.8	–	21	5.8	–	21
United Kingdom	7.1	–	6	6.4	–	6
Poland	7.9	–	7	7.5	–	7
Finland	6.0	–	4	4.9	–	4
Total		**11,556**	**2,869**		**15,892**	**2,869**
Tax goodwill		10,393	–		11,213	–
Core goodwill		1,163	2,869		4,679	2,869

Akelius Goodwill

Akelius goodwill is derived from the business combination of Akelius Lägenheter Aktiebolag, Akelius Bolig Holding ApS (DK) and Akelius GmbH (DE) that was completed in 2021, hereafter referred to as Akelius portfolio.

Heimstaden Bostad's operating segments are benefitting from the synergies derived by combining the Akelius and Heimstaden Bostad asset base and lower financing cost, which represents the core goodwill. Tax goodwill is attributable to the difference between nominal and fair value of deferred tax relating to the acquisition of the properties in the business combination.

Country Management Goodwill

Country Management goodwill relates to the Country Management organisation in Sweden, Germany, Denmark, Netherlands, Czechia, Norway, Finland, United Kingdom and Poland that was sold from Heimstaden AB to Heimstaden Bostad AB in 2022. The goodwill is derived from the management companies in each country and relates to operational cost savings.

As a result of the impairment test, management did not identify impairment for any of the CGU's at the balance sheet date

Impairment Test

A significant source of estimation uncertainty is the determination of the recoverable amount of goodwill. The Group performs annual impairment testing in Q4, or earlier if indicators of impairment arise.

Goodwill is allocated to the Group's cash-generating units (CGUs), defined as Heimstaden Bostad's operating segments, which represent the lowest level at which goodwill is monitored. The recoverable amount is determined based on value in use, calculated by discounting estimated future cash flows of each CGU.

In assessing impairment, management exercises judgement and considers current market conditions, including property values, market prices, risk-free rates, equity risk premiums, vacancy rates, and yield trends. Environmental factors, such as potential impacts of climate change, are also evaluated (see Note 1.5).

For the impairment testing performed on both the Akelius goodwill and the Country Management goodwill the projected cash flows have been updated to reflect the budget approved by the Board of Directors at the end of 2025. Based on the budget and assumptions on inflation, rent adjustments at churn, the expected future cash flow is estimated. Based on the final year of the estimated period, the terminal value of the cash flows is calculated using Gordons-growth model.

The discount rate applied is specified per CGU in the table Carrying Amount of Goodwill Allocated by CGU on the following page. The growth rate used in the terminal period was held constant at 2.0% (2.0%), the same growth rate was applied to all CGU's.

Assumptions

The calculation of value in use for both Akelius CGU's and Country Management CGUs are sensitive to the following assumptions.

Discount Rates

The discount rate is based on the Group's weighted average cost of capital (WACC), reflecting both equity and debt. The cost of equity is derived from the risk-free rate, market risk premium, and levered beta, using publicly available, segment-specific data. The cost of debt is based on the average borrowing cost and leverage rate of a group of relevant peers.

Growth Rates

Growth rates are based on external observable data published by well reputable industry researchers. The terminal growth rate is corresponding to 2.0% (2.0%) for all CGU's. This growth is based on reasonable prudence and does not exceed long term growth for the industry.

Net Operating Income (NOI)

NOI reflects the Board-approved budget and is influenced by rental rates, inflation, tenant turnover, and operating costs related to property maintenance and the transition to a green economy. Cash flows for two to five years are based on the Group's long-term financial plan, with CGU-specific growth assumptions linked to external inflation rates and historical data on rental uplift above inflation.

Sensitivity Analysis

Heimstaden Bostad has conducted an analysis on the assumptions with highest sensitivity within the impairment assessment. The change in assumption is applied based on management's best estimate on what could be a reasonable change of the different assumptions. The analysis assumes all other variables/assumptions held constant.

AKELIUS GOODWILL

Assumption	Change in assumption	Impairment (SEK million)
Discount rates	+25 bps	1,163
Terminal Growth rates	-25 bps	770

COUNTRY MANAGEMENT GOODWILL

Assumption	Change in assumption	Impairment (SEK million)
Discount rates	+25 bps	–
Terminal Growth rates	-25 bps	–

Impairment

As a result of the impairment test performed, management identified goodwill impairment of SEK 3,707 million (0) for these CGU's at the balance sheet date. The WACC applied in the impairment test increased 110-150 bps for Akelius CGUs compared to the previous year. The primary driver of the increase in WACC was a rise in levered betas, based on updated observable market data. Other key assumptions remained stable compared to previous periods.

IMPAIRMENT ALLOCATION OF AKELIUS GOODWILL

SEK million	Impairment (SEK million)
Sweden	739
Germany	2,889
Denmark	–
Netherlands	78
Total	**3,707**

3.3 Machinery and Equipment

Accounting Policies

Machinery and equipment comprise vehicles, operational equipment, and office and computer equipment. Machinery and equipment are recognised at cost less accumulated depreciation and impairment. Cost includes expenses directly attributable to the acquisition of the asset. Additional expenses are capitalised to the asset's carrying amount or recognised as a separate asset only if it is likely that future economic benefits associated with the asset will be received by the Group and when the cost of the asset can be reliably calculated. The useful life of computer equipment and of other machinery and equipment has been calculated at 3 years and 5 years, respectively. Depreciation is applied on a straight-line basis over the useful life and is recognised in Statement of Comprehensive Income. The residual value of the assets and their useful life is reviewed every closing and adjusted when necessary.

SEK million	Machinery and Equipment
Opening balance, 1 January 2024	**331**
Investments for the year	21
Divestments	-16
Currency translation	5
Closing balance, 31 December 2024	**342**
Opening balance accumulated depreciation, 1 January 2024	**-157**
Depreciation for the year	-26
Divestments	13
Currency translation	-2
Closing balance accumulated depreciation, 31 December 2024	**-172**
Carrying amount, 31 December 2024	**170**
Opening balance, 1 January 2025	**342**
Investments for the year	30
Divestments	-16
Currency translation	-14
Closing balance, 31 December 2025	**342**
Opening balance accumulated depreciation, 1 January 2025	**-172**
Depreciation for the year	-23
Divestments	6
Currency translation	9
Closing balance accumulated depreciation, 31 December 2025	**-179**
Carrying amount, 31 December 2025	**163**

3.4 Investments in Associated Companies and Joint Ventures

Accounting Policies

The Group holds interests in associates and joint ventures, representing entities over which it has significant influence or joint control. The assessment of significant influence or joint control is consistent with the principles applied in determining control over subsidiaries. Significant influence is presumed when the Group holds 20% or more of the voting power. Where this presumption is not met, management exercises judgement based on factors such as Board representation, participation in policy decisions, and other relevant indicators.

Investments in associates and joint ventures are accounted for using the equity method. Under the equity method, investments are initially recognised at cost and subsequently adjusted for the Group's share of post-acquisition changes in the investee's net assets.

The Group's share of profit or loss of associates and joint ventures is recognised in the Statement of Comprehensive Income. Unrealised gains and losses from transactions with these entities are eliminated to the extent of the Group's interest.

When significant influence or joint control is lost, any retained interest is remeasured at fair value. The difference between the carrying amount and the fair value of the retained investment, together with any disposal proceeds, is recognised in the Statement of Comprehensive Income.

Effective 1 January 2025, the Group changed estimation methodology for determining its share of equity in Kojamo Oyj. Heimstaden Bostad recognises its investment in Kojamo Oyj based on the proportional share of the underlying equity using Kojamo's published quarterly financial reporting from the previous quarter.

Impairment

At each reporting date, Heimstaden Bostad assesses whether there are indicators of impairment in its investments in associates and joint ventures. If indicators exist, the recoverable amount is determined and compared with the carrying amount. Any impairment loss is recognised within Share of profit/loss of associates and joint ventures in the Statement of Comprehensive Income. No impairment has been recognised in 2024 and 2025.

INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES

SEK million	31 December 2025	31 December 2024
Opening balance	**8,847**	**8,636**
Investment for the year	12	53
Associated companies/joint ventures that were reclassified as financial investments	-6	-14
Divestments of associated companies/joint ventures	-39	-8
Currency translation	-479	238
Dividend from associated companies/joint ventures	-5	–
Share buyback program	14	–
Share of net profits/losses of associated companies and joint ventures	16	-58
Closing balance	**8,360**	**8,847**

2025 SPECIFICATIONS OF THE GROUP'S INVESTMENTS IN ASSOCIATED COMPANIES

Company	Corp. ID No	Reg. office	No. of shares	Share in %	Value of share of equity, SEK million
Kojamo Oyj[1]	0116336-2	Helsinki	49,389,283	20	7,875
Other associated companies and joint ventures		Sweden and Finland		20-50	485
Total					**8,360**

[1] *Heimstaden Bostad's share of market capitalisation of Kojamo Oyj as at 31 December 2025 amounted to SEK 5,465 million. An impairment test for Kojamo Oyj has not been performed, as the investment is recognised based on Heimstaden Bostad's proportional share of the underlying equity.*

2024 SPECIFICATIONS OF THE GROUP'S INVESTMENTS IN ASSOCIATED COMPANIES

Company	Corp. ID No	Reg. office	No. of shares	Share in %	Value of share of equity, SEK million
Kojamo Oyj[1]	0116336-2	Helsinki	49,389,283	20	8,325
Other associated companies and joint ventures		Sweden and Finland		20-50	521
Total					**8,847**

[1] *Heimstaden Bostad's share of market capitalisation of Kojamo Oyj as at 31 December 2024 amounted to SEK 5,315 million. Heimstaden Bostad bases its investment book value on its share of Kojamo Oyj's equity.*

2025 FINANCIAL STATEMENTS

SEK million	Kojamo Oyj	Other	Total
Rental income	5,056	244	5,301
Property expenses	-1,671	-140	-1,812
Net operating income	**3,385**	**104**	**3,489**
Corporate administrative expenses	-509	-54	-563
Financial items, net	-1,248	-63	-1,312
Unrealised value change	-1,083	79	-1,004
Tax expenses	-113	-73	-186
Profit/loss for the period	**431**	**-8**	**424**
Group's share of profit/loss for the period	87	13	100
Estimation adjustment	-84	–	-84
Share buyback program	14	–	14
Gain/loss on divestment of associated companies and joint ventures	–	6	6
Share of net profits/losses of associated companies and joint ventures	**17**	**18**	**36**
Financial position			
Investment properties	82,159	3,339	85,498
Assets except investment properties	3,732	172	3,904
Equity	39,153	1,464	40,617
Liabilities	46,738	2,048	48,785

2024 FINANCIAL STATEMENTS

SEK million	Kojamo Oyj	Other	Total
Rental income	5,166	240	5,406
Property expenses	-1,683	-120	-1,803
Net operating income	**3,483**	**119**	**3,602**
Corporate administrative expenses	-627	-40	-666
Financial items, net	-1,165	-241	-1,406
Unrealised value change	-1,577	106	-1,471
Tax expenses	-8	-45	-53
Profit/loss for the period	**106**	**-100**	**6**
Group's share of profit/loss	21	-80	-58
Share of net profits/losses of associated companies and joint ventures	**21**	**-80**	**-58**
Financial position			
Investment properties	90,816	3,632	94,448
Assets except investment properties	5,005	255	5,259
Equity	41,659	1,507	43,166
Liabilities	54,161	2,380	56,541

3.5 Other financial assets

SEK million	31 December 2025	31 December 2024
Loans granted to associated companies and joint ventures	348	459
Promissory note loan	106	92
Other	79	401
Closing balance	**534**	**952**

4. Current Assets

4.1 Inventory Properties

Accounting Policies

Properties acquired, constructed, or redeveloped for sale, rather than for rental income or capital appreciation, are classified as inventory properties and measured at the lower of cost and net realisable value (NRV). These comprise residential developments that Heimstaden Bostad intends to sell before or upon completion.

NRV for completed properties is determined with reference to market conditions and comparable transactions at the reporting date. For properties under development, NRV is based on market prices for similar completed properties, less estimated costs to complete and sell, including adjustments for the time value of money where material.

SEK million	31 December 2025	31 December 2024
Opening balance	**896**	**538**
Acquisition	–	329
Transferred from investment properties	64	–
Capital expenditures	54	55
Currency translation	-42	-9
Divestments of inventory properties	-119	–
Value change[1]	-32	-18
Closing balance	**820**	**896**

[1] *Value adjustment of inventory properties in the Statement of Comprehensive Income, SEK -32 million (-707), also includes return on investment guarantee from Fredensborg of SEK 0 million (689). Refer to Note 8.1 for details on the transaction.*

4.2 Rent and Trade Receivables

Accounting Policies

Rent and trade receivables are held to collect contractual cash flows and are measured at amortised cost. They are initially recognised at the transaction price and subsequently measured using the effective interest method, less a provision for expected credit losses (ECLs).

Heimstaden Bostad applies the simplified approach for ECLs, recognising lifetime expected losses for all receivables, which generally have maturities of less than one year. Provisions are based on historical loss experience adjusted for forward-looking information. Significant individual receivables are assessed separately. The realised amount of expected credit losses is recognised in the Statement of Comprehensive Income within property expenses.

To mitigate credit risk, Heimstaden Bostad evaluates counterparties' creditworthiness, obtains rent deposits and guarantees, and writes off receivables when recovery is no longer expected and collection efforts have ceased. Further information on credit risk is provided in Note 6.3.

AGE DISTRIBUTION OF RENT AND TRADE RECEIVABLES

SEK million	31 December 2025	31 December 2024
–30 days	165	113
31–60 days	36	35
61–90 days	26	25
91 days +	134	179
Total	**360**	**353**
Expected credit loss provision	-78	-115
Rent and trade receivables, net	**282**	**238**

EXPECTED CREDIT LOSS PROVISION

SEK million	31 December 2025	31 December 2024
Opening balance	**-115**	**-93**
Provisions made during the year	-27	-80
Provisions used during the year	41	38
Unutilised provisions reversed during the year	23	20
Closing balance	**-78**	**-115**

4.3 Other Current Assets

SEK million	31 December 2025	31 December 2024
Current tax assets	114	547
Deposits related to acquisitions	28	48
Insurance claims	15	51
Receivable from divestment of investment properties	482	506
Inventories	12	20
Other receivables	394	425
Total	**1,046**	**1,598**

4.4 Prepayments

SEK million	31 December 2025	31 December 2024
Prepaid insurance premium	24	48
Prepaid interest	89	178
Prepaid operating expenses	257	253
Accrued investment grant	87	79
Other	249	301
Total	**707**	**859**

4.5 Cash and Cash Equivalents

Cash and cash equivalents primarily comprise of cash on hand and short-term, easily convertible investments that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

SEK million	31 December 2025	31 December 2024
Cash	2,360	3,351
Cash equivalents	–	–
Restricted cash - escrow	319	297
Total	**2,679**	**3,647**

There are unutilised credit facilities of SEK 22,992 million (19,262), which are not included in cash and cash equivalents.

4.6 Other Adjustments in Statement of Cash Flows

SEK million	2025	2024
Depreciation	127	139
Rental losses	163	93
Exchange rate difference	-3,526	1,773
Other financial items	-5	-25
Impairment of goodwill	3,707	–
Total	**466**	**1,980**

5. Equity

Share Capital

At the end of the financial year there were 12,914,568 (12,914,568) ordinary shares, 200 (200) Share Class A shares, 47,155,687 (47,155,687) Share Class B shares and, 941,963 (941,963) Share Class C shares. The voting value of an ordinary share is one half vote per share, the voting value for Share Class A and B shares is one tenth of a vote per share and the voting value for Share Class C shares is one vote per share.

Event	Type	Date of registration	Change in number of shares	Total number of shares	Change in share capital	Total share capital	Par value
Opening balance, 1 January 2024				61,012,418	–	96,516,048	1.58
Closing balance, 31 December 2024				61,012,418	–	96,516,048	1.58
Opening balance, 1 January 2025				61,012,418	–	96,516,048	1.58
Closing balance, 31 December 2025				61,012,418	–	96,516,048	1.58

Other Capital Contributions

Other contributed capital refers to equity contributed by the owners, as well as share premiums for issues of ordinary shares and other share classes.

Currency Translation Difference

Accumulated translation differences arise as a result of translation of foreign operations that have prepared their financial statements in a currency other than the Group's presentation currency. Refer to Note 2.9 for specification of other comprehensive income.

Retained Earnings

Retained earnings refer to earned profits in the Group. This item also includes previous allocations to the reserve fund.

Hybrid Bonds

Accounting Policies

Heimstaden Bostad issues hybrid bonds that are classified as equity. Hybrid bonds are recognised at the fair value of the proceeds received. Transaction costs are recorded as a reduction to retained earnings. The classification of hybrid bonds as equity involves management judgement as described in Note 1.4. Subsequent to initial recognition, hybrid bonds are not subject to amortisation as there is no contractual obligation to repay the principal or accrued interest. Hybrid bonds are reclassified to debt only if the respective hybrid bond is called. Hybrid bonds denominated in EUR are remeasured at the closing exchange rate at the reporting date, with resulting translation differences recognised directly in equity as a reclassification between hybrid bonds and retained earnings.

Any distributions to holders of hybrid bonds are classified as distributions of equity and recognised directly in equity. In accordance with the terms of the hybrid bonds, coupons to the bond holders may be deferred. Deferred coupons must, however, be paid in before dividends can be distributed to shareholders, including deferred dividends.

Heimstaden Bostad has SEK 24,743 (27,221) million in outstanding hybrid bonds, net of own holdings. These have a perpetual maturity with a fixed coupon rate until first reset date. Heimstaden Bostad has the opportunity to redeem outstanding hybrid bonds as of first possible call, which is 5–7 years from the issue date.

In Q1 2025, as part of the Q4 2024 EUR 500 million hybrid call/replace transaction, Heimstaden Bostad bought back hybrid bonds amounting to SEK 985 million at their nominal value. This repurchase was due to the difference of the EUR 500 million benchmark transaction and the total outstanding amount of EUR 589 million. The repurchase was within S&P's 10% hybrid buyback threshold.

The 50% accrued hybrid dividend in accordance with S&P methodology is SEK 472 million (433).

HYBRID BONDS

First Call Date	First Reset Date	Currency	Outstanding amount (million)	Of which held on own book (million)	Fair value (million)[1]	Rating[2]	Fixed/ Floating	Coupon (bps)	Exchange	ISIN
2026-01-15	2026-04-15	EUR	500	164	500	BB	Fixed	338	Euronext Dublin	XS2125121769
2026-10-13	2027-01-13	EUR	600	119	594	BB	Fixed	363	Euronext Dublin	XS2397251807
2027-02-01	2027-05-01	EUR	800	176	780	BB	Fixed	263	Euronext Dublin	XS2294155739
2027-10-29	2028-01-29	EUR	600	254	582	BB	Fixed	300	Euronext Dublin	XS2357357768
2029-12-04	2030-03-04	EUR	500	–	523	BB	Fixed	625	Euronext Dublin	XS2930588657
Total			**3,000**	**713**	**2,979**					

[1] *Based on quoted market prices as of the Balance Sheet date.*
[2] *Based on S&P rating or, if not available, on Fitch rating.*

Non-controlling Interests

Non-controlling interests consist of external ownership interests in subsidiaries and their subsidiaries. Non-controlling interests refers primarily to Allianz Real Estate's investments in partnerships within the Swedish and German portfolio.

NON-CONTROLLING INTERESTS' SHARE OF COMPREHENSIVE INCOME/LOSS FOR THE PERIOD

SEK million	2025	2024
Comprehensive income/loss for the period	420	253

6. Capital Structure and Financial Items

6.1 Financial Instruments

Accounting Policies

Financial Assets

The Group's financial assets include rent and other trade receivables, cash, investment guarantee's and derivative financial instruments.

Recognition and Subsequent Measurement

Heimstaden Bostad's financial assets are classified in two categories:

- Financial assets at fair value through profit or loss (FVTPL) – includes derivative financial instruments and investment guarantees, measured at fair value in the Statement of Financial Position, with changes recognised in the Statement of Comprehensive Income under fair value adjustment of derivative financial instruments and value adjustment of inventory properties; or
- Financial assets at amortised cost – includes rent and other trade receivables and cash, measured using the effective interest method. Assets are classified at amortised cost when held to collect contractual cash flows that are solely payments of principal and interest.

Derecognition

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Gains and losses are recognised in Statement of Comprehensive Income when the asset is derecognised, modified or impaired.

Impairment of Financial Assets

Financial assets of the Group are subject to value change. Assets carried at fair value are included as part of the fair value assessment. Assets at amortised cost are subject to expected credit loss (ECL) . The Group applies the simplified approach for rent and trade receivables (see Note 4.2). Impairment of other financial assets is considered immaterial at the reporting date.

Financial Liabilities

Heimstaden Bostad's financial liabilities comprise interest-bearing liabilities, lease liabilities, derivative financial instruments, trade payables and other liabilities. The main purpose of these financial liabilities is to finance the Group's operations.

Recognition and Subsequent Measurement

Financial liabilities are initially recognised at fair value and, except for derivatives, subsequently measured at amortised cost using the effective interest rate (EIR) method. For interest-bearing liabilities, amortised cost includes transaction costs, premiums, or discounts, with interest expense recognised in the Statement of Comprehensive Income.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires. On a change of terms of the financial liability, management performs both a quantitative and qualitative assessment to determine whether the new terms constitute a modification or extinguishment. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange is treated as the derecognition of the original liability and the recognition of a new liability. Gains and losses on modification or extinguishment are included in other financial cost in the Statement of Comprehensive Income.

When the Group makes full or partial repayments, or repurchases of financial liabilities, the financial liability settled is considered extinguished and derecognised at carrying amount. The differences between carrying amount and the amount paid is recognised as a gain/loss on extinguishment in other financial items in the Statement of Comprehensive Income. The gain/loss on extinguishment includes one-time costs paid to facilitate the repayment or repurchase, and the unamortised portion of upfront cost included in the original EIR.

Derivative Financial Instruments

The Group does not apply hedge accounting. Derivative financial instruments, including interest rate swaps and forward purchase contracts, are recognised at fair value on trade date and subsequently remeasured through profit or loss. Transaction costs are recognised directly in fair value adjustment of derivative financial instruments. Derivatives maturing within 12 months are classified as current; those with settlement dates beyond 12 months are classified as non-current.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Consolidated Statement of Financial Position when the Group has a legally enforceable right to offset and intends to settle on a net basis or simultaneously. Holdings of own debt are offset in the Statement of Financial Position.

FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

	31 December 2025		31 December 2024	
SEK million	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Derivative financial instruments	23	23	65	65
Other financial assets, non-current	534	534	952	952
Rent and trade receivables	282	282	238	238
Other current assets	1,046	1,046	1,598	1,598
Cash and cash equivalents	2,679	2,679	3,647	3,647
Total	**4,564**	**4,564**	**6,500**	**6,500**
Financial liabilities				
Derivative financial instruments	424	424	661	661
Interest-bearing liabilities, non-current	155,752	152,544	172,912	168,336
Other financial liabilities, non-current	1,587	1,587	1,875	1,875
Interest-bearing liabilities, current	8,715	8,715	11,379	11,379
Trade payables	685	685	662	662
Lease liabilities	1,323	1,323	1,356	1,356
Total	**168,486**	**165,278**	**188,846**	**184,269**

Fair Value Measurement Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest-level input that is significant to the fair value measurement as a whole, as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 – Valuation techniques for which the lowest-level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 – Valuation techniques for which the lowest-level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest-level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, or inputs used in fair value measurements during the period. No transfers occurred between Level 1 and Level 2 fair value measurements, and there were no transfers into or out of Level 3 during 2025.

AS AT 31 DECEMBER 2025

		Fair value measurement using:		
SEK million	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value:	**23**	**–**	**23**	**–**
Derivative financial assets				
Interest rate swaps	23	–	23	–
Financial liabilities measured at fair value:	**424**	**–**	**424**	**–**
Derivative financial liabilities				
Interest rate swaps	424	–	424	–
Loans for which fair values are disclosed	**152,544**	**–**	**116,184**	**36,360**
Interest-bearing liabilities, non-current	152,544	–	116,184	36,360

AS AT 31 DECEMBER 2024

		Fair value measurement using:		
SEK million	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value:	**65**	**–**	**65**	**–**
Derivative financial assets				
Interest rate swaps	65	–	65	–
Financial liabilities measured at fair value:	**661**	**–**	**661**	**–**
Derivative financial liabilities				
Interest rate swaps	661	–	661	–
Loans for which fair values are disclosed	**168,336**	**–**	**120,067**	**48,269**
Interest-bearing liabilities, non-current	168,336	–	120,067	48,269

RECONCILIATION OF DERIVATIVES

SEK million	Interest rate swaps
Opening balance, 1 January 2025	**-595**
Unrealised value change	70
Settlement of deriviative financial instruments	106
Currency exchange effect on derivatives	18
Closing balance, 31 December 2025	**-401**

6.2 Capital Management

Having access to long-term capital is important for the Group to both operate and actively optimise our property portfolio. The Group defines its managed capital as the sum of consolidated net debt and equity, including hybrid capital and the part attributable to non-controlling interests. The Group manages its capital structure and adjusts in the case of changes to economic conditions. The Group is continuing with its strategic plan to reduce leverage through the privatisation plan that will support the path towards compliance with the financial policy.

FINANCIAL POLICY

		Policy	2025	2024
Interest coverage ratio, S&P method	Multiple	≥ 1.8	1.7	1.6
Net debt / net debt + equity, S&P method	%	≤ 60	54.0	57.3
Average loan tenor	Years	≥ 4	7.6	7.9
Loan maturity in individual year	%	≤ 25	17	15
Loans from individual lender	%	≤ 20	7.7	7.7
Interest rate hedge ratio	%	≥ 75	86	92
Liquidity ratio	Multiple	≥ 1.25	3.16	2.17

6.3 Financial Risks

Management of financial risks is guided by the financial policy, and key funding agreements such as the EMTN programme under which the Group's listed senior unsecured bonds are issued. The financial policy is outlined in Note 6.2. Oversight of the financial policy is delegated to the Board of Directors via the Shareholder Agreement. The Board of Directors is provided with regular reporting and forecasts, as well as dedicated material covering financial risks and actions taken to mitigate these risks. The Group has identified Refinancing risk, Liquidity risk, Financial Obligations and Covenants, Rating risk, Credit risk, Interest rate risk, and Currency risk as the key financial risks.

Refinancing Risk

To minimise refinancing risk, the Group uses various funding sources with a diversified maturity profile. The Group's financial policy stipulates the level of key credit ratios, such as a minimum average loan tenor of the debt portfolio of 4 years. To mitigate refinancing risk, the Group also maintains adequate liquidity reserves and unutilised credit facilities.

Liquidity Risk

Liquidity risk is the risk that the Group doesn't have the accessible means to fulfil its financial or operational obligations, or that the Group cannot pay for other obligations such as signed acquisitions and capital expenditures. To mitigate this risk, the Group has unutilised credit facilities of SEK 22,992 million available, a financial policy stating that there may never be more than 25% of total debt maturing in a single year and that the liquidity ratio always has to exceed 125%. See Note 6.2 and Note 6.4 for further information.

MATURITY PROFILE OF FINANCIAL LIABILITIES – CONTRACTUAL UNDISCOUNTED PAYMENTS (INCLUDING INTEREST)

Maturity 31 December, 2025, SEK million	0–1 years	1–5 years	>5 years
Derivative financial instruments	42	365	18
Interest-bearing liabilities[1]	12,550	106,939	86,971
Trade payables	685	–	–
Lease liabilities	60	115	1,365
Other financial liabilities	2,749	–	–
Total	**16,086**	**107,419**	**88,355**

Maturity 31 December, 2024, SEK million	0–1 years	1–5 years	>5 years
Derivative financial instruments	29	580	119
Interest-bearing liabilities[1]	16,660	118,654	103,861
Trade payables	662	–	–
Lease liabilities	73	76	1,232
Other financial liabilities	3,678	–	–
Total	**21,102**	**119,310**	**105,211**

[1] *Of which interest-bearing liabilities excluding interest expenses amounts to SEK 165,224 million (185,140).*

Financial obligations and Covenants

The Group's agreements for borrowing presented as "interest-bearing liabilities" include financial covenants. The most significant financial covenants are described below:

- The EMTN programme financial liabilities with a carrying amount of SEK 50,766 million (61,773):
  - Limitations on the Incurrence of Financial Indebtedness. Consolidated Solvency Ratio, defined as "Net Debt / Total Assets". Covenant limited to below 65%. At 31 December 2025, the Net Debt / Total Assets ratio was 45.6% (48.4%)
  - Maintenance of Consolidated Coverage Ratio, defined as "Profit before financial items" (or any equivalent line item) divided by net interest charges (interest expense minus interest income). Covenant limited to above 1.5x. At 31 December 2025, the Interest Coverage Ratio was 2.2 (2.0).
  - Limitations on the Incurrence of Secured Indebtedness. "Secured LTV", defined as secured debt divided by total assets. The covenant is limited to below 45%. At 31 December 2025, the Secured LTV was 28.0% (32.6%).
- Bank and mortgage facilities: Covenants are specific to the individual loan agreement for single properties and/or property portfolios, and commonly include covenants such as Loan to value, Interest coverage ratio and Equity ratio. These covenants are typically monitored at the borrower level.

Management monitors all covenants on a frequent basis and tests the covenants in accordance with the debt agreements. The most significant covenants are tested quarterly. Continuous internal review and external auditing assures accurate reporting and information. A breach of a financial covenant normally includes cure rights to give the Group time to meet the covenant with certain actions, but it can also lead to a requirement of extra ordinary amortisation, termination of loans, or a claim on secured assets.

Management has assessed all financial covenants. As at 31 December, 2025 there have been no material breaches of the financial covenants of interest-bearing loans and borrowing in the current period. Further, the Group has no indication that it will have difficulty complying with these covenants in the next 12 months.

Rating risk

The Group views an investment grade rating as fundamental to develop its business and ensure competitive access to capital. A rating downgrade below investment grade may be seen as negative by the Group's creditors hence the access to financing and the terms can deteriorate. The Group actively monitors its credit rating, taking measures to improve key financial metrics, manage debt maturities, and engage with rating agencies to support the rating.

Credit risk

If counterparties cannot meet their obligations towards the Group or if a substantial number of customers fail to pay rent, it would lead to reduced liquidity and losses. To counter this, the Group regularly assesses the creditworthiness of its

counterparties. For the majority of rental contracts rent is paid in advance and risk is further reduced through a large and diversified customer base.

Interest Rate Risk

Rising interest rates increase the financing costs for the Group and may negatively impact profitability. According to the financial policy, the Group shall maintain at least 75% of its loan portfolio at a fixed rate as of the balance sheet date, which is managed through having a high share of fixed rate loans and bonds together with interest rate swaps, see Note 6.4 for further information.

Currency Risk

The Group owns assets in other currencies than the reporting currency, which leads to a risk of negative impact on cash flows and asset values in the case of fluctuating currency exchange rates. To mitigate this risk the Group is targeting a currency match funding principle between assets and liabilities. The value of currency derivatives may be affected by changes in base rates or foreign currency exchange rates. The Group's financial policy dictates which derivative instruments may be used for hedging strategies, stating that only marketable instruments for which prices can be obtained may be utilised. The Group also continuously monitors market movements and obtains external and internal derivative valuations.

Sensitivity Analysis

INTEREST EXPENSES

The following table shows the sensitivity by a change in interest rates on that portion of floating rate loans and borrowings affected, considering financial instruments. With all other variables held constant, the Group's profit before tax is affected as follows:

2025 SEK million	Increase/decrease in underlying IBOR	Effect on profit before tax (+)	Effect on profit before tax (-)	Effect on equity (+)	Effect on equity (-)
	+/-1%	226	-226	189	-189
	+/-2%	452	-452	378	-378

2024 SEK million	Increase/decrease in underlying IBOR	Effect on profit before tax (+)	Effect on profit before tax (-)	Effect on equity (+)	Effect on equity (-)
	+/-1%	149	-149	127	-127
	+/-2%	298	-298	255	-255

FOREIGN CURRENCY

The following table shows the sensitivity by a change in foreign currency on senior unsecured bonds and financial instruments. With all other variables held constant, the Group's profit before tax is affected through the impact of changes in foreign currency as follows:

2025 million	Increase/decrease in foreign currency rate	Effect on profit before tax (+)	Effect on profit before tax (-)
EUR	10%	526	-526

2024 million	Increase/decrease in foreign currency rate	Effect on profit before tax (+)	Effect on profit before tax (-)
EUR	10%	558	-558
NOK	10%	53	-53

6.4 Interest-bearing Liabilities

	2025				2024			
SEK million	Interest-bearing liabilties	Secured loans, %	Share, %	Unutilised credit commitment	Interest-bearing liabilties	Secured loans, %	Share, %	Unutilised credit commitment
Senior unsecured bonds	50,766	–	31		61,823	–	34	
Senior unsecured green bonds	13,767	–	8		315	–	0	
Mortgages/bank loans	100,692	99	61	22,992	123,003	99	66	19,262
Total	**165,224**	**60**	**100**	**22,992**	**185,140**	**66**	**100**	**19,262**
Deferred charges	-757				-849			
Total incl. deferred charges	**164,467**				**184,292**			

INTEREST-BEARING LIABILITIES PER CURRENCY

	2025		2024	
Currency	SEK million	Local currencies	SEK million	Local currencies
SEK	32,788	32,788	33,132	33,132
NOK	–	–	517	532
EUR	98,710	9,125	113,487	9,903
DKK	33,726	23,287	38,005	24,728
Total	**165,224**		**185,140**	
Deferred charges	-757		-849	
Total incl. deferred charges	**164,467**		**184,292**	

CORPORATE BONDS

Maturity	Currency	Outstanding amount (million)	Of which held on own book (million)	Fair value (million)[1]	Rating[2]	Fixed/ Floating	Coupon (bps)	Green bonds	ISIN[3]
2026-01-21	EUR	500	15	500	BBB-	Fixed	113		XS2105772201
2027-03-03	EUR	700	27	690	BBB-	Fixed	138		XS2225207468
2028-04-13	EUR	750	96	718	BBB-	Fixed	100		XS2397252102
2028-07-24	EUR	500	30	479	BBB-	Fixed	138		XS2435611244
2029-09-06	EUR	750	72	680	BBB-	Fixed	75		XS2384269366
2029-11-05	EUR	500	–	506	BBB-	Fixed	388		XS2931248848
2030-10-02	EUR	500	–	500	BBB-	Fixed	375	Yes	XS3105178795
2031-03-10	EUR	500	–	497	BBB-	Fixed	375	Yes	XS3168266958
2031-10-13	EUR	750	50	660	BBB-	Fixed	163		XS2397252011
2035-05-04	EUR	50	–	37	BBB-	Fixed	280		XS2168047087
2035-05-04	EUR	50	–	37	BBB-	Fixed	280		XS2161838276
Total		**5,550**	**291**	**5,304**					
2026-09-11	SEK	1,300	192	1,306	BBB-	Floating	Stibor 3m + 200		XS2899592112
2026-11-23	SEK	1,000	146	1,002	BBB-	Floating	Stibor 3m + 110		XS2412106853
2026-12-05	SEK	500	–	501	BBB-	Floating	Stibor 3m + 130		XS2954868647
2027-01-21	SEK	650	–	651	BBB-	Floating	Stibor 3m + 120		XS2988694381
2027-02-22	SEK	500	20	502	BBB-	Floating	Stibor 3m + 140		XS2447755351
2027-05-23	SEK	500	–	500	BBB-	Floating	Stibor 3m + 100	Yes	XS3079553189
2027-09-03	SEK	1,100	–	1,125	BBB-	Floating	Stibor 3m + 240		XS2894928287
2028-02-18	SEK	850	–	854	BBB-	Floating	Stibor 3m + 135	Yes	XS3005533891
2029-06-19	SEK	1,250	–	1,255	BBB-	Floating	Stibor 3m + 150	Yes	XS3099959705
2030-07-04	SEK	350	–	350	BBB-	Floating	Stibor 3m + 155	Yes	XS3110851824
Total		**8,000**	**358**	**8,046**					

[1] *Based on quoted market prices as of the Balance Sheet date*
[2] *Based on S&P rating or, if not available, on Fitch rating.*
[3] *All bonds are listed on Euronext Dublin.*

MATURITY SCHEDULE INTEREST-BEARING LIABILITIES

	31 December 2025					
SEK million	Interest-bearing liabilities, secured	Interest-bearing liabilities unsecured	Total interest-bearing liabilities	Share, %	Unutilised credit commitment	Share, %
Loan maturity						
Within 1 year of the Balance Sheet date	–	7,705	7,705	5	–	–
Within 1–2 year of the Balance Sheet date	10,260	10,011	20,271	12	5,184	23
Within 2–3 year of the Balance Sheet date	11,672	14,309	25,981	16	17,809	77
Within 3–4 year of the Balance Sheet date	7,524	13,989	21,513	13	–	–
Within 4–5 year of the Balance Sheet date	19,158	5,758	24,917	15	–	–
>5 years after balance sheet date	50,778	14,060	64,838	39	–	–
Total	**99,392**	**65,833**	**165,224**	**100**	**22,992**	**100**

	31 December 2024					
SEK million	Interest-bearing liabilities, secured	Interest-bearing liabilities, unsecured	Total interest-bearing liabilities	Share, %	Unutilised credit commitment	Share, %
Loan maturity						
Within 1 year of the Balance Sheet date	1,705	8,796	10,501	6	–	–
Within 1–2 year of the Balance Sheet date	19,303	8,468	27,771	15	9,340	48
Within 2–3 year of the Balance Sheet date	15,587	9,314	24,901	13	9,092	47
Within 3–4 year of the Balance Sheet date	13,138	14,197	27,336	15	743	4
Within 4–5 year of the Balance Sheet date	8,042	13,496	21,538	12	–	–
>5 years after balance sheet date	63,927	9,166	73,093	39	87	–
Total	**121,703**	**63,438**	**185,140**	**100**	**19,262**	**100**

The average loan maturity, as at 31 Decmber 2025 was: 7.60 years (7.86)

	Interest maturity, 31 December 2025				Interest maturity, incl financial instruments, 31 December 2025			
SEK million	Fixed interest-bearing liabilities	Floating interest-bearing liabilities	Total interest-bearing liabilities	Average interest rate, % incl. margin	Fixed interest-bearing liabilities	Marginal hedge ratio, %	Total interest-bearing liabilities	Average interest rate, % incl. margin
Interest maturity								
Within 1 year of the Balance Sheet date	11,172	56,975	68,147	3.25	18,196	11	40,788	3.30
Within 1–2 year of the Balance Sheet date	13,804	–	13,804	2.53	28,026	17	28,026	3.35
Within 2–3 year of the Balance Sheet date	19,037	–	19,037	2.58	29,588	18	29,588	3.10
Within 3–4 year of the Balance Sheet date	22,843	–	22,843	2.67	26,130	16	26,130	2.94
Within 4–5 year of the Balance Sheet date	21,051	–	21,051	3.34	24,140	15	24,140	3.45
>5 years after balance sheet date	20,343	–	20,343	2.80	16,552	10	16,552	2.59
Total	**108,249**	**56,975**	**165,224**	**2.99**	**142,632**	**86**	**165,224**	**3.17**

	Interest maturity, 31 December 2024				Interest maturity, incl financial instruments, 31 December 2024			
SEK million	Fixed interest-bearing liabilities	Floating interest-bearing liabilities	Total interest-bearing liabilities	Average interest rate, % incl. margin	Fixed interest-bearing liabilities	Marginal hedge ratio, %	Total interest-bearing liabilities	Average interest rate, % incl. margin
Interest maturity								
Within 1 year of the Balance Sheet date	15,048	70,893	85,941	3.86	20,312	11	35,234	3.87
Within 1–2 year of the Balance Sheet date	14,369	–	14,369	3.13	21,643	12	21,643	3.17
Within 2–3 year of the Balance Sheet date	14,385	–	14,385	2.75	31,053	17	31,053	2.73
Within 3–4 year of the Balance Sheet date	18,542	–	18,542	2.08	30,433	16	30,433	2.02
Within 4–5 year of the Balance Sheet date	22,593	–	22,593	2.65	30,842	17	30,842	2.67
>5 years after balance sheet date	29,311	–	29,311	2.80	35,935	19	35,935	2.78
Total	**114,248**	**70,893**	**185,140**	**3.22**	**170,218**	**92**	**185,140**	**3.22**

The average term of fixed interest in the loan portfolio, including financial instruments, as at 31 December 2025 was: 3.08 years (3.43).

RECONCILIATION OF LIABILITIES ATTRIBUTABLE TO FINANCING ACTIVITIES

SEK million	Corporate bonds	Mortgages/ bank loans	Deferred charges	Total
Opening balance, 1 January 2024	**74,037**	**117,720**	**-506**	**191,250**
Repayment of interest-bearing liabilities	-22,530	-24,690	–	-47,221
Proceeds from issuance of interest-bearing liabilities	8,719	26,342	-343	34,718
Gains/losses on buyback of corporate bonds	–	-15	–	-15
Assumed debt in connection with acquisitions	–	1,046	–	1,046
Currency translation on loans	1,913	2,599	–	4,512
Closing balance, 31 December 2024	**62,138**	**123,003**	**-849**	**184,292**
Opening balance, 1 January 2025	**62,138**	**123,003**	**-849**	**184,292**
Repayment of interest-bearing liabilities	-8,745	-38,792	–	-47,537
Proceeds from issuance of interest-bearing liabilities	14,406	21,547	91	36,044
Gains/losses on buyback of corporate bonds	2	–	–	2
Currency translation on loans	-3,269	-5,066	–	-8,335
Closing balance, 31 December 2025	**64,533**	**100,692**	**-757**	**164,467**

Reconciliation of leasing liabilities attributable to financing activities is presented in note 6.5.

6.5 Leases

Accounting Policies

The Group has leases for leasehold rights, premises and vehicles. A lease liability (present value of future lease payments) and a corresponding right-of-use (ROU) asset are recognised in the Statement of Financial Position. ROU assets are depreciated over the lease term and recognised in the Statement of Comprehensive Income; lease payments are split between interest expense and reduction of the lease liability. Lease terms are renegotiated at market rates, with most agreements next due for renegotiation in more than five years.

The Group applies the recognition exemptions for short-term leases (term less than 12 months) and low-value assets; related payments are recognised in other operating expenses in the Statement of Comprehensive Income..

RIGHT OF USE PER LEASE CATEGORY:

SEK million	Premises	Vehicles	Total
Opening balance, 1 January 2024	**83**	**74**	**158**
New leases and contracts amendments	19	33	52
Depreciation	-53	-36	-89
Currency translation	2	1	3
Closing balance, 31 December 2024	**51**	**72**	**123**
New leases and contracts amendments	54	16	70
Depreciation	-24	-36	-60
Currency translation	-1	-2	-4
Closing balance, 31 December 2025	**80**	**50**	**130**

CARRYING AMOUNTS OF LEASE LIABILITIES AND THE MOVEMENTS DURING THE PERIOD

SEK million	2025	2024
As at 1 January	**1,356**	**1,175**
Additions	97	283
Divestments	-13	-15
Accretions of interest	5	4
Payments	-60	-97
Currency translation	-61	5
As at 31 December	**1,324**	**1,356**
Current	42	59
Non-current	1,281	1,297

LEASING COSTS RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME

SEK million	2025	2024
Depreciation expense of right-of-use assets	-76	-113
Interest expense on lease liabilities	-2	-4
Expense relating to short-term leases	-13	-13
Expense relating to leases of low-value assets	-1	-8
Total amount recognised in Statement of Comprehensive Income	**-92**	**-138**

UNDISCOUNTED LEASE LIABILITIES

SEK million	2025	2024
Within one year	60	65
1–5 years	115	65
> 5 years	1,365	1,232
Total	**1,540**	**1,361**

The Group's lease income from operating leases is presented in rental income in the Statement of Comprehensive Income. For more information see Note 2.2. The Group had total cash outflows as a lessee of SEK 60 million (97).

7. Other Liabilities

7.1 Deferred Tax

Accounting Policies

Deferred tax is recognised using the liability method on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases. Temporary differences primarily arise from fair value adjustments of investment properties, derivative financial instruments, tax losses carried forward, and other differences between accounting and taxation rules.

- Deferred tax liabilities are recognised for all taxable temporary differences, except where the Group can control the timing of the reversal of differences related to investments in subsidiaries, associates, and joint ventures, and it is probable that the differences will not reverse in the foreseeable future.
- Deferred tax assets are recognised for deductible temporary differences, unused tax losses, and unused tax credits, to the extent that it is probable that future taxable profit will be available to utilize them.
- Deferred tax relating to items recognised outside profit or loss, Other Comprehensive Income or directly in equity, is recognised in the same component.

Measurement

Deferred tax is measured using tax rates and laws that are enacted or substantively enacted at the reporting date and are expected to apply when the related asset is realized or the liability is settled. The measurement reflects the expected manner of recovery or settlement of the carrying amount of assets and liabilities.

Offsetting

Deferred tax assets and liabilities are offset when a legally enforceable right exists to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority on the same taxable entity.

Initial Recognition Exemption

Deferred tax is not recognised on temporary differences arising on the initial recognition of assets or liabilities in transactions that are not business combinations and that, at the time of the transaction, affect neither accounting nor taxable profit. This includes investment properties acquired in asset acquisitions, where differences between carrying amount and tax base at acquisition fall within this exemption. When the initial recognition exemption applies, the temporary difference arising at acquisition is not recognised. Deferred tax is recognised only on subsequent changes in the temporary difference. Deferred tax asset is not recognised on fair value changes below acquisition cost and above tax base. Deferred tax liability is not recognised until the fair value is above the initial acquisition cost.

OECD Pillar Two Exception

The Group applies the mandatory temporary exception from recognizing deferred taxes arising from the OECD Pillar Two rules, as further described in Note 2.8.

DEFERRED TAX

SEK million	Opening balance	Income Statement	Equity	Currency translation	Closing balance
Tax loss carried forward	752	-427	–	-17	307
Real estate	-19,114	-1,057	–	767	-19,404
Derivatives	67	-10	–	-1	56
Reinvestment reserve	-931	-383	–	62	-1,252
Hybrid bonds	-568	206	-68	–	-430
Other deferred tax	-54	18	–	18	-19
Total deferred tax	**-19,849**	**-1,654**	**-68**	**829**	**-20,742**
Of which Deferred tax assets (+)	**819**				**339**
Of which Deferred tax liabilities (-)	**-20,668**				**-21,080**

7.2 Other Liabilities

SEK million	31 December 2025	31 December 2024
Current tax liabilities	213	575
Real estate transfer tax	14	55
Liabilities related to investment property transactions	58	452
VAT	83	143
Social security charges	10	11
Stamp duty	5	75
Other liabilites	779	492
Total	**1,163**	**1,803**

7.3 Accrued Expenses and Prepaid Income

SEK million	31 December 2025	31 December 2024
Accrued interest	532	569
Prepaid rent	516	508
Accrued personnel expenses	108	122
Accrued operating expenses	489	716
Accrued administrative expenses	33	27
Other accrued items	223	362
Total	**1,901**	**2,304**

8. Other Disclosures

8.1 Related-party Disclosures

Transactions with related parties are carried out at arm's length terms.

The following are defined as related parties:
- All companies within the Heimstaden and Fredensborg Group
- Key management personnel (Board Members that are not shareholders and Group management)
- Close family members of Board Members or Group management
- Companies controlled by Board Members or Group management
- Shareholders in control of more than 10% of the shares or votes in the Group
- Associated companies and joint ventures

In 2018, Fredensborg AS sold a Norwegian housing portfolio to Heimstaden Bostad AB. As part of the sales and purchase agreement, Fredensborg AS guaranteed the development projects would provide an annual equity return of at least 7.5% upon completion. If there are ongoing projects when the guarantee expires in April 2030, these projects will be settled at their completion. As per 31 December 2025, it is estimated that Fredensborg will have to pay SEK 0 million (0) under the guarantee.

RELATED-PARTY TRANSACTIONS 2025

SEK million	Group Companies	Associates and Joint Ventures	Shareholders and family members
Rental income	–	–	–
Propterty expenses	-4	–	-8
Management services revenues	–	–	–
Management services costs	-748	–	–
Interest income	–	35	–
Interest expenses	–	–	–
Loans granted	–	110	–
Dividend from associated companies and joint ventures	–	5	–
Capital contribution	–	-12	–

RELATED-PARTY TRANSACTIONS 2024

SEK million	Group Companies	Associates and Joint Ventures	Shareholders and family members
Rental income	–	–	–
Propterty expenses	-4	–	-13
Management services revenues	–	–	–
Management services costs	-874	–	–
Interest income	–	50	–
Interest expenses	–	–	–
Loans granted	–	98	–
Dividend from associated companies and joint ventures	–	–	–
Capital contribution	–	-53	–

8.2 Pledged Assets

SEK million	31 December 2025	31 December 2024
Investment properties[1]	128,250	166,045
Pledged shares in associated companies and joint ventures[1]	5,465	5,315
Total	**133,715**	**171,360**

[1] *The collateral has been pledged with regard to interest-bearing loans from credit institutions.*

8.3 Contingencies and Commitments

Investment Obligations and Capital Expenditures

Heimstaden Bostad has entered into contracts with sellers of investment property under construction placed in a corporate wrapper. Heimstaden Bostad will acquire 100% of the outstanding shares in the corporate wrapper at a future date. The contract is valued at fixed price (forward purchase) based on the equity in the corporate wrapper, where investment property is measured at fair value. The arrangements are recognised as financial instruments under IFRS 9 at fair value through Statement of Comprehensive Income. For more information see Note 6.1.

As of 31 December 2025, Heimstaden Bostad had total investment obligations of SEK 192 million (185). The forward funding contracts with third parties are committed to future capital expenditure in respect of investment properties under construction similar to own developments, which combined amount to SEK 290 million (760).

2025

SEK million	2026	2027	Total
Forward funding	264	2	266
Own development	24	–	24
Forward purchase	192	–	192
Total	**480**	**2**	**482**

2024

SEK million	2025	2026	Total
Forward funding	443	71	514
Own development	203	43	246
Forward purchase	185	–	185
Total	**831**	**114**	**946**

Disputes

As of the balance sheet date, Heimstaden Bostad is not a part in any ongoing legal processes or administrative proceedings which have had or may have a material impact to its financial statements.

8.4 Events after the Reporting Period

Subsequent to the balance sheet date, on 13 January 2026, Heimstaden Bostad priced EUR 500 million 5.075% perpetual hybrid securities with first reset date on 19 April 2031.

Subsequent to the balance sheet date, Kojamo Oyj announced the acquisition of a housing portfolio to be settled by issuing new shares. Following completion, Heimstaden Bostad's ownership in Kojamo will decrease below 20%, resulting in the investment being derecognised and reclassified from an associated company to a financial asset at the share price at completion of the transaction. Kojamo Oyj have announced that the transaction is expected to be completed on 1 April 2026. This is a non-adjusting subsequent event because it is indicative of conditions that arose after the reporting period and does not provide evidence of conditions that existed at year-end. A one-off accounting loss of approximately SEK 3 billion is anticipated.

Parent Company Financial Statements and Notes

Parent Company Statement of Comprehensive Income

SEK million	Note	2025	2024[1]
Management service income		394	369
Other operating expenses		-54	-27
Administrative expenses	2.1, 2.2, 7.2	-587	-848
Operating profit/loss		**-247**	**-506**
Dividends from subsidiaries		2,414	1,529
Impairment of investment in subsidiaries and associated companies	3.1	-2,767	-4,735
Share of net profits/losses of associated companies	3.2	17	21
Interest income	2.3	3,402	3,932
Interest expenses	2.3	-2,415	-2,158
Net currency translation gains/losses	2.3	2,221	-1,451
Fair value adjustment of derivative financial instruments		-41	97
Other financial items	2.3	-35	376
Profit/loss after financial items		**2,549**	**-2,894**
Appropriations	2.4	-1,801	2,392
Profit/loss before tax		**748**	**-502**
Income tax expense	2.5	–	-176
Deferred tax income/expense	2.5	-666	-44
Profit/loss for the period		**81**	**-723**

SEK million	Note	2025	2024
Currency translation differences		-467	234
Total comprehensive income/loss		**-386**	**-489**

[1] *Comparables restated, see Note 1.1*

Parent Company Statement of Financial Position

SEK million	Note	31 December 2025	31 December 2024[1]
ASSETS			
Shares in subsidiaries	3.1	85,438	80,470
Investments in associated companies and joint ventures	3.2	7,875	8,325
Bonds		2,661	2,813
Deferred tax assets	3.3	–	496
Non-current receivables, subsidiaries	3.4, 7.2	115,739	78,249
Total non-current assets		**211,713**	**170,352**
Current receivables, subsidiaries	3.5, 7.2	777	31,501
Accrued income, subsidiaries		98	174
Other financial assets		9	47
Cash and cash equivalents	3.6	496	131
Total current assets		**1,381**	**31,852**
TOTAL ASSETS		213,094	202,205

SEK million	Note	31 December 2025	31 December 2024[1]
EQUITY AND LIABILITIES			
Share capital		97	97
Restricted equity		**97**	**97**
Share premium reserve		129,437	129,437
Currency translation reserve		-227	240
Hybrid bonds		24,743	27,221
Retained earnings		-42,226	-43,340
Unrestricted equity		**111,727**	**113,558**
Total equity	4.1	**111,824**	**113,655**
Interest-bearing liabilities	5.1	23,460	21,974
Derivative financial instruments		262	222
Deferred tax liability	6.3	452	579
Non-current liabilities, subsidiaries	6.1, 7.2	68,785	63,999
Total non-current liabilities		**92,959**	**86,773**
Interest-bearing liabilities	5.1	7,705	1,049
Trade and other payables		–	24
Short-term debt, subsidiaries		10	–
Accrued expenses, subsidiaries		290	450
Accrued expenses and prepaid income	6.2	305	253
Total current liabilities		**8,310**	**1,777**
TOTAL EQUITY AND LIABILITIES		213,094	202,205

[1] *Comparables restated, see Note 1.1*

Parent Company Statement of Changes in Equity

SEK million	Share capital	Share premium reserve	Currency translation reserve	Retained earnings[1]	Hybrid bonds[1]	Total equity
Opening balance, 1 January 2024	**97**	**129,437**	**6**	**-38,738**	**24,235**	**115,036**
Effects from change in accounting policy	–	–	–	-2,233	2,233	–
Opening balance, 1 January 2024 restated	**97**	**129,437**	**6**	**-40,972**	**26,468**	**115,036**
Profit/loss for the period	–	–	–	-723	–	-723
Currency translation differences	–	–	234	–	–	234
Total comprehensive income/loss	**–**	**–**	234	-723	**–**	**-489**
Issue of hybrid bonds	–	–	–	–	5,743	–
Cost of issuance	–	–	–	-61	–	–
Buyback of hybrid bonds	–	–	–	-19	-5,759	–
Issue of hybrid bonds	–	–	–	-796	796	5,743
Coupon expense on hybrid bonds	–	–	–	–	-796	–
Coupon paid on hybrid bonds	–	–	–	-769	769	-5,839
Total transactions with the Company's shareholders	–	–	**–**	**-1,645**	**753**	**-893**
Equity, 31 December 2024	**97**	**129,437**	**240**	**-43,340**	**27,221**	**113,655**

SEK million	Share capital	Share premium reserve	Currency translation reserve	Retained earnings	Hybrid bonds	Total equity
Opening balance, 1 January 2025	**97**	**129,437**	**240**	**-43,340**	**27,221**	**113,655**
Profit/loss for the period	–	–	–	81	–	81
Currency translation differences	–	–	-467	-	–	-467
Total comprehensive income/loss	**–**	**–**	-467	81	**–**	**-386**
Cost of issuance	–	–	–	-10	–	-10
Buyback of hybrid bonds	–	–	–	138	-985	-847
Coupon expense on hybrid	–	–	–	-589	589	–
Coupon paid on hybrid	–	–	–	–	-589	-589
Currency translation on hybrid bonds	–	–	–	1,493	-1,493	–
Total transactions with the Company's shareholders	–	–	**–**	**1,033**	**-2,478**	**-1,445**
Equity, 31 December 2025	**97**	**129,437**	**-227**	**-42,226**	**24,743**	**111,824**

1 Comparables restated, see Note 1.1

Parent Company Statement of Cash Flows

SEK million	Note	2025	2024[1]
Operating activities			
Profit/loss before income tax		748	-502
Adjustments to reconcile profit before tax to net cash flows:			
Other adjustments	7.3	-3,640	3,828
Financial expenses - net		-987	-1,774
Working capital changes			
Increase(-)/decrease(+) in rent and other receivables		1,820	2,306
Increase(+)/decrease(-) in trade and other payables		-133	6
Cash generated from operations		**-2,193**	**3,864**
Interest paid		-795	-694
Interest received		75	67
Net cash flows from operating activities		**-2,912**	**3,237**

SEK million	Note	2025	2024[1]
Investing activities			
Net cash flows from investing activities		–	–
Financing activities			
Proceeds from interest-bearing liabilities	5.1	18,789	12,669
Repayment of interest-bearing liabilities	5.1	-9,447	-7,746
Buyback of bonds		265	–
Proceeds to subsidiaries		-4,510	-15,655
Proceeds from issuance of hybrid bonds		–	5,743
Buyback of hybrid bonds		-985	-5,759
Coupon payments on hybrid bonds		-741	-1,003
Net cash flows from financing activities		**3,371**	**-11,751**
Cash and cash equivalents at the beginning of the period		131	8,777
Net change in cash and cash equivalents		459	-8,514
Net currency exchange effect in cash and cash equivalents		-94	-132
Cash and cash equivalents at the end of the period		**496**	**131**

[1] *Comparables restated, see Note 1.1*

Notes to the Parent Company Financial Statements

1. Accounting Policies

1.1 Accounting Policies

The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the recommendation RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board.

In accordance with RFR 2, the Parent Company applies the same accounting policies as the Group, (see Note 1.2, Significant accounting policies), except in the cases where the Swedish Annual Accounts Act or RFR 2 specify alternative accounting treatments with the following differences:

Investments in Subsidiaries
Investments in subsidiaries are recognised at historical cost less deductions for any impairments. Acquisition-related costs and any contingent consideration are capitalised if there are indications that participations in Group companies have decreased in value. The recoverable amount is calculated and if this is lower than the carrying amount, the investment is impaired. Impairment is recognised under the item 'Impairment of investments in subsidiaries. If an impairment loss recognised in prior periods is no longer justified, a reversal is recognised through profit or loss. The reversal is limited such that the carrying amount after reversal does not exceed the investment's historical cost.

Financial Instruments
The guidance for financial instruments under IFRS 9 is applied by the Parent Company, except where RFR 2 permits alternative treatments. Certain financial assets are measured at cost or at the lower of cost and net realisable value. Financial non-current assets are carried at cost less impairment; financial current assets are carried at the lower of cost and net realisable value. Debt instruments measured at amortised cost follow the expected credit loss model under IFRS 9, while other financial assets are impaired when their fair value or recoverable amount is below carrying amount.

The Parent Company applies the RFR 2 exemption for financial guarantee contracts issued to subsidiaries, associates and joint ventures. These guarantees are accounted for under IAS 37, whereby a provision is recognised when an obligation exists, an outflow of resources is probable, and the amount can be reliably estimated.

Impairment of Financial Assets
The Parent Company applies the Group's expected credit loss model to intra-Group receivables, assessed collectively due to similar risk characteristics. No significant increase in credit risk was identified at the balance sheet date. The assessment considers subordination to external lenders, subsidiaries' loan-to-value ratios, and estimated forced-sale values. Expected credit losses are not considered material, and no provision has been recognised.

Group Contributions and Shareholder Contributions
Group contributions paid and received are recognised in the income statement in accordance with their financial effect, and are deductible or taxable for income tax purposes. Shareholder contributions are recognised as an increase in the carrying amount of investments in subsidiaries. Such investments are subsequently assessed for impairment in accordance with the Parent Company's impairment policy.

Credit Risk
The Parent Company's maximum credit risk is the net amount of the financial assets. The Parent Company has no collateral for its net financial assets.

Based on our assessment there has been no significant increase in credit risk of the Parent Company's financial assets.

Presentation
The Statement of Comprehensive Income and Balance Sheet are prepared in accordance with the Annual Accounts Act's schedule while the Statement of Changes in Equity and the Cash Flow Statement are based on IAS 1, Presentation of Financial Statements, and IAS 7 Statement of Cash Flows.

Change in Measurement and Presentation of Hybrid Bonds
During 2025, the Parent changed its accounting policy for foreign-currency denominated hybrid bonds classified as equity. Previously, such instruments were translated into the functional currency using the spot exchange rate at the date of issuance and were not subsequently retranslated. Under the new policy, foreign-currency hybrid capital is retranslated at the closing exchange rate at each reporting date.

The change has been applied retrospectively and has no impact to total equity; the change only represents a change between the classes of equity presented. Refer to the restated Statement of Changes in Equity for the impacts of the accounting policy change.

2. Income and Expenses

2.1 Audit Fee

The audit assignment refers to the audit of the financial statements. Other assurance services provided by the auditors include services related to review procedures on interim reports and other attestation services. The fees are summarised in the table below:

EY

SEK million	2025	2024
Audit assignment	4	4
Other assurance services	3	4
Total	**7**	**8**

2.2 Personnel and Senior Management

The remuneration to the Chairman of the Board amounts to SEK 0.96 million (0.96). No other remuneration was paid to the Members of the Board except board fees presented in Group Note 2.5. The CEO receives remuneration from Heimstaden Group Norway AS.

During the year, the Board of Directors consisted of 9 (9) Members, of whom 6 (6) were men.

2.3 Financial Income and Expenses

SEK million	2025	2024
Assets and liabilities measured at amortised cost:		
Interest income, subsidiaries	3,326	3,805
Interest income, other financial assets	75	127
Total interest income in accordance with the effective interest method	**3,402**	**3,932**
Interest expenses, loans	-1,054	-680
Interest expenses, Group companies	-1,360	-1,477
Total interest expenses in accordance with the effective interest method	**-2,415**	**-2,158**
Other financial items		
Foreign exchange gains/losses	2,221	-1,451
Other financial income	168	422
Other financial expenses	-204	-46
Total other financial items	**2,186**	**-1,075**
Total income/loss from financial items	**3,173**	**699**

2.4 Appropriations

SEK million	2025	2024
Group contributions received	–	2,392
Group contributions paid	-1,801	–
Total	**-1,801**	**2,392**

2.5 Income Tax Expense

SEK million	2025	2024
Current tax expense	–	-175
Deferred tax	-666	-44
Income tax expense reported in Comprehensive Income Statement	**-666**	**-220**
Profit before tax	748	-502
Tax according to current rate	-154	103
Tax effect of:		
Non-taxable income	10	-31
Transferred deductible interest from subsidiaries	8	151
Tax effects hybrid bonds	-428	202
Deferred tax capitalised on prior years losses carried forward	–	-28
Write down of shares in subsidiaries and associated companies	-567	-907
Non-deductible costs	-10	-25
Dividends	476	314
Income tax expense reported in Comprehensive Income Statement	**-666**	**-220**

3. Assets

3.1 Shares in Subsidiaries

SHAREHOLDINGS IN SUBSIDIARIES

Company	Corp.ID.nr	Registrered office	Number of shares	Share in %	Recognised value in Parent Company, SEK million 2025	2024
Heimstaden Bostad Invest 1 AB	556867-8444	Malmö	1000	100	1,039	1,039
Heimstaden Bostad Invest 2 AB	556867-8451	Malmö	1000	100	1,349	249
Heimstaden Bostad Invest 3 AB	556871-1153	Malmö	1000	100	3,008	608
Heimstaden Bostad Invest 4 AB	556871-1104	Malmö	1000	100	523	1,563
Heimstaden Bostad Invest 5 AB	556910-3467	Malmö	500	100	1,086	1,086
Heimstaden Bostad Invest 6 AB	556989-5690	Malmö	500	100	371	348
Heimstaden Bostad Invest 7 AB	559106-1584	Malmö	500	100	2,417	917
Heimstaden Bostad Invest 8 AB	559106-1550	Malmö	500	100	19,555	18,571
Heimstaden Bostad Invest 9 A/S	38714953	Copenhagen	500	100	10,356	10,356
Heimstaden Bostad Invest 10 AS	819330492	Oslo	500	100	7,478	10,095
Heimstaden Bostad Invest 12 AB	559228-4433	Malmö	500	100	7,613	7,613
Heimstaden Bostad Invest 13 AB	559276-3345	Malmö	500	100	2,183	2,183
Heimstaden Bostad Invest 14 AB	559295-8168	Malmö	500	100	169	168
Heimstaden Bostad Invest 15 AB	559298-5260	Malmö	500	100	1,654	1,654
Heimstaden Bostad Invest 16 AB	559326-5225	Malmö	500	100	–	–
Heimstaden Eagle AB	559326-5233	Malmö	500	37.7[1]	6,460	6,195
Heimstaden Bostad Invest AB	559190-1607	Malmö	500	100	12	–
Heimstaden Bostad Bostadsfinansiering AB	559112-2105	Malmö	500	100	–	–
Heimstaden Bostad Portalen AB	559085-2264	Malmö	500	100	–	–
Heimstaden Satelliten AB	559163-3457	Malmö	500	100	607	278
Heimstaden Bostad Skrinet AB	559177-3436	Malmö	500	100	7	7
Heimstaden Bostad Skrinet 2 AB	559322-6771	Malmö	500	100	2	2
Heimstaden Bostad Portalen 2 AB	559177-3451	Malmö	500	100	–	–
Heimstaden Bostad Parkering AB	559001-2414	Malmö	500	100	–	–
Heimstaden Castor AB	559101-4963	Malmö	500	100	14,655	14,644
Heimstaden Bostad Treasury B.V.	78619610	Amsterdam	100	100	60	100
Heimstaden Country Manager AB	559382-7909	Malmö	25000	100	2,617	2,603
Heimstaden Bostad Invest 19 AB	559365-7512	Malmö	250	100	89	89
Heimstaden Services AB	559382-7917	Malmö	25000	100	85	85
Heimstaden Bostad Invest 20 AB	559396-1120	Malmö	250	100	–	–
Heimstaden Bostad Invest 18 AB	559331-8768	Malmö	250	100	1,989	16
Heimstaden Bostad Invest 21 AB	559498-6621	Malmö	500	100	–	–
Heimstaden Örnen Byggrätter AB	559525-2544	Malmö	250	100	52	–
Heimstaden Bostad Invest 21 A AB	559556-7461	Malmö	250	100	–	–
Total					**85,438**	**80,470**

[1] *Voting share of 50.3%*

SEK million	31 December 2025	31 December 2024
Opening balance	80,470	60,115
Divestments	–	-43
Write-down	-2,767	-4,703
Shareholder contributions	7,735	25,101
Closing balance	**85,438**	**80,470**

3.2 Investments in Associated Companies

SEK million	31 December 2025	31 December 2024
Opening balance	8,325	8,070
Share of net profits/losses of associated companies	17	21
Currency translation	-467	234
Closing balance	**7,875**	**8,325**

Currency translation effects are recognised in other comprehensive income.

3.3 Deferred Tax Assets

SEK million	31 December 2025	31 December 2024
Opening balance	496	439
Change for the year	-496	57
Closing balance	**–**	**496**

Capitalised tax loss carryforward relates to tax loss of SEK 0 million (2,405).

3.4 Non-current Receivables, Subsidiaries

SEK million	31 December 2025	31 December 2024
Opening balance	78,249	90,696
Change for the year	37,490	-12,447
Closing balance	**115,739**	**78,249**

Receivables from Group companies are attributable to transactions between the Parent Company and the subsidiaries. Intra-group loans are subject to market terms and are without collateral.

3.5 Current Receivables, Subsidiaries

SEK million	31 December 2025	31 December 2024
Opening balance	31,501	43,005
Change for the year	-30,724	-11,504
Closing balance	**777**	**31,501**

Receivables from Group companies are attributable to transactions between the Parent Company and the subsidiaries. Intra-group loans are subject to market terms and are without collateral.

3.6 Cash and Cash Equivalents

Cash and cash equivalents primarily comprise traditional cash and short-term, easily convertible investments that can quickly be transformed into known amounts of cash. The change in cash and cash equivalents is shown in the Consolidated Statement of Cash Flows.

4. Equity

4.1 Equity

Event	Total number of shares	Total share capital	Quota value
Opening balance at 1 January 2024	61,012,418	96,515,418	1.58
Closing balance at 31 December 2024	**61,012,418**	**96,515,418**	**1.58**
Opening balance at 1 January 2025	61,012,418	96,515,418	1.58
Closing balance at 31 December 2025	**61,012,418**	**96,515,418**	**1.58**

At 31 December 2025, there were 12,914,568 (12,914,568) ordinary shares, 200 (200) Share Class A shares, 47,155,687 (47,155,687) Share Class B shares, and 941,963 (941,963) Share Class C shares. The voting value of an ordinary share is one half vote per share, the voting value for Share Class A and B is one-tenth of a vote per share and the voting value for Share Class C is one vote per share. For information regarding hybrid bonds, see Group Note 5.

Source of accumulated profit, SEK		Proposed appropriation of accumulated profit, SEK	
Share premium reserve	129,437,115,324	Dividend to shareholders	–
Hybrid bonds	24,742,825,848	Share premium reserve	129,437,115,324
Currency translation reserve	-227,068,671	Hybrid bonds	24,742,825,848
Retained earnings	-42,306,995,124	Currency translation reserve	-227,068,671
Profit/loss for the year	81,317,274	Retained earnings	-42,225,677,850
Total	**111,727,194,651**	**Total**	**111,727,194,651**

It is proposed that the funds at the disposal of the Annual General Meeting of SEK 111,727,194,651 is to be carried forward. No dividend shall be paid to any of the Share Classes.

5. Capital Structure and Financial Items

5.1 Interest-bearing Liabilities

	2025				2024			
SEK million	Interest-bearing liabilties	Secured loans, %	Share, %	Unutilised credit commitment	Interest-bearing liabilties	Secured loans, %	Share, %	Unutilised credit commitment
Corporate bonds	16,425	–	52	–	17,693	–	76	–
Green bonds	13,767	–	44	–	315	–	1	–
Mortgages/bank loans	1,300	–	4	13,094	5,236	75	23	13,240
Total	**31,492**	–	**100**	**13,094**	**23,244**	**17**	**100**	**13,240**
Deferred charges	-327				-220			
Total incl. deferred charges	**31,166**				**23,024**			

INTEREST-BEARING LIABILITIES PER CURRENCY

	2025		2024	
Currency	SEK million	Local currencies	SEK million	Local currencies
SEK	8,942	8,942	6,360	6,360
NOK	–	–	517	532
EUR	22,550	2,085	16,367	1,428
Total	**31,492**		**23,245**	
Deferred charges	-327		-221	
Total incl. deferred charges	**31,166**		**23,024**	

SEK million	31 December 2025	31 December 2024
Loan maturity, year		
Within 1 year of the Balance Sheet date	7,705	1,049
Within 1–2 year of the Balance Sheet date	2,730	12,404
Within 2–3 year of the Balance Sheet date	2,150	1,600
Within 3–4 year of the Balance Sheet date	6,658	1,315
Within 4–5 year of the Balance Sheet date	5,758	5,730
>5 years after balance sheet date	6,490	1,146
Total	**31,492**	**23,245**
Deferred charges	-327	-221
Total	**31,166**	**23,024**

RECONCILIATION OF LIABILITIES ATTRIBUTABLE TO FINANCING ACTIVITIES

SEK million	Corporate bonds	Morgages/ bank loans	Deferred charges	Total
Opening balance, 1 January 2024	**12,632**	**6,722**	**-197**	**19,157**
Loan repayments	-3,528	-5,568	–	-9,096
New borrowings/assumed debt in connection with acquisitions	8,719	3,950	–	12,669
Currency exchange effect on loans	186	132	-24	294
Closing balance, 31 December 2024	**18,009**	**5,236**	**-221**	**23,024**
Opening balance, 1 January 2025	**18,009**	**5,236**	**-221**	**23,024**
Loan repayments	-1,264	-8,183	-	-9,447
New borrowings/assumed debt in connection with acquisitions	14,406	4,383	-	18,789
Currency exchange effect on loans	-958	-137	-106	-1,201
Closing balance, 31 December 2025	**30,193**	**1,299**	**-327**	**31,166**

6. Other Liabilities

6.1 Non-current Liabilities, Subsidiaries

SEK million	31 December 2025	31 December 2024
Opening balance	63,999	81,628
Change for the year	4,786	-17,629
Closing balance	**68,785**	**63,999**

6.2 Accrued Expenses and Prepaid Income

SEK million	31 December 2025	31 December 2024
Accrued interest expenses	285	196
Other accrued expenses	19	47
Total	**304**	**243**

6.3 Deferred Tax Liabilities

SEK million	31 December 2025	31 December 2024
Opening balance	579	483
Changes arising from temporary differences	-127	96
Closing balance	**452**	**579**

7. Other Disclosures

7.1 Contingencies and Commitments

SEK million	31 December 2025	31 December 2024
Issued financial guarantees for the benefit of subsidiaries	77,688	97,696
Total	**77,688**	**97,696**

There are pledged assets of SEK 5,465 million (5,315) as of 31 December 2025.

7.2 Related-party Disclosures

Transactions with related parties are carried out at arm's length terms.

The following are defined as related parties:
- All companies within the Heimstaden and Fredensborg Group
- Key management personnel (Board Members that are not shareholders and Group management)
- Close family members of Board Members or Group management
- Companies controlled by Board Members or Group management
- Shareholders in control of more than 10% of the shares or votes in the Group
- Associated companies and joint ventures

For more information, see Group Note 8.1.

TRANSACTIONS WITH SUBSIDIARIES

SEK million	2025	2024
Sales to subsidiaries	394	369
Purchases from subsidiaries	-533	-812
Interest income from subsidiaries	3,326	3,812
Interest costs to subsidiaries	-1,531	-1,477
Receivables from subsidiaries	116,516	109,750
Liabilities to subsidiaries	68,795	63,999
Capital contributions to subsidiaries	7,735	25,101
Issued financial guarantees for the benefit of subsidiaries	77,688	97,696

Executive management

For information of remuneration to the Board of Directors and the CEO, see Note 2.2.

7.3 Other Adjustments in Cash Flow Statement

SEK million	2025	2024
Net interest income, subsidiaries	-1,795	-2,240
Dividends from shares in subsidiaries and associated companies	-2,414	–
Share of net profits/losses of associated companies	-17	-255
Impairment of shares in subsidiaries	2,767	4,722
Fair value adjustment of derivative financial instruments	41	-96
Exchange rate difference	-2,221	1,451
Total	**-3,640**	**3,582**

Signatures

The undersigned provide their assurance that the Consolidated Financial Statements have been prepared in accordance with the International Accounting Standards (IFRS), as adopted by the EU, as well as the Swedish Financial Reporting Board's recommendation RFR 1, and that the Annual Report has been prepared in accordance with the Annual Accounts Act and the recommendation RFR2 of the Swedish Financial Reporting Board. The Consolidated and Annual Financial Statements have been prepared in accordance with good accounting practices, and provide a fair view of the Group's and the Parent Company's financial position and profit, and that the Administration Report provides a fair overview of the development of the operations, position, and results of the Group and the Company, as well as describing significant risks and uncertainty factors facing the companies within the Group. The Annual Report also contains the Group's and Parent Company's statutory sustainability reporting in accordance with the Swedish Annual Accounts Act, see page 71. The content of the annual report was finalised, approved, and signed on 26 February, 2026.

26 February 2026

Helge Krogsbøl
CEO

Helge Leiro Baastad
Chairman of the Board

Ivar Tollefsen
Board Member

John Giverholt
Board Member

Bente A. Landsnes
Board Member

Fredrik Reinfeldt
Board Member

Daniel Kristiansson
Board Member

Klas Åkerbäck
Board Member

Rebecka Elkert
Board Member

Wenche Karin Nistad
Board Member

Our Auditor's Report regarding the annual accounts and the consolidated accounts was issued on 26 February 2026. Our limited assurance report regarding the statutory sustainability statement was issued on 26 February 2026.

Ernst & Young AB

Jonas Svensson
Authorised Public Accountant

Auditor's Report

To the general meeting of the shareholders of Heimstaden Bostad AB (publ), corporate identity number 556864-0873

Report on the Annual Accounts and Consolidated Accounts

Opinions

We have audited the annual accounts and consolidated accounts of Heimstaden Bostad AB (publ) except for the corporate governance statement on pages 60–70 and the sustainability report on pages 71–128 for the year 2025. The annual accounts and consolidated accounts of the company are included on pages 57–192 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31st of December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31st of December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act.

Our opinions do not cover the corporate governance statement on pages 60–70 and the sustainability report on pages 71–128. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the consolidated comprehensive income statement and the consolidated balance sheet for the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Property Valuations

Description

The fair value of the Group's investment properties reported in the Statement of Financial Position at 31 December 2025 amount to SEK 323,312 million.

The valuations are made through a combination of local price analyses and market simulations of future cash flows. The properties were valued externally at year-end. The properties' direct return requirements are assessed on the basis of each property's unique risk and transactions made in the market for objects of a similar nature.

In view of the many assumptions and assessments made in connection with the valuation of investment properties, we believe that this area is to be considered of particular importance in our audit.

A description of the valuation of the property holdings is shown in the Annual Report under Note 3.1 Investment Properties.

How our Audit Addressed this Key Audit Matter

In our audit of the fair value of the Group´s investment properties, we have among other things:

- Evaluated and examined the property valuation process.
- Evaluated the valuation method.
- With the support of our internal property valuation specialists, we have examined a sample of the external property valuations and assessed the reasonableness of assumptions made, such as direct return requirements, vacancy rates, rental income and operating costs.
- For a selection of investment properties, we have examined inputs on revenue and operating expenses and calculations in the external valuations at the property level.
- We have evaluated the external valuers' competence and objectivity.
- We have reviewed supplementary disclosures made in the Annual Report.

Goodwill

Description

At 31 December 2025 the Group's consolidated statements of financial position includes goodwill amounting to SEK 14,425 million.

The Group has assessed goodwill for impairment at 31 December 2025. Assessment of the impairment of the Group's goodwill incorporate significant judgments and estimates, specifically concerning factors such as forecast cashflows, discounts rates and terminal growth rates. Minor changes in certain assumptions can lead to significant changes in the recoverable amount of these assets.

Accordingly, based on the significant judgements and estimates involved in the impairment testing of goodwill we considered this to be a key audit matter in our audit.

Break-down of Goodwill and impairment test is found in note 3.2 Goodwill and intangible Assets in the Annual Report.

How our Audit Addressed this Key Audit Matter

Our audit procedures included among others the following:

- Assessed the cash flow forecasts, assumptions and estimates used by the Group, by considering the reliability of the Group's cash flow forecasts based of our knowledge of the business.
- With support from our valuation specialists assessed the methodology applied and evaluated the key assumptions applied in the impairment models. These include in particular discount rates and growth rates.
- Tested the mathematical accuracy of the impairment testing models including the consistency of relevant inputs.
- Performed sensitivity analysis on key assumptions.
- We have reviewed supplementary disclosures made in the Annual Report.

Other Information than the Annual Accounts and Consolidated Accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–56 and 71–128. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. 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 the company's internal control relevant to our 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's 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 annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. 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 a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors 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, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on Other Legal and Regulatory Requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Heimstaden Bostad AB (publ) for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's Responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

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

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The Auditor's Examination of the Corporate Governance Statement

The Board of Directors is responsible for that the corporate governance statement on pages 60–70 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR´s standard RevR 16 The auditor´s examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Ernst & Young AB, P.O Box 7850, 103 99 Stockholm, was appointed auditor of Heimstaden Bostad AB (publ) by the general meeting of the shareholders on the 1st of April 2025 has been the company's auditor since the 16th of April 2018.

Stockholm the 26th of February 2026
Ernst & Young AB

Jonas Svensson
Authorized Public Accountant

Auditor's limited assurance report on Heimstaden Bostad AB's (publ) sustainability statement

This is the translation of the auditor's report in Swedish.
To the General Meeting of the shareholders of Heimstaden Bostad AB (publ), corporate identity number 556864-0873

Conclusion

We have conducted a limited assurance engagement of the sustainability statement prepared by Heimstaden Bostad AB (publ) (the company) for the financial year 2025. The sustainability statement is included on pages 71–128 of this document.

Based on our limited assurance engagement as described in the section Auditor's Responsibility, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects, prepared in accordance with the Swedish Annual Accounts Act, which includes:

- Whether the sustainability statement meets the requirements of ESRS;
- Whether the process carried out by the company to identify reported sustainability information has been conducted as described in the sustainability statement; and
- Compliance with the reporting requirements in Article 8 of the EU's Green Taxonomy Regulation.

Basis for Conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 – *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten*. Our responsibility under this recommendation is described in more detail in the section Auditor's Responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information than the sustainability statement

This document also contains other information than the sustainability statement, found on pages 1–70 and 129–192. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information, and we do not express any conclusion with assurance regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

The sustainability statement for the previous financial year 2024 has not been subject to a limited assurance engagement according to RevR 19 *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten*. Therefore, no limited assurance engagement of comparative figures in the sustainability statement for 2025 has been performed.

Responsibilities of the Board of directors and Managing Director

The Board of Directors, and the Managing Director, are responsible for the preparation of sustainability statement in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion whether the sustainability statement is prepared in accordance with Chapter 6, Sections 12–12 f of the Swedish Annual Accounts Act based on our limited assurance engagement. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten*. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement, and manage a quality management system including guidelines or procedures regarding compliance with ethical requirements, standards of professional practice, and applicable laws and regulations.

We are independent of Heimstaden Bostad AB (publ) in accordance with professional ethics for accountants in in Sweden and have otherwise fulfilled our ethical responsibilities according to these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability information. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepares the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

The review procedures primarily include:
Our review procedures regarding the sustainability statement included, but were not limited to the following:

- Through inquiries, obtaining a general understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the information in the sustainability statement;
- Evaluating whether information identified as material through the process the company has undertaken to identify the content of the sustainability statement is also included;
- Evaluating whether the structure and presentation of the sustainability statements are consistent with the requirements of ESRS;
- Conducting inquiries with relevant personnel and analytical review procedures regarding selected disclosures in the sustainability statements; and
- Performing substantive review procedures of selected disclosures in the sustainability statements;
- Obtain, through inquiries and analytical review procedures, support for the methods used for preparing material estimates and forward-looking information and on how these methods were applied;

Our review procedures regarding the process the company have undertaken to identify sustainability information to report included, but were not limited to the following:

- Obtaining an understanding of the process by conducting inquiries to understand the sources of the information used by management (e.g., stakeholder dialogues, business plans, and strategy documents);
- Review the company's internal documents of its process; and
- Evaluating whether the information obtained from our procedures regarding the process implemented by the company aligns with the description of the process on page 77 in the sustainability statement.

The review of the taxonomy disclosures included but was not limited to the following review procedures:

- Obtaining an understanding of the process for identifying economic activities that are covered by and are consistent with the EU Green Taxonomy and the corresponding disclosures in the sustainability statement;
- Conducting inquiries to relevant personnel and analytical review procedures on the taxonomy disclosures;
- Conducting inquiries to understand the sources of the information used in the taxonomy disclosures;
- Evaluating whether the presentation of the taxonomy disclosures is consistent with the requirements of the EU Taxonomy Regulation; and
- Performing substantive review procedures of selected disclosures in the sustainability statement regarding the EU Green Taxonomy.

Inherent limitations
In reporting forward-looking information in accordance with ESRS, the board and management of Heimstaden Bostad AB (publ) must prepare forward-looking information based on specified assumptions about events that may occur in the future and possible future activities of Heimstaden Bostad AB (publ). Actual outcomes are likely to differ as expected events often do not occur as anticipated.

Stockholm, 26 February 2026
Ernst & Young AB

Jonas Svensson
Authorized Public Accountant

Financial Calendar

Q1 2026 Report	29 April 2026
Q2 2026 Report	21 July 2026
Q3 2026 Report	27 October 2026
Q4 & 2026 Annual Report	24 February 2027

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