

Heimstaden

Annual, Governance, and Sustainability Report 2025





Management Discussion and Analysis (MD&A)

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Financial Report

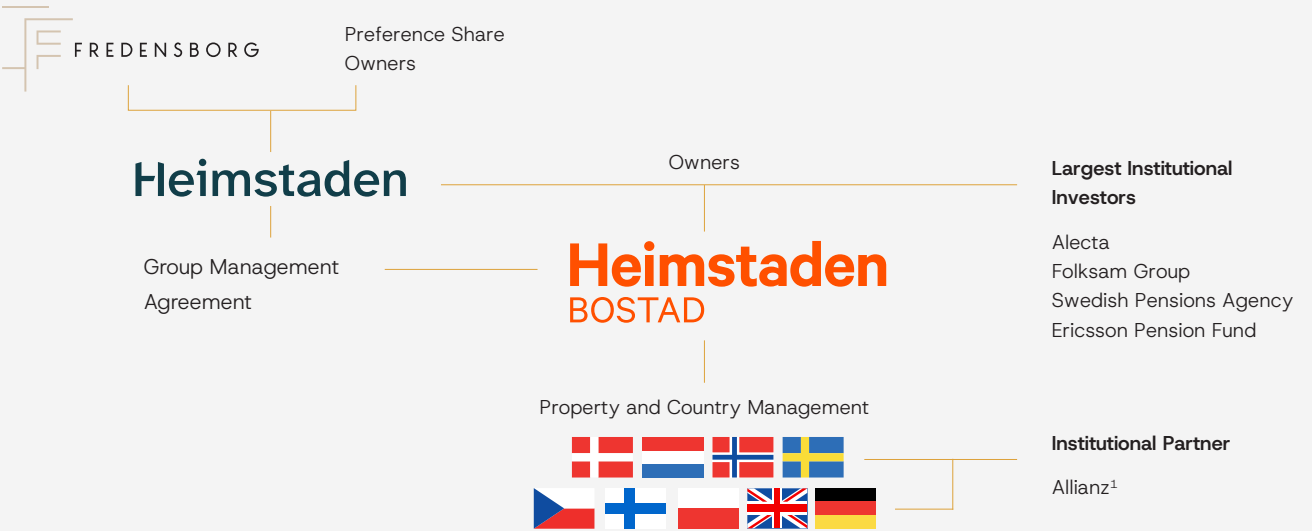
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Cover photo: Norra Långgatan 12 in Landskrona, Sweden.
Credit: Heimstaden Bostad

Heimstaden AB is a public Company. Corporate identification number 556670–0455. Domiciled in Malmö, Sweden, hereinafter referred to as “Heimstaden” or the “Company. This report contains forward-looking information based on the current expectations of Heimstaden’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 Swedish and English. The Swedish version is the original and has been audited by Heimstaden’s auditor. Figures in brackets refer to the previous year, 2024, unless otherwise stated.

The statutory Corporate Administration Report consists of [pages 32–34](#). The formal annual report comprises of [pages 32–163](#), and has been audited by Heimstaden’s auditor.

Heimstaden Bostad is a leading European residential real estate company. The Company is owned by industrial investor, Heimstaden, together with long-term institutional investors who share a philosophy for evergreen and 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 annual NOI margin of 72.1% (70.3%)
- Property values up 2.9% (2.6%) year-on-year, driven by NOI growth and 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
- For subsidiary Heimstaden Bostad, 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)
- In January 2025, Fitch ratings affirmed the 'B-' and revised the Outlook to Negative for Heimstaden
- In December 2025, an award in favour of Heimstaden was received in the arbitration case initiated by Alecta against Heimstaden confirming that there was no breach in the Shareholders Agreement of Heimstaden Bostad
- Heimstaden, issued SEK 750 million senior unsecured floating rate notes as well as EUR 430 million and EUR 400 million senior unsecured fixed rate notes as part of a series of liability management activities

Rental Income, SEK

15.9 billion

Like-for-like Rental Income Growth

4.9%

Privatisation Sales, SEK

10.7 billion

Privatisation Gross Premium

28.9%

Key Figures

		2025	2024	2023	2022	2021
Financials						
Rental income	SEK m	15,916	15,919	15,253	13,204	9,027
Growth y-o-y	%	0.0	4.4	15.5	46.3	36.80
Net operating income	SEK m	11,475	11,188	10,278	8,497	5,575
Net operating income margin	%	72.1	70.3	67.4	64.4	61.8
Capital expenditures	SEK m	4,439	5,765	8,353	10,190	5,439
Portfolio Metrics						
Fair value of investment properties	SEK m	324,429	335,422	320,607	351,337	305,668
Fair value change	%	2.9	2.6	-7.1	-1.2	7.7
Homes	Units	156,690	162,415	161,553	160,003	149,948
Real economic occupancy, residential	%	98.5	98.5	98.3	98.4	97.8
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	%	52.2	56.4	58.9	53.6	51.0
Net debt / Total assets	%	48.0	51.0	51.5	46.4	43.9
Interest Coverage Ratio (ICR) ²	Multiple	2.0	1.9	1.8	3.1	2.2
Sustainability metrics						
Aligned EU taxonomy CCM Turnover	%	21.9	26	16	16	--
Aligned EU taxonomy CCM Capex	%	17.5	23	26	11	--
Aligned EU taxonomy CCM Opex	%	4.3	4.2	3	4	--
Weather corrected energy intensity	kWh/m2	148	165	135	147	--
GHG intensity scope 1 and 2	kg CO2/m2	15	15	19	24	--

¹ Annualised like-for-like rental income growth represents the average growth per quarter in the year

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 further margin growth, disciplined execution, and continued positive development of fundamentals in our business.

Homes That Create Lasting Value

Heimstaden'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. With a fully integrated and scalable operating platform, Heimstaden'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. 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.

Exceptional Operating Fundamentals

Our platform focuses upon major European cities with structural housing shortages. In 2025, Heimstaden'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.

Sustainability Remains Integrated

By prioritising sustainable investments, we enhance operational efficiency, strengthen our tenant offering, and support long-term asset value. Heimstaden's subsidiary, 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, and key figures. We invite all to dive into this report, numbers and stories behind, and engage with our performance and direction ahead.

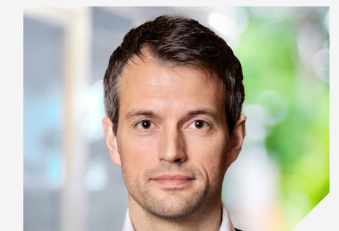
In this report, the management commentary has been restructured to provide greater transparency on operational performance while highlighting continued progress on our strengthening the balance sheet. The result is a more natural consolidation of our operational results with commentary on our capital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



Helge Krogsbøl
Co-CEO | Heimstaden AB




Christian Fladeland
Co-CEO | Heimstaden AB



Q4 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 3,945 million (4,083)
- Net Operating Income (NOI) margin of 70.2% (70.2%) and LTM NOI margin of 72.1% (70.3%)
- 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 52.2% (56.4%) and ICR of 2.0x (1.9x)
- Subsequent to the balance sheet date, Heimstaden subsidiary Heimstaden Bostad in January issued a EUR 500 million perpetual hybrid maturity as replacement for the EUR 500 million perpetual hybrid resetting in April 2026
- In the arbitration case initiated by Alecta against Heimstaden, the arbitral tribunal has in its final award decided in favour of Heimstaden, confirming that there has been no breach of the non-compete undertaking in the Shareholders Agreement in Heimstaden Bostad

Like-for-like Rental Income Growth

4.6%

NOI Margin

70.2%

Real Economic Occupancy

98.7%

Privatisation Sales, SEK

2.9 billion

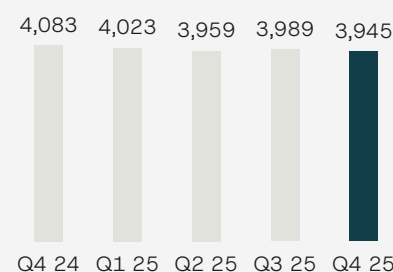
Key Figures

		Q4 2025	Q3 2025	FY 2025	Q4 2024	FY 2024
Financials						
Rental income	SEK m	3,945	3,989	15,916	4,083	15,919
Growth y-o-y	%	-3.4	-0.7	-0.0	6.0	4.4
Net operating income	SEK m	2,771	3,005	11,475	2,867	11,188
Net operating income margin	%	70.2	75.3	72.1	70.2	70.3
Portfolio Metrics						
Fair value of investment properties	SEK m	324,429	328,427	324,429	335,422	335,422
Fair value change	%	0.5	0.2	2.9	0.7	2.6
Average valuation yield ¹	%	3.69	3.71	3.69	3.66	3.66
Acquisitions	SEK m	-	-	-	173	3,055
Sales value	SEK m	3,291	3,000	14,689	4,682	9,902
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) ¹	%	52.2	53.3	52.2	56.4	56.4
Net debt / Total assets	%	48.0	48.4	48.0	51.0	51.0
Interest Coverage Ratio (ICR) ¹	Multiple	2.0	1.9	2.0	1.9	1.9

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.

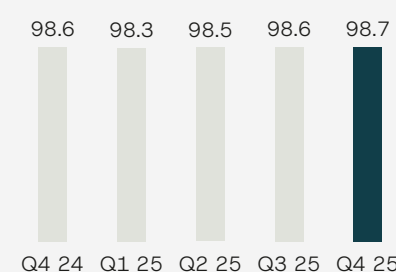
Rental Income

SEK million



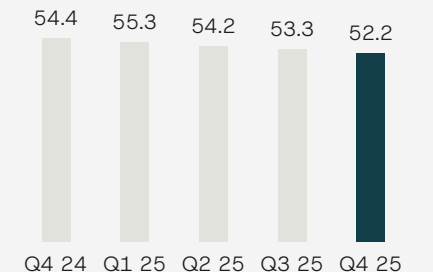
Real Economic Occupancy

%



Net Loan-To-Value

%

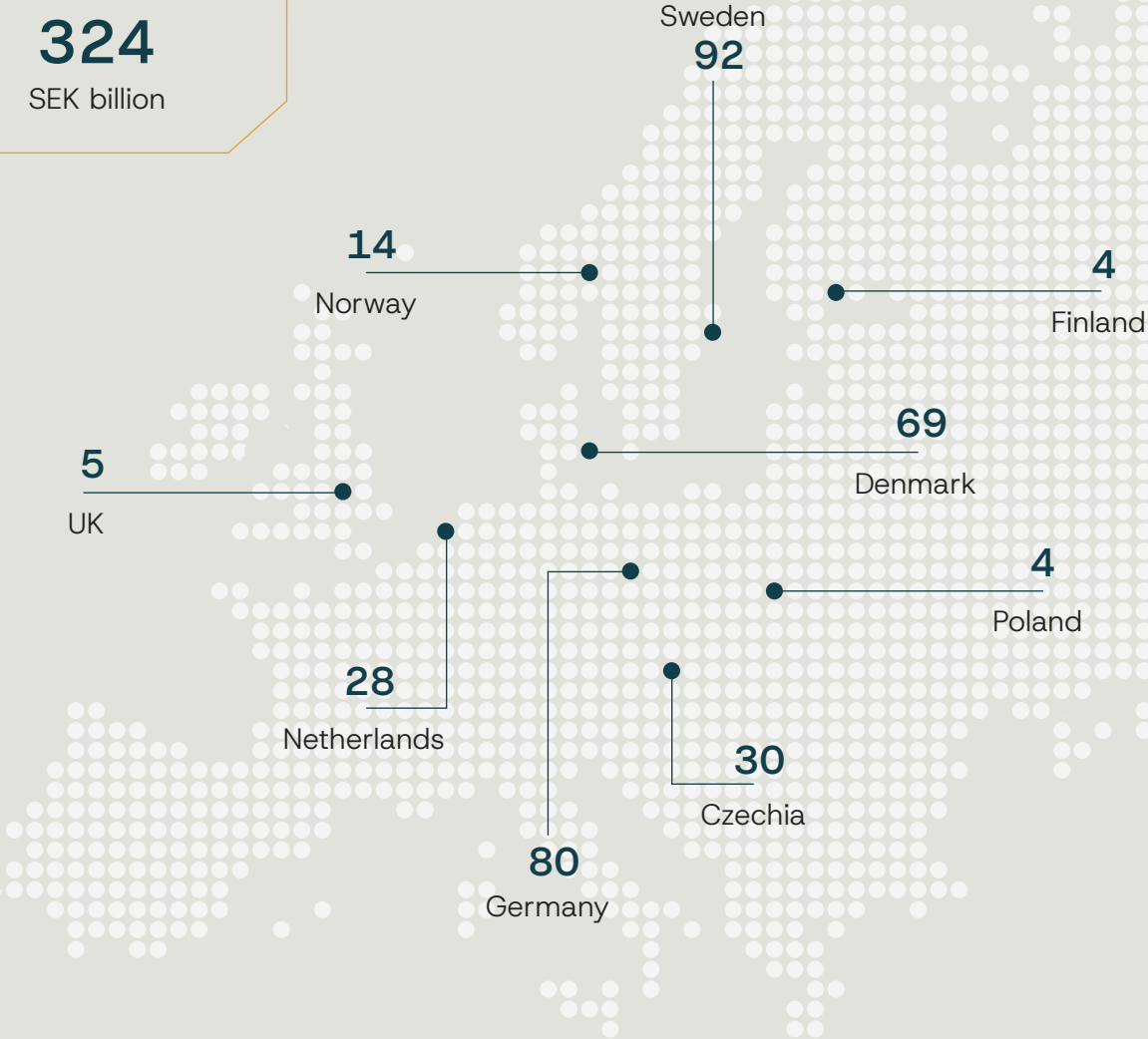


Portfolio Review

Country	Fair Value, SEK million	Homes, units¹	Fair Value/sqm, SEK¹	Residential², %	Regulated Income³, %	Real Economic Occupancy, %
Sweden	92,211	46,444	27,999	89.3	100.0	99.7
Germany	79,540	29,751	39,736	92.6	100.0	99.7
Denmark	68,748	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	–	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	–	97.8
Finland	3,896	2,990	22,130	96.5	–	94.8
Total	324,429	156,690	29,129	92.7	59.6	98.7

¹ Standing assets
² Based on fair value
³ Residential income

Fair Value
324
SEK billion



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 15,916 million (15,919). 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 3,945 million (4,083). The slight decrease in rental income follows the same effects as the full year.

Residential rents were 91.9% (91.9%) or SEK 3,626 million (3,754) of total rental income with the remaining 8.1% consisting of commercial, parking, and other rents.

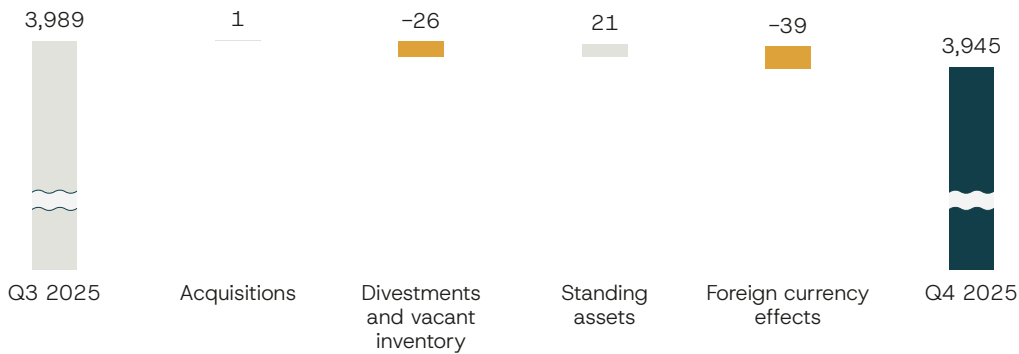
Rental Income

Country	Q4 2025	Q3 2025	Q2 2025	Q1 2025	FY 2025	Q4 2024	FY 2024
Sweden	1,278	1,257	1,281	1,287	5,103	1,268	4,894
Germany	712	725	709	716	2,862	734	2,840
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	1,405
Norway	150	156	158	169	632	175	720
United Kingdom	63	59	51	50	223	62	211
Poland	55	60	62	64	242	55	170
Finland	69	70	69	72	280	74	286
Corporate¹	4	–	–	–7	–3	–	–1
Total	3,945	3,988	3,961	4,023	15,916	4,083	15,919

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

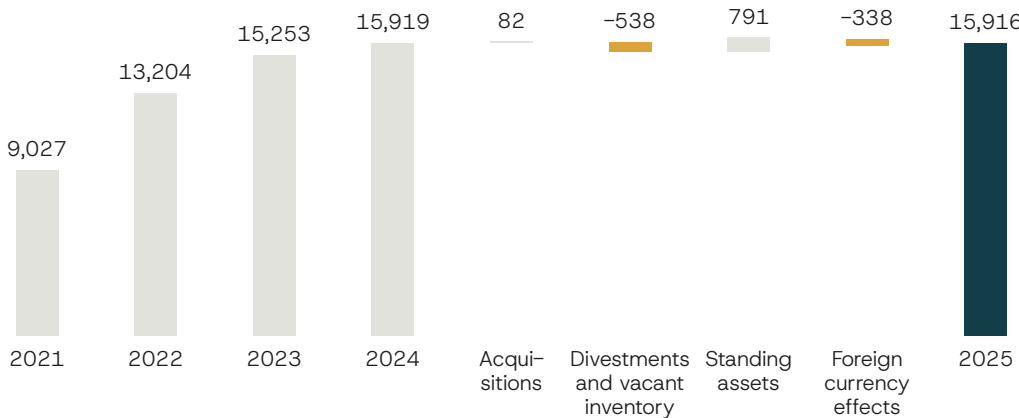
Rental Income Development for the Quarter

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.

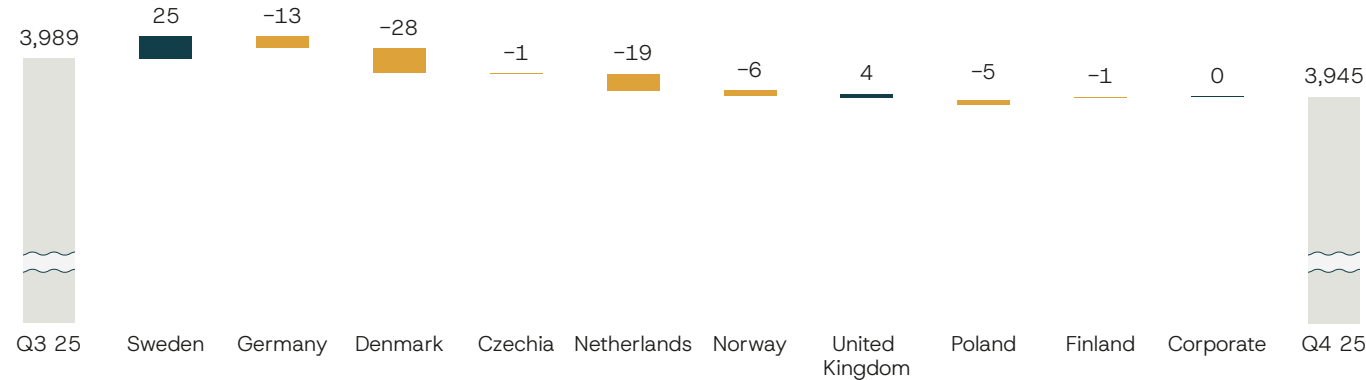
Rental Income Effects from Privatisation and Portfolio Sales

	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	–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.

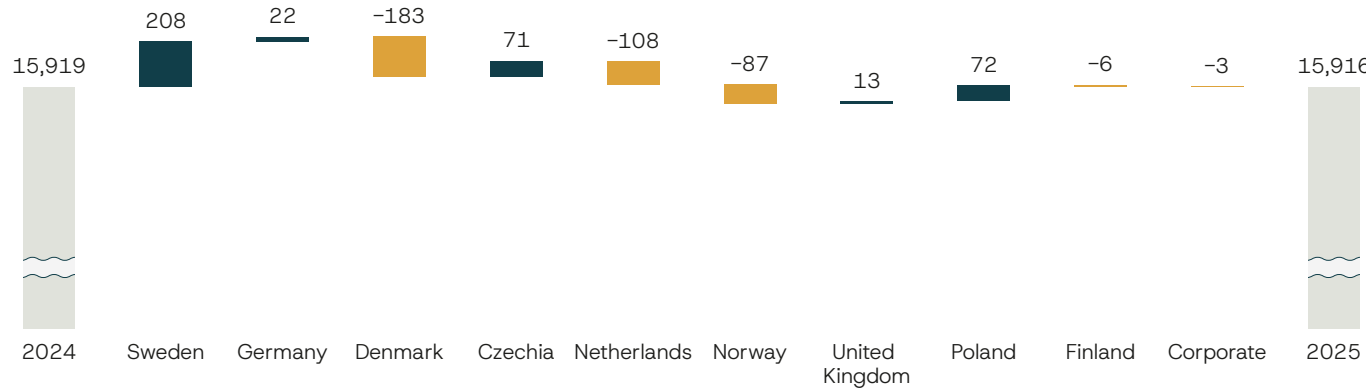
Rental Income Development for the Quarter ²

SEK million



Rental Income Development for the 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% increase, with the remainder being tenant improvements (0.7%), occupancy improvements (0.7%), and rent reversion covering the residual (0.2%).

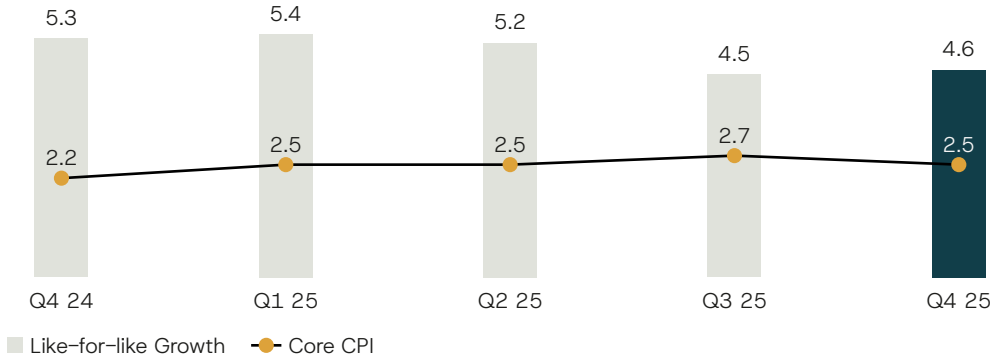
For the fourth quarter isolated (see table below), like-for-like rental income growth amounted to 4.6% (5.3%) and the comparable portfolio reflected in the like-for-like development comprised 98.8% of total rental income. Key drivers of the quarterly development stem from indexations which contributed 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	3.3	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	-	3.6	4.1	5.8
Total	4.6	2.5	4.5	5.2	5.4	5.3

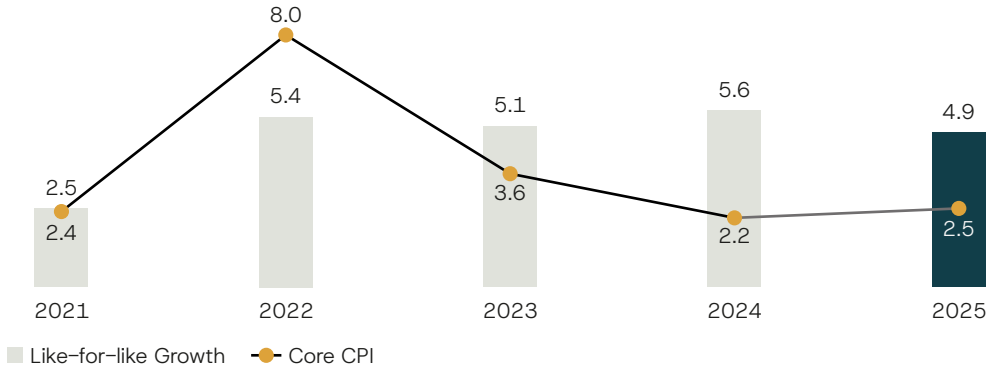
Like-for-Like Rental Growth for the Quarter

Year-on-year, %



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.

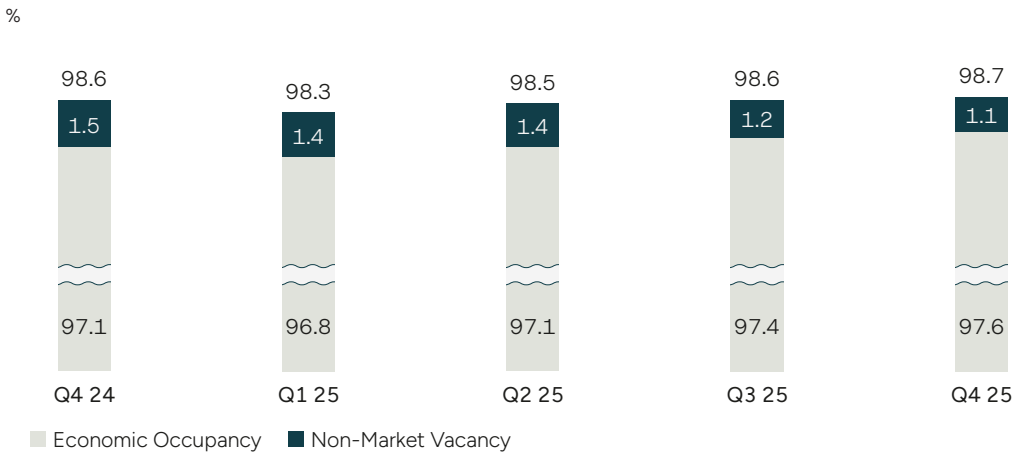
Heimstaden’s three largest markets achieved an average weighted occupancy rate of 99.6% for the year.

Real Economic Occupancy Residential by Country

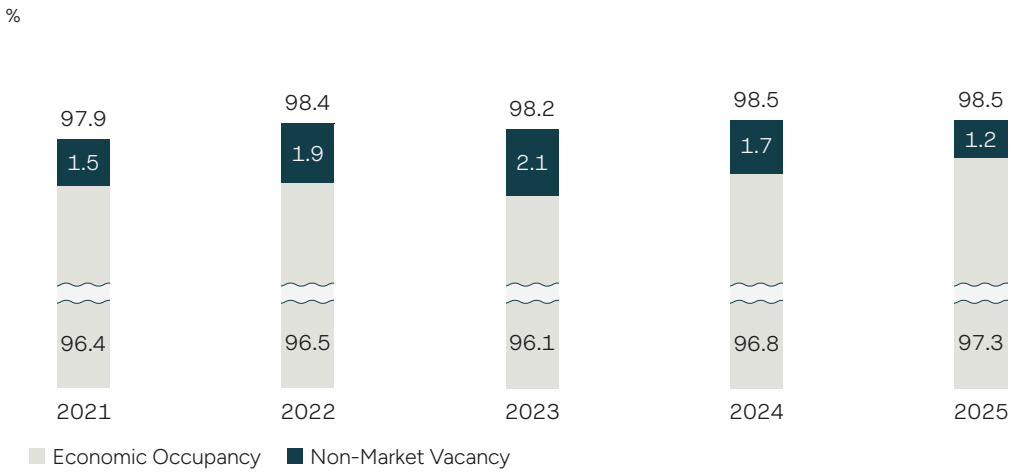
	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
	%	%	%	%	%
Sweden	99.7	99.7	99.7	99.7	99.5
Germany	99.7	99.7	99.9	99.7	99.7
Denmark	99.4	99.4	99.4	99.1	98.9
Czechia	96.5	96.1	96.4	96.6	96.7
Netherlands	99.8	99.6	99.3	99.5	99.6
Norway	97.9	98.8	99.2	98.8	98.8
United Kingdom ¹	82.5	80.3	71.1	64.9	78.1
Poland	97.8	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 6.1% to SEK 4,378 million (4,661). 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 3.3% to SEK 1,157 million (1,197). 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 5.7% to SEK 1,095 million (1,036). The increase is driven by price increases from municipal providers outpacing core CPI increases.

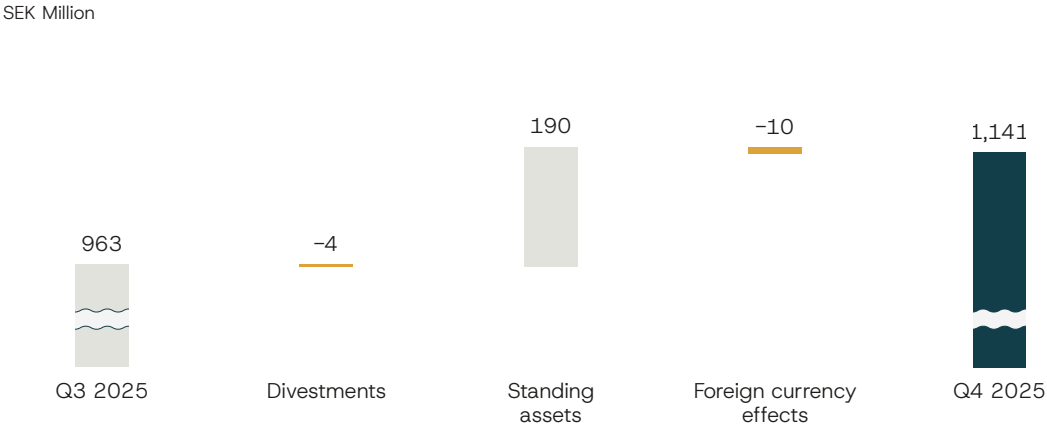
Direct Property Costs

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 1,789 million (1,947) million. The decline of 8.1% is directly attributable to reduced unit costs through efficiencies in the day-to-day management of the portfolio.

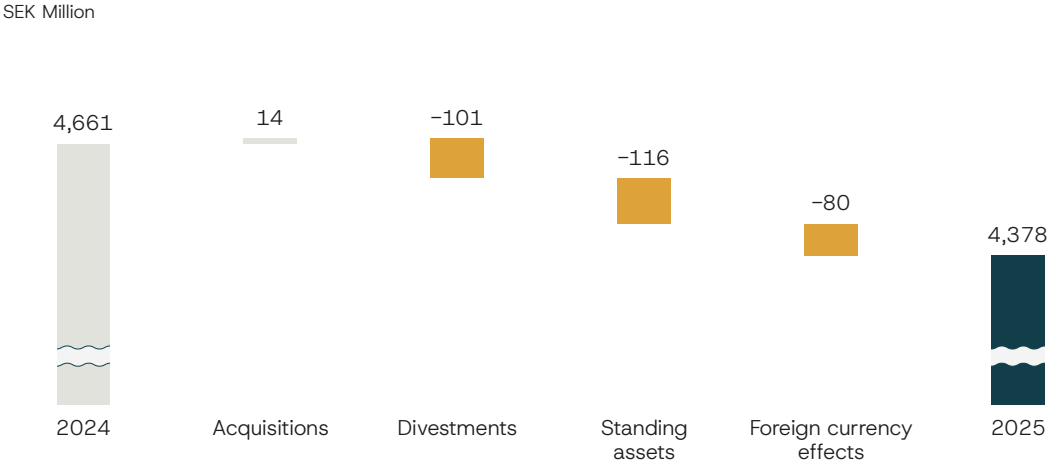
Property Tax

Encompassing taxes paid to state and local governments. For the year, property taxes increased 0.3% to SEK 326 million (325). The change is directly attributable to changes in local and national tax regimes particularly in Sweden.

Property Expenses Development by Category for the Quarter



Property Expenses Development by Category for the Year



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 14.8% to SEK 1,153 million (1,354). The decrease is driven by efficiency projects and technology implementation.

Net Operating Income

Net operating income, for the year, improved to SEK 11,475 million (11,188), resulting in a LTM net operating income margin of 72.1% (70.3%).

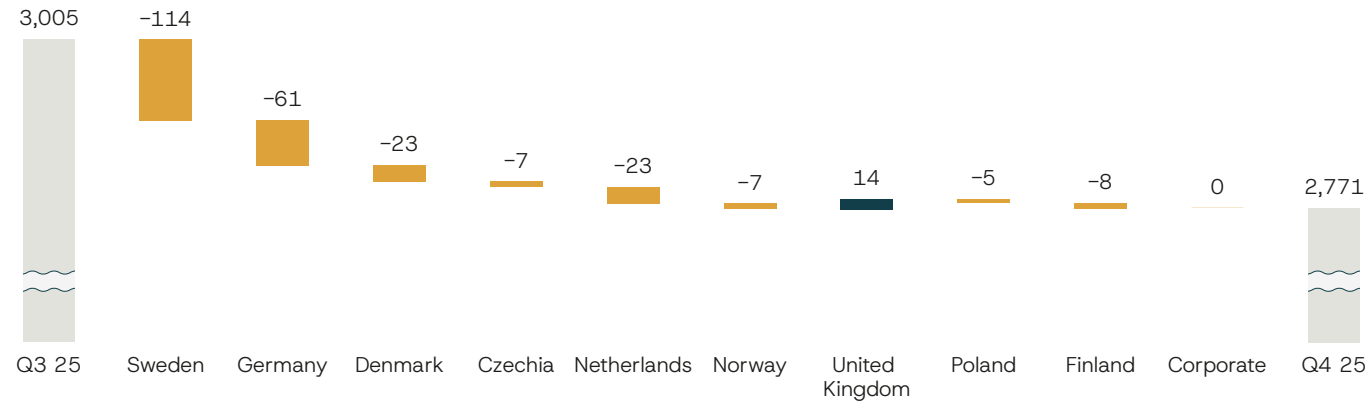
For the fourth quarter, net operating income decreased to SEK 2,771 million (2,867). The quarterly net operating income margin was 70.2% (70.2%).

Net Operating Income Margin

	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
	%	%	%	%	%
LTM	72.1	72.1	71.5	70.9	70.3
Quarterly	70.2	75.3	74.0	68.8	70.2

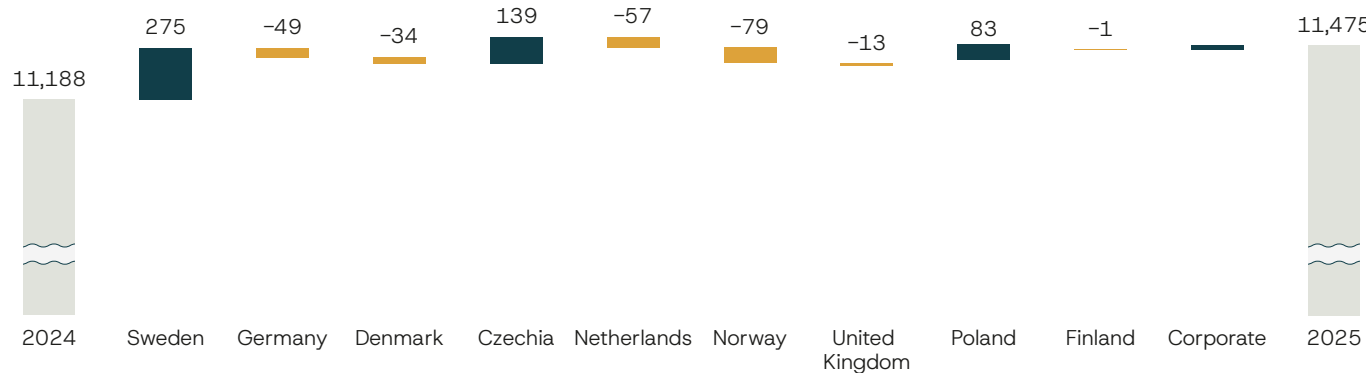
Net Operating Income per Country for the Quarter

SEK million



Net Operating Income per Country for the Year

SEK million



Asset Management

Efficient Capital Allocation

Heimstaden 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 3,893 million (3,824) 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	620	436	398	336	1,790	782	1,619
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	1,323	941	830	688	3,756	1,309	3,449
Other ¹	122	-41	72	-18	135	268	376
Total	1,445	900	902	670	3,892	1,577	3,825

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	132	87	450	152	392	25	21	20	8	74	40	92
Germany	162	93	68	47	370	113	257	46	51	16	9	122	38	72
Denmark	76	114	49	88	327	311	486	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	12	33	-	-	-	-	-	1	4
United Kingdom	2	2	-	-	4	1	1	-	-	-	-	-	-	-
Poland ¹	-	-	-	-	-	-	-	-2	-1	1	1	-1	-	-
Finland	20	12	10	7	49	4	24	11	7	2	4	24	5	7
Total Pillars	620	436	398	336	1,790	782	1,618	292	170	75	22	559	208	523

	Tenant improvement							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	209	40	138	37	35	29	14	115	15	154
Germany	161	144	140	142	587	154	546	40	18	27	11	96	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	3	6	18	1	-	-	-	1	1	15
United Kingdom	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Poland ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finland	5	8	5	5	23	9	27	1	-	1	1	3	2	23
Total Pillars	319	299	278	271	1,167	310	1,083	92	61	58	30	241	9	222

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

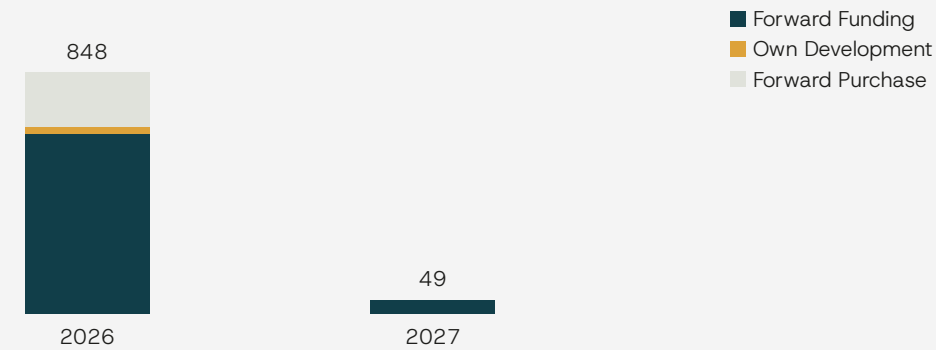
Outstanding Commitments

For the year, neither Heimstaden nor Heimstaden’s subsidiary Heimstaden Bostad 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, 182 units in Czechia, and 186 units in Denmark, accounting for an estimated fair value of SEK 2,440 million and an estimated NOI of SEK 101 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/A¹
Germany	85	451	291	16
Denmark	–	–	–	–
Czechia	–	–	–	–
Netherlands	–	–	–	–
Norway	–	–	–	–
United Kingdom	–	–	–	–
Poland	–	–	–	–
Finland	–	–	–	–
Total	431	1,276	1,179	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	186	977	415	41
Czechia	182	272	81	12
Netherlands	–	–	–	–
Norway	–	–	–	–
United Kingdom	–	–	–	–
Poland	–	–	–	–
Finland	–	–	–	–
Total	901	2,440	897	101

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.

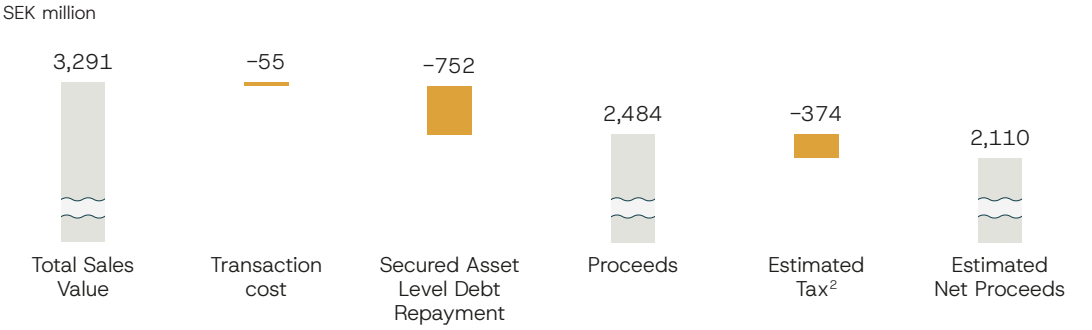
Estimated Net Proceeds Waterfall since Privatisation Programme Inception ^{1, 2}

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	213
Less: Secured debt repayment	4,403
Less: Estimated tax	1,883
Net proceeds	12,933
Net proceed ratio, %	66.5
Total proceeds for debt repayment	17,336
Asset monestisation ratio, %	114.0

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 2,945 million.

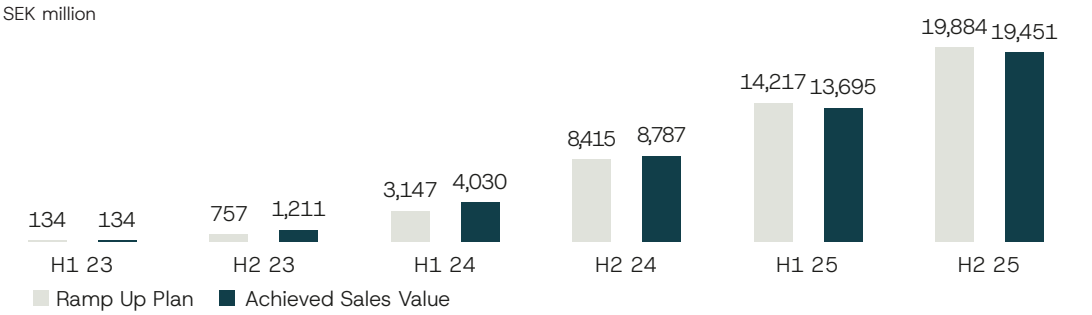
Estimated Q4 Net Proceeds Waterfall from Portfolio Sales and Privatisation¹



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
Privatization programme	2,890	-51	-752	2,087	-305	1,783
Total	3,291	-55	-752	2,484	-374	2,110

Cumulative Privatisation Sales ³



¹ Includes signed transactions that may not have been transferred to the new owner
² Assumes all taxes are paid upon close, 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

Investment Properties

Change in Fair Value of Investment Properties

Change in fair value of investment properties, for the year were SEK 9,498 million (8,553) corresponding to 3% (2.6%) of fair value. The average valuation yield was 3.69% (3.64%). On a quarter-over-quarter basis this is stable compared to 3.70% in Q3. The entire portfolio is valued by external valuers each quarter.

Sweden

Annual fair values grew by SEK 717 million (2,106) 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

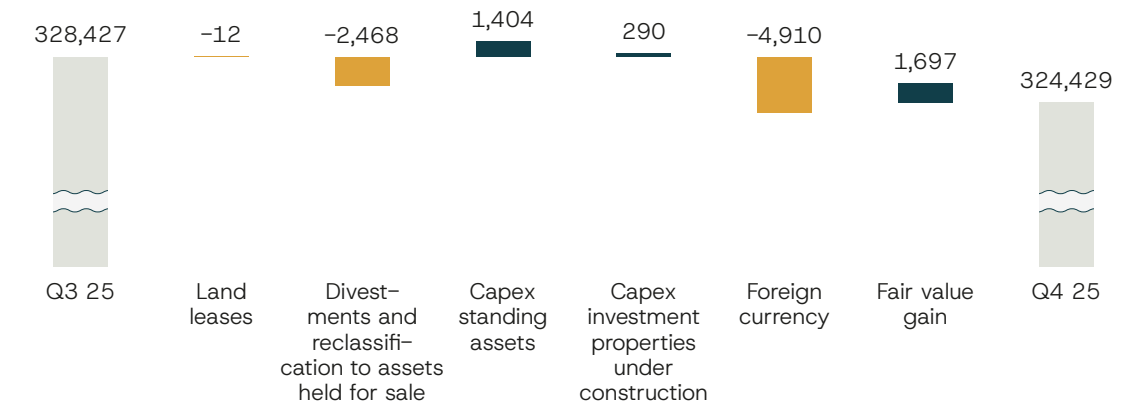
Annual fair values grew by SEK 926 million (–813) or 1.2% (–1%). While operating performance continued to drive NOI growth, valuation yields will continue to expand as rent reversion is crystallised.

Average Valuation Yield

%	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Sweden	3.66	3.66	3.68	3.62	3.48
Germany	3.12	3.23	3.21	3.19	3.02
Denmark	3.80	3.72	3.81	3.97	3.98
Czechia	4.99	4.98	5.02	5.03	4.96
Netherlands¹	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	3.69	3.70	3.70	3.68	3.64

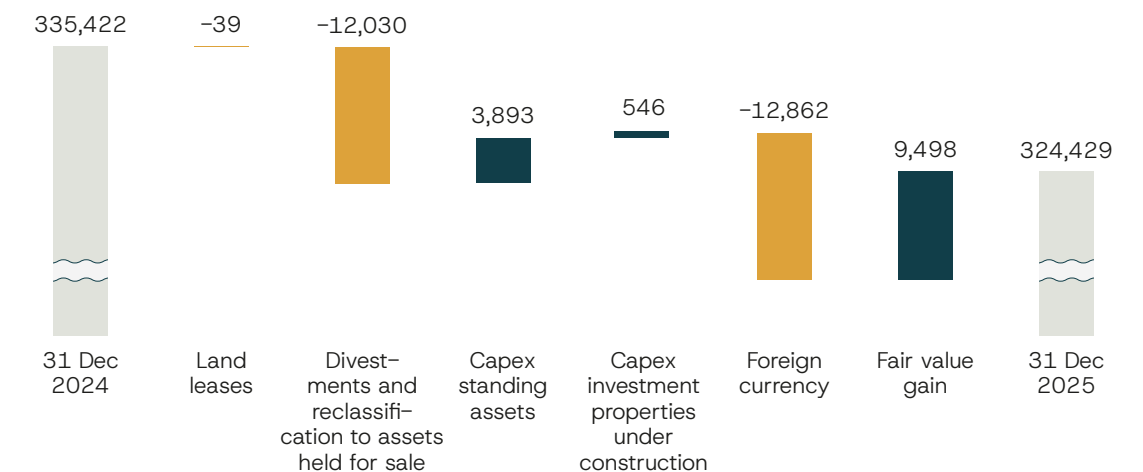
Fair Value Development for the Quarter

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 4,643 million (442) or 7.2% (0.6%), 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 alongside 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% (15.8%). 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% (2.7%).

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%) 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% (0.3%). 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

	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	–59	0.1	134	–	13	0.7	630	0.8	717	1.5	1,347	2.3	2,106
Germany	–0.2	–148	–	20	–	14	1.3	1,041	1.2	926	–0.2	–144	–1.0	–813
Denmark	3.4	2,229	–0.4	–271	3.5	2,432	0.4	254	7.2	4,643	0.2	180	0.6	442
Czechia	–0.2	–61	2.3	684	2.6	755	1.8	477	6.7	1,856	1.8	533	6.7	1,773
Netherlands	0.3	85	1.3	371	1.9	561	1.4	406	5.4	1,424	1.9	546	15.8	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	2.7	143
Poland	1.3	56	0.8	35	1.4	65	0.4	17	4.1	173	3.4	152	19.0	751
Finland	2.3	89	–0.5	–21	0.2	6	2.4	86	4.3	161	0.1	3	0.3	13
Total	0.5	1,697	0.2	792	1.2	3,838	1.0	3,171	3.0	9,498	0.7	2,207	2.6	8,553

Funding

Liability Management

For the year, Heimstaden’s subsidiary 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.

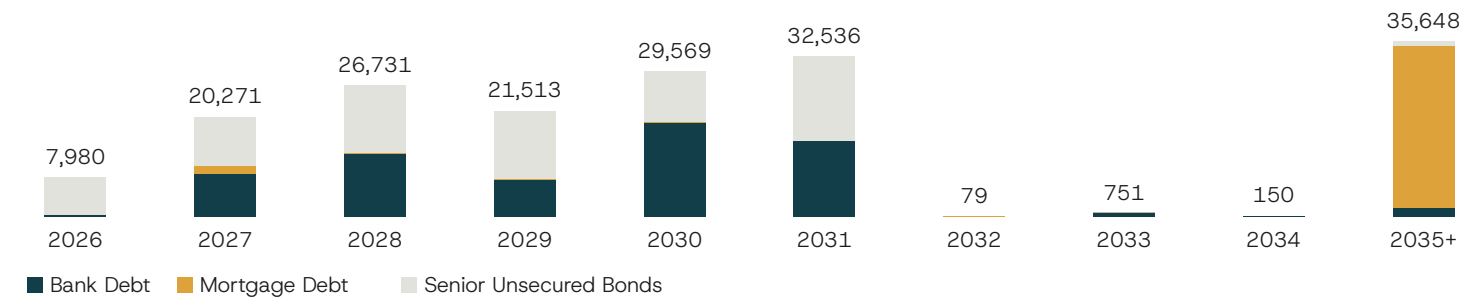
Capital Markets Activity for Heimstaden

As part of a series of liability management exercises in January 2025, Heimstaden issued SEK 750 million senior unsecured floating rate notes and EUR 430 million senior unsecured fixed rate notes and tendered the previously existing SEK and EUR maturities for 2025 and 2026.

Heimstaden further supplemented its liability management programme in a July 2025 exercise that refinanced Heimstaden’s previous March 2027 EUR 400 million senior unsecured fixed rate note through the issuance of a EUR 400 million senior note due January 2031.

Interest Bearing Debt Maturity Schedule

SEK million



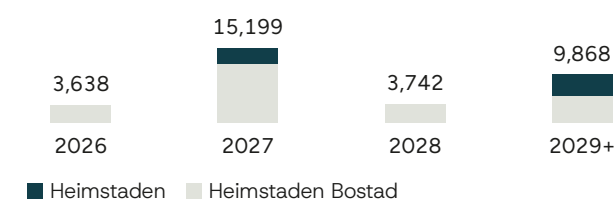
Interest Bearing Debt Maturity by Type

SEK million

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035+	Total
Senior unsecured bonds	7,705	10,011	13,759	13,989	10,410	17,305	–	–	–	1,082	74,261
Mortgage debt	–	1,544	354	23	107	–	79	4	–	32,846	34,956
Bank debt	275	8,716	12,618	7,501	19,052	15,231	–	747	150	1,720	66,010
Total	7,980	20,271	26,731	21,513	29,568	32,537	79	751	151	35,648	175,227

Hybrid Bond Reset Dates ¹

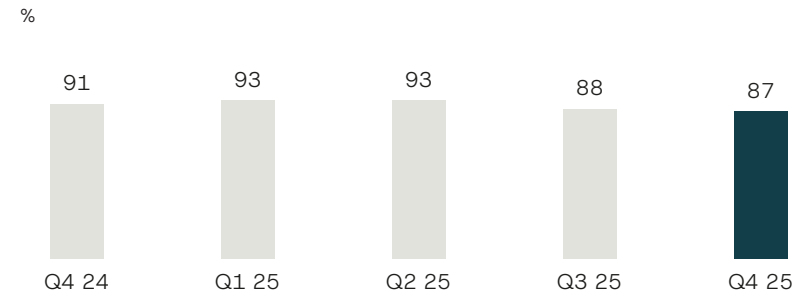
SEK million



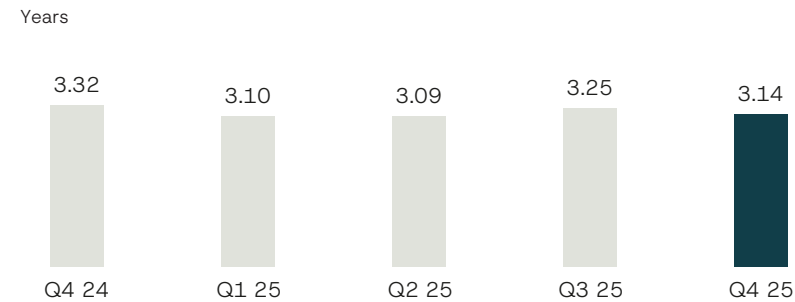
¹ Net of which held on own book. As of the balance sheet date before January 2026 refinancing exercise



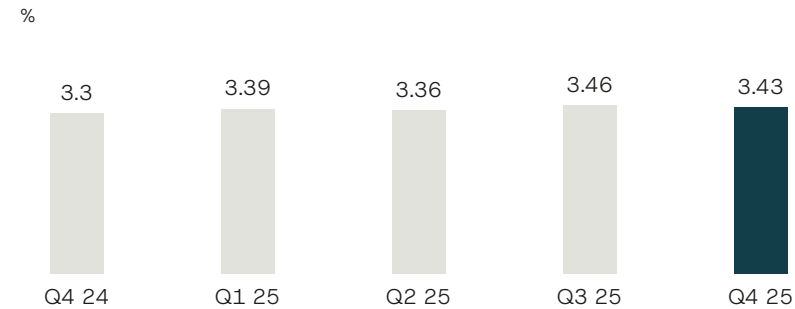
Interest Rate Hedge Ratio



Average Interest Rate Duration



Average Interest Rate



Bank Financing in Heimstaden Bostad

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 6,536 million (6,554) and the average interest rate ended the year at 3.4% from 3.01% 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 87 (91). The average interest rate duration of our hedge portfolio was 3.14 years.

Liquidity Management in Heimstaden Bostad

Heimstaden’s subsidiary Heimstaden Bostad, ended the quarter with SEK 23,449 million of unutilised credit facilities. Heimstaden does not maintain any credit facilities at the parent level.

Cash Flow

SEK million	Q4 2025	FY 2025	Q4 2024	FY 2024
Operating activities	1,023	2,742	1,067	2,943
Investing activities	1,503	10,518	2,369	2,760
Financing activities	-2,783	-13,488	-13,968	-13,559
Change	-257	-229	-10,532	-7,857
Period opening balance – Cash and cash equivalents	4,523	4,547	15,283	12,492
Currency effects	-87	-138	-203	-87
Closing balance – Cash and cash equivalents	4,179	4,179	4,547	4,547

Net cash flow from operating activities was SEK 1,023 million (1,067). The main difference from operating profit/loss is fair value adjustment of investment properties and interest paid.

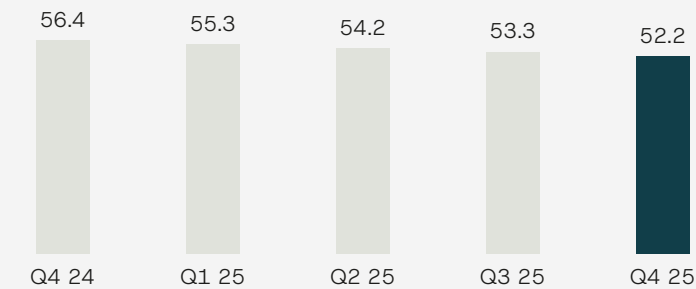
Alternative Performance Measures

For more information, definitions, and methodology refer to our [homepage](#).

Financial Metrics

Net Loan-to-Value

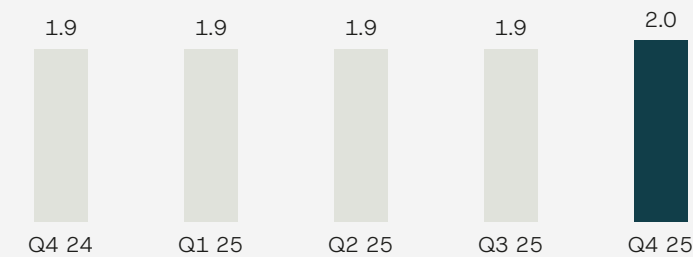
%



SEK million	2025	2024
Interest-bearing secured liabilities	100,966	122,531
Interest-bearing unsecured liabilities	73,425	72,397
Less: Cash and cash equivalents	4,179	4,547
Net interest-bearing liabilities	170,212	190,381
Fair value of investment properties	324,429	335,422
Assets held for sale ¹	1,522	2,163
Total investment properties including assets held for sale	325,951	337,585
Net LTV, %	52.2	56.4

Interest Coverage Ratio

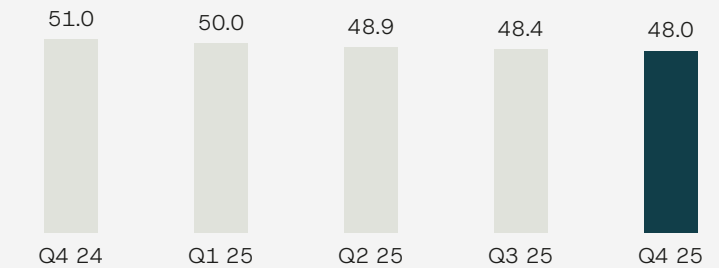
Multiple



SEK million last 12 months	2025	2024
Profit before unrealised fair value adjustments	13,018	11,761
Transaction costs from business combination	-48	17
Adjusted profit before unrealised fair value adjustment	12,970	11,778
Interest expenses	6,536	6,554
Less: Interest income	136	239
Net financial items	6,400	6,316
ICR	2.0	1.9

Net Debt / Total Assets

%



SEK million	2025	2024
Net interest-bearing liabilities	170,212	190,381
Total assets	354,849	373,416
Net debt/Total assets, %	48.0	51.0

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

Relevant Operational & Credit 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	321,243	331,713
Residential share of investment properties, %	92.7	92.7

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.

Net Operating Income Margin

	2025	2024
Rental income	15,916	15,919
Net operating income	11,475	11,188
Net operating income, %	72.1	70.3

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 rental income	14,718	14,751
Real economic occupancy, %	98.5	98.5

Equity Ratio

	2025	2024
Equity	150,557	147,803
Assets	354,849	373,416
Equity ratio, %	42.4	39.6

EBITDA

	2025	2024
Profit before unrealised fair value adjustments	13,018	11,761
Transaction costs from business combination	-48	17
Depreciation and amortisation	118	125
EBITDA	13,088	11,902

Net Debt/EBITDA

	2025	2024
Interest-bearing liabilities	170,212	190,381
EBITDA	13,088	11,902
Net debt / EBITDA, multiple	13.0	16.0

Secured Loan-to-Value

	2025	2024
Net interest-bearing liabilities	100,966	122,531
Total assets	354,849	373,416
Secured loan-to-value, %	28.5	32.8



Quarterly Financial Information

Condensed Financial Information

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Condensed Financial Information

Condensed Statement of Comprehensive Income¹

SEK million	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Rental income	3,945	3,989	3,959	4,023	4,083
Property expenses	-1,157	-963	-1,017	-1,240	-1,197
Net Operating Income Before Service Charges	2,788	3,025	2,942	2,783	2,886
Service income	630	433	472	582	562
Service cost	-647	-454	-484	-597	-581
Net service charges	-17	-20	-12	-14	-19
Net operating income	2,771	3,005	2,930	2,769	2,867
Corporate administrative expenses	-81	-108	-64	-120	-169
Other operating items	28	-107	-113	-97	-204
Realised Gains/losses from divestment of properties	682	641	463	421	365
Profit before unrealised fair value adjustment	3,399	3,430	3,216	2,972	2,859
	-				
Fair value adjustment of investment properties	1,697	792	3,838	3,171	2,209
Value adjustment of inventory properties	-26	1	-10	2	14
Operating profit/loss	5,071	4,223	7,044	6,146	5,082
Goodwill impairment	-3,707	-	-	-	-
Share of net profits/losses of associated companies and joint ventures	94	-36	-28	10	-20
Interest income	36	12	37	50	32
Interest expenses	-1,580	-1,663	-1,616	-1,676	-1,713

SEK million	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Foreign exchange gains/losses	1,374	361	-2,233	4,494	-723
Fair value adjustment of derivative financial instruments	61	147	-292	153	368
Other financial items	-11	-363	-3	-93	-116
Profit/loss before tax	1,338	2,681	2,908	9,085	2,910
Income tax expense/income	-945	1,103	-936	-2,178	-654
Profit/loss for the period	393	3,784	1,972	6,907	2,256
Other comprehensive income					
Currency translation differences	-3,376	-861	3,755	-8,374	1,860
Total comprehensive income/loss	-2,983	2,923	5,726	-1,468	4,116
Profit/loss attributable to:					
The Parent Company's shareholders	-5	1,907	782	3,857	620
Non-controlling interests	398	1,877	1,190	3,050	1,636

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	324,429	328,427	330,585	324,189	335,422
Goodwill and Intangible assets	12,020	15,910	15,982	15,702	16,223
Machinery and equipment	343	354	373	341	313
Investments in associated companies and joint ventures	8,388	8,500	8,611	8,424	8,957
Derivative financial instruments	22	29	42	84	57
Deferred tax assets	496	487	664	486	1,125
Other financial assets	542	925	973	960	957
Total non-current Assets	346,239	354,633	357,230	350,187	363,054
Inventory properties	820	877	892	859	896
Rent and trade receivables	289	210	299	544	243
Other current assets	1,080	1,256	1,405	1,519	1,633
Derivative financial instruments	1	1	5	18	8
Prepayments	718	626	686	1,073	873
Cash and cash equivalents	4,179	4,523	5,705	4,532	4,547
Assets held for sale	1,522	1,424	1,797	1,122	2,163
Total current assets	8,610	8,917	10,790	9,667	10,363
TOTAL ASSETS	354,849	363,550	368,020	359,854	373,416

SEK million	31 December 2025	30 September 2025	30 June 2025	31 March 2025	31 December 2024
EQUITY AND LIABILITIES					
Equity	150,557	153,530	150,601	145,134	147,803
Interest-bearing liabilities	165,401	172,891	164,043	168,421	181,466
Lease liabilities	1,320	1,334	1,360	1,324	1,307
Derivative financial instruments	382	468	713	503	632
Deferred tax liabilities	22,262	21,861	23,445	22,528	21,856
Other financial liabilities	1,590	1,759	1,813	1,818	1,907
Total non-current liabilities	190,956	198,313	191,373	194,594	207,168
Interest-bearing liabilities	8,990	7,481	21,797	15,897	13,462
Lease liabilities	51	53	59	65	64
Trade payables	689	455	406	597	669
Other liabilities	1,123	1,174	1,492	1,344	1,748
Derivative financial instruments	42	29	56	19	28
Accrued expenses and prepaid income	2,441	2,516	2,234	2,202	2,474
Total current liabilities	13,336	11,707	26,045	20,126	18,445
TOTAL EQUITY AND LIABILITIES	354,849	363,550	368,020	359,854	373,416

Condensed Statement of Changes in Equity

SEK million	Share capital	Other capital contributions	Currency translation reserve	Retained earnings ¹	Attributable to Parent Company shareholders ¹	Hybrid bonds ¹	Non-controlling Interests ¹	Total equity
Opening balance 1 January 2024	95	7,504	6,812	4,829	19,240	31,623	87,066	137,929
Effects from change in accounting policy	–	–	–	–427	–427	2,646	–2,219	–
Opening balance, 1 Jan 2024 restated	95	7,504	6,812	4,402	18,813	34,269	84,847	137,929
Profit/loss for the period	–	–	–	2,779	2,779	–	4,842	7,621
Currency translation differences	–	–	2,013	–	2,013	–	1,448	3,461
Total comprehensive income/loss	–	–	2,013	2,779	4,792	–	6,290	11,082
Dividends	–	–	–	–59	–59	–	–	–59
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	–	–	–	–1,068	–1,068	1,068	–	–
Currency translation of hybrid bonds	–	–	–	–866	–866	866	–	–
Transactions with non-controlling interests	–	–	–	14	14	–	–	14
Total transactions with the Company's shareholders	–	–	–	–2,059	–2,059	850	–	–1,209
Equity 31 Dec 2024	95	7,504	8,825	5,123	21,547	35,118	91,137	147,803
Opening balance 1 January 2025	95	7,504	8,825	5,123	21,547	35,118	91,137	147,803
Profit/loss for the period	–	–	–	6,547	6,547	–	6,116	12,663
Currency translation differences	–	–	–3,187	–	–3,187	–	–2,294	–5,481
Total comprehensive income/loss	–	–	–3,187	6,547	3,359	–	3,823	7,182
Cost of issuance of hybrid bonds	–	–	–	–10	–10	–	–	–10
Buyback of hybrid bonds	–	–	–	129	129	–736	–	–608
Coupon expense on hybrid	–	–	–	–589	–589	91	–	–498
Coupon paid on hybrid	–	–	–	–	–	408	–	408
Currency translation on hybrid bonds	–	–	–	1,082	1,082	–1,829	–	–747
Total transactions with the Company's shareholders	–	–	–	612	612	–2,067	–	–1,455
Equity 30 Sep 2025	95	7,504	5,638	12,281	25,518	33,051	94,960	153,530
Profit/loss for the period	–	–	–	–5	–5	–	398	393
Currency translation differences	–	–	–2,004	–	–2,004	–	–1,372	–3,376
Total comprehensive income/loss	–	–	–2,004	–5	–2,009	–	–974	–2,983
Buyback of hybrid bonds	–	–	–	9	9	–	–	9
Currency translation on hybrid bonds	–	–	–	604	604	–604	–	–
Total transactions with the Company's shareholders	–	–	–	613	613	–604	–	9
Equity 31 Dec 2025	95	7,504	3,634	12,890	24,123	32,448	93,986	150,557

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	1,338	2,681	2,908	9,085	2,910
Adjustments to reconcile profit before tax to net cash flows:					
Fair value adjustment on investment properties	-1,697	-792	-3,838	-3,171	-2,209
Value adjustment of inventory properties	26	-1	10	-2	-14
Fair value adjustment of derivative financial instruments	-61	-147	292	-153	-368
Interest income	-36	-12	-37	-50	-32
Interest expenses	1,580	1,663	1,616	1,676	1,461
Share of net profits/losses of associated companies and joint ventures	-94	36	28	14	20
Realised gains/losses from divestment of properties	-682	-641	-463	-421	-364
Other adjustments	2,387	-242	2,285	-4,443	820
Working capital changes:					
Increase(-)/decrease(+) in rent and other receivables	-36	57	412	-752	-124
Increase(+)/decrease(-) in trade and other payables	46	-108	-257	-205	352
Cash generated from operations	2,770	2,494	2,957	1,577	2,452
Interest paid	-1,522	-1,547	-1,369	-1,746	-1,547
Interest received	30	3	28	42	29
Paid income tax	-256	-203	-382	-136	133
Net cash generated from operating activities	1,023	747	1,234	-263	1,067

SEK million	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Investing activities					
Acquisition of investment properties	-	-	-	-	-10
Capital expenditure on investment and inventory properties	-1,703	-976	-996	-817	-1,823
Proceeds net of direct transaction cost from divestments of properties	3,075	3,316	3,763	4,778	3,402
Divestment of business area (Island)	-	-	-	-	686
Purchases/sales of machinery and equipment	17	-16	-16	-2	-20
Purchases of intangible assets	-28	-17	-27	-15	-22
Investments in associated companies and joint ventures	166	-7	-8	57	91
Other cash flows from investing activities	-23	5	-3	-3	64
Net cash flows from investing activities	1,503	2,305	2,712	3,997	2,369
Financing activities					
Proceeds from issuance of interest-bearing liabilities	4,131	25,108	6,169	10,525	8,443
Repayment of interest-bearing liabilities	-7,025	-29,212	-8,644	-12,737	-22,356
Proceeds from issuances of hybrid bonds	-	-	-	-	5,743
Buyback of hybrid bonds	-	-	-	-985	-5,759
Hybrid bonds coupons	-	-	-305	-436	-148
Settlement of derivative financial instruments	-	-134	-	-	-
Other cash flows from financing activities	110	-4	-34	-16	110
Net cash flows from financing activities	-2,783	-4,242	-2,814	-3,649	-13,968
Net change in cash and cash equivalents	-257	-1,190	1,133	85	-10,532
Cash and cash equivalents at the beginning of the period	4,523	5,705	4,532	4,547	15,283
Net currency exchange effect in cash and cash equivalents	-87	8	40	-100	-203
Cash and cash equivalents at the end of the period	4,179	4,523	5,705	4,532	4,547

Heimstaden AB

Standalone

In this section the Heimstaden financials are included standalone to present the performance of the entity on an isolated basis. Standalone is defined as the management companies of Heimstaden Group as well as the Consolidated Statement of Financial Position of Heimstaden excluding the Consolidated Statement of Financial Position of any (partly) owned subsidiary-group, which includes but is not limited to Heimstaden Bostad AB.

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Heimstaden AB Standalone

Explanation of Standalone Earnings

Operating income captures the group management agreement that includes 0.2% p.a. of Heimstaden Bostad’s gross asset value measured and paid quarterly at 0.05%. Additional operating income stems from ancillary services provided.

Operating costs refer to salaries, premises, and expenses related to services provided.

Dividends from Heimstaden Bostad refer to dividends received from Heimstaden Bostad as regulated by Heimstaden Bostad’s Articles of Association and Shareholder Agreement.

Other profit distribution is a general line item that captures one-off profit distributions (proceeds from sale of assets and/or sale of shares), currently this line includes the sale of Danish development assets (Q1 2025) and the comparative figures include proceeds from the sale of the Icelandic portfolio (H1 2024).

Payments on hybrid securities refer to cash coupons paid on the SEK and EUR hybrid bonds, the cash coupons paid are currently deferred per the SEK deferral notice (Q1 2024) and EUR deferral notice (Q4 2024)

Heimstaden Bostad AB Dividend Policy

Heimstaden Bostad has three share classes, Share Class A, Share Class B and Common shares. Share Class A shares are entitled to quarterly dividends of 0.05% of the market value of Heimstaden Bostad’s investment properties. Dividends on the Share Class B shares are dependent on the Loan-to-Value and Return on Equity of Heimstaden Bostad. Owners of Common Shares are entitled to all additional possible dividend payments, to be decided by the general assembly, subject to that Heimstaden Bostad maintains its financial policy, after owners of Share Class A and Share Class B shares have received their parts in full. More information on the dividend policy can be found in [Heimstaden Bostad’s Articles of Association](#).

Standalone Earnings

SEK million	2025	2024
Operating income	717	747
Operating cost	-354	-499
Operating profit/loss	363	248
Share Class A dividend	-	-
Common dividend	-	-
Share Class B dividend	-	-
Dividends from Heimstaden Bostad	-	-
Other profit distribution	489	693
Adjusted earnings	852	940
Interest expense	-716	-591
Adjusted earnings after interest expense	136	349
Payments on hybrid securities	-	-343
Adjusted earnings after debt and hybrid instruments	136	7

Interest Coverage Ratio (ICR)

SEK million	2025	2024
Adjusted earnings	852	940
Interest expense	-716	-591
Interest Coverage Ratio	1.2	1.6



Debt and Relevant Assets

SEK million	2025	2024
Interest-bearing secured liabilities ¹	275	828
Interest-bearing unsecured liabilities ¹	9,728	9,847
Interest-bearing liabilities	10,003	10,676
Cash and cash equivalents ¹	-1,500	-900
Net interest-bearing debt	8,502	9,776
Heimstaden Bostads net asset value	171,867	168,324
Equity attributed to Heimstaden Bostad's hybrid securities and non-controlling interests	-39,675	-38,907
Heimstaden Bostads adjusted net asset value	132,192	129,417
Heimstaden share of capital, %	36.0	36.2
Heimstaden share of capital	47,611	46,841
Investment properties ¹	1,117	1,695
Relevant assets	48,728	48,535

¹ Difference between Heimstaden and Heimstaden Bostad consolidated figures excluding deferred charges.

Net Loan-to-Value

SEK million	2025	2024
Net interest-bearing debt	8,502	9,776
Relevant assets	48,728	48,535
Net loan-to-value, %	17.4	20.1

Liquidity Reserves

SEK million	2025	2024
Cash and cash equivalents ¹	1,500	900
Unutilised credit commitment	–	–
Total	1,500	900
Estimated interest expense (12-months forward)	-771	-470

¹ Difference between Heimstaden AB and Heimstaden Bostad consolidated figures excluding deferred charges.

Standalone Funding Overview

As at 31 December 2025, Heimstaden had outstanding senior unsecured bonds amounting to SEK 9,728 million, listed on Nasdaq Stockholm and Euronext Dublin.

Maturity	Currency	Outstanding amount (millions)	Of which held on own book (millions)	Rating	Fixed/Floating	Coupon (bps)	Exchange	ISIN
2030-01-29	EUR	430	–	B	Fixed	838	Euronext Dublin	XS2984228838
2031-01-24	EUR	400	–	B	Fixed	736	Euronext Dublin	XS3120113876
Total EUR		830	–					

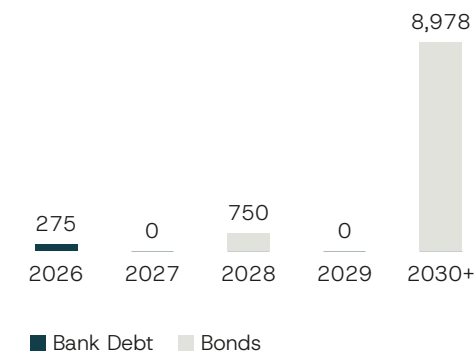
Maturity	Currency	Outstanding amount (millions)	Of which held on own book (millions)	Rating	Fixed/Floating	Coupon (bps)	Exchange	ISIN
2028-07-29	SEK	750	–	B	Floating	Stibor 3m + 600	Euronext Dublin	XS2984228754
Total SEK		750	–					

As at 31 December 2025, Heimstaden had SEK 7,705 million perpetual hybrid bonds outstanding net of own book, listed on Nasdaq Stockholm.

First Call Date	First Reset Date	Currency	Outstanding amount (millions)	Of which held on own book (millions)	Rating	Fixed/floating	Coupon (bps)	Exchange	ISIN
2026-10-15	2027-01-15	EUR	300	–	D	Fixed	675	OMX Stockholm	SE0016278352
2024-10-11	2024-10-11	SEK	4,500	40	D	Floating	Stibor 3m + 590	OMX Stockholm	SE0012455111

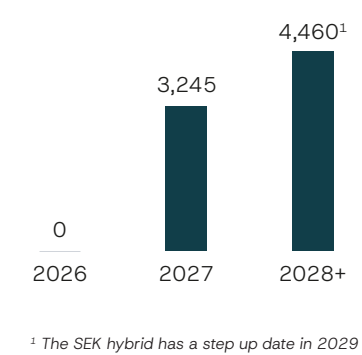
Maturity Profile

SEK million



Hybrid Bond Reset Date

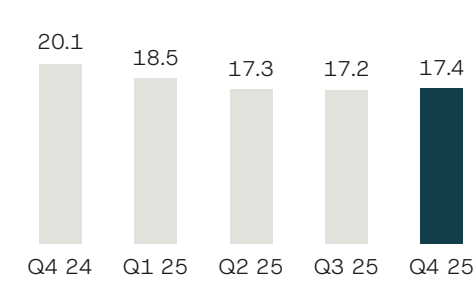
SEK million



¹ The SEK hybrid has a step up date in 2029

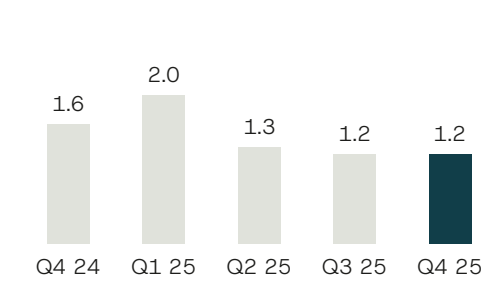
Net Loan-to-Value

%



Interest Coverage Ratio

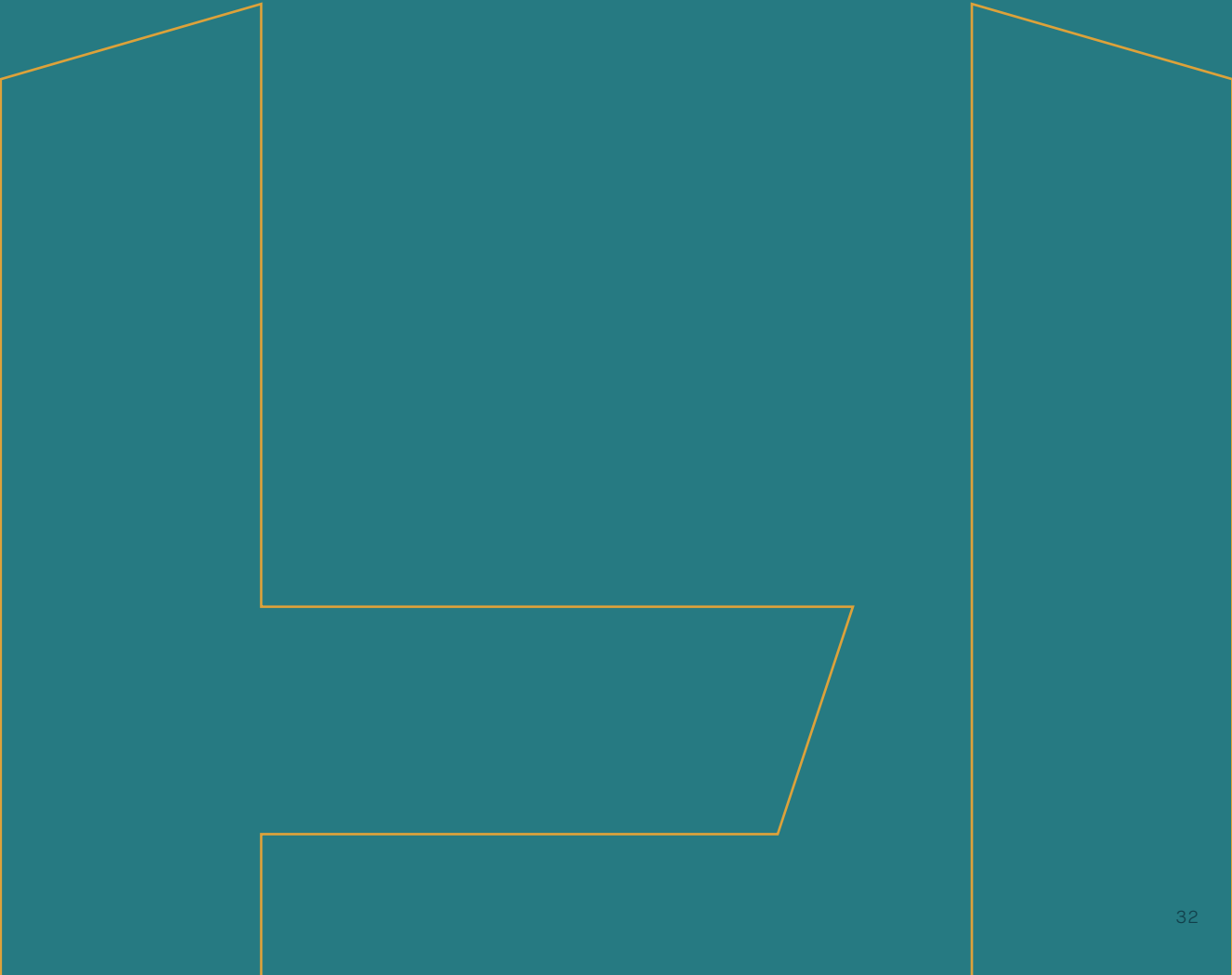
Multiple





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Corporate Administration Report

Shareholder Structure



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

Annual Review

Net Operating Income

Rental income, for the year, remained flat at SEK 15,916 million (15,919). 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.

Property expenses decreased by 6.1% to SEK 4,378 million (4,661). 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 11,475 million (11,188), resulting in a LTM net operating income margin of 72.1% (70.3%).

Investment Properties

Change in fair value of investment properties, for the year were SEK 9,498 million (8,553) corresponding to 3% (2.6%) of fair value. The average valuation yield was 3.69% (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 324,429 million (335,422). Realised gains from divestment of properties increased to SEK 2,207 million (1,687) related to divestments from the privatisation programme, portfolio sales and inventory properties.

Interest Expenses and Liability Management

For the year, interest expenses were SEK 6,536 million (6,554) and the average interest rate ended the year at 3.43% from 3.01% a year ago.

As part of a series of liability management exercises in January 2025, Heimstaden issued SEK 750 million senior unsecured floating rate notes and EUR 430 million senior unsecured fixed rate notes and tendered the previously existing SEK and EUR maturities for 2025 and 2026.

Heimstaden further supplemented its liability management programme in a July 2025 exercise that refinanced Heimstaden’s previous March 2027 EUR 400 million senior unsecured fixed rate note through the issuance of a EUR 400 million senior note due January 2031.

For the year, Heimstaden’s subsidiary 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.

Profit/loss for the Period

Profit before tax was SEK 16,012 million (10,403), driven by the factors mentioned above.

Income tax expense increased to SEK 2,955 million (2,781), resulting in a profit for the year of SEK 13,056 million (7,621).

Equity

Total equity increased to SEK 150,557 million (147,803) driven by total comprehensive income of SEK 4,199 million, offset by currency translation impacts on hybrid bonds. The share capital consist of 190,633,750 shares at a par value of SEK 0.5. 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 AB. The object of the Parent Company’s operations is to own and manage shares in the subsidiaries, external borrowing and financial risk management. The loss before tax was SEK -33 million (-273) and the Parent Company’s assets totalled SEK 30,603 million (29,988).

Risks

For risks and risk management, refer to [page 40–42](#).

Proposed Appropriation of Accumulated Profit

According to the Parent Company’s Statement on Financial Position, the following earnings are at the disposal of the Annual General Meeting:

SEK	
Share premium reserve	1,802,321,685
Hybrid bonds	7,705,454,189
Retained earnings	10,203,018,992
Profit/loss for the year	-164,148,987
Total	19,546,645,879

Proposed no Preference Share dividends:

SEK	
Dividend to shareholders	-
Share premium reserve	1,802,321,685
Hybrid bonds	7,705,454,189
Retained earnings	10,038,870,005
Total	19,546,645,879

It is proposed that the funds at the disposal of the annual General Meeting of SEK 19,546,645,879 is to be carried forward. No dividend shall be paid to any of the Share Classes.



Governance Report

Good corporate governance is a central part of Heimstaden AB’s culture, fostering trust among stakeholders. The corporate governance model supports the Board of Directors (the “Board”) and senior management in ensuring sustainable success through effective day-to-day management.

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Rules and Regulations

As a Swedish public limited liability company with preference shares listed on Nasdaq First North Growth Market and corporate and hybrid bonds listed on Nasdaq Stockholm and Euronext Dublin, Heimstaden AB (publ.) (the “Company”) is subject to numerous rules and regulations governing matters of corporate governance. This includes Swedish law, the Articles of Association, stock exchange regulations, and internal rules and policies as well as the Swedish Corporate Governance Code (the “Code”). Deviations from the Code are accounted for on [page 37](#).

The Rules of Procedures for the Board are available on the Company’s external webpage, and the Company’s other internal rules and policies, are available to the employees via the intranet.

The Company is an industrial investor within residential real estate with its biggest investment being Heimstaden Bostad AB (publ.). Through its subsidiary Heimstaden Group Manager AB, the Company provides professional investment and asset management services in respect of residential real estate to clients. The Company’s largest client within investment and asset management services is Heimstaden Bostad under the Group Management Agreement.

As part of its role as investment and asset manager, the Company establishes, implements and manage policy frameworks for its clients. Since the investment and asset management services mean being an integral part of the operation of the client, relevant parts of the clients’ respective policy framework apply also for the Company in its work as investment and asset manager, and the Company ensures that its own policy framework aligns therewith.

Corporate Governance Structure

Share Structure and Owners

As of 31 December 2025, the share capital amounted to SEK 95,316,875 divided between 190,633,750 shares (whereof 132,040,000 ordinary shares and 58,593,750 preference shares) each with a quota value of SEK 0.5 per share. The ordinary shares entitle to 10 votes per share and the preference shares entitle to 1 vote per share at general meetings in the Company. There are no limitations as to how many votes each shareholder may cast at a general meeting.

The Company’s preference shares are listed at Nasdaq First North Growth Market under the ticker HEIM PREF. All ordinary shares of the Company are owned by the Company’s largest shareholder, Fredensborg AS, which is ultimately controlled by Ivar Tollefsen and Ninja Tollefsen.

The Company concluded no share issuance or buy backs in 2025 and no capital injections were made.

General Meetings

Shareholders wishing to participate at a general meeting, in person or by agent, must be registered in the share register as per the record date and timely notify participation. Shareholders whose shares are nominee-registered must, in order to exercise voting rights at a general meeting, temporarily re-register their shares in their own name, as per instructions in the notice convening the general meeting.

Notice of general meetings is made through keeping the notice available on the Company’s website and by advertisement in the Swedish Official Gazette, with a simultaneous advert in Svenska Dagbladet.

Shareholders wishing to have a matter considered at the general meeting must submit a written request thereof to the Board. The matter shall be considered at the general meeting if the request has been received by the Board no later than seven (7) weeks prior to the general meeting, or after that date, provided the request is received in due time for the matter to be included in the notice.

Notices and minutes, as well as other materials associated with the general meetings are kept available on the [Company’s website](#).

2025 Annual General Meeting

The Annual General Meeting (“AGM”) in 2025, took place at Carl Gustafs Väg 1, SE-217 42 Malmö, Sweden on 3 April 2025. Shareholders representing 100% of the Company’s ordinary shares and 0.44% of the Company’s preference shares participated, corresponding to 69.40% of the total share capital and 95.77% of the total votes.

Nomination Committee

The Company has not established any nomination committee. The main shareholder, Fredensborg AS, prepares the proposal to the AGM in matters relating to election of and remuneration to the members of the Board. The Board prepares proposals with regards to the election of external auditor and auditor fees. Please also see [page 37](#).

Other shareholders are entitled to submit nomination proposals to the Board in the same manner, and within the same timeline as for other proposals.

Board (ESRS 2 GOV 1)

Composition of the Board

The Board is responsible for overseeing and organising the Company’s strategy, operations, and risk management, securing the best interests of the Company and its shareholders.

Per the Articles of Association, the Board shall comprise three to fifteen members with up to five deputies. The Articles of Association contain no restrictions regarding electability of members of the Board.

The Company strives to achieve a well-balanced and diversified Board composition, in accordance with point 4.1 of the Code, to support the Company’s long term financial and sustainability goals. The composition takes into consideration the operations of the Company to ensure that the Board benefits from a diverse range of industry relevant expertise and extensive experience within governance, finance and operations. In 2025, the Board consisted of 25% women and fulfilled the requirements of independence pursuant to the Code.

The Board as of 31 December 2025 is presented on [page 39](#).

The Board’s work

The Board has adopted Rules of Procedure, as well as instructions to the Co-CEOs, defining the division of responsibilities between the¹ Board and the Co-CEOs. The Board’s work follows an annual board wheel and financial calendar.

The Chairperson leads the work of the Board and has regular contact with the Co-CEOs to follow the Company’s operations and development on an ongoing basis, including consulting with the Co-CEOs. The

Co-CEOs, CFO and the Chief Legal Officer (as secretary to the Board) participate in all Board meetings, and other relevant senior executives participate when required.

The Co-CEOs report to the Board and, at each scheduled board meeting, present a report including information on the Company’s strategic, financial, and operational development.

In 2025, the Board held six (6) board meetings, excluding per capsulam resolutions.

Evaluation by and of 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 senior executives. The Chairperson collects and presents the results as a separate agenda item at a board meeting during which no senior executives are present.

The Board also conducts a yearly review of the Company and its operation where relevant reports from the Auditor are addressed. In connection therewith the Auditor holds meetings with the Board without any of the senior executives present.

Remuneration to Board Members and Senior Management

The AGM sets the remuneration to the members of the Board and decides how the fees are to be distributed among the members.

At the AGM in 2025, the following remunerations were awarded for the period up until the next AGM: Bente A. Landsnes, Fredrik Reinfeldt and John Giverholt each receive SEK 425,000, and the Chairperson, Ivar Tollefsen, receives SEK 800,000.

Deviations from the Code

The Company complies with the rules set out in the Code, except as explained below.

The Company has included in its Articles of Association an ability for the Board to resolve a general meeting to be held fully digitally (cf. Section 1.2 in the Code). The Company has considered the ability to allow for a fully digital general meeting to better serve the interest of enabling shareholders to participate in light of the spread of ownership of its preference shares.

The Company has not established a nomination committee (cf. Sections 1.3, 1.4, 2.1–2.7, 4.6, 9.1, 10.2, and 10.3 in the Code). In light of the concentrated ownership structure, with Fredensborg AS controlling 96% of the votes in the Company, a nomination committee has been deemed unnecessary. The responsibility normally vested in a nomination committee is undertaken by Fredensborg AS as the main shareholder. Also see [page 36](#).

The Company has not established a remuneration committee and no formal remuneration guidelines are applied (cf. Sections 7.3–7.5 in the Code).

A review of remuneration levels and models applied in the Company as a whole, including for senior executives, is underway as part of the Company’s work pursuant to the EU Transparency Directive. Based on the conclusions therefrom new guidelines will be drafted and implemented, setting out a remuneration model for both senior executives and other employees. It is noted that no variable remuneration is paid to members of the Board.

¹ Rules of procedure, Co-CEO Instructions and the financial calendar are available on the [Company’s webpage](#).



Internal Auditor

The Board, together with the senior executives, annually assess the need for a formalised internal audit function beyond the existing processes and functions for internal governance and control.

Noting that the vast majority of business risks, processes and controls rests within the operation of the Company's investments and/or clients, and, that Heimstaden Bostad, being the Company's largest investment and client, holds a robust internal audit function, the material risks affecting the consolidated group are already covered. As such, a separate audit function for the Company would add little new insight and has therefore not been deemed necessary.

External Auditor

In accordance with the Articles of Association, the Company is to elect one or two auditors, or alternatively one or two registered public accounting firms. The Auditor is appointed by the AGM based on a proposal from the Board. At the 2025 AGM, the audit firm EY was elected for the period up to and including the 2026 AGM, with authorised public accountant Jonas Svensson as the principal auditor.

Senior Executives (ESRS 2 GOV 1)

The Company's senior executives comprises seven individuals. The Co-CEOs report to the Board, and their responsibilities are governed by a written Co-CEO Instruction. The Co-CEOs are inter alia tasked with ensuring the Company's strategic, financial, and operational development and monitoring of its performance.

To successfully fulfill its core activities, the Company has organised itself with a group of senior executives who enables the Company to deliver on its strategic goals as well as contractual obligations as investment and asset manager.

To ensure the continued success of the Company the senior executives have established an Investment Committee.

Investment Committee

This Committee consists of key senior executives and is chaired by member of the Board John Giverholt. Supported by the Company's investment team, it is responsible for reviewing and deciding on all real estate transactions, and ensuring attractive deal structuring and solid underwriting. The Committee has a mandate to independently approve real estate transactions below EUR 50 million, and shall provide its recommendation to the Board in respect of any transactions above EUR 50 million. The same Committee also support and assess investments made by clients to which the Company provides investment and asset management services, in respect of which the mandate of the Committee is aligned with the shareholders' agreement and authorisation matrices of the relevant client.

Board of Directors (ESRS 2 GOV1)

 Ivar Tollefsen Chairperson Year elected 2021 Born 1961 Nationality Norwegian Education – Other assignments Chairperson of Fredensborg AS, Fredensborg 1994 AS, Servatur Holding AS, and Heimstaden AB. Employment and work experience Founder and Co-CEO of Fredensborg AS, and board member in Heimstaden Bostad AB. Ivar is deemed to be of great importance for the Company due to his vast personal connections and business relations. Independent of Company No Independent of Main Shareholder No. Indirect majority shareholder in Fredensborg AS. Own shareholdings and those of related parties in 2025 132 040 000 common shares and 3 000 000 preference shares. Attendance at board meetings 6 of 6	 John Giverholt Member Year elected 2019 Born 1952 Nationality Norwegian Education BSc, University of Manchester and MSc Accounting and Auditing, NHH Norwegian School of Economics. Other assignments Board Member at Heimstaden Bostad AB and Fredensborg AS. Employment and work experience 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. Independent of Company Yes Independent of Main Shareholder No. Dependent in relation to his board position in Fredensborg 1994 AS. Own shareholdings and those of related parties in 2025 – Attendance at board meetings 6 of 6	 Bente A. Landsnes Member Year elected 2024 Born 1957 Nationality Norwegian Education Frogner Handelsskole, Oslo, spec. Accounting and language. Other assignments Vice Chair in Norbit ASA, Chairperson of the Board of Hvitsten AS and Member of the Zagreb Stock Exchange Supervisory Board and Heimstaden Bostad AB. Former Board Member of Verdipapirsentralen ASA, Danske Bank A/S, and Federation of European Securities Exchanges (FESE). Employment and work experience 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). Independent of Company Yes Independent of Main Shareholder Yes Own shareholdings and those of related parties in 2025 – Attendance at board meetings 6 of 6	 Fredrik Reinfeldt Member Year elected 2023 Born 1965 Nationality Swedish Education MSc in Business Administration, Department of Business Administration at Stockholm University. 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 Bostad 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. Independent of Company Yes Independent of Main Shareholder Yes Own shareholdings and those of related parties in 2025 – Attendance at board meetings 4 of 6
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Co-CEOs

 Helge Krogsbøl Co-CEO Employed since 2018 Born 1968 Nationality 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. Holdings in Company securities 163 000 preference shares	 Christian Fladeland Co-CEO Employed since 2019 Born 1986 Nationality 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. Holdings in Company securities –
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Governance, Risk, and Compliance

The Company is committed to high standards of corporate governance, risk management, and compliance. The Company’s centralised Governance, Risk, and Compliance (GRC) function develops and oversees the Company’s work with implementing and maintaining policy frameworks for itself and its clients. The GRC function also supports and monitors the use of Risk Tool and Compliance Management System within the Company’s investment and asset management services.

The GRC function reports to the Chief Legal Officer who, together with other senior executives as appropriate, relays matters to the Board when relevant.

Training

All employees are trained on the policies of the Company, as well as the policy framework and specific policies of its clients, both as part of onboarding and recurring with mandatory training courses and enrolment being monitored and followed up.

Business Partners

The Company expects its business partners to comply with ethical standards consistent with its own and strives to include written confirmation thereof in all agreements with suppliers.

In addition to adhering to the principles under the Company’s Code of Conduct, external providers are assessed on ethics and sustainability as part of supplier due diligence, and the Company recurringly assesses

the level of compliance by the business partners through screening, self-assessment questionnaires, and governance meetings.

Risk Management

The Company’s risk management objective is to maximise returns at acceptable risk levels without compromising the Company’s vision or values, embodied in its Code of Conduct.

The Company is exposed to a range of risks/ opportunities that may affect its business. Senior executives are to be responsible for risk controls within their business area and together with the GRC function, identify, analyse and assess these risks and opportunities.

As investment and asset manager and investor, prudent risk management in relation to the Company also entails risk management in relation to its business and operations of the Company’s investments and/or clients. In its role as manager for Heimstaden Bostad, the Company participates in the Executive GRC and Internal Control Committee of Heimstaden Bostad and insights are extrapolated also back to the Company.

Besides general risks related to operations, such as IT/Cyber Security and GDPR etc., more specific risks within the real estate investment and asset management business, that may affect the Company, are highlighted below:

Refinancing Risk

Refinancing risk involves the potential inability to access debt markets, including capital markets, bank financing, or alternative credit, on favourable terms to manage the Company’s debt refinancing, and to align with the Financial Policy. The Company has two ratings in the ‘high yield’ category of S&P and Fitch. The Company’s asset base foremost consists of the holding in Heimstaden Bostad, meaning lenders finance an indirect investment. High yield financing of indirect investments generally carries higher risk compared to investment grade financing. Therefore, the debt market may provide insufficient pricing for longer periods of time compared to a company that has direct real estate holdings and is rated within the investment grade category.

A comprehensive and granular financial model has been established for the Group where significant attention is devoted to the debt maturity profile, as well as the impact of refinancing at current market terms. This enables real-time sensitivity analysis on key credit metrics, including debt covenants and rating metrics, ensuring that the Company is well-informed in advance if any metrics are at risk of being breached. During periods of higher than usual volatility in financial markets and refinancing risk is increasing, the Company targets to build more headroom for upcoming maturities by prefunding for longer periods ahead in time, as done in January 2025 with respect to the March 2026 maturity and in July 2025 with respect to the March 2027 maturity, and maintain cash reserves and unutilised sources of liquidity.

Interest Rate and Currency Risk

Interest rate and currency fluctuations may cause volatility in the reported financial figures. This may negatively impact the Company's credit metrics and cause rating pressure and risk of breaching financial covenants, and as a result is subject to continuous granular monitoring. 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 typically funded in local currency (to the extent financially justifiable and/or available).

Valuation Risk

Changes in property values within the Company's direct or indirect investments will impact the Company's credit metrics, where a decrease in valuations could cause rating pressure and risk of breach with debt covenants or financial policies, which could restrict the Company's ability to take up new debt and its subsidiaries to declare dividends.



Internal Control and Risk Management

Internal Control

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

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.

Control Environment

The Company strives to have clear roles and responsibilities in the context of risk management and internal controls. Segregation and delegation of responsibilities have been documented and communicated through the Rules of Procedure, the Co-CEO Instruction as well as an authorisation matrix, as approved by the Board.

The control environment follows the Company's organisational structure, supported by internal policies and guidelines, to ensure alignment with values and strategic objectives. In relation to work with or for the Company's clients, the client's policies and guidelines are also adhered to.

The senior executives continuously review, assess, plan and execute in respect of financial performance and internal control activities and report back to the Board with any issues identified in this process.

Risk Assessment

Senior executives identify, analyse and decide on the matrix of the Company's material risks and opportunities.

Risks related to financial and operational reporting are monitored by the senior executives and reported back to the Board.

Key risks, including material errors in financial reporting or operational inefficiencies, are periodically assessed, and mitigated through the risk management process and control activities outlined on [page 40, 41](#) of this Governance Report.

Control Activities

Preventive, detective, and corrective control activities are embedded in all levels across the organisation to ensure that potential errors in financial and operational reporting are avoided or identified and corrected.

For the purposes of this Governance Report, control activities to mitigate the risk of material misstatements in financial and operational performance reporting include:

- Segregation of duties, access controls, pre-approval processes, including Board approved authorisation matrix.
- Operational reporting against forecast and budgets through the quarterly Business Review process.
- Internal control review process covering the financial closing process, accounting in accordance with accounting standards, and reporting in accordance with reporting guidelines, and fraud prevention.

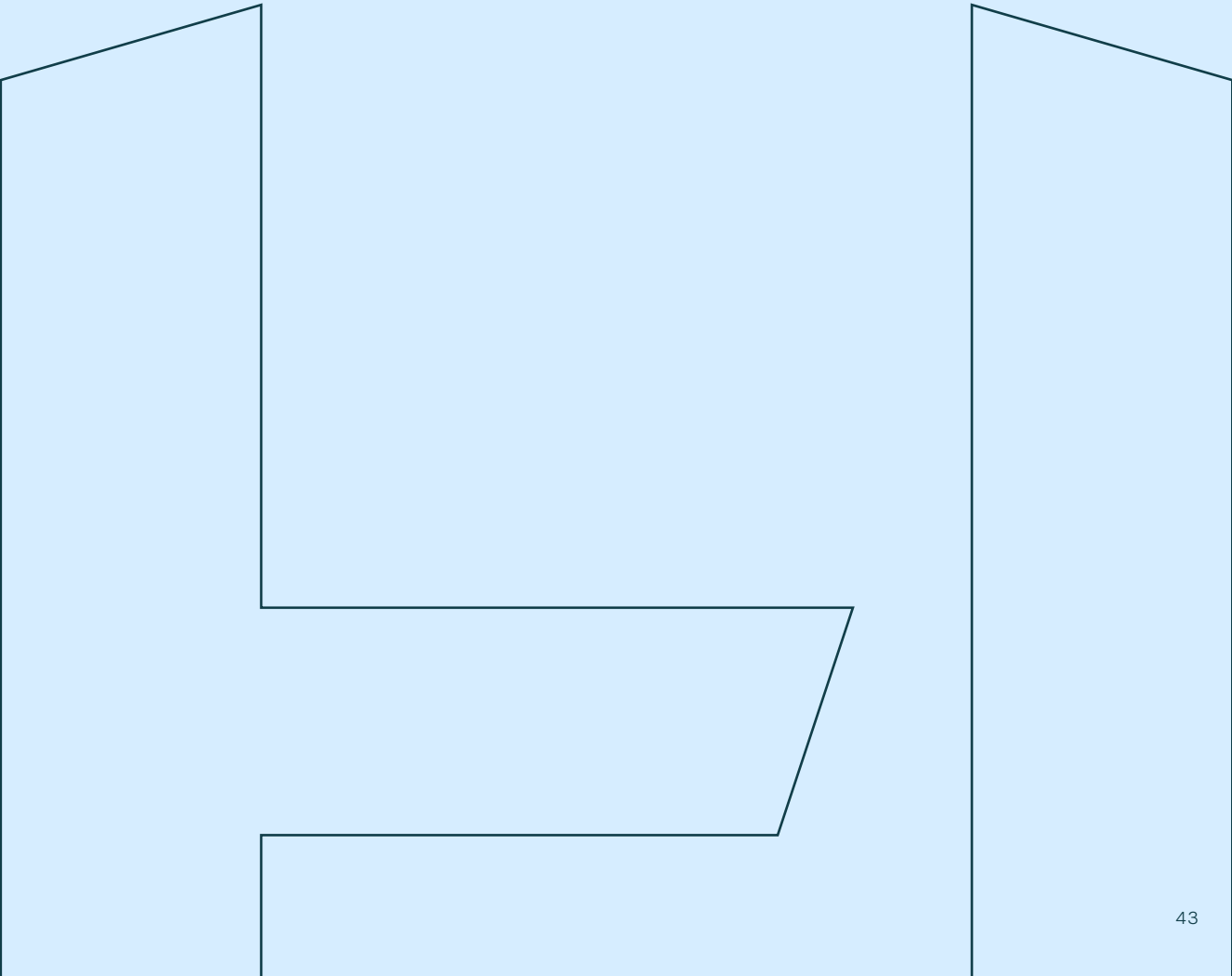
Information and Communication

Expectations regarding loyalty and adherence to the Code of Conduct, as well as internal policies and guidelines are actively communicated to employees as well as to suppliers. Employees are enrolled to mandatory online training programs. Internal guidelines regarding the financial reporting process are owned by the Chief Financial Officer who engages with all relevant parts of the Company to ensure consistent application thereof and to foster an improvement-oriented feedback culture.



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 previous years continued to pay off, 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 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	tCO2eq	167,972	153,643
Scope 3 Category 13	tCO2eq	103,166	120,415
Weighted average emission factors	gCO2e per kWh	257	252
Inclusive Housing and Jobs			
Inclusive housing	Units	4,889	4,977
Inclusive jobs	Number	238	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 Rating

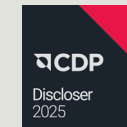


2025

Negligible risk

2024

Negligible risk



2025

B

2024

B



2025

2 Stars

2024

1 Star

About this Sustainability Report

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

This report is a consolidated report covering both Heimstaden and its subsidiaries, including Heimstaden Bostad AB. All disclosures presented in the report, including sustainability performance, environmental and emissions data, social indicators, governance information, and other material metrics, reflect the combined scope of both entities unless otherwise specified. Within the consolidated emissions, emissions from Heimstaden operation excluding Heimstaden Bostad represent 0.04% of the total reported emissions. As a result, the overall footprint presented in the report is primarily driven by Heimstaden Bostad operations.

For the purposes of this Sustainability Report, references to Heimstaden refers to the consolidated group comprising Heimstaden and Heimstaden Bostad, unless otherwise stated, and do not refer to Heimstaden on a standalone basis.

Heimstaden’s Sustainability Report, which covers governance, performance and progress against key ESG areas, is prepared in accordance with Swedish Annual Accounts Act. Chapter 6, including 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 limit-

ed 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 from 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 sustainability 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 37](#)

GOV 5: Information related to the risk management approach on [page 40](#)

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 reference to the Board of Directors and the A&GRC in this report means the Board of Directors and A&GRC of Heimstaden Bostad AB, unless otherwise specified. 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 Heimstaden Bostad's performance quarterly through the Audit & Governance, Risk and Compliance Committee (A&GRC), whilst the board of Heimstaden AB exercises oversight over its investment to align with its overarching ESG strategy as an investor and manager.

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 CO₂e 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 applies structured risk management and internal controls to ensure the accuracy and completeness of sustainability reporting. Data are consolidated at group level with standardised definitions and validation checks across all countries.

The COO who 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 are subject to the same control standards as financial information, supported by independent reviews and corrective measures to ensure reliability and regulatory compliance.

Policy Management

Policies, targets, and actions referred to in the report primarily relate to Heimstaden Bostad unless otherwise stated. The policies apply also to Heimtaden AB in its role as Group Manager. All sustainability related policies are made available to relevant stakeholders. Policies applicable to employees and those responsible for implementation are stored on the intranet and supported by internal communication and training. Policies relevant to external stakeholders are published on the external website.

Strategy and Business Model



Heimstaden’s strategy is to oversee and guide the Sustainability strategy of Heimstaden Bostad. Heimstaden provides governance oversight, strategic alignment, and direction to ensure that sustainability ambitions, targets, and actions are effectively integrated and executed. The strategic direction and priorities described in this section primarily relate to Heimstaden Bostad’s operations and value chain, unless otherwise stated.

The business model of Heimstaden Bostad 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

Heimstaden’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 Heimstaden’s Climate Transition Plan integrates energy efficiency, renewable energy, adaptation, and sustainable financing to balance growth with environmental and social responsibility. Heimstaden manages over 156,000 homes across nine European markets, generating most of the revenue from residential letting. This represents Heimstaden’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’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’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 Heimstaden 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 Heimstaden’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 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 Engagement 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 our whistle blowing 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, 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 our whistle blowing 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 our whistle blowing system.	Ensure that our suppliers adhere to our Business Partner Principles, assess their ESG risks and practices, and monitor their ESG progression.	Continuous development of our procurement process to focus on suppliers who demonstrate best practice and support us in reaching our 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, e.g. when entering new markets.	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	Conference calls, annual and sustainability reports, bond and green bond issuance, Investor/Bank ESG Questionnaires, capital market presentations, and individual meetings with banks and investors.	Communicate our strategy to investors and ensure that our approach aligns with market best practices.	Meet financial stakeholders’ sustainability data requirements and uphold our duty to keep investors informed of ESG-related information.
Media	Proactively via press releases and interviews, reactively by answering requests and questions. Spokespeople at both Group and country level receive recurrent media training.	Transparent communication regarding our goals, targets and achievements, including stories about our 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, board 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 our 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 our 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 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 Heimstaden’s long-term value creation.

The DMA is firmly embedded within the Heimstaden’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

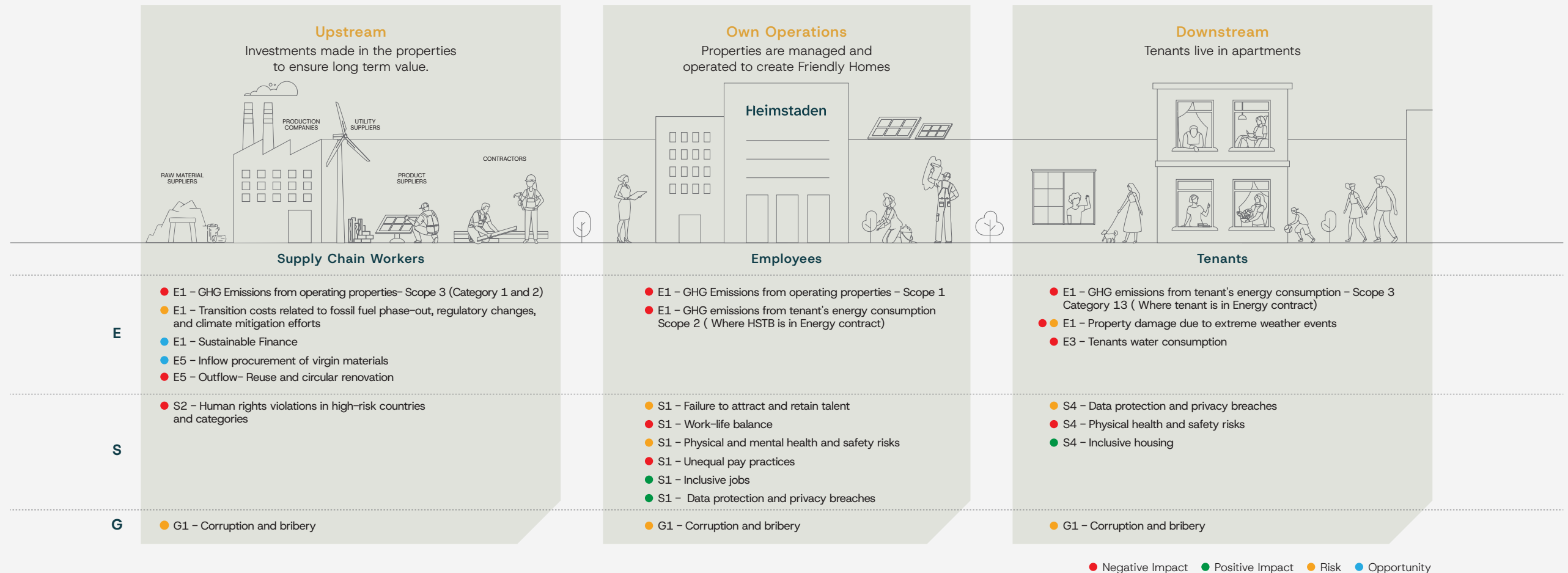
Validation through the established governance process and integration of outcomes into corporate strategy, risk management, and performance reporting to align sustainability and financial objectives.

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

Heimstaden Impact on People and Environment	Impact Material	Double Material
	E3 – Water and Marine Resource S2 – Workers in the Value Chain	E1 – Climate Change E5 – Resource and Circular Economy S2 – Own Workforce S4 – Consumer End Users
Financial Impact on Heimstaden	Not Material	Financial Material
	E2 – Pollution E4 – Biodiversity and Ecosystems S3 – Affected Communities	G1 – Businesss Conduct

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

The DMA identified 20 material topics that guide Heimstaden approach to managing IRO's. These topics are integrated into the Heimstaden'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.



E1 Climate Change

Climate change is a key focus for Heimstaden’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’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 Heimstaden’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 Heimstaden’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 Heimstaden’s climate strategy continued through measurable emission reductions, energy performance and steady progress in decarbonising portfolios towards net zero goals.

Improved EPC labels

5,425 Units

Weather Corrected Energy Intensity Reduction

10%

Emission Reduction – Against SBTi Target

14.2%

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

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’s Climate Transition Plan sets a 2030 midterm target to reduce absolute emissions by 42%. This target supports Heimstaden’s ambition to decarbonise its portfolio and strengthen long-term resilience. The target also reflects Heimstaden’s direction toward alignment with 1.5°C target goal of the Paris Agreement, achieving Net Zero greenhouse gas emissions by 2050. Heimstaden 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 TCFD framework. The first analysis was completed in 2022 and updated in 2025 using IPCC RCP 2.6, 4.5 and 8.5 scenarios to test portfolio resilience and investment strategy.

Climate governance is embedded within Heimstaden’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 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 Heimstaden’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.

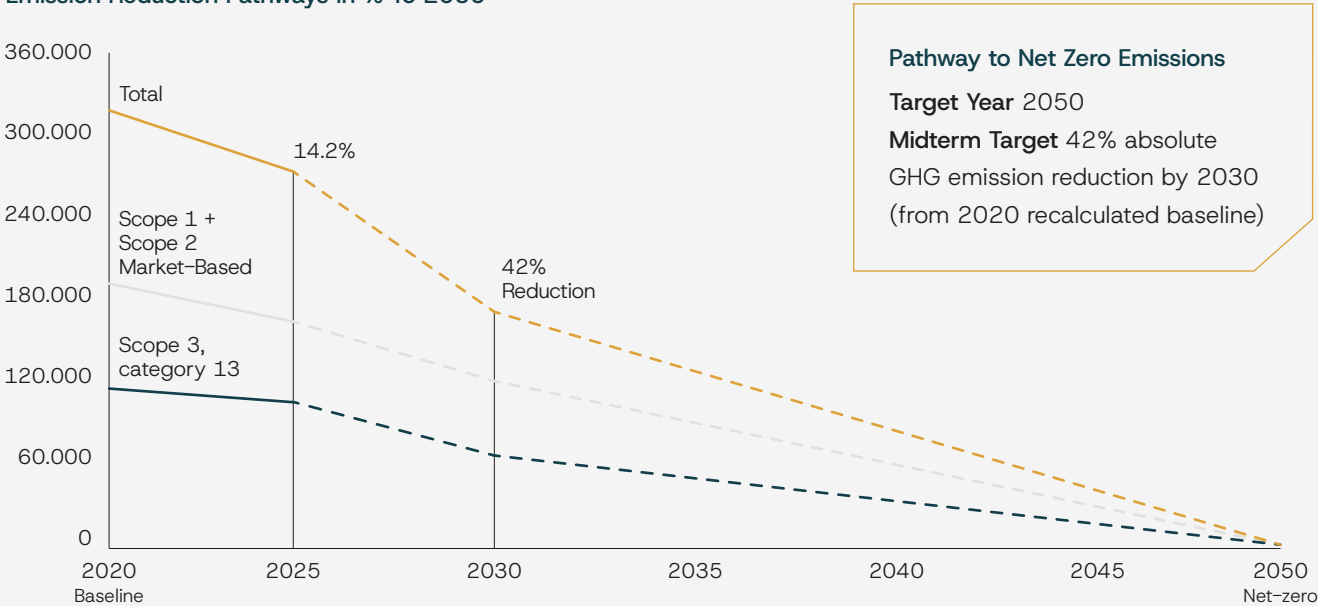
Heimstaden continues to phase out fossil-fuel systems by replacing oil and gas boilers with heat pumps, hybrid, and central geothermal installations while expanding rooftop solar capacity and long-term renewable Power Purchase Agreements (PPAs). Adaptation measures guided by the Climate Adaptation Catalogue 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 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 2050¹



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

Science-Based Climate Target¹

		2025	Baseline (recalculated) 2020	Target
Scope 1 CO2e	Tonnes	23,639	28,966	–
Scope 2 Market-based CO2e	Tonnes	144,333	171,707	–
Scope 3, category 13 CO2e	Tonnes	103,166	115,242	–
Total emissions included in target		271,138	315,916	–
% change of CO2e 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% percent 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’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. Re-sults are consolidated through the internal climate dashboard and annually in the DMA and Annual Sustainability Report.

Heimstaden screens its activities and strategic plans for actual and potential future GHG emission sourc-es 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 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’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 Commis-sion 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 2040		Short-Term 2040		Long-Term 2100		Long-Term 2100	
RPC	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 CO2 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 CO2 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 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 re-viewing 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 operation-al 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 Pan-el 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 trajecto-ries.

The climate risk and vulnerability assessment is applied at property level using an EU Taxonomy aligned meth-odology. The assessment uses a single 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 mitigation and 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% at high risk under RCP 4.5 and 59% 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 Risks	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 effi-ciency standards in the EU could raise retrofit costs but also create opportunities for green-fi-nance 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 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. Heimstaden'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	Heimstaden's Green and Sustainability-Linked financing framework enables Heimstaden 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 identified using high-emission climate scenarios (RCP 4.5 and 8.5).	The Climate Adaptation Catalogue sets the process for hazard identification 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 Heimstaden'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 allocation 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 holds 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 engagement 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 Heimstaden’s sustainability related policies and the actions taken to achieve climate objectives. These policies are maintained on the Intranet, and regularly reviewed to ensure alignment with regulatory requirements, and communicated through internal learning and leadership programs.

Senior Executives, supported by the People & Culture function, ensure consistent application across all markets. The Sustainability Policy and related manuals and guidelines addresses climate change mitigation by 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 Heimstaden’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 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 Heimstaden’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, Heimstaden 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 Heimstaden 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 more than 32,000 homes. 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 593 units with central oil heating as the only remaining oil heated assets 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 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 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 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 Heimstaden’s sustainability strategy. Sustainability–Linked Loans tie financing terms to measurable environmental performance, and the Heimstaden’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
Outstanding Loans linked with Sustainability KPI	5,818	15,415

Sustainability–Linked Kpis For Margin Reduction In 2025

SEK million	Target	Result
Sustainalytics rating	Negligble Risk	Negligble 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

The Sustainability-Linked Financing Framework has been developed to be aligned with the 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 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 aims to mobilise debt capital for environmentally sustainable purposes. Heimstaden’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’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’s commitments towards reducing emissions by 42% from a 2020 baseline, covering Scope 1, Scope 2, and Scope 3.

During the active period, the Green Bond proceeds were allocated to existing 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. This ensures full alignment with the Green Bond Framework. 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 And Impact Report

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	–

¹ The figures presented refer to the portfolio of Green Assets allocated to outstanding Green Bonds as of 31 December 2025

Overview Of Energy Performance Certificates

Country	Sweden		Germany		Denmark		Czechia		Netherlands		Norway		United Kingdom		Poland		Finland		Total
EPC	kWh/m ² /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 Asses- ment 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%		21.2%		41%
D to E units	60%		35%		3%		63%		13%	37%					5%		70.4%		32%
F to H units	31%		27%				7%		5%	54%							8.4%		15%
No label			1%		2%					1%		7%							1%

Share of Certified Buildings

Location	Certificate	2025	2024
Sweden	Miljöbyggnad	13%	15%
Denmark	DGNB	1%	1%
Poland	BREEAM	95%	95%
Share of total sqm of certified buildings		5%	5%

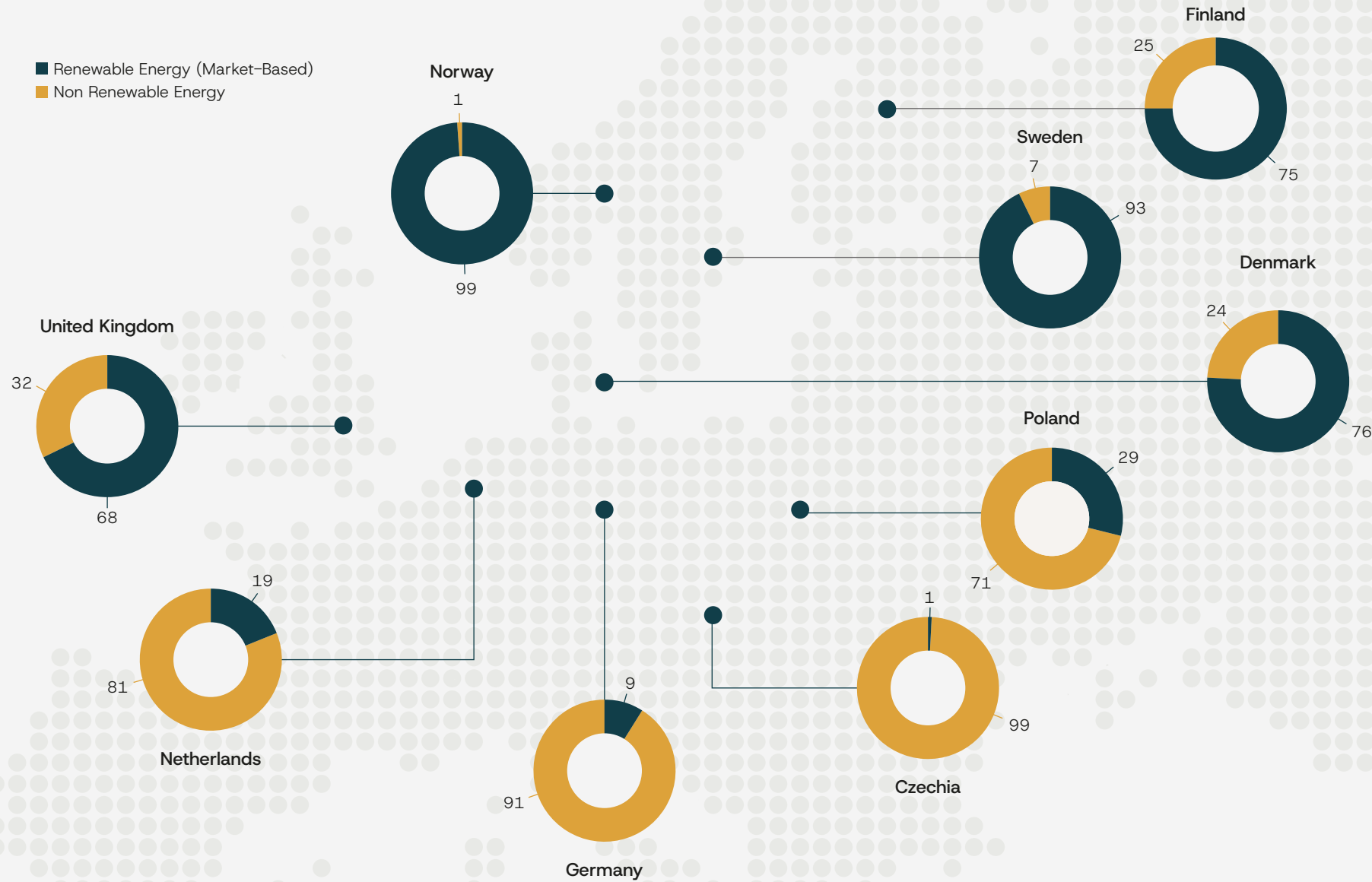
Share of EU Taxonomy Aligned Green Buildings (Top 15% & EPC A Criteria)

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

■ Renewable Energy (Market-Based)
■ Non Renewable Energy



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)	32,670	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	413,554	411,344
6. Total fossil energy consumption (MWh)																				
(calculated as the sum of lines 1 to 5)	32,670	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	523,951	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)	422,284	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	532,044	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)	422,612	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	532,372	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)	455,282	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	1,056,323	1,086,982
Weather corrected total ²	479,334	478,170	200,566	220,390	79,533	80,234	311,468	387,016	9,277	10,001	13,090	23,356	872	499	16,618	15,561	25,165	27,559	1,135,923	1,242,787
Energy intensity kWh/sqm/year ^{1,2}	139	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	146	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	4,124	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 the amount of purchased energy by 2% annually (weather corrected).

² Entity specific, Poland reports actuals for solar PV energy production.

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

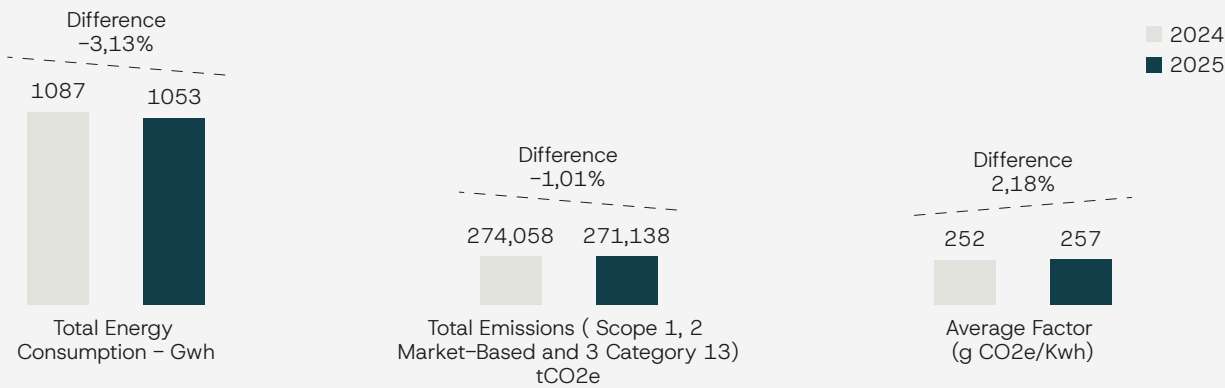
Energy Intensity Per Net Revenue

Energy intensity per sqm	2025	2024	%
Total energy consumption per income (MWh/SEK m)	58.6	61.8	–5
Net Revenue used to calculate GHG Intensity	18,033	17,631	
Net Revenue Other	–	–	
Net Revenue per financial statement	18,033	17,631	

Ghg Intensity Per Net Revenue

tCO2e/SEK m	2025	2024	%
Total GHG emissions scope 1, 2 (location-based) and 3 cat 13	16	17	–6
Total GHG emissions scope 1, 2 (market-based) and 3 cat 13	15	16	–6

Weighted Average Emission Factors



Ghg Intensity Per Sqm

kg CO2e/sqm	2025	2024	%
Scope 1 and 2 market-based	15	15	–
Scope 1, 2 market-based and 3 category 13	25	24	4

Gross Scopes And Total Ghg Emissions

tCO ₂ e	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 3	323,554	308,290	
Total GHG emissions scope 1, 2 (market-based) and 3	314,846	280,575	

² 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's business model and climate priorities. The GHG calculation 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 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 Heimstaden’s overall sustainability and risk management strategy, ensuring preparedness for changing climate conditions and local water availability.

Heimstaden sources all water for its own operations from local municipalities in the countries. The Heimstaden does not use surface water or groundwater and does not source water directly from natural water bodies or marine environments. Heimstaden 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’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 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 re-sponsible 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 m³	10,771,608	11,284,001	3,437,108
Total water consumption in water stress areas	Million m³	136,373	124,372	–
Water consumption per million SEK net revenue	Million m³/million SEK Net Revenue	589	641	–
Water consumption per million EUR net revenue	Million m³/million EUR Net Revenue	6,461	–	–
Building water intensity	m³ 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 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. Heimstaden recognises that material inflows and outflows present both environmental and business risks, while circular renovation and reuse practices offer opportunities for resilience and value creation.

Heimstaden 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, Heimstaden 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, Heimstaden 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 is also working with external partners and service providers to support a gradual move towards more structured reporting formats that collect 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 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



ESRS 2 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 these material topics.

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 Resource Use and Circular Economy activities

Inflow

In 2025, Heimstaden 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 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. 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 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 remains 100% taxonomy eligible contributing to the EU’s environmental objectives. Revenue, capex and opex applied in the reporting templates are derived from the 2025 consolidated financial statements presented in this Annual Report.

Revenue, capex and opex applied in the reporting templates are derived

from the consolidated financial statements presented on [page 111 and 123](#) 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 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

Economic activities (1)	Year			Substantial Contribution Criteria						DNSH Criteria ('Does No Significant Harm') (h)						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)
	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)				
		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	21.9%	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	21.9%	78.1%	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	21.9%	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	12,429	78.1%	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)		12,429	78.1%	78.0%	0%	0%	0%	0%	0%								74.1%		
A. Turnover of Taxonomy eligible activities (A1+A2)		15,916	100%	100%	0%	0%	0%	0%	0%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		0	0%																
TOTAL		15,916	100%																



Taxonomy-aligned Capex

Economic activities (1)	Year			Substantial Contribution Criteria						DNSH Criteria ('Does No Significant Harm') (h)						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)
	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)				
		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	6.7%	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	0.6%	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	9.8%	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	0.1%	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	17.5%	17.5%	0%	0%	0%	0%	0%	–	Y	–	–	–	–	Y	25.0%		
Of which Enabling		343	7.7%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%	–	Y	–	–	–	–	Y	4.1%	E	
Of which Transitional		434	9.8%	9.8%						–	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	3,661	82.5%	EL	EL	EL	EL	EL	EL								75.0%		
Capex of Taxonomy-eligible not but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		3,661	82.5%	82.5%	0%	0%	0%	0%	0%								75.0%		
A. Capex of Taxonomy eligible activities (A1+A2)		4,439	100%	100%	0%	0%	0%	0%	0%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		0%	0%																
TOTAL		4,439	100%																



Taxonomy-aligned Opex

Economic activities (1)	Year			Substantial Contribution Criteria						DNSH Criteria ('Does No Significant Harm') (h)						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)
	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)				
		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	0.0	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	–	Y	–	–	–	–	Y	0.0%	E	–
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		141	4.34%	4.3%	0%	0%	0%	0%	0%	–	Y	–	–	–	–	Y	4.1%		
Of which Enabling		–	0.0%	0.0%	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	3,119	95.7%	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)		3,119	95.7%	96%	0%	0%	0%	0%	0%								95.8%		
A. Opex of Taxonomy eligible activities (A1+A2)		3,261	100%	100%	0%	0%	0%	0%	0%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non-eligible activities		0	0%																
TOTAL		3,261	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 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	Homeworkners Association (HOA)	Heimstaden follows the financial control approach under the GHG Protocol. Energy and water consumption from Homeworkners associations (HOAs) is reported under Scope 1 and 2 if Heimstaden 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 operates. In countries where there is no equivalent EPC standard, Heimstaden 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 owns properties. This creates challenges in comparing the performance between countries and in preparing a consolidated overview of the Group’s performance. Heimstaden is tracking EPC label improvements on unit level, therefore, in 2025 the number of units is disclosed.
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 (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, the tenant, or a Homeworkner 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 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 in on the contract.
E1–5	Heat Consumption	Energy use for heating is often procured by Heimstaden 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’s access to their data. Consequently, the reporting only includes heating data for a select subset of properties in these regions. Heimstaden 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 Emission	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 has contracted the energy supplier for property heating, from leakage of refrigerants, and from fuel used in Heimstaden-owned service cars and service cars with a financial lease. - Reported Scope 2 emissions derive from purchased heating, cooling, and electricity in the properties where Heimstaden is on the contract. - Reported Scope 3 emissions for 2024 and 2025 cover all categories applicable to Heimstaden'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 CO2 and CH4 but can also include refrigerants or CH₂ and N₂O 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 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 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 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 Emission	To ensure accuracy, country-specific methodologies are applied that reflect differences in energy management and reporting requirements. Heimstaden 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 Heimstaden'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% ownership share. The reported emissions represent 20% 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's total GHG emissions may change. Heimstaden 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, energy, rent and capital goods).
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.
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.
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’s long-term value, committed to creating a supportive and inclusive culture that promotes fairness, health, and development across all parts of organisation.

Heimstaden 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
 - including work health & safety, diversity, inclusion & belonging, good leadership, opportunities for growth, and well-being commitments

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 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
Working Condition	Work-life balance	High workload periods and unclear expectations can affect wellbeing, 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			●	
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 manages its workforce through policies that promote fair, safe, and inclusive working conditions. Heimstaden 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 policies 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	25	9
Number of confirmed whistleblowing cases	5	2
Incidents of discrimination	–	–
Number of reported discrimination/harassment cases from all reported whistleblowing cases	3	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, Heimstaden 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	25	1	75	3	4	25	1	75	3	4
Gender split in Group Management team ¹	29	2	71	5	7	29	2	71	5	7
Gender split in Country Management team ^{2,3}	40	32	60	48	80	36	27	64	47	74
Gender split for all managers ³	36	104	64	181	285	35	91	65	172	263
Gender split all employees ^{3, 4}	39	772	61	1,209	1,982 ⁵	39	770	61	1,278	2,048
Under 30 years old	49	130	51	137	267	45	114	55	142	256
Between 30–50 years old	41	446	59	637	1,084 ⁵	39	451	61	703	1,155 ⁵
Over 50 years old	31	196	69	435	631	32	205	68	433	638

¹ Target 50–50, incl. CEO
² Incl. the 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	11.15%	11.85%
Annual total remuneration ratio (highest paid individual to the median annual total remuneration for all employees, excluding the highest-paid individual)	17.09	28.88

Reflect and Act

	2025	Target
Completion rate	91.8	100%

S1-6 Characteristics of the Undertaking’s Employees | S1-7 Characteristics of Non-employee Workers in the Undertaking’s Own Workforces

Heimstaden 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 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 Heimstaden’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 Heimstaden’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	1,982 ¹	772	1,209	2,049 ¹	770	1,278
Total number of permanent employees	1,807 ¹	696	1,110	1,894 ¹	708	1,185
Total number of temporary employees	175	76	99	155	62	93
Total number of non-guaranteed hours employees	–	–	–	–	–	–
Total number of full-time employees	1,818 ¹	669	1,148	1,921 ¹	689	1,231
Total number of part-time employees	164	103	61	128	81	47
Total number of employees who have left undertaking	567			612		
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	587	344	477	276
Total number of permanent employees	528	315	452	258
Total number of temporary employees	59	29	25	18
Total number of non-guaranteed hours employees	–	–	–	–

Characteristics of Non-employee Workers in the Undertaking’s own Workforce

	2025	2024
Non-employee workers ¹	67	73

¹ Non-employee workers = contingent workers, external consultants (specific person working on specific project or area, or representing Heimstaden 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.

Heimstaden’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	2.3	4.9
Recordable work-related injuries	95	84
Rate of recordable work-related injuries	27.4	23.0
Lost Time Injury frequency rate (LTIFR)	2.3	4.9
Lost Day Rate (LDR)	87.3	61.4
Incidents	31	32
Absence due to illness	6.4%	5.4%
Number of hours worked	3,470,421	3,659,300
Number of days away	1,515	1,123
Total Recordable Case Frequency (TRCF)	29.7	27.9
Proportion of all employees covered by H&S management system	–	–
Injuries and ill health with regard to travelling for work purposes	–	–

Employee Engagement Survey¹

	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 ¹S1–10 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 does not track the global percentage of employees covered by workers’ representatives, and operates only in the EEA countries.

Heimstaden 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%	Denmark	
40–59%		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	238	263
of which social inclusion positions	14	22
of which youth positions	224	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 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 addresses workers in the value chain through established structured governance, policies, and oversight mechanisms to promote responsible business conduct throughout its operations. Heimstaden’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 upholds ethical standards through its Code of Conduct and Whistleblowing Policy, ensuring transparency and accountability across operations and the value chain. Heimstaden’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’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 Heimstaden’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 value 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’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, Heimstaden 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, Heimstaden reached 68% of new suppliers who had signed the BPP. Heimstaden is developing processes to engage the workers in the value chain in tracking performance against targets and identifying lessons learned.

Supplier Assessment and Engagement

Heimstaden 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.

Heimstaden addresses this matter through established policies, internal procedures and management practices. 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.

Whistleblowing and Remediation

Heimstaden 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. Heimstaden 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 rights 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’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 in the Friendly Homes concept.

Heimstaden’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, Heimstaden 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’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 our internal 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 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

Heimstaden 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.

Heimstaden addresses this matter through established policies, internal procedures and management practices. 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.

Physical Health and Safety Risks

Heimstaden 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 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.

Local Community Targets and Tracking (Heimstaden-wide, Entity Specific)

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

Customer Score Cards

Heimstaden’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 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’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)

	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 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 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 Heimstaden’s positions on zero tolerance for corruption, fraud, discrimination, harassment, and other forms of misconduct, also addressing Heimstaden’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 Heimstaden, 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.

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 Heimstaden 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 Heimstaden, 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 37](#).

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 recurrently with mandatory training courses, running over an 18 month interval. All employees receive an-

nual 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 Heimstaden’s suppliers who are consequently held to the same standard as Heimstaden 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. Heimstaden recurrently 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 Heimstaden’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 of Directors receives biannual updates on reported whistleblowing cases. For the full overview of the whistleblowing cases, see [page 93](#).

Bribery and Corruption

To prevent risks associated with bribery and corruption, including financial risk, liabilities and reputational damage as well as stakeholder trust, Heimstaden 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 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, within Heimstaden’s subsidiary Heimstaden Bostad. 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

Heimstaden’s Procurement Manual defines standard contract and invoicing terms. Standard payment terms require a minimum of thirty days from the date of invoicing, and Heimstaden’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. 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 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. 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 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.
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.



ESRS DR	Datapoint/Metric	Accounting Policy
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 before prior to the reporting year with sick leave extending into the reportig year. The number from 2024 is 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.
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 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.

ESRS DR	Datapoint/Metric	Accounting Policy
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 37–39, 46	People and Environment
	ESRS 2, GOV-2 page 46	People and Environment
	ESRS 2, GOV-3 page 46	People and Environment
	ESRS 2, GOV-5 page 46	People and Environment
	ESRS 2 SBM-1 page 47	People and Environment
	ESRS 2 SBM 3 page 50	People and Environment
	ESRS 2 SBM 3 E1 page 57	Environment
	ESRS 2 SBM 3 E3 page 66	Environment
	ESRS 2 SBM 3 E5 page 68	Environment
	ESRS 2 SBM 3 S1 page 91	People
	ESRS 2 SBM 3 S2 page 99	People
	ESRS 2 SBM 3 S4 page 101	People
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2, GOV-2 page 46	People and Environment
	ESRS 2 SBM-2 page 48	People and Environment
	ESRS 2 IRO-1 page 49	People and Environment
	E1-2 page 58	Environment
	E3-1 page 65	Environment
	E5-1 page 67	Environment
	S1-1 page 93	People
	S1-2, S1-3 page 93	People
	S2-1 page 98	People

Core elements of Due Diligence	Paragraphs or pages in the Sustainability Report	Does the disclosure relate to people and/or the environment?
	S2-2 page 99	People
	S2-3 page 99	People
	S4-1, S4-2 page 100–101	People
	S4-3 page 101	People
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1 page 49	People and Environment
	ESRS 2 SBM 3 page 50	People and Environment
	ESRS 2 SBM 3 E1 page 57	Environment
	ESRS 2 SBM 3 E3 page 66	Environment
	ESRS 2 SBM 3 E5 page 68	Environment
	ESRS 2 SBM 3 S1 page 91	People
	ESRS 2 SBM 3 S2 page 99	People
	ESRS 2 SBM 3 S4 page 101	People
d) Taking actions to address those adverse impacts	IRO-1 page 54	Environment
	E1-1 page 52	Environment
	E1-3 page 58	Environment
	E3-2 page 65	Environment
	E5-2 page 67	Environment
	S1-4 page 94	People
	S2-4 page 99	People
	S4-4 page 101–102	People

Core elements of Due Diligence	Paragraphs or pages in the Sustainability Report	Does the disclosure relate to people and/or the environment?
e) Tracking effectiveness of these efforts and communicating	E1-4 page 52	Environment
	E1-5 page 62–63	Environment
	E1-6 page 64	Environment
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	E1-8 not material	Environment
	E1-9 not material	Environment
	E3-3 page 65	Environment
	E3-4 page 66	Environment
	E5-3 page 67	Environment
	S1-5 page 91	People
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	S1-17 page 93	People



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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		37
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		39
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				93
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)	–
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		52



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		53
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				63
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				63
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				63-64
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)		64
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)		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 Location of significant assets at material physical risk paragraph 66 (c).					–
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				65
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				65
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				66
ESRS 2- SBM 3 E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				66
ESRS 2- SBM 3 E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				66
ESRS 2- SBM 3 E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				66
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				76
ESRS 2- SBM3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				76



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 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				77
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		77
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				77
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				77
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				77
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		80
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				80
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		78
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				77
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)		77
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				83

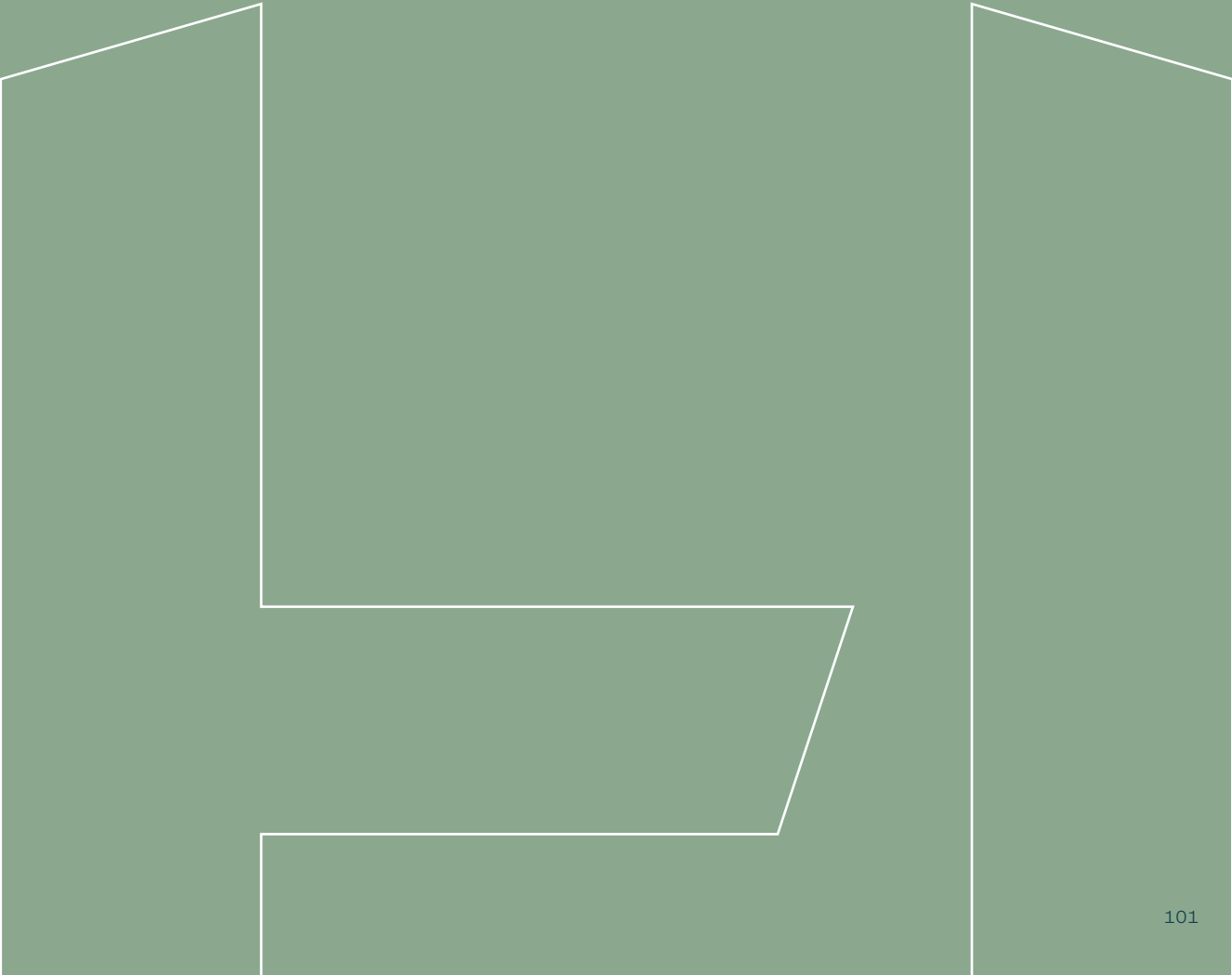


Disclosure Requirement and Related Datapoint	SFDR (23) Reference	Pillar 3 (24) Reference	Benchmark Regulation (25) Reference	EU Climate Law (26) Reference	Page Number
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				82
ESRS 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)		82
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		82
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				83
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				84
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)		85
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				85
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				89
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				89
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)		89
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				89



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Consolidated Statement of Comprehensive Income

SEK million	Note	2025	2024 ¹
Rental income	2.1, 2.2	15,916	15,919
Property expenses	2.1, 2.3, 2.5	-4,378	-4,661
Net Operating Income Before Service Charges		11,538	11,257
Service income	2.1, 2.2	2,117	2,060
Service cost	2.1, 2.3	-2,181	-2,129
Net service charges		-64	-69
Net operating income		11,475	11,188
Corporate administrative expenses	2.1, 8.1	-373	-621
Other operating items	2.1, 2.4	-290	-493
Realised Gains/losses from divestment of properties	2.1, 2.6	2,207	1,687
Profit before unrealised fair value adjustment		13,018	11,761
Fair value adjustment of investment properties	2.1, 3.1	9,498	8,554
Value adjustment of inventory properties	2.1, 4.1	-32	-707
Operating profit/loss		22,484	19,608
Goodwill impairment	3.2	-3,707	-
Share of net profits/losses of associated companies and joint ventures	3.4	40	-44
Interest income	2.7	136	239
Interest expenses	2.7	-6,536	-6,554
Foreign exchange gains/losses	2.7	3,996	-2,038
Fair value adjustment of derivative financial instruments	6.1	70	-615
Other financial items	2.7	-471	-192
Profit/loss before tax		16,012	10,403
Income tax expense/income	2.8	-2,955	-2,781
Profit/loss for the period		13,056	7,621

SEK million	Note	2025	2024 ¹
Other comprehensive income			
Currency translation differences	2.9	-8,857	3,461
Total comprehensive income/loss		4,199	11,082
Profit/loss attributable to:			
The Parent Company's shareholders		6,541	2,779
Non-controlling interests		6,515	4,842
Comprehensive income/loss attributable to:			
Parent Company's ordinary shareholders		1,220	4,731
Parent Company's preference shareholders		130	61
Non-controlling interests		2,849	6,290

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	324,429	335,422
Goodwill and Intangible assets	3.2	12,020	16,223
Machinery and equipment	3.3, 6.5	343	313
Investments in associated companies and joint ventures	3.4	8,388	8,957
Derivative financial instruments	6.1	22	57
Deferred tax assets	7.1	496	1,125
Other financial assets	3.5	542	957
Total non-current Assets		346,239	363,054
Inventory properties	2.1, 4.1	820	896
Rent and trade receivables	4.2	289	243
Other current assets	4.3	1,080	1,633
Derivative financial instruments	6.1	1	8
Prepayments	4.4	718	873
Cash and cash equivalents	4.5, 4.6	4,179	4,547
Assets held for sale	3.1	1,522	2,163
Total current assets		8,610	10,363
TOTAL ASSETS		354,849	373,416

SEK million	Note	31 December 2025	31 December 2024 ¹
EQUITY AND LIABILITIES			
Share capital		95	95
Other capital contributions		7,504	7,504
Currency translation reserve		3,634	8,825
Retained earnings		12,890	5,123
Total equity attributable to Parent Company shareholders		24,123	21,547
Hybrid bonds		32,448	35,118
Non-controlling interests		93,986	91,137
Total Equity	5	150,557	147,803
Interest-bearing liabilities	6.1, 6.3, 6.4	165,401	181,466
Lease liabilities	6.5	1,320	1,307
Derivative financial instruments	6.1	382	632
Deferred tax liabilities	7.1	22,262	21,856
Other financial liabilities		1,590	1,907
Total non-current liabilities		190,956	207,168
Interest-bearing liabilities	6.4	8,990	13,462
Lease liabilities	6.5	51	64
Trade payables		689	669
Other liabilities	7.2	1,123	1,748
Derivative financial instruments	6.1	42	28
Accrued expenses and prepaid income	7.3	2,441	2,474
Total current liabilities		13,336	18,445
TOTAL EQUITY AND LIABILITIES		354,849	373,416

¹ Comparables restated, refer to [Note 1.6](#) for details on change of accounting policy

Consolidated Statement of Changes in Equity

SEK million	Share capital	Other capital contributions	Currency translation reserve	Retained earnings ¹	Attributable to Parent Company shareholders ¹	Hybrid bonds ¹	Non-controlling Interests ¹	Total equity
Opening balance 1 January 2024	95	7,504	6,812	4,829	19,240	31,623	87,066	137,929
Effects from change in accounting policy	-	-	-	-427	-427	2,646	-2,219	-
Opening balance, 1 Jan 2024 restated	95	7,504	6,812	4,402	18,813	34,269	84,847	137,929
Profit/loss for the period	-	-	-	2,779	2,779	-	4,842	7,621
Currency translation differences	-	-	2,013	-	2,013	-	1,448	3,461
Total comprehensive income/loss	-	-	2,013	2,779	4,792	-	6,290	11,082
Dividends	-	-	-	-59	-59	-	-	-59
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	-	-	-	-1,068	-1,068	1,068	-	-
Net coupon paid on hybrid bonds	-	-	-	-	-	-1,068	-	-1,068
Currency translation of hybrid bonds	-	-	-	-866	-866	866	-	-
Transactions with non-controlling interests	-	-	-	14	14	-	-	14
Total transactions with the Company's shareholders	-	-	-	-2,059	-2,059	850	-	-1,209
Equity 31 Dec 2024	95	7,504	8,825	5,123	21,547	35,118	91,137	147,803
Opening balance 1 January 2025	95	7,504	8,825	5,123	21,547	35,118	91,137	147,803
Profit/loss for the period	-	-	-	6,541	6,541	-	6,515	13,056
Currency translation differences	-	-	-5,191	-	-5,191	-	-3,666	-8,857
Total comprehensive income/loss	-	-	-5,191	6,541	1,351	-	2,849	4,199
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	-	-	-	1,686	1,686	-1,686	-	-
Total transactions with the Company's shareholders	-	-	-	1,226	1,226	-2,671	-	-1,445
Equity 31 Dec 2025	95	7,504	3,634	12,890	24,123	32,448	93,986	150,557

¹ Comparables restated, refer to Note 1.6 for details on change of accounting policy

Consolidated Statement of Cash Flows

SEK million	Note	2025	2024
Operating activities			
Profit/loss before tax		16,012	10,403
Adjustments to reconcile profit before tax to net cash flows:			
Fair value adjustment on investment properties	2.1, 3.1	-9,498	-8,554
Value adjustment of inventory properties	2.1, 4.1	32	707
Fair value adjustment of derivative financial instruments	6.1	-70	615
Interest income	2.7	-136	-239
Interest expenses	2.7	6,536	6,554
Share of net profits/losses of associated companies and joint ventures	3.4	-40	44
Realised gains/losses from divestment of properties	2.1, 2.6	-2,207	-1,687
Other adjustments	4.6	13	2,265
Working capital changes:			
Increase(-)/decrease(+) in rent and other receivables		-319	-494
Increase(+)/decrease(-) in trade and other payables		-524	247
Cash generated from operations		9,799	9,862
Interest paid		-6,184	-6,640
Interest received		103	235
Paid income tax		-976	-514
Net cash generated from operating activities		2,742	2,943

SEK million	Note	2025	2024
Investing activities			
Acquisition of investment properties	3.1	-	-538
Capital expenditure on investment and inventory properties	3.1, 4.1	-4,493	-5,663
Proceeds net of direct transaction cost from divestments of properties	2.6	14,932	8,109
Divestment of business area (Island)		-	686
Purchases/sales of machinery and equipment	3.3	-18	-24
Purchases of intangible assets	3.2	-88	-56
Investments in associated companies and joint ventures	3.4	208	92
Other cash flows from investing activities		-24	153
Net cash flows from investing activities		10,518	2,760
Financing activities			
Proceeds from issuance of interest-bearing liabilities	6.4	45,934	35,392
Repayment of interest-bearing liabilities	6.4	-57,618	-47,693
Dividends paid to preference shares	5	-	-59
Proceeds from non-controlling interests	5	-	14
Proceeds from issuances of hybrid bonds	5	-	5,743
Buyback of hybrid bonds	5	-985	-5,759
Hybrid bonds coupons	5	-741	-1,345
Settlement of derivative financial instruments	6.1	-134	-
Other cash flows from financing activities		56	147
Net cash flows from financing activities		-13,488	-13,559
Net change in cash and cash equivalents		-229	-7,857
Cash and cash equivalents at the beginning of the period		4,547	12,492
Net currency exchange effect in cash and cash equivalents		-138	-87
Cash and cash equivalents at the end of the period	4.5	4,179	4,547

Notes to the Consolidated Financial Statements

Note 1 Corporate Information and General Accounting Policies

1.1. Corporate Information

Heimstaden AB (publ), Corp. ID No. 556670-0455, is a Swedish limited liability company with its registered office in Malmö, at Carl Gustafs Väg 1, SE-217 42. Heimstaden's operations consist of owning, developing, and managing residential properties.

The ultimate parent entity of Heimstaden 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 27 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 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 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 has significant influence or joint control. The investments are accounted for using the equity method in the Consolidated Financial Statements.

When Heimstaden 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 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 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 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, a range of uncertainty of +/- 5% could result in a change in fair value adjustment of investment properties of SEK +/- 16,221 million, corresponding to a range of investment properties in the Statement of Financial Position of SEK 308,207– 340,649 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 tests goodwill for impairment. Recoverable amounts for CGU 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.

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 Opportunities (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 CO2 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.

Note 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	Group in total
Statement of comprehensive income											
Rental income	5,103	2,862	3,412	1,868	1,298	632	223	242	280	-4	15,916
Property Expenses²											
Utilities	-846	-56	-127	3	-	-21	-9	-	-41	1	-1,095
Direct property costs	-636	-329	-362	-175	-136	-96	-33	-5	-47	29	-1,789
Property tax	-91	-	-141	-16	-64	-3	-2	-2	-8	-	-326
Property management	-328	-288	-169	-174	-74	-34	-41	-20	-35	-8	-1,170
Total property expenses	-1,901	-674	-799	-362	-274	-153	-84	-26	-131	23	-4,379
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	3,202	2,145	2,608	1,488	1,023	478	139	221	149	19	11,473
Net operating margin %	62.8	74.9	76.4	79.7	78.9	75.6	62.4	91.4	53.3		72.1
Corporate administrative expenses	-	-	-	-	-	-	-	-	-	-373	-373
Other income and expenses	-	-	-	-	-	-	-	-	-	-290	-290
Realised gains/losses from divestment of properties	13	14	953	129	1,079	-31	-	51	-	-2	2,207
Segment Profit before unrealised fair value adjustment	3,215	2,158	3,562	1,617	2,103	447	139	272	149	-646	13,017
Fair value adjustment on investment properties	717	926	4,643	1,856	1,424	-382	-20	173	161	-	9,498
Value adjustment of inventory properties	-	-	-	-	-	-32	-	-	-	-	-32
Segment profit/loss	3,932	3,085	8,205	3,473	3,526	33	120	445	310	-646	22,483

¹ Consists of eliminations and corporate cost not allocated to segments

² Property expenses recharged to the tenants are disclosed as service income and the related costs are classified as service costs

2024

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Eliminations ¹	Group in total
Statement of comprehensive income											
Rental income	4,893	2,840	3,597	1,797	1,405	720	211	170	286	-1	15,919
Property Expenses²											
Utilities	-822	-30	-128	1	-	-17	-3	-	-41	4	-1,036
Direct property costs	-721	-295	-484	-240	-161	-103	-23	-4	-52	136	-1,947
Property tax	-88	-	-146	-16	-65	-4	-	2	-9	-	-325
Property management	-332	-270	-200	-183	-98	-39	-32	-28	-35	-137	-1,354
Total property expenses	-1,963	-595	-957	-437	-324	-163	-58	-30	-136	2	-4,662
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	2,930	2,200	2,631	1,345	1,080	557	152	139	152	1	11,188
Net operating margin %	59.9	77.5	73.2	74.9	76.9	77.4	72.4	81.4	53.3		70.3
Corporate administrative expenses	-	-	-	-	-	-	-	-	-	-621	-621
Other income and expenses	-	-	-	-	-	-	-	-	-	-493	-493
Realised gains/losses from divestment of properties	82	34	520	25	1,009	17	-	-	-	-	1,686
Segment Profit before unrealised fair value adjustment	3,012	2,234	3,151	1,370	2,089	574	152	139	152	-1,113	11,760
Fair value adjustment on investment properties	2,106	-813	442	1,773	4,121	18	143	751	13	-	8,554
Value adjustment of inventory properties	-	-	-	-	-	-707	-	-	-	-	-707
Segment profit/loss	5,118	1,421	3,593	3,143	6,210	-115	296	890	165	-1,113	19,607

¹ Consists of eliminations and corporate cost not allocated to segments

² Property expenses recharged to the tenants are disclosed as service income and the related costs are classified as service costs

Reconciliation of Profit

SEK million	2025	2024
Segment profit/loss	22,483	19,607
Impairment of goodwill	-3,707	-
Share of net profits/losses of associated companies and joint ventures	40	-44
Financial income and expenses	-6,400	-6,316
Foreign exchange gains/losses	3,996	-2,038
Other financial items	-471	-192
Fair value adjustment of derivative financial instruments	70	-615
Profit/loss before tax	16,012	10,403



2025

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Corporate/Adjustments	Group in total
Statement of Financial Position											
Investment properties	92,211	79,540	68,748	29,652	27,607	13,539	4,805	4,431	3,896		324,429
Inventory properties	69	–	–	132	–	434	–	185	–	–	820
Non-current segment assets	3,038	7,113	1,405	–	–	–	–	–	–	–	11,556
Total segment assets	95,318	86,653	70,153	29,784	27,607	13,973	4,805	4,616	3,896	–	336,804
Total segment liabilities	–	–	–	–	–	–	–	–	–	–	–
Capital expenditures on investment properties	877	1,369	666	842	343	205	39	–3	98	–	4,439

2024

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Corporate/Adjustments	Group in total
Statement of Financial Position											
Investment properties	92,128	81,925	72,433	28,406	30,256	16,377	5,343	4,701	3,852	–	335,422
Inventory properties	–	–	–	261	–	547	–	88	–	–	896
Non-current segment assets	3,777	10,541	1,491	–	83	–	–	–	–	–	15,892
Total segment assets	95,906	92,466	73,924	28,667	30,339	16,924	5,343	4,789	3,852	–	352,210
Total segment liabilities	–	–	–	–	–	–	–	–	–	–	–
Capital expenditures on investment properties	1,202	1,113	942	860	256	296	541	318	82	–	5,608

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	336,805	352,210
Other assets, non-current	1,867	2,782
Investments in associated companies and joint ventures	8,388	8,957
Other assets, current	3,610	4,920
Cash and cash equivalents	4,179	4,547
Total assets	354,849	373,417

Reconciliation of Liabilities

SEK million	2025	2024
Total segment liabilities	–	–
Interest-bearing liabilities, non-current	165,401	181,466
Other liabilities, non-current	25,555	25,702
Interest-bearing liabilities, current	8,990	13,462
Other liabilities, current	4,347	4,983
Total liabilities	204,293	225,614

2.2. Rental Income and Service Income

Accounting Policies

Heimstaden 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 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	16,067	16,064
Lease incentives	-151	-146
Rental income	15,916	15,919
Service income	2,117	2,060
Total revenue	18,033	17,979

Rental Income Distributed by Property Category

SEK million	2025	2024
Residential	14,622	14,614
Commercial premises	1,064	1,080
Garages, parking spaces and other premises	230	225
Total rental income	15,916	15,919

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	824	110
1-5 years	196	845	-
> 5 years	113	662	-
Total lease contracts	3,812	2,331	110

2024 Maturity on Lease Contracts

SEK million	Residential	Commercial premises	Garages and parking spaces
Within one year	3,573	2,249	107
1-5 years	346	-	-
> 5 years	132	-	-
Total lease contracts	4,051	2,249	107

2.3. Property Expenses and Service Costs

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

SEK million	2025	2024
Utilities	-1,095	-1,036
Direct property costs	-1,789	-1,947
Property tax	-326	-325
Property management	-1,170	-1,354
Total property expenses	-4,379	-4,662
Service cost	-2,181	-2,129

2.4. Other Operating Items

Other Operating Items

SEK million	2025	2024
Investment grants from governments	112	-
Hospitality income	-	39
Other operating income	13	76
Other operating income	125	115
Donations – “A Home for a Home” partnership	-54	-74
Audit fees	-34	-39
Transaction costs from business combinations ¹	48	-17
Privatisation cost ²	-110	-75
Depreciation	-118	-125
Hospitality cost	-	-44
Other operating expenses	-147	-233
Other operating expenses	-414	-607
Total other operating items	-290	-493

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 assignment 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	-28	-34
Other assurance services	-3	-4
Other services	-3	-
Total	-34	-38

Other Auditors

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

Total

SEK million	2025	2024
Audit fees	-34	-39
Other assurance services	-3	-4
Other services	-3	-
Total	-40	-43

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’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	166	299	464	187	311	498
Germany	114	189	303	127	189	316
Denmark	91	164	255	93	176	269
Czechia	219	367	586	253	386	639
Netherlands	48	65	112	48	69	117
Norway	36	92	129	37	101	138
United Kingdom	9	17	26	10	13	22
Poland	18	12	30	18	10	28
Finland	-	5	5	-	6	6
Total	701	1,210	1,911	773	1,260	2,033



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 company management are presented on [page 34](#).

Board Member Remuneration

SEK	2025	2024
Ivar Tollefsen	-800,000	-800,000
Bente A. Landsnes	-425,000	-400,000
John Giverholt	-425,000	-400,000
Fredrik Reinfeldt	-425,000	-400,000
Total	-2,075,000	-2,000,000

Salaries, Remuneration, Social Security, and Pension Cost

2025

Position	Co-CEO	Co-CEO	Board members	Other senior executives	Other employees	Total
Name	Helge Krogsbøl	Christian Fladeland				
SEK million						
Base salary	-3	-3	-	-13	-1,104	-1,124
Benefits	-	-	-	-	-42	-42
Social security costs	-	-	-	-	-222	-222
Pension costs	-	-	-	-1	-66	-67
Variable remuneration	-	-	-	-	-50	-50
Board remunerations	-	-	-2	-	-	-2
Total	-3	-3	-2	-14	-1,484	-1,507
Women in %	-	-	25	40	37	37

2024

Position	Co-CEO	Co-CEO	Board members	Other senior executives	Other employees	Total
Name	Helge Krogsbøl	Christian Fladeland				
SEK million						
Base salary	-3	-3	-	-21	-1,213	-1,240
Benefits	-	-	-	-	-52	-53
Social security costs	-1	-	-	-4	-222	-226
Pension costs	-	-	-	-1	-82	-84
Variable remuneration	-	-	-	-10	-45	-54
Board remunerations	-	-	-2	-	-	-2
Total	-4	-3	-2	-36	-1,614	-1,659
Women in %	-	-	25	40	38	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	9,919	7,068
Proceeds net of direct transaction cost from divestments of properties from portfolio sales	4,894	1,040
Carrying value of divested investment properties	-12,927	-6,643
Realised gains/losses from divestment of 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	2,207	1,687

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	36	55
Interest income, bank deposits	98	182
Total interest income	136	239
Interest expenses, loans	-6,375	-7,156
Interest expenses, derivatives	-183	547
Interest expenses, leasing	-3	-3
Finance expenses capitalised in investment properties	26	58
Total interest expenses	-6,536	-6,554
Foreign exchange losses	-4,019	-4,261
Foreign exchange gains	8,014	2,223
Total foreign exchange gains/losses	3,996	-2,038
Gain(+)/loss(-) on extinguishment of interest-bearing liabilities	-366	-
Other financial income	58	4
Other financial expenses	-163	-196
Total other financial items	-471	-192

2.8. Income Tax Expenses

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 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	-1,204	-1,010
Change in deferred tax	-1,752	-1,772
Income tax expense	-2,955	-2,781

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	16,012	10,403
Nominal Swedish tax rate (20,6%)	-3,298	-2,143
Tax effect of:		
Tax effect of different statutory tax rates	-155	-281
Non-deductible interest	-601	-750
Non-taxable income/cost	63	-101
Impairment of goodwill	-763	-
Fair value change of investment properties below initial recognition	114	207
Initial recognition reversal from divestment	-253	-112
Tax attributable to previous years	52	112
Tax rate change revaluation and other changes ¹	1,885	287
Income tax expenses reported in the Consolidated Statement of Comprehensive Income	-2,955	-2,781
Effective tax rate, %	18	27

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

Country	Currency code	2025	2024
Czechia	CZK	-710	206
Denmark	DKK	-1,846	928
Netherlands, Germany & Finland	EUR	-4,857	2,202
Norway	NOK	-820	-342
Poland	PLN	-182	145
United Kingdom	GBP	-442	322
Total		-8,857	3,461

The exchange rates of the currencies relevant to Heimstaden 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



Note 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 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 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 home-owner 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	89,781	79,404	72,043	25,185	27,336	17,109	4,305	1,815	3,628	320,606
Acquisitions during the period	244	–	714	491	–	–	–	1,606	–	3,055
Transferred to assets held for sale during the year	–1,213	–79	–3,788	–130	–2,261	–819	–	–	–	–8,290
Transferred to inventory properties	–	–	–	–	–	–	–	–	–	–
Land leases	8	–	–	–	–	96	–	78	35	217
Capital expenditure on investment properties	779	1,005	434	814	256	296	1	–	81	3,667
Capital expenditure on investment properties under construction	422	108	507	46	–	–	540	318	1	1,942
Currency translation	–	2,300	2,080	228	804	–323	354	133	95	5,671
Fair value after transactions	90,022	82,738	71,991	26,634	26,135	16,359	5,200	3,950	3,839	326,868
Value change	2,106	–813	442	1,773	4,121	18	143	751	13	8,554
Fair value of investment properties, 31 December 2024	92,128	81,925	72,433	28,406	30,256	16,377	5,343	4,701	3,852	335,422
Acquisitions during the period	–	–	–	–	–	–	–	–	–	–
Transferred to assets held for sale during the year	–1,451	–33	–4,824	–992	–2,704	–1,709	–	–251	–	–11,965
Transferred to inventory properties	–64	–	–	–	–	–	–	–	–	–64
Land leases	3	–	–	–	–	–33	–	7	–16	–39
Capital expenditure on investment properties	741	1,172	496	842	343	199	4	–3	98	3,893
Capital expenditure on investment properties under construction	137	198	170	–	–	7	35	–	–	546
Currency translation	–	–4,648	–4,171	–461	–1,712	–918	–558	–195	–200	–12,862
Fair value after transactions	91,494	78,614	64,104	27,796	26,183	13,921	4,824	4,259	3,735	314,930
Value change	717	926	4,643	1,856	1,424	–382	–20	173	161	9,498
Fair value of investment properties, 31 December 2025	92,211	79,540	68,748	29,652	27,607	13,539	4,805	4,431	3,896	324,429

Assets Held for Sale

SEK million	Sweden	Germany	Denmark	Czechia	Netherlands	Norway	United Kingdom	Poland	Finland	Total
Opening balance, 1 January 2024	–	–	11	–	284	–	–	–	–	294
Transferred from investment properties	1,213	79	3,788	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



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	4,824	992	2,704	1,709	–	251	–	11,965
Divestments	-2,616	-33	-4,822	-732	-2,614	-1,925	–	-184	–	-12,927
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	5,487	5,243	3,071	907	206	1,407	43	85	88	16,537
Investment properties, parking	2,838	862	484	103	280	299	82	113	56	5,117
Investment properties, other	464	1,220	576	38	11	385	–	19	1	2,712
Investment properties under construction	740	–	967	–	–	–	–	–	–	1,707
Land and building rights	255	–	305	211	–	–	–	–	–	771
Land leases	250	–	–	–	–	507	–	78	397	1,232
Fair Value of investment properties	92,128	81,925	72,432	28,406	30,256	16,377	5,344	4,701	3,852	335,422

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	5,686	4,754	3,156	796	188	1,249	39	96	47	16,011
Investment properties, parking	2,890	748	505	104	260	274	57	108	74	5,020
Investment properties, other	1,136	394	355	41	11	339	–	28	1	2,305
Investment properties under construction	493	305	539	–	–	–	–	–	–	1,337
Land and building rights	281	–	177	199	–	–	–	–	–	657
Land leases	253	–	–	–	–	474	–	85	381	1,192
Fair Value of investment properties	92,211	79,540	68,748	29,652	27,607	13,539	4,805	4,431	3,896	324,429

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 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 Analyses

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. However, 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 valuers 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-observable inputs: ↑ increase, ↓ decrease, ± impacted, but direction is dependent on the relative change compared to fair value

The above table presents the interrelationships between non-observable 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 on the subsequent pages presents the following information for investment properties in each of our markets

- The fair value measurements at the end of the reporting period
- Quantitative 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
- 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)	Assumed market rental income	Assumed future property expenses	Running yield, %	Stabilised vacancy rates, %
Sweden	92,211	5,332	1,839	3.79	0.50
Germany	79,540	2,895	391	3.15	2.78
Denmark	68,748	3,446	679	4.02	–
Czechia	29,652	1,840	402	4.85	3.95
Netherlands	27,607	1,287	249	3.76	0.93
United Kingdom	4,805	300	66	4.87	4.00
Poland	4,431	286	46	5.42	1.83
Finland	3,895	293	88	5.27	2.88
Total	310,889	15,679	3,759	3.83	

2024

Markets	Fair value (SEK)	Assumed market rental income	Assumed future property expenses	Running yield, %	Stabilised vacancy rates, %
Sweden	92,128	5,210	1,819	3.68	0.48
Germany	81,925	3,004	436	3.13	1.01
Denmark	72,432	3,689	720	4.10	1.75
Czechia	28,406	1,462	460	3.53	0.90
Netherlands	30,256	1,827	285	5.09	4.15
United Kingdom	5,344	330	73	4.82	4.00
Finland	3,852	301	54	6.43	2.58
Poland	4,701	295	91	4.35	2.86
Total	319,045	16,118	3,937	3.82	



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 % 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%	0.75%	0.50%	0.25%	-0.25%	-0.50%	-0.75%	-1%	1%	0.75%	0.50%	0.25%	-0.25%	-0.50%	-0.75%	-1%
Sweden	-2,815	-2,111	-1,408	1,408	2,111	2,815	971	728	485	-485	-728	-971	-19,258	-15,239	-10,752	-5,709	6,515	14,021	22,763	33,071	-1,415	-1,061	-707	-354	354	707	1,061	1,415
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	-1,712	-1,284	-856	856	1,284	1,712	337	253	169	-169	-253	-337	-13,681	-10,798	-7,597	-4,020	4,553	9,752	15,744	22,727	-856	-642	-428	-214	214	428	642	856
Czechia	-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
Netherlands	-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
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 % 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%	0.75%	0.50%	0.25%	-0.25%	-0.50%	-0.75%	-1%	1%	0.75%	0.50%	0.25%	-0.25%	-0.50%	-0.75%	-1%
Sweden	-2,830	-2,123	-1,415	1,415	2,123	2,830	988	741	494	-494	-741	-988	-19,682	-15,594	-11,018	-5,859	6,713	14,481	23,575	34,365	-1,422	-1,067	-711	-356	356	711	1,067	1,422
Germany	-1,916	-1,437	-958	958	1,437	1,916	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	-1,800	-1,350	-900	900	1,350	1,800	352	264	176	-176	-264	-352	-14,204	-11,203	-7,874	-4,163	4,704	10,062	16,220	23,371	-916	-687	-458	-229	229	458	687	916
Czechia	-752	-564	-376	376	564	752	146	110	73	-73	-110	-146	-6,190	-4,893	-3,448	-1,828	2,079	4,466	7,232	10,478	-379	-284	-190	-95	95	190	284	379
Netherlands	-760	-570	-380	380	570	760	192	144	96	-96	-144	-192	-4,887	-3,830	-2,674	-1,403	1,557	3,294	5,245	7,451	-396	-297	-198	-99	99	198	297	396
United Kingdom	-136	-102	-68	68	102	136	30	23	15	-15	-23	-30	-918	-720	-502	-264	292	619	985	1,399	-71	-53	-36	-18	18	36	53	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	-30	-15	15	30	44	59
Finland	-112	-84	-56	56	84	112	34	26	17	-17	-26	-34	-611	-477	-332	-173	191	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’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	16,769	227	16,996
Investments for the year	–	56	56
Currency translation	279	–	279
Closing balance, 31 December 2024	17,048	283	17,331
Opening balance accumulated depreciation, 1 January 2024	–	-44	-44
Depreciation for the year	–	-5	-5
Disposals	–	-1	-1
Closing balance accumulated depreciation, 31 December 2024	–	-51	-51
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	15,990	232	16,223
Opening balance, 1 January 2025	17,048	283	17,331
Investments for the year	–	88	88
Reclassification	-165	165	–
Currency translation	-562	–	-562
Closing balance, 31 December 2025	16,322	535	16,857
Opening balance accumulated depreciation, 1 January 2025	–	-51	-51
Depreciation for the year	–	-20	-20
Disposals	-1	–	-1
Closing balance accumulated depreciation, 31 December 2025	-1	-71	-72
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	11,556	464	12,020

Carrying Amount of Goodwill Allocated by CGU

	2025		2024	
	Discount rate, %	Goodwill Akelius Lägenheter Aktiebolag, Akelius Bolig Holding ApS and Akelius GmbH	Discount rate	Goodwill Akelius Lägenheter Aktiebolag, Akelius Bolig Holding ApS and Akelius GmbH
Sweden	5.44	3,038	4.27	3,777
Germany	5.54	7,113	4.05	10,541
Denmark	5.18	1,405	3.93	1,491
Netherlands	5.59	–	4.48	83
Total carrying amount		11,556		15,892
Tax goodwill		10,393		11,213
Core goodwill		1,163		4,679

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’s operating segments are benefitting from the synergies derived by combining the Akelius and Heimstaden 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

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’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 the Akelius 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 Akelius CGU’s 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 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

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
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	361
Investments for the year	24
Divestments	-16
Currency translation	6
Closing balance, 31 December 2024	375
Opening balance accumulated depreciation, 1 January 2024	-181
Depreciation for the year	-27
Divestments	13
Currency translation	-2
Closing balance accumulated depreciation, 31 December 2024	-198
Carrying amount, 31 December 2024	177
Opening balance, 1 January 2025	375
Investments for the year	24
Divestments	-16
Currency translation	6
Closing balance, 31 December 2025	388
Opening balance accumulated depreciation, 1 January 2025	-198
Depreciation for the year	-38
Divestments	13
Currency translation	-
Closing balance accumulated depreciation, 31 December 2025	-223
Carrying amount, 31 December 2025	166

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 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 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	8,957	8,702
Investment for the year	13	92
Associated companies/joint ventures that were reclassified as financial investments	–7	–14
Divestments of associated companies/joint ventures	–122	–8
Dividend from associated companies/joint ventures	–5	–24
Currency translation	–487	254
Share buyback program	14	–
Share of net profits/losses of associated companies and joint ventures	23	–44
Closing balance, Q4	8,388	8,957

2025 Specifications of the Group’s Investments in Associated Companies and Joint Ventures

Company	Corp. ID No	Reg. office	No. of shares	Share in %	Share of equity
Kojamo Oyj ¹	0116336–2	Helsinki	49,389,283	20	7,875
Other associated companies and joint ventures		Sweden and Finland		20–50	513
Total					8,388

¹ Heimstaden’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’s proportional share of the underlying equity.

2024 Specifications of the Group’s Investments in Associated Companies and Joint Ventures

Company	Corp. ID No	Reg. office	No. of shares	Share in %	Share of equity
Kojamo Oyj ¹	0116336–2	Helsinki	49,389,283	20	8,325
Other associated companies and joint ventures		Sweden and Finland		20–50	632
Total					8,957

¹ Heimstaden’s share of market capitalisation of Kojamo Oyj as at 31 December 2024 amounted to SEK 5,465 million. Heimstaden bases its investment book value on its share of Kojamo Oyj’s equity.



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SEK million	Kojamo Oy	Other	Total
Rental income	5,056	247	5,304
Property expenses	-1,671	-143	-1,814
Net operating income	3,385	105	3,490
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	-7	424
Group's share of profit/loss for the period	87	20	107
Estimation adjustment	-84	-	-84
Share buyback program	14	-	14
Gain/loss divestment associated companies and joint ventures	-	3	3
Share of net profits/losses of associated companies and joint ventures	17	23	40
Financial position			
Investment properties	82,159	3,389	85,548
Assets except investment properties	3,732	187	3,919
Equity	39,153	1,414	40,566
Liabilities	46,738	2,163	48,900

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SEK million	Kojamo Oy	Other	Total
Rental income	5,166	283	5,448
Property expenses	-1,683	-158	-1,841
Net operating income	3,483	124	3,607
Corporate administrative expenses	-627	-43	-670
Financial items, net	-1,165	-243	-1,408
Unrealised value change	-1,577	142	-1,435
Tax expenses	-8	-52	-60
Profit/loss for the period	106	-72	35
Group's share of profit/loss for the period	21	-65	-44
Share of net profits/losses of associated companies and joint ventures	21	-65	-44
Financial position			
Investment properties	90,816	4,181	94,997
Assets except investment properties	5,005	278	5,283
Equity	41,659	1,608	43,267
Liabilities	54,161	2,851	57,013

3.5. Other Financial Assets

SEK million	31 December 2025	31 December 2024
Loans granted to associated companies and joint ventures	348	460
Promissory note loan	106	92
Other	87	404
Closing balance	542	957

Note 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 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 inventory 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 (707) million, also includes return on investment guarantee from Fredensborg of SEK 0 million (689). See [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 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 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	169	122
31–60 days	36	35
61–90 days	30	26
91 days+	133	191
Total	367	373
Expected credit loss provision	–79	–131
Rent and trade receivables, net	289	243

Expected Credit Loss Provision

SEK million	31 December 2025	31 December 2024
Opening balance	-131	-108
Provisions made during the year	-27	-80
Provisions used during the year	41	38
Unutilised provisions reversed during the year	39	20
Closing balance	-79	-131

4.3. Other Current Assets

SEK million	31 December 2025	31 December 2024
Current tax assets	68	553
Deposits related to acquisitions	3	49
Insurance claims	15	51
Receivable from divestment of investment properties	482	506
Inventories	12	20
Other receivables	500	454
Total	1,080	1,633

4.4. Prepayments

SEK million	31 December 2025	31 December 2024
Prepaid insurance premium	24	49
Prepaid interest	88	176
Prepaid operating expenses	259	254
Accrued investment grant	87	79
Other	259	317
Total	718	874

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	3,860	4,250
Cash equivalents	-	-
Restricted cash – escrow	319	297
Total	4,179	4,547

There are unutilised credit facilities of SEK 23,449 million (19,348) that are not included in cash and cash equivalents.

4.6. Other Adjustments in Statement of Cash Flows

SEK million	31 December 2025	31 December 2024
Depreciation	143	125
Rental losses	163	93
Exchange rate difference	-3,996	2,038
Other financial items	-6	7
Impairment of goodwill	3,707	-
Total	12	2,264

Note 5 Equity

Share Capital

At the end of the financial year there were 132,040,000 (132,040,000) ordinary shares and 58,593,750 (58,593,750) preference shares with a quota value of SEK 0.5 (0.5) per share. Each preference share holds one vote each, while each ordinary share has ten votes. All shares are fully paid. There are no restrictions regarding dividend or other types of repayment.

Event	Total number of shares	Change in share capital	Total share capital	Par value
Opening balance, 1 January 2024	190,633,750	–	95,316,875	0.5
Closing balance, 31 December 2024	190,633,750	–	95,316,875	0.5
Opening balance, 1 January 2025	190,633,750	–	95,316,875	0.5
Closing balance, 31 December 2025	190,633,750	–	95,316,875	0.5

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 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 has SEK 7,705 (7,898) million and Heimstaden’s subsidiary 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 has the opportunity to redeem outstanding hybrid bonds as of first possible call date, which is 5–7 years from the issue date.

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
Heimstaden Bostad AB										
15/01/2026	15/04/2026	EUR	500	164	500	BB	Fixed	338	Euronext Dublin	XS2125121769
04/12/2029	04/03/2030	EUR	500	–	523	BB	Fixed	625	Euronext Dublin	XS2930588657
01/02/2027	01/05/2027	EUR	800	176	780	BB	Fixed	263	Euronext Dublin	XS2294155739
13/10/2026	13/01/2027	EUR	600	119	594	BB	Fixed	363	Euronext Dublin	XS2397251807
29/10/2027	29/01/2028	EUR	600	254	582	BB	Fixed	300	Euronext Dublin	XS2357357768
Total			3,000	713	2,979					
Heimstaden AB										
15/10/2026	15/01/2027	EUR	300	–	290	D	Fixed	675	NOMX Stockholm	SE0016278352
—	—	SEK	4,500	40	4,342	D	Floating	Stibor 3m + 590	NOMX Stockholm	SE0012455111

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’ Share of Comprehensive Income/Loss for the Period

SEK million	2025	2024
Comprehensive income/loss for the period	2,849	6,290

Capital Share in Heimstaden Bostad AB as of 31 December

SEK million	Capital share, %		Voting rights, %	
	2025	2024	2025	2024
Heimstaden AB	36.02	36.20	50.08	50.08
Alecta	38.70	38.60	30.39	30.39
Folksam Group	18.86	18.80	14.52	14.52
Ericsson Pension Fund	1.57	1.56	1.22	1.22
Sandvik Pension Fund	0.28	0.28	0.22	0.22
Alleima	0.28	0.28	0.21	0.21
Pensionsmyndigheten	2.07	2.06	1.60	1.60
Försäkringsbranschen pensionskassa	0.55	0.55	0.42	0.42
Migros pensionskasse	0.59	0.59	0.46	0.46
Geater Manchester Pension Fund	1.08	1.08	0.85	0.85
Heimstaden AB management	0.01	0.01	0.02	0.02
Total	100	100	100	100



Note 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’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’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 lia-

bilities, 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 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

SEK million	31 December 2025		31 December 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Derivative financial instruments	23	23	65	65
Other financial assets, non-current	542	542	957	957
Rent and trade receivables	289	289	243	243
Other current assets	1,080	1,080	1,633	1,633
Cash and cash equivalents	4,179	4,179	4,547	4,547
Total	6,114	6,114	7,445	7,445
Financial liabilities				
Derivative financial instruments	424	424	661	661
Interest-bearing liabilities, non-current	165,401	162,621	181,466	176,300
Other financial liabilities, non-current	1,590	1,590	1,907	1,907
Interest-bearing liabilities, current	8,990	8,990	13,462	13,462
Trade payables	689	689	669	669
Lease liabilities	1,372	1,372	1,370	1,370
Total	178,466	175,686	199,535	194,369

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

SEK million	Total	Fair value measurement using:		
		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	
Liabilities for which fair values are disclosed	162,621	–	126,340	36,281
Interest-bearing liabilities, non-current	162,621		126,340	36,281



As at 31 December 2024

SEK million	Total	Fair value measurement using:		
		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	176,300	–	129,729	46,571
Interest-bearing liabilities, non-current	176,300	–	129,729	46,571

Reconciliation of Derivatives

SEK million	Interest rate swaps
Opening balance, 1 January 2025	–595
Unrealised value change	70
Settlement of derivative 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.

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. Heimstaden acknowledges it’s subsidiary Heimstaden Bostad’s Financial Policy and considers this to guide financial risks at the Heimstaden group level. Oversight of the Heimstaden Bostad 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 23,449 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
Derivate financial instruments	42	365	18
Interest-bearing liabilities ¹	13,598	114,909	91,320
Lease liabilities	87	139	1,378
Trade payables	689	–	–
Other financial liabilities	3,564	–	–
Total	17,981	115,413	92,716

¹ Of which interest-bearing liabilities excluding interest expenses amounts to SEK 175,227 million (195,816).

Maturity 31 December, 2024 , SEK million	0–1 years	1–5 years	>5 years
Derivate financial instruments	28	580	119
Interest-bearing liabilities¹	19,195	127,517	103,861
Lease liabilities	76	83	1,232
Trade payables	669	–	–
Other financial liabilities	4,222	–	–
Total	24,189	128,180	105,211

¹ Of which interest-bearing liabilities excluding interest expenses amounts to SEK 175,227 million (195,816).

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):
 1. 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 48.0% (51.0%)
 2. 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 2.0 (1.9).
 3. 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 28.5% (32.8%).
- 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 interest rate derivatives. With all other variables held constant, the Group’s profit before tax is affected as follows:

SEK million	Increase/decrease in underlying IBOR	Effect on profit before tax (+)	Effect on profit before tax (-)	Effect on equity(+)	Effect on equity(-)
	+/-1%	236	-236	277	-277
	+/-2%	472	-472	554	-554

SEK million	Increase/decrease in underlying IBOR	Effect on profit before tax (+)	Effect on profit before tax (-)	Effect on equity(+)	Effect on equity(-)
	+/-1%	170	170	173	-173
	+/-2%	340	340	347	-347

Foreign Currency

The following table shows the sensitivity by a change in foreign currency on senior unsecured bonds. With all other variables held constant, the Group’s profit before tax is affected through the impact of changes in foreign currency as follows:

million	Increase/decrease in foreign currency rate	Effect on profit before tax (+)	Effect on profit before tax (-)
EUR	10%	606	-606

million	Increase/decrease in foreign currency rate	Effect on profit before tax (+)	Effect on profit before tax (-)
EUR	10%	633	-633
NOK	10%	53	-53

6.4. Interest-Bearing Liabilities

SEK million	2025				2024			
	Interest-bearing liabilities	Secured loans, %	Share, %	Unutilised credit commitment	Interest-bearing liabilities	Secured loans, %	Share, %	Unutilised credit commitment
Senior unsecured bonds	60,494	-	35	-	71,670	-	37	
Senior unsecured green bonds	13,767	-	8	-	315	-	0	
Mortgages/bank loans	100,966	99	58	23,449	123,831	99	63	19,348
Total	175,227	99	100	23,449	195,816	63	100	
Deferred charges	-836				-888			
Total incl. deferred charges	174,391				194,928			

Interest-Bearing Liabilities per Currency

Currency	2025		2024	
	SEK million	Local currencies	SEK million	Local currencies
SEK	33,813	33,813	34,661	34,661
NOK	-	-	517	532
EUR	107,688	9,955	122,082	10,653
DKK	33,726	23,287	38,557	25,087
Total	175,227		195,816	
Deferred charges	-836		-888	
Total incl. deferred charges	174,391		194,928	

Corporate Bonds

Maturity	Currency	Outstanding amount (millions)	Of which held on own book (millions)	Fair value¹ (millions)	Rating²	Fixed/ Floating	Coupon (bps)	Green bonds	ISIN³
Heimstaden Bostad AB									
10/03/2031	EUR	500	–	497	BBB–	Fixed	375	Yes	XS3168266958
05/11/2029	EUR	500	–	506	BBB–	Fixed	388		XS2931248848
13/10/2031	EUR	750	50	660	BBB–	Fixed	163		XS2397252011
02/10/2030	EUR	500	–	500	BBB–	Fixed	375	Yes	XS3105178795
21/01/2026	EUR	500	15	500	BBB–	Fixed	113		XS2105772201
06/09/2029	EUR	750	72	680	BBB–	Fixed	75		XS2384269366
13/04/2028	EUR	750	96	718	BBB–	Fixed	100		XS2397252102
03/03/2027	EUR	700	27	690	BBB–	Fixed	138		XS2225207468
24/07/2028	EUR	500	30	479	BBB–	Fixed	138		XS2435611244
04/05/2035	EUR	50	–	37	BBB–	Fixed	280		XS2168047087
04/05/2035	EUR	50	–	37	BBB–	Fixed	280		XS2161838276
Total EUR		5,550	291	5,304					
04/07/2030	SEK	350	–	350	BBB–	Floating	Stibor 3m + 155	Yes	XS3110851824
19/06/2029	SEK	1,250	–	1,255	BBB–	Floating	Stibor 3m + 150	Yes	XS3099959705
22/02/2027	SEK	500	–	502	BBB–	Floating	Stibor 3m + 140		XS2447755351
23/05/2027	SEK	500	–	500	BBB–	Floating	Stibor 3m + 100	Yes	XS3079553189
18/02/2028	SEK	850	–	854	BBB–	Floating	Stibor 3m + 135	Yes	XS3005533891
11/09/2026	SEK	1,300	102	1,306	BBB–	Floating	Stibor 3m + 200		XS2899592112
23/11/2026	SEK	1,000	–	1,002	BBB–	Floating	Stibor 3m + 110		XS2412106853
05/12/2026	SEK	500	–	501	BBB–	Floating	Stibor 3m + 240		XS2954868647
03/09/2027	SEK	1,100	–	1,125	BBB–	Floating	Stibor 3m + 130		XS2894928287
21/01/2027	SEK	650	–	651	BBB–	Floating	Stibor 3m + 120		XS2988694381
Total SEK		8,000	102	8,046					
Heimstaden AB									
24/01/2031	EUR	400	–	4,432	B	Fixed	736		XS3120113876
29/01/2030	EUR	430	–	4,944	B	Fixed	837.5		XS2984228838
Total EUR		830	–	9,377					
29/07/2028	SEK	750	–	780	B	Floating	Stibor 3m + 600		XS2984228754
Total SEK		750	–	780					

Maturity Schedule Interest-Bearing Liabilities

	31 December 2025					
	Interest-bearing liabilities, secured	Interest-bearing liabilities, unsecured	Total interest-bearing liabilities	Share, %	Unutilised credit commitment	Share, %
SEK million						
Loan maturity						
Within 1 year of the Balance Sheet date	275	7,705	7,980	5	–	–
Within 1–2 year of the Balance Sheet date	10,260	10,011	20,271	12	5,184	22
Within 2–3 year of the Balance Sheet date	11,672	15,059	26,731	15	18,265	78
Within 3–4 year of the Balance Sheet date	7,524	13,989	21,513	12	–	–
Within 4–5 year of the Balance Sheet date	19,158	10,410	29,568	17	–	–
>5 years after balance sheet date	50,778	18,387	69,165	39	–	–
Total	99,666	75,561	175,227	100	23,449	100

	31 December 2024					
	Interest-bearing liabilities, secured	Interest-bearing liabilities, unsecured	Total interest-bearing liabilities	Share, %	Unutilised credit commitment	Share, %
SEK million						
Loan maturity						
Within 1 year of the Balance Sheet date	2,533	10,048	12,582	6	86	0
Within 1–2 year of the Balance Sheet date	19,303	12,479	31,782	16	9,340	48
Within 2–3 year of the Balance Sheet date	15,587	13,898	29,485	15	9,092	47
Within 3–4 year of the Balance Sheet date	13,138	14,197	27,336	14	743	4
Within 4–5 year of the Balance Sheet date	8,042	13,496	21,538	11	–	–
>5 years after balance sheet date	63,927	9,166	73,093	37	87	0
Total	122,531	73,285	195,816	100	19,348	100

The average loan maturity as at 31 December 2025 was: 7.41 years (7.68).

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



Years	Interest maturity, 31 December 2025				Interest maturity, incl. Financial instruments, 31 December 2025			
	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
Within 1 year of the Balance Sheet date	11,172	58,000	69,171	3.30	18,196	10	41,813	3.33
Within 1-2 year of the Balance Sheet date	13,804	–	13,804	2.53	28,026	16	28,026	3.38
Within 2-3 year of the Balance Sheet date	19,037	–	19,037	2.58	29,588	17	29,588	3.12
Within 3-4 year of the Balance Sheet date	22,843	–	22,843	2.67	26,130	15	26,130	2.96
Within 4-5 year of the Balance Sheet date	25,702	–	25,702	4.25	28,792	16	28,792	4.25
>5 years after balance sheet date	24,670	–	24,670	3.60	20,878	12	20,878	3.58
Total	117,227	58,000	175,227	3.26	151,610	87	175,227	3.43

Years	Interest maturity, 31 December 2024				Interest maturity, incl. Financial instruments, 31 December 2024			
	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
Within 1 year of the Balance Sheet date	15,048	72,973	88,022	3.90	20,312	10	37,315	3.91
Within 1-2 year of the Balance Sheet date	18,380	–	18,380	3.38	25,654	13	25,654	3.40
Within 2-3 year of the Balance Sheet date	18,969	–	18,969	3.14	35,637	18	35,637	3.13
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	16	30,842	2.67
>5 years after balance sheet date	29,311	–	29,311	2.80	35,935	18	35,935	2.78
Total	122,843	72,973	195,816	3.30	178,813	91	195,816	3.01

The average term of fixed interest in the loan portfolio, including financial instruments, as at 31 December 2025 was: 3.14 years (3.32).

Reconciliation of Liabilities Attributable to Financing Activities

SEK million	Corporate bonds	Bank loans and mortgages	Deferred charges	Total
Opening balance, 1 January 2024	84,005	118,004	−576	201,433
Repayment of interest-bearing liabilities	−22,987	−24,707	−	−47,693
Proceeds from issuance of interest-bearing liabilities	8,719	26,986	−312	35,393
Gains/losses on buyback of corporate bonds	−	−26	−	−26
Assumed debt in connection with acquisitions	−	973	−	973
Currency translation on loans	2,152	2,601	−	4,753
Bond sale	96	−	−	96
Closing balance, 31 December 2024	71,985	123,831	−888	194,928
Opening balance, 1 January 2025	71,985	123,831	−888	194,928
Repayment of interest-bearing liabilities	−18,291	−39,327	−	−57,618
Proceeds from issuance of interest-bearing liabilities	24,338	21,547	52	45,937
Gains/losses on buyback of corporate bonds	2	−	−	2
Currency translation on loans	−3,773	−5,086	−	−8,858
Closing balance, 31 December 2025	74,261	100,966	−836	174,391

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	91	75	167
New leases and contract amendments	4	52	56
Depreciation	−51	−39	−90
Currency translation	2	1	3
Closing balance, 31 December 2024	47	89	136
New leases and contract amendments	100	17	117
Depreciation	−27	−41	−69
Currency translation	−6	−3	−9
Closing balance, 31 December 2025	114	62	177

Carrying Amounts of Lease Liabilities and the Movements During the Period

SEK million	2025	2024
As at 1 January	1,370	1,185
Additions	146	283
Divestments	-16	-8
Accretions of interest	6	5
Payments	-74	-101
Currency translation	-61	5
As 31 December	1,371	1,370
Current	51	64
Non-current	1,320	1,307

Leasing Costs Recognised in the Statement of Comprehensive Income

SEK million	2025	2024
Depreciation expense of right-of-use assets	-90	-114
Interest expense on lease liabilities	-6	-5
Expense relating to short-term leases	-13	-14
Expense relating to leases of low-value assets	-	-8
Total amount recognised in Statement of Comprehensive Income	-110	-141

Undiscounted Lease Liabilities

SEK million	2025	2024
Within one year	87	76
1-5 years	139	83
> 5 years	1,378	1,232
Total	1,604	1,390

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 for leases as a lessee of 74 million in 2025 (101).

Note 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 ac-



quisition 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	1,057	-576	-	-17	465
Other deferred tax assets	136	-35	-	-8	93
Real estate	-20,291	-1,064	-	769	-20,586
Derivatives	67	-10	-	-1	56
Reinvestment reserve	-931	-383	-	62	-1,252
Hybrid bonds	-568	247	-109	-	-430
Other deferred tax liabilities	-181	72	-	-	-109
Total deferred tax	-20,711	-1,749	-109	805	-21,764
Of which Deferred tax assets (+)	1,193				496
Of which Deferred tax liabilities (-)	-21,904				-22,262

7.2. Other Liabilities

SEK million	31 December 2025	31 December 2024
Current tax liabilities	291	562
Real-estate transfer tax	14	55
Liabilities related to investment property transactions	58	424
VAT	82	143
Social security charges	11	12
Stamp duty	5	75
Other liabilities	662	477
Total	1,123	1,748

7.3. Accrued Expenses and Prepaid Income

SEK million	31 December 2025	31 December 2024
Accrued interest	1,043	691
Prepaid rent	520	509
Accrued personnel expenses	131	157
Accrued operating expenses	492	716
Accrued administrative expenses	33	29
Other accrued items	223	372
Total	2,441	2,474

Note 8 Other Disclosures

8.1. Related-Party Disclosures

Transactions with related parties carried out at arm’s length terms.

The following are defined as related parties:

- All companies within the Heimstaden- and Fredensborg Group
- Board Members 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
- Associoated 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	–	–	–
Property expenses	–10	–	–8
Management services revenues	41	–	–
Management services costs	–34	–	–
Interest income	–	36	–
Interest expenses	–	–	–
Loans granted (repaid)	–	112	–
Dividend from associated companies and joint ventures	–	–	–
Capital contribution	–	–13	–

Related-Party Transactions 2024

SEK million	Group companies	Associates and Joint Ventures	Shareholders and family members
Rental income	6	–	–
Property expenses	–4	–	–13
Management services revenues	26	–	–
Management services costs	–37	–	–
Interest income	–	–	–
Interest expenses	–	55	–
Loans granted (repaid)	–	150	–
Dividend from associated companies and joint ventures	–	–	–
Capital contribution	–	–92	–

8.2. Pledged Assets

SEK million	31 December 2025	31 December 2024
Investment properties¹	129,045	166,383
Pledges shares in associated companies and joint ventures¹	5,465	5,315
Total	134,510	171,698

¹ The collateral has been pledged with regard to interest-bearing loans from credit institutions

8.3. Contingencies and Commitments

Investment Obligations

Heimstaden has entered into contracts with sellers of investment property under construction placed in a corporate wrapper. Heimstaden 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 had total investment obligations of SEK 192 million (185). The forward funding contracts with third parties is committed to future capital expenditure in respect of investment properties under construction of SEK 705 million (844).

2025

SEK million	2026	2027	Total
Forward funding	632	49	681
Own development	24	–	24
Forward purchase	192	–	192
Total	848	49	897

2024

SEK million	2025	2026	Total
Forward funding	526	71	597
Own development	203	43	246
Forward purchase	185	–	185
Total	914	114	1,028

Disputes

As of the balance sheet date, Heimstaden 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’s subsidiary 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’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-ad-justing 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
Management service income		82	141
Other operating expenses		-4	-
Administrative expenses	2.1 , 2.2 , 7.2	-51	-140
Operating profit/loss		28	1
Dividends from subsidiaries		79	70
Impairment of investment in subsidiaries and associated companies	3.1	-56	-
Interest income	2.4	100	151
Interest expenses	2.4	-753	-591
Net currency translation gains/losses	2.4	446	-275
Other financial items	2.4	-48	128
Profit/loss after financial items		-205	-515
Appropriations	2.3	172	242
Profit/loss before tax		-33	-273
Income tax expense	2.5	-	-71
Deferred tax expense	2.5	-131	6
Profit/loss for the period		-164	-338
Profit/loss for the year according to income statement		-164	-338
Total comprehensive income/loss		-164	-338

Parent Company Statement of Financial Position

SEK million	Note	31 December 2025	31 December 2024 ¹
ASSETS			
Shares in subsidiaries	3.1	28,287	28,307
Non-current receivables, subsidiaries	3.3, 7.2	791	537
Deferred tax assets	3.2	157	306
Total non-current assets		29,235	29,150
Current receivables, subsidiaries	3.4, 7.2	–	11
Other financial assets		58	13
Accrued income group companies		18	53
Cash and cash equivalents	3.5	1,292	761
Total current assets		1,368	837
TOTAL ASSETS		30,603	29,988

SEK million	Note	31 December 2025	31 December 2024 ¹
EQUITY AND LIABILITIES			
Share capital		95	95
Restricted equity		95	95
Share premium reserve		1,802	1,802
Hybrid bonds		7,705	7,374
Retained earnings		10,039	10,534
Unrestricted equity		19,547	19,710
Total equity	4.1	19,642	19,806
Interest-bearing liabilities	5.1	9,650	8,555
Deferred tax liabilities	6.3	–	17
Non-current liabilities, subsidiaries	6.1	79	–
Total non-current liabilities		9,729	8,573
Liabilities, group companies	5.1	562	47
Interest-bearing liabilities		139	1,393
Trade and other payables		3	2
Accrued expenses, subsidiaries		4	30
Accrued expenses and prepaid income	6.2	525	136
Total current liabilities		1,233	1,609
TOTAL EQUITY AND LIABILITIES		30,603	29,988

¹ Comparables restated, see [Note 1.1](#)

Parent Company Statement of Changes in Equity

SEK million	Share capital	Share premium reserve	Retained earnings ¹	Hybrid bonds ¹	Total equity
Opening balance 1 January 2024	95	1,802	11,203	7,375	20,475
Effects from change in accounting policy	–	–	–427	427	–
Opening balance, 1 Jan 2024 restated	95	1,802	10,776	7,802	20,475
Profit/loss for the period	–	–	–338	–	–338
Total comprehensive income/loss	–	–	–338	–	–338
Dividends	–	–	–59	–	–59
Coupon expense on hybrid bonds	–	–	–272	272	–
Coupon paid on hybrid bonds	–	–	–	–272	–272
Currency translation on hybrid bonds	–	–	–97	97	–
Total transactions with the Company's shareholders	–	–	–428	97	–331
Equity 31 Dec 2024	95	1,802	10,010	7,898	19,806
Opening balance 1 January 2025	95	1,802	10,010	7,898	19,806
Profit/loss for the period	–	–	–164	–	–164
Total comprehensive income/loss	–	–	–164	–	–164
Currency translation on hybrid bonds	–	–	193	–193	–
Total transactions with the Company's shareholders	–	–	193	–193	–
Equity 31 Dec 2025	95	1,802	10,039	7,705	19,642

¹ Comparables restated, see [Note 1.1](#)

Parent Company Statement of Cash Flows

SEK million	Note	2025	2024 ¹
Operating activities			
Profit/loss before tax		-33	-273
Adjustments to reconcile profit before tax to net cash flows:			
Finance expenses – net		654	508
Other adjustments	7.3	-358	252
Working capital changes:			
Increase(-)/decrease(+) in rent and other receivables		-448	-51
Increase(+)/decrease(-) in trade and other payables		390	20
Cash generated from operations		204	457
Interest paid		-325	-508
Interest received		74	-22
Net cash generated from operating activities		-47	-73

SEK million	Note	2025	2024 ¹
Investing activities			
Net cash flows from investing activities		-	-
Financing activities			
Proceeds from interest-bearing liabilities	5.1	9,932	-
Repayment of interest-bearing liabilities	5.1	-9,551	-357
Dividends to preference shareholders		-	-59
Proceeds to subsidiaries	4.1	115	521
Hybrid bond coupons		-	-343
Net cash flows from financing activities		496	-238
Net (decrease) increase in cash and cash equivalents		449	-311
Cash and cash equivalents at the beginning of the period		760	1,058
Change rate adjustments of cash and cash equivalents		82	13
Cash and cash equivalents at the end of the period		1,292	760

¹ Comparables restated, see [Note 1.1](#)

Notes to the Parent Company Financial Statements

Note 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 the financial assets. The Parent Company does not have any 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.

Leases as a Lessee

When the Parent Company is the lessee, lease payments are expensed on a straight-line basis over the term of the lease. The cost of leases attributable to leaseholds and the cost for other leases are recognised in operating profit. The right-of-use asset and the lease liability are therefore not recognised in the Balance Sheet.

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.

Note 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	-1	-1
Other assurance services	-1	-
Total	-2	-1

2.2. Personnel and Senior Management

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’s pension obligations consist of defined contribution plans, which are met through ongoing payments to the independent authorities or organisations that administer the plans. Obligations regarding defined contribution plans expensed in Statement of Comprehensive Income as they are incurred.

	2025			2024		
	Women	Men	Total	Women	Men	Total
Average number of employees	8	12	20	17	17	34

Remunerations

Between the company and the CEO, a mutual notice period of six months applies. In the event of termination by the company, severance pay corresponding to 12 months salary is to be paid. Between the company and Board Members, no mutual notice period is applicable. The CEO and Board Members were paid variable remuneration of SEK 0 million (0). For senior executives and other employees, the customary pension commitments within the framework of general pension plans apply.

Salaries, Remuneration, Social Security and Pension Costs have Been Paid

2025

Position	Co-CEO	Co-CEO	Other senior executives	Other employees	Total
Name	Helge Krogsbøl	Christian Fladeland			
SEK million					
Base salary	-	-	-2	-9	-11
Benefits	-	-	-	-	-
Social security costs	-	-	-1	-6	-7
Pension costs	-	-	-	-5	-5
Variable remuneration	-	-	-	-2	-2
Total	-	-	-3	-22	-25
Women in %	-	-	100	44	43



2024

Position	Co-CEO	Co-CEO	Other senior executives	Other employees	Total
Name	Helge Krogsbøl	Christian Fladeland			
SEK million					
Base salary	-	-	-9	-52	-61
Benefits	-	-	-	-1	-1
Social security costs	-	-	-2	-18	-20
Pension costs	-	-	-	-7	-7
Variable remuneration	-	-	-	-	-
Total	-	-	-11	-78	-89
Women in %	-	-	100	50	50

2.3. Appropriations

SEK million	2025	2024
Group contributions received	172	242
Group contributions paid	-	-
Total	172	242

2.4. Financial Income and Expenses

SEK million	2025	2024
Assets and liabilities measured at amortised cost:		
Interest income, subsidiaries	74	128
Interest income, other financial assets	25	23
Total interest income in accordance with the effective interest method	100	151
Interest expenses, liabilities	-716	-513
Interest expenses, subsidiaries	-37	-78
Total interest expenses in accordance with the effective interest method	-753	-591
Other financial items		
Foreign exchange gains(+)/losses(+)	446	-275
Other financial income	-	-
Other financial expenses	-48	128
Total other financial items	398	-147
Total income/loss from financial items	-256	-587

2.5. Income Tax Expense

SEK million	2025	2024
Current tax expense	-	-71
Deferred tax	-131	6
Income tax expenses reported in the Comprehensive Income Statement	-131	-64
Profit before tax	-33	-273
Income tax expense calculated with nominal tax rate	7	56
Tax effect of:		
Non deductible interest expenses	-101	-137
Non tax deductible costs	-2	-
Tax effect of hybrid bonds	-41	-
Tax attributable to previous years	-	2
Non tax deductible impairment	-11	-
Dividends	16	15
Total from Comprehensive Income Statement	-131	-64

Note 3 Assets

3.1. Group Companies

Shareholdings in Subsidiaries

Company	Corp.ID.nr	Registrered office	Number of shares	Share in %	Recognised value in Parent Company, SEK million	
					2025	2024
Heimstaden Exploatering AB	556485-9014	Malmö	1,000	100	2	2
Heimstaden i Skåne AB	556694-5753	Malmö	1,000	100	-	-
Heimstaden Investment AB	556788-1205	Malmö	1,000	100	28,178	28,145
Heimstaden Fastigheter AB	559063-8580	Malmö	500	100	49	49
Heimstaden Group Manager AB	559382-7925	Malmö	25,000	100	6	6
Heimstaden Investment II AB	559386-6949	Malmö	25,000	100	-	-
Heimstaden Danmark Ejendomme A/S	35852093	Copenhagen	500,000	100	-	-
Heimstaden Development Properties II Aps	43548379	Copenhagen	40,000	100	50	103
Heimstaden Development Properties I AS	929571363	Oslo	50	100	-	-
Heimstaden Tyskland AB	559092-3420	Malmö	500	5	1	1
Total					28,286	28,307

SEK million	31 December 2025	31 December 2024
Opening balance	28,307	28,142
Divestments	-	-
Write-down	-56	-
Shareholder contributions	35	165
Closing balance	28,286	28,307



3.2. Deferred Tax Assets

SEK million	31 December 2025	31 December 2024
Opening balance	306	282
Change for the year	-148	24
Closing balance	157	306

Capitalised tax loss carryforward relates to tax loss of SEK 764 million (1,485).

3.3. Non-current Receivables, Subsidiaries

SEK million	31 December 2025	31 December 2024
Opening balance	537	700
Change for the year	253	-163
Closing balance	791	537

Loans are subject to market terms and are without collateral.

3.4. Current Receivables, Subsidiaries

SEK million	31 December 2025	31 December 2024
Opening balance	11	676
Change for the year	-11	-665
Closing balance	-	11

Receivables from Group companies are attributable to transactions between the Parent Company and the subsidiaries. In-tra-group loans are subject to market terms and are without collateral.

3.5. 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. There are unused credit facilities of 0 million SEK (0) that are not included in the cash and cash equivalents.

Note 4 Equity

4.1. Equity

Event	Total number of shares	Total share capital	Quota value
Opening balance at 1 January 2024	190,633,750	95,316,875	0.50
Closing balance at 31 December 2024	190,633,750	95,316,875	0.50

Opening balance at 1 January 2025	190,633,750	95,316,875	0.50
Closing balance at 31 December 2025	190,633,750	95,316,875	0.50

At 31 December 2025, there were 132,040,000 (132,040,000) ordinary shares and 58,593,750 (58,593,750) preference shares, with a quota value of SEK 0.5 (0.5) per share. Each preference share holds one vote each, while each ordinary share has ten votes. For information regarding hybrid bonds, see Group [Note 5](#).

Source of accumulated profit, SEK		Proposed appropriation of accumulated profit, SEK	
Share premium reserve	1,802,321,685	Dividend to shareholders	-
Hybrid bonds	7,705,454,189	Share premium reserve	1,802,321,685
Retained earnings	10,203,018,992	Hybrid bonds	7,705,454,189
Profit/loss for the year	-164,148,987	Retained earnings	10,038,870,005
Total	19,546,645,879	Total	19,546,645,879

It is proposed that the funds at the disposal of the Annual General Meeting of SEK 19,546,645,879 is to be carried forward. No dividend shall be paid to any of the Share Classes. Dividend to the holders of preference shares is to be distributed in accordance with the Company’s Articles of Association. Preference shares are entitled to an annual dividend of SEK 2.00 per preference share. If no dividend is proposed, the annual preferred dividend of the preference shares will be carried forward and have priority over future dividends to preference shares and common shares.

Note 5 Capital Structure and Financial Items

5.1. Interest-Bearing Liabilities

SEK million	2025			2024		
	Interest-bearing liabilities	Secured loans, %	Share, %	Interest-bearing liabilities	Secured loans, %	Share, %
Corporate bonds	9,728	–	99	9,847	–	99
Mortgages/bank loans	138	100	1	140	100	1
Total	9,866	100	100	9,988	100	100
Deferred charges	–78			–40		
Total interest bearing liabilities	9,788			9,948		

Interest-Bearing Liabilities per Currency

Currency	2025		2024	
	SEK million	Local currencies	SEK million	Local currencies
SEK	889	889	1,393	1,393
EUR	8,978	830	8,595	750
Total	9,866		9,988	
Deferred charges	–78		–40	
Total incl. Deferred charges	9,788		9,948	

SEK million	31 December 2025	31 December 2024
Loan maturity, year		
0–1 year	139	1,393
1–2 years	–	4,011
2–3 years	750	4,584
3–4 years	–	–
4–5 years	4,651	–
>5 years after balance sheet date	4,327	–
Total	9,867	9,988
Deferred charges	–78	–40
Total	9,789	9,948

Reconciliation of Liabilities Attributable to Financing Activities

SEK million	Corporate bonds	Bank loans and mortgages	Deferred charges	Total
Opening balance, 1 January 2024	9,968	141	-108	10,002
Loan repayments	-456	-	-	-456
Currency exchange effect on loans	239	-	-	239
Other changes	96	-1	68	163
Closing balance, 31 December 2024	9,847	140	-40	9,948
Opening balance, 1 January 2025	9,847	140	-40	9,948
Loan repayments	-9,549	-2	-	-9,551
New borrowings/assumed debt in connection with acquisitions	9,932	-	-	9,932
Currency exchange effect on loans	-502	-	-38	-540
Closing balance, 31 December 2025	9,728	138	-78	9,789

Note 6 Other Liabilities

6.1. Non-current liabilities, subsidiaries

SEK million	31 December 2025	31 December 2024
Opening balance	-	15
Change for the year	79	-15
Closing balance	79	-

6.2. Accrued Expenses and Prepaid Income

SEK million	31 December 2025	31 December 2024
Personnel expenses	12	14
Accrued interest expenses	511	120
Other accrued expenses	2	2
Closing balance	525	135

6.3. Deferred Tax Liabilities

SEK million	31 December 2025	31 December 2024
Opening balance	17	-
Changes arising from temporary differences	-17	17
Closing balance	-	17

Note 7 Other Disclosures

7.1. Contingencies and Commitments

SEK million	31 December 2025	31 December 2024
Issued financial guarantees for the benefit of subsidiaries	135	136
Closing balance	135	136

There are no pledged assets as of 31 December 2025 (0).

7.2. Related-Party Disclosures

Transactions with related parties carried out at arm’s length terms.

The following are defined as related parties:

- All companies within the Heimstaden- and Fredensborg Group
- Board Members 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

Transactions with Subsidiaries

SEK million	2025	2024
Sales to subsidiaries	82	141
Purchases from subsidiaries	–5	–36
Interest income from subsidiaries	74	128
Receivables from subsidiaries	791	548
Liabilities to subsidiaries	641	47
Dividends from subsidiaries	79	70
Capital contributions to subsidiaries	35	165
Issued financial guarantees for the benefit of subsidiaries	135	136

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	111	47
Dividends from shares in subsidiaries and associated companies	–79	–70
Impairment of shares in subsidiaries	56	–
Exchange rate difference	–446	275
Total	–358	252

Proposed Appropriation of Accumulated Profit and Signatures

Proposed Appropriation of Accumulated Profit

According to the Parent Company’s Statement on Financial Position, the following earnings are at the disposal of the Annual General Meeting:

SEK	
Share premium reserve	1,802,321,685
Hybrid bonds	7,705,454,189
Retained earnings	10,203,018,992
Profit/loss for the year	-164,148,987
Total	19,546,645,879

Proposed no Preference Share dividends:

SEK	
Dividend to shareholders	-
Share premium reserve	1,802,321,685
Hybrid bonds	7,705,454,189
Retained earnings	10,038,870,005
Total	19,546,645,879

Proposal on Dividends

It is proposed that the funds at the disposal of the Annual General Meeting of SEK 19,546,645,879 is to be carried forward. No dividend shall be paid to any of the Share Classes. Dividend to the holders of preference shares is to be distributed in accordance with the Company’s Articles of Association. Preference shares are entitled to an annual dividend of SEK 2.00 per preference share. If no dividend is proposed, the annual preferred dividend of the preference shares will be carried forward and have priority over future dividends to preference shares and common shares.

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 38](#). The content of the annual report was finalised, approved, and signed on 26 February, 2026.

Helge Krogsbøl	Ivar Tollefsen	Bente A. Landsnes
CEO	Chairperson	Board Member
John Giverholt	Fredrik Reinfeldt	
Board Member	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 AB (publ), corporate identity number 556670-0455

Report on the Annual Accounts and Consolidated Accounts

Opinions

We have audited the annual accounts and consolidated accounts of Heimstaden AB (publ) except for the corporate governance statement on [pages 35–42](#) and the sustainability report on [pages 43–100](#) for the year 2025. The annual accounts and consolidated accounts of the company are included on [pages 32–163](#) 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 35–42](#) and the sustainability report on [pages 43–100](#). 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 consoli-

dated 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 324,429 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 Prop-
erties.

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 proper-
ty 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 calcula-
tions 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 11,556 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 applied methodology for impairment and evaluated the key assumptions applied in the impairment models. These include in particular the discount rates and growth rates.
- Tested the mathematical accuracy of the impairment testing models and 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 1–31](#) and [43–100](#). 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.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.



- 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 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 35–42](#) 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 AB (publ) by the general meeting of the shareholders on the 3rd of April 2025 has been the company’s auditor since the 15th of April 2015.

Stockholm the 26th of February 2026
Ernst & Young AB

Jonas Svensson
Authorized Public Accountant

Auditor's limited assurance report on Heimstaden 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 AB (publ), corporate identity number 556670-0455

Conclusion

We have conducted a limited assurance engagement of the sustainability statement prepared by Heimstaden AB (publ) (the company) for the financial year 2025. The sustainability statement is included on page [43-100](#) 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 [1-42](#) and [101-163](#). 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 AB (publ) in accordance with professional ethics for accountants 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 49](#) 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 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 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

Heimstaden

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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