

MAGNOLIA

**Magnolia Bostad
Sustainability
Report 2022**

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Sustainability Report



The Sustainability Report is part of Magnolia Bostad's Annual Report, which in this version is presented as a standalone. The page references that appear in this report are references to pages in the Magnolia Bostad’s Annual Report. For the entire annual report see: www.magnoliabostad.se. The sustainability report consists of pages 13–29 and 114–125.

Sustainability in development, production and financing

Read about this report on page 115.

Our 5-point programme for sustainable construction →

Our responsibility as a sustainable urban developer →

Responsibility for the climate →

Environmental responsibility →

Social responsibility →

Ethical business responsibility →

Financial responsibility →

Double materiality →

Sustainable urban development

[Sustainability in development,
production and financing](#)

[Our 5-point programme for
sustainable construction →](#)

[Our responsibility as a
sustainable urban developer →](#)

[Responsibility for the climate →](#)

[Environmental responsibility →](#)

[Social responsibility →](#)

[Ethical business responsibility →](#)

[Financial responsibility →](#)

[Double materiality →](#)

Sustainability in development, production and financing

Magnolia Bostad starts from a life cycle perspective when developing new communities and housing. When we plan a residential area, we plan so that the land we build on can be used by future generations.

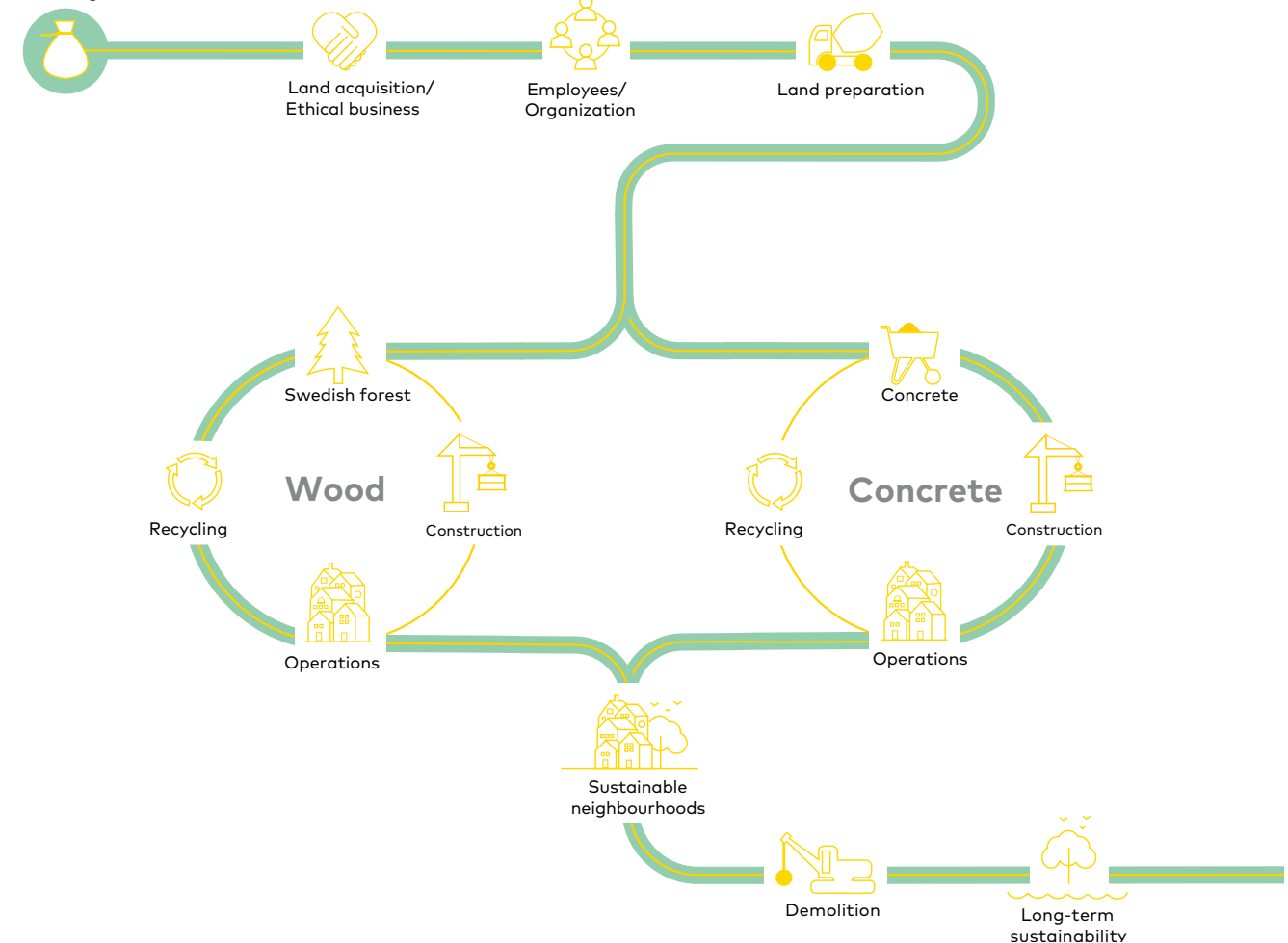
We build environmentally certified housing and safe neighbourhoods that suit a wide range of people. Construction accounts for a very large part of a building's total climate impact seen over the entire building's life cycle. Through the choice of materials and circular and energy-efficient solutions, we work to minimize our environmental and climate impact in production and management.

For the future operation of the properties, we plan for renewable energy and for those who live in the housing to be able to choose to make sustainable choices in their everyday lives. For example, we work with charging points for electric cars and smart control systems for sharing household electricity and heat.

The fact that we develop and build sustainably also enables sustainable financing. Currently, all of our outstanding bonds are green and we received our first green construction loan during the year. Our ambition is that all our financing in future should be green or otherwise sustainable based on environmental and social aspects.

The Magnolia Bostad way, a life cycle perspective

Financing



Sustainability in development, production and financing

Our 5-point programme for sustainable construction →

Our responsibility as a sustainable urban developer →

Responsibility for the climate →

Environmental responsibility →

Social responsibility →

Ethical business responsibility →

Financial responsibility →

Double materiality →

Our 5-point programme for sustainable construction

We launched a program for sustainable construction in Almedalen in 2022. This programme summarizes how Magnolia Bostad contributes to the sustainable production and management of properties.

Sustainability in development,
production and financing →

Our 5-point programme for
sustainable construction

Our responsibility as a
sustainable urban developer →

Responsibility for the climate →

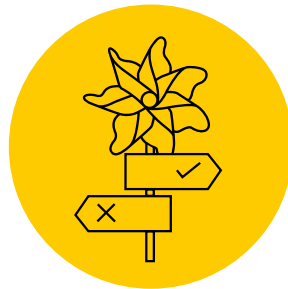
Environmental responsibility →

Social responsibility →

Ethical business responsibility →

Financial responsibility →

Double materiality →

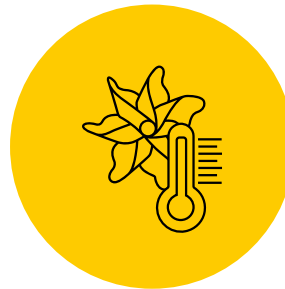


1 We make conscious choices about materials, energy and design.

It should be easy for our customers to live sustainably. Our aim is to minimize the buildings' climate impact through energy-efficient technology, sustainable material choices and circular solutions.

We develop our projects for certification according to the Swedish Green Building's Silver Certification, the Nordic Swan Ecolabel or the equivalent..

Example: the Näsängen project in Åkersberga, see [page 16](#).

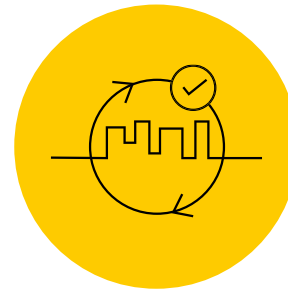


2 We measure and monitor our climate work according to the GHG standard.

We are affiliated with the Science Based Targets Initiative (SBTi), which means that our climate target is scientifically based and in line with the Paris Agreement.

In order to become climate neutral by 2030, we collaborate in the industry through HS30 (Sustainable Stockholm 30), LFM30 (Local Roadmap Malmö) and ÖBKN (Östergötland Builds Climate Neutral).

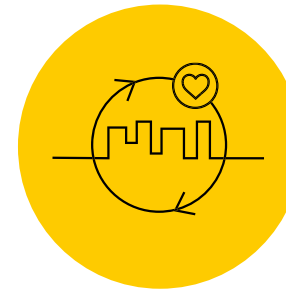
GHG: Green House Gas Protocol



3 We are increasing the proportion of recycling and circular solutions.

Reuse of materials can, for example, be recycled bricks and construction waste. Circular solutions can be about heating systems that enable the recycling of heating/cooling to reduce the total energy consumption.

Example: the Norrskén project in Östersund, see [pages 55–56](#).

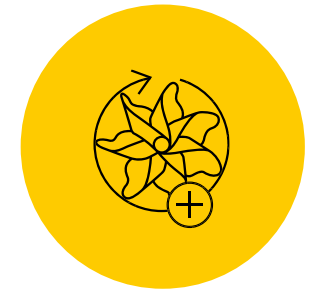


4 We work with several sustainability factors in parallel.

In addition to climate, environment, business ethics and economy, social factors such as safety are also important elements in the neighbourhoods we develop.

BoTryggt2030 is the basis for the work with architecture and project development. By supporting team sports, we contribute to increased diversity and inclusion.

Our business ethical responsibility is about having control over our operations and value chain.



5 We rearrange as much as we can

When it comes to one of the greatest challenges of our time, climate change, as urban developers we have a responsibility and an important role in the transition to a sustainable future.

We are part of the energy transition in the property industry where the strategy is to increase the share of renewable energy, energy-efficient solutions and energy storage. Our essential sustainability issues are linked to the UN's global sustainability goals.

The Näsängen project in Åkersberga – an exciting example of sustainable construction

At Täljöviken beach just southwest of central Åkersberga, Magnolia Bostad is developing the Näsängen district in a JV with Heimstaden Bostad. As well as being close to water, there is access to valuable natural areas and a cultural landscape with a long history.

The district, with space for around 4,000 new residents, is being developed to become ecologically, socially and economically sustainable. This is a project with high sustainability requirements and a focus on energy-saving solutions. The zoning plan for Näsängen includes a sustainability programme that is partly the basis for the development of the area. The project is part of Åkersberga's development from a suburb to an archipelago city with the vision of creating an attractive and sustainable small-town environment by the water. The ambition is to develop a sustainable urban district built partly of wood, a material that stores carbon dioxide and is easy to reuse, with a focus on social spaces for various needs and a green structure for ecosystem services.

The EU's taxonomy will form a green thread through the work, and the project is planned to be certified according to the Swedish Green Building's Silver Certification, the Nordic Swan Ecolabel or an equivalent certification. It is both about minimizing the negative environmental impact and about contributing to positive development.

Näsängen is planned to facilitate a sustainable lifestyle for the residents. This is accomplished, through other measures, energy-efficient buildings, well-thought-out architecture, energy-efficient technology and an awareness of energy consumption. Efficient and attractive transport must be prior-



The Näsängen project in Åkersberga with around 1,700 residential units. Representation.

itized in the district where pedestrians, cyclists and public transport are in focus, but where there are also greater opportunities for parking spaces with charging infrastructure for electric cars.

Safety is one of the most essential parts of Näsängen's sustainability scheme. It's about creating a neighbourhood where everyone can move around at any time of the day without fear. By following BoT-ryggt2030's handbook for planning safe and secure living environments, we are creating the conditions for inclusion, security, equality, accessibility, health and well-being.



Sustainability in development,
production and financing →

Our 5-point programme for
sustainable construction

Our responsibility as a
sustainable urban developer →

Responsibility for the climate →

Environmental responsibility →

Social responsibility →

Ethical business responsibility →

Financial responsibility →

Double materiality →

Our responsibility as a sustainable urban developer

Magnolia Bostad's aim is to be at the forefront of sustainable urban development, to be involved in driving the industry towards climate neutrality and to be an attractive employer.

Sustainability in development,
production and financing →

Our 5-point programme for
sustainable construction →

Our responsibility as a
sustainable urban developer

Responsibility for the climate →

Environmental responsibility →

Social responsibility →

Ethical business responsibility →

Financial responsibility →

Double materiality →



Responsibility for the climate

The construction industry accounts for about 20 % of Sweden's total emissions. We have a great responsibility to try to minimize this impact, [page 18](#).



Environmental responsibility

We want to create an attractive and sustainable environment, both indoors and outdoors. Our environmental responsibility is about how we manage our impact on the environment, nature and ecosystems in a sustainable way, [page 20](#).



Social responsibility

Social responsibility permeates everything, from projects to manage the safety of our residents to how we treat our employees and actively engage in collaborative initiatives, [page 22](#).



Ethical business responsibility

In civil engineering, business ethics are important to employees, management and the board, but also to partners and suppliers throughout the value chain, [page 25](#).



Financial responsibility

För oss innebär vårt ekonomiska ansvar att arbeta för en hållbar lönsam tillväxt och möjliggöra allokering av kapital till hållbara fastigheter, [page 27](#).

Responsibility for the climate

- Sustainability in development, production and financing →
- Our 5-point programme for sustainable construction →
- Our responsibility as a sustainable urban developer →
- Responsibility for the climate
 - Environmental responsibility →
 - Social responsibility →
 - Ethical business responsibility →
 - Financial responsibility →
- Double materiality →

In relation to one of the greatest challenges of our time, climate change, we have a responsibility and an important role to play in the transition to a sustainable future.

We work actively and from a long-term perspective to contribute to a climate-neutral construction and property sector. We do this aligned with our strategic objectives and global sustainability goals. The aim is to enable our customers to make conscious climate-smart choices by selecting our homes and properties.

We want to secure the long-term future of our business and contribute to the sustainable development of society as a whole. Through our business model and LCA (Life Cycle Assessment), we work effectively to integrate responsibility for the climate into our processes to achieve quality results.

Climate responsibility in brief, 2022	
Climate footprint ¹⁾	2,995,600 CO ₂ e
Climate target	Applied for a science-based climate target under the Science Based Target initiative (SBTi)
Share of economic activities partially aligned with EU taxonomy ²⁾ :	
Income	96%
Investments	94%
Costs	100%
¹⁾ According to Greenhouse Gas Protocol (GHG), total scope 1, 2 & 3. See Climate footprint on page 122.	
²⁾ Data collected by Magnolia Bostad and calculations performed by Cicero. For more information, see the Magnolia Bostad homepage.	

Selected events in 2022

- Joined SBTi (Science Based Target Initiative) to work towards climate neutrality. This is a confirmation that the company's climate goals are scientifically based and contribute to slowing down climate change in line with the Paris Agreement ¹⁾.
- Reduced our climate footprint by 43% for scope 1 and 2, in line with the company's Science Based Targets.
- Participated in HS30's working group for climate calculations and climate targets to contribute to the industry's work with Agenda 2030 and transition to climate neutrality in 2030.
- Developed a strategy for our climate targets in 2030 and began to calculate the climate impact of projects.
- Joined the ÖBKN initiative (Östergötland Builds Climate Neutral)
- Started training for employees in the 5-point program for sustainable construction.

Examples of what we will work with in 2023

- Further developing our climate roadmap towards climate neutrality based on materials, energy, design and reuse.
- Working further to incorporate climate-related risks in line with the Taskforce on Climate-related Financial Disclosure's (TCFD) recommendations.
- Gathering knowledge through our participation in the innovative pilot project for climate calculations and climate declarations and continue to participate actively in HS30, LFM30 and ÖBKN.

¹⁾ The SBTi target option for SMEs with fewer than 500 employees involves setting the science-based target for scope 1 and 2 emissions through predefined target options. For scope 3, companies are required to commit to measuring and reducing their emissions.

Agenda 2030

In terms of the climate, we primarily work on:



Goal 11
Sustainable cities, targets 11.1, 11.3 and 11.6. For example, by enabling recycling and creating smart mobility solutions.



Goal 13
Combat climate change, targets 13.1 and 13.3. For example, by assessing climate risks and reducing climate impacts.

The Paris Agreement
The Paris Agreement's climate target is to limit global warming to 1.5 degrees Celsius. The property sector accounts for 20% of Sweden's greenhouse gas emissions. Globally, the property sector accounts for 40% of the world's greenhouse gas emissions. New construction and renovation account for 60% of emissions.

Magnolia Bostad is dedicated to working on the climate issue to support the Paris Agreement. Through climate adaptation, climate mitigation and climate action, we are striving to become resilient to climate change.

Read more about our work on the UN Global sustainability goals on **pages 117–118**.

"Transparency and sharing knowledge are important to speed up climate work"

Sustainability in development,
production and financing →

Our 5-point programme for
sustainable construction →

Our responsibility as a
sustainable urban developer →

Responsibility for the climate

Environmental responsibility →

Social responsibility →

Ethical business responsibility →

Financial responsibility →

Double materiality →

We interviewed Andreas Holmgren, sustainability manager at Treano Bygg and the initiator and chairman of LFM30. He is also group leader of the Design, process and climate calculation section at LFM30.

What is LFM30?

"LFM30 is a local initiative and Malmö's local roadmap for a climate-neutral construction industry and property management sector by 2030. This means net zero CO2 emissions. As half of the members are nationwide companies, the LFM30 methodology is used throughout Sweden."

How does LFM30 contribute to the transition to a climate-neutral construction and property industry?

"There's a huge need in the industry to bring the entire value chain together and jointly set targets, measures and implement projects to reduce emissions. In addition, there is significant potential for profitable investments when we plan for the long-term and build and renovate sustainably."

"LFM30 supports its roughly 200 members with skills development for the climate-positive construction and management of properties and facilities. Together, we develop recommended criteria (for example in procurement), methods for climate calculation that we test in projects and identify measures to achieve the industry's climate targets. We also work towards green financing solutions aimed at stimulating investments with a lower climate impact."

Broadly speaking, what does LFM30's climate roadmap look like to achieve climate neutrality by 2030?

"Our members have the main responsibility to achieve their climate pledge to LFM30, which consists of the following sub-strategies:

- Business models, incentives and cooperation
- Circular economy and resource efficiency
- Design, process and climate calculation
- Climate-neutral building materials
- Management, operation and maintenance
- Climate-neutral construction site and transport.

To succeed, everybody must contribute to the roadmap. The members must annually measure and report on their progress towards our common targets. Being transparent and sharing information is an important part of spreading knowledge and quickly speeding up our work on the climate."

What are the biggest challenges for the industry in achieving the 2030 climate targets?

"The major challenges are the price increases in society. However, there are great opportunities to make significant reductions in CO2 emissions without negative effects on costs. LFM30 can play a decisive role here in jointly identifying these opportunities for climate improvements in the industry. Climate compensation (reimbursement of negative emissions) is necessary to reach the target limit value for climate neutrality."



Andreas Holmgren, sustainability manager at Treano Bygg and the initiator and chairman of LFM30.

Environmental responsibility

- Sustainability in development, production and financing →
- Our 5-point programme for sustainable construction →
- Our responsibility as a sustainable urban developer →
 - Responsibility for the climate →
 - Environmental responsibility
 - Social responsibility →
 - Ethical business responsibility →
 - Financial responsibility →
- Double materiality →

Our environmental responsibility is about how we manage our impact on the environment, nature and ecosystems in a sustainable way. How we reduce our negative impact and increase our positive impact in our operations and business.

We want to create an attractive and sustainable environment indoors and outdoors. For us, this means taking environmental responsibility all the way, from planning to production and management or handover. This is important for us and our customers, but also for society in general, which is why we work to consider climate impacts and externalities (other effects on the environment).

In our life cycle assessment, we analyse everything from water impacts to how we can reduce pollution and climate impacts. We do this to enable informed choices. For example, by building with wood, we achieve a relatively low carbon footprint with a material that also stores carbon dioxide.

Environmental responsibility in brief, 2022	
Environmental certification according to the Swedish Green Building Council's silver certification or Nordic Swan Ecolabel, or equivalent. Planned or completed certifications for completed projects	Number of residences 901 Proportion 100 %
Green financing	100 % green bonds
Environmental audits	9

We are members of the SGBC (Sweden Green Building Council) and in all our projects we plan for environmental certification according to the minimum criteria of the Swedish Green Building Council's silver certification or Nordic Swan Ecolabel, or equivalent. Environmental audits are carried out on our projects in both the design and production phases.

Selected events 2022

- 100% of all completed residential units in 2022 were environmentally certified or have an environmental certification in progress.
- Carried out environmental audits through an external environmental auditor for projects in the design phase and production phase.
- Worked further with our sustainable financing and green bonds.
- Included innovative solutions to promote sustainable nature and biodiversity through, among other things, meadow flowers and rain gardens.
- Trained employees at Magnolia Bostad in environmental certifications.

Examples of what we will be working on in 2023

- Evaluating sustainability certifications and working to ensure that all projects achieve at minimum the Swedish Green Building's Silver Certification, the Nordic Swan Ecolabel or equivalent certification.
- Working with increased analysis and management of environmental issues, ecosystems and biodiversity.
- Working with energy efficiency and increasing the share of renewable energy in our projects.

Agenda 2030

In terms of the environment, we primarily work on:

Goal 7
Affordable and clean energy, targets 7.2 and 7.3. For example, by enabling the use of renewable energy and energy from renewable sources.

Goal 15
Protect biodiversity and natural habitats, target 15.5. For example, by engaging specialists, municipalities and interest groups on how to protect nearby habitats.

Read more about our work on the UN Global sustainability goals on pages 117–118.

"The construction and property industry can promote the ecosystem best by imitating nature"

We spoke to Karin Morell about the environmental aspects of new production and property management, as well as the best way to promote a functioning ecosystem. Karin works as a project manager focusing on biodiversity and belongs to the Bioeconomy and Health division at the RISE Research Institutes of Sweden.

What does sustainable urban development mean from an ecological perspective?

"Promoting biodiversity and ecosystem services through careful planning and management. It also means taking resource use into account and, for example, reducing the city's climate impact through climate-smart mobility solutions. However, it is important to think holistically and to take the entire value chain into account and not just what can be seen or touched in an urban environment."

What does a functioning ecosystem mean and how can the construction and property industry promote it best?

"Biodiversity can be considered an important component for functioning ecosystems. Ecosystems with a high diversity are often resilient and recover quickly from disturbances, for example through adapting better to a warmer climate. The construction and property industry can promote ecosystems best by avoiding exploitation in or adjacent to valuable natural areas and planning in a way that allows trees, wetlands and other ecological structures to be preserved."

Which laws/rules for less environmental impact govern development within ecosystems and biodiversity?

"Nationally, it's the Swedish Environmental Code and the Planning and Building Act prevail. Then there are

a number of international frameworks such as the recently established global framework for biological diversity (Montreal-Kunming) and the EU's taxonomy, which will probably set the tone for development. There are also voluntary initiatives being developed that will support organizations in setting their own goals in line with science and policies, for example the Science Based Targets for Nature."

Which environmental aspects are important for the property industry to consider?

"In new production, you should, following the damage mitigation hierarchy, first avoid and secondarily minimize damage to natural values. These are the most important steps to follow to promote biodiversity in the planning process. Thirdly and fourthly, values should be recreated and compensated. It's important to have ecological expertise here with you from an early stage.

With property management, it's important to apply a holistic approach when planning investments. If wild pollinators such as bees and butterflies are to benefit, they need, for example, pollen and nectar from early spring to late autumn, sandy patches, dead wood, host plants or other habitats. Furthermore, building contractors need to know how to manage different biotopes so that they can be maintained. Regarding the planting of trees and flowers, regionally or locally adapted species must be used, so as not to threaten genetic diversity. Many meadow seed mixtures contain a mixture from different corners of Sweden, or even exotic species – at this stage it is important to buy from the right suppliers or collect seeds yourself (or with interested tenants!) in the local area."



Karin Morell works as a project manager focusing on biodiversity at the RISE Research Institutes of Sweden.

Social responsibility

- Sustainability in development, production and financing →
- Our 5-point programme for sustainable construction →
- Our responsibility as a sustainable urban developer →
 - Responsibility for the climate →
 - Environmental responsibility →
 - Social responsibility**
 - Ethical business responsibility →
 - Financial responsibility →
- Double materiality →

Magnolia Bostad wants to be a committed force in the places where we operate. We want to be at the forefront of sustainable social development and be an attractive employer. For us, social responsibility is about putting people first.

It's about creating greater inclusivity, safety, equality, accessibility, health and well-being for customers, partners and employees. We are proud of our social commitment to the community, which improves how we work with social sustainability in our projects and beyond.

Read about our collaboration initiatives on **next page**.

Social responsibility in brief, 2022	
Football	We support around 30 girls' and women's football clubs around the country
Cooperation initiatives	8 initiatives
Employees	46% women and 54% men

Selected events in 2022

- Supported around 30 football clubs for girls' and women's football. In this way, we contribute to being an active force in the places where we develop housing.
- Took further steps in social commitment through a partnership with Mitt Liv to contribute to a more open and inclusive labour market.
- Utbildade genom Mitt Liv alla medarbetare i Trained all employees in diversity and inclusion through Mitt Liv.

Examples of what we will be working on in 2023

- Further developing our social screening and increasing integration of social issues throughout our process from project inception to completion and management.
- Creating a social toolbox to use in project development in addition to BoTrygg's checklist.
- Developing our collaboration initiatives further and increasing active commitment and participation among employees.

Agenda 2030

In terms of social responsibility, we primarily work on:



Goal 5
Equality, targets 5.1 and 5.5. For example, by promoting girls' and women's participation and involvement in football and club life in the places where we operate.



Goal 10
Reduced inequalities, target 10.3. For example, by ensuring equal opportunities and reducing the incidence of unequal outcomes through pay mapping and employee surveys.

Read more about our work on the UN Global sustainability goals on **pages 117–118**.

Our eight cooperation initiatives in social sustainability 2022

Sustainability in development,
production and financing →

Our 5-point programme for
sustainable construction →

Our responsibility as a
sustainable urban developer →

Responsibility for the climate →

Environmental responsibility →

Social responsibility

Ethical business responsibility →

Financial responsibility →

Double materiality →

We actively work on diversity, equality, inclusion, safety and health by participating in various cooperation initiatives. For us, social responsibility is about how we are committed to the sustainable development of society.

Fotbollbarhet (Sustainability through football)

We support around 30 girls' and women's football clubs in Sweden, including a summer football school to increase integration and help with homework to help players stay in their sport. In addition, we train female football leaders to inspire and create role models. To enable more people to play football, we have created a social fund. In our annual Sustainability through Football report, we describe how we make a difference in the places we operate in.

Ownershift

We are partners with Ownershift to enable research and progress in female ownership.

BoTryggt2030

We are working with BoTryggt2030, which is an important part of our project process, helping us to integrate security and build crime away. Through BoTryggt's checklists and handbook, we can implement these principles in the planning phase and influence the design of homes and communities.

Mitt Liv

We are a partner of Mitt Liv, which aims to actively contribute to a more open and inclusive labour market. Magnolia Bostad employees are given the opportunity to become mentors in Mitt Livs Chans – Sweden's largest mentoring programme for graduates with a foreign background who lack jobs corresponding to their skills.

Min Stora Dag

We are involved in Min Stora Dag to support the foundation in granting wishes and creating important breaks for children and young people with serious illnesses and diagnoses.

Her House

We work with the Her House Foundation, which supports, promotes and improves the health of women and children through housing and community outreach.

Äldrekontakt

Through Äldrekontakt (Age Contact)'s volunteers, lonely elderly people can meet people to make their lives more meaningful.

Spring För Livet

Employees take part in Spring för livet (Run For Life), the property industry's big fun run, where everyone's a winner, as well as, of course, the UNICEF project in Malawi - where all proceeds from the race go.



"Creating integration is more than just throwing a ball"

Can football change society? At Magnolia Bostad we absolutely think so. As committed sponsors of girls' and women's soccer teams around Sweden, we have seen with our own eyes how football can become a tool for democracy, equality and integration. To further understand the role of sport in society and broaden our perspective, we contacted David Ekholm, who researches in social work and welfare.

The footballer who became a researcher

For David Ekholm, club life was an important part of growing up. He started playing football in Linköping as a 6-year-old, for Vikingstad SK and later for Malmslätts AIK. He has also had various leadership and coaching assignments and has seen the social importance of sport. He brings his interest in sports with him to his role as a researcher.

"In my research, I study how sport is used as a way to deal with social problems and bring about change. It is becoming increasingly common to use sport as a social tool, both internationally and in Sweden. It often takes place in collaboration between municipalities, sports associations and other stakeholders in society."

Sport as a tool against exclusion

Even if investments in associations do a lot of good, it is not entirely unproblematic to see sport as a solution to social problems, says David. In his research, he has turned the question on its head.

"Sport in itself may not lead to integration. However, associations can open the door to meetings between people from different backgrounds and social groups. But if it is to lead to integration, these meetings must have a spirit of equality and reciprocity."

Football on equal terms

As a basis for his research, David has, among other things, studied the growing phenomenon of midnight football, where children and young people from socially disadvantaged areas get the opportunity to meet on weekends and play football together. In David's research there are examples of meetings between children and young people from different social groups. Then the meetings that take place in sports can have different meanings than otherwise intended.

"In such encounters, inequality becomes apparent. Some parents drive around in big cars, the players have adverts on their shirts and the results of matches are uneven. Therefore, it is about more than just throwing out a ball and thinking that the integration issue has been solved. In order to succeed in creating genuine integration, it is necessary for meetings to take place on equal terms. It may also be about finding ways to tone down the competitive element and instead focus on collaboration," thinks David.

Activities should be guided by the participants

Research clearly shows that it is more difficult to get girls with a foreign background to take part in associations. On the occasions when David has watched midnight football in person, many girls have been there to watch, but very few have taken part on the field themselves.

"Boys' participation often becomes the norm in sports and their activities are shaped in relation to it. That's why it's important to listen to the girls' wishes and let the activities be guided by those you want to participate," says David



David Ekholm is a university lecturer and associate professor at Linköping University as well as editor and co-author of the book "The power of sport? The problems of young people's living conditions and inequality in a segregated city".

Ethical business responsibility

Sustainability in development, production and financing →

Our 5-point programme for sustainable construction →

Our responsibility as a sustainable urban developer →

Responsibility for the climate →

Environmental responsibility →

Social responsibility →

Ethical business responsibility

Financial responsibility →

Double materiality →

For us, business ethics is about clear accountability, having control over our operations and value chain, having procedures in place for how we work on business ethics and how we deal with deviations from our guidelines and processes. Business ethics are important to our employees, management and the board, but also to partners and suppliers throughout the value chain.

The Board sets the company's sustainability direction with input from the management team and the Head of Sustainability and determines policies for the company's operations. The CEO and the management team decide on guidelines and various activities linked to the adopted sustainability policy. The Head of Sustainability works strategically on sustainability in governance, the business plan, integration in operations and business, risk management, targets and reporting. The Green Bond Committee (which includes the CFO, Head of Legal and Head of Sustainability) decides on issues related to sustainable financing. Legal ensures good order and procedures related to business ethics. To manage whistleblowing cases, the company has set up an Ethics Council which includes

Business ethics in brief, 2022	
Codes of Conduct	100% signed and witnessed by employees, partners, and sponsorship recipients.
Codes of Conduct	Updated 2021
Cases of corruption	None

the Deputy CEO and CFO and Head of Legal. The company's Health and Safety Committee oversees the company's health and safety issues, chaired by the general counsel and including the HR manager, safety representative and employee representative.

Governing documents:

- Codes of conduct for employees, partners and sponsorship.
- Sustainability policy
- Anti-harassment guidelines
- Guidelines against discriminatory treatment
- Checklist against harassment and discriminatory treatment
- Contracts and agreements

Selected event in 2022

- Developed a Sustainability Policy
- Achieved 100% signed Codes of Conduct in agreements with employees, partners and sponsorship recipients.
- Updated our whistleblowing system according to new legal requirements.
- Formed an internal sustainability and innovation forum for further development of sustainable solutions and proptech.
- Carried out environmental audits on 9 projects.
- Organized a lecture for all employees about sexual harassment.

Examples of what we will be working on in 2023

- Continuing to work with zero tolerance of abusive discrimination.
- Training all employees in anti-corruption.

Agenda 2030

In terms of business ethics, we primarily work on:

Goal 8

Decent work and economic growth, targets 8.1 and 8.8. For example, through codes of conduct as well as the Ethics Council, the Safety Committee and employee forums.

Goal 16

Peace, justice and strong institutions, target 16.5. For example, by preventing corruption and bribery and having a whistleblowing function.

Read more about our work on the UN Global sustainability goals on **pages 117–118**.

"My catchwords are transparency, clarity and order"

Hanna Jessing is general counsel at Magnolia Bostad and has an important role in the company's work on sustainability, in everything from the requirements set for financing to the regulation of sustainability in agreements with partners. Here, Hanna answers questions relating to the business ethics area.

How significant is the word business ethics?

"For me, business ethics are ethical and moral principles that guide a company's actions. In other words, how we should think and how we should behave. Corruption is devastating for society, and so together with our partners we want to work towards a climate of cooperation without corruption."

What issues do you see as the most important within business ethics?

"It is fundamental to have control over the business and the value chain. There must be clear guidelines and processes and also information on how deviations from these should be managed and how to avoid conflicts of interest."

How does the company work with guidelines and policies that govern its activities?

"Our policies and guidelines are available to all employees and are updated annually by the Board and CEO. We have a Code of Conduct that we go through with all new employees, who have to confirm the content and sign it. In addition, we have specific Codes of Conduct that form an integral part of the agreements we sign with our partners and sponsorship recipients."

What role do the UN's sustainability goals play in your work?

"The UN's sustainability goals serve as a starting point and guiding light. Goals 8 and 16 cover much of what we include in business ethics, see page 25. We are keen for Magnolia Bostad to be an inclusive workplace where everyone enjoys their job and where creativity thrives. This applies both during good market times and when the market is more difficult, as it was in 2022. In our development of new neighbourhoods and communities, we want to take responsibility for achieving attractive and sustainable living environments where everyone can enjoy life and be safe."

What can an individual who discovers that something is wrong at the company do?

"We want it to be easy to report misconduct if you feel that something is wrong. Our whistleblowing system was updated to meet new legal requirements in 2022. We have an ethics council to deal with any issues that may arise. We also have a safety representative and safety committee that employees can turn to. HR has drawn up instructions to enable the reporting of cases concerning abusive discrimination and harassment."

How do you see corporate governance developing in future?

"New rules are coming in all the time and we keep updated. Our stakeholders must be confident that we are the good partners they expect. My catchwords are transparency, clarity and order."

Hanna Jessing, General Counsel at Magnolia Bostad.



Financial responsibility

Financial responsibility is important to work for sustainable profitable growth and enable the allocation of capital for sustainable properties. It is also crucial in achieving the goals of Agenda 2030, the Paris Agreement and a sustainable transition.

Magnolia Bostad's financial responsibility means working for sustainable profitable growth and value for our owners. Magnolia Bostad does this, among other things, through a broad portfolio of housing types, which reduces the company's risk. We want to create neighbourhoods and meeting places that are developed in such a way that they contribute to the economic growth and well-being of the area. We work in close dialogue with the community and other stakeholders.

Through our green bonds, we increase transparency and facilitate the allocation of capital for sustainable properties. In the spring of 2022, Magnolia Bostad

issued its third green bond. All green bonds are designed in accordance with the Green Bond Principles guidelines. The framework has been reviewed by Cicero Shades of Green, which has given the framework a rating of Medium Green.

Magnolia Bostad has a Green Bond Committee consisting of the company's CFO, Head of Sustainability and Head of Legal. The Committee monitors to ensure that only eligible projects are financed from the green bond funds. In 2022, three Green Bond Committee meetings were held.



Selected events in 2022

- Issued new senior unsecured green bonds worth a nominal SEK 300 m within a framework of SEK 1,500 m and listed these on Nasdaq's list for sustainable bonds.
- Obtained our first green construction loan. This is in line with our aim that all our financing should be sustainable based on environmental and social aspects.
- Published our second annual follow-up report on invested funds from green bonds.

Examples of what we will be working on in 2023

- Continuing to work with green bonds.
- Evaluating different solutions for sustainable financing beyond green bonds.
- Continuing to work with diversity and inclusion.

SEK1,425 m **SEK 1,991 m**

Total volume of green bonds outstanding

Scope available for new green bonds under our green framework

SEK 3,416 m

Total volume of green pool, funds that are used and can be used for housing that meets the environmental criteria set in Magnolia Bostad's green framework.

Agenda 2030

For financial responsibility, we work with several of the Sustainable Development Goals, and in green bonds, the green framework focuses on:



Goal 11

The aim of this goal is to make cities safe, inclusive and sustainable. Through our green financing, we enable inclusive, safe communities and homes that are sustainable due to being resilient.



Goal 13

Combating climate change
The aim of this goal is to combat one of the greatest challenges of our time, climate change. Our Green Framework has criteria for action to combat climate change.

Read more about our work on the UN Global sustainability goals on **pages 117–118**.

"There's a positive relationship between financial return and sustainability"

Erik Feldt, partner in the consultancy firm Forever Sustainable Business, talks about sustainable financing and the importance of investments for a sustainable transition.

What does sustainable urban development mean from an economic perspective?

"Sustainable urban development may cost a little more in the short-term but will be more profitable in the long-term. This includes financial options to implement proposed construction projects, where social and housing developers can finance their projects on favourable terms regarding sustainability, price, interest rate risk and structure. Through, for example, green bonds and green building credits, make the allocation of capital to sustainable residential areas possible."

How can the financial sector influence the property industry in its transition to a sustainable future?

"The financial sector plays a key role as the transition to a sustainable future will require massive investment in the coming years. Investors will act both as specifiers for property companies seeking sustainable financing, and partly as enablers of the transition itself. The property industry is particularly interesting as it can also have a positive impact in terms of social sustainability in a way that not all industries can, for example by creating safer and more inclusive residential areas."

Do sustainable financing and investment solutions provide better returns?

"There is a lot of research in this area and the results are not clear cut. A large meta-study published

recently reviewed over 50 studies between 1984 and 2021 and concluded that there is a positive relationship between financial returns and sustainability. It's my opinion that sustainability yields better returns particularly over time."

How do new reporting directives such as CSRD (Corporate Sustainability Reporting Directive) and the EU taxonomy affect the transition to a sustainable property industry?

"Positively, I would say. Of course, the new requirements can feel onerous and sometimes difficult to comply with, but above all, the new directives make for better reporting, greater transparency and better comparability between different investments, which helps to channel the money towards the best options."

What does the development look like for climate risk analyses in the property industry?

"Climate change today affects our entire environment, and this change is happening quickly. A changing climate brings new challenges, not least for everyone who owns, develops or manages property. Climate risk analyses are in line with the EU taxonomy's environmental goals - limiting climate change and adapting to climate change. Banks and insurance companies have started calculating the risk of credit losses as a result of the potential risk to the market value of homes in risk areas. For companies, it is important to get to know their climate risks and to take climate adaptation measures where appropriate."



Erik Feldt is partner in the consultancy firm Forever Sustainable Business. Erik was previously at Nordea and has worked with sustainable investments since 2007.

Double materiality

Magnolia Bostad is affected by the world around it, and we affect the world around us through our operations. Sustainability risks are therefore doubly material.

By analysing and managing material sustainability risks, we can equip ourselves to mitigate risks and promote opportunities.

We have identified both physical climate risks and transitional risks. Together with LCA (Life Cycle Assessment), we currently carry out climate risk analyses for projects, such as in locations close to the sea. We also intend to develop a climate risk program in agreement with TCFD (Taskforce on Climate-related Financial Disclosure) to identify financial impact.

Key sustainability risks: climate change, environmental risks, resource scarcity, corruption, improper workload and ill health, occupational health and safety risks for contractors' employees.

For a description of Magnolia Bostad's risks and risk management, see **pages 64-66**. For Magnolia Bostad's materiality analysis, see **page 116**.

Sustainability in development,
production and financing →

Our 5-point programme for
sustainable construction →

Our responsibility as a
sustainable urban developer →

Responsibility for the climate →

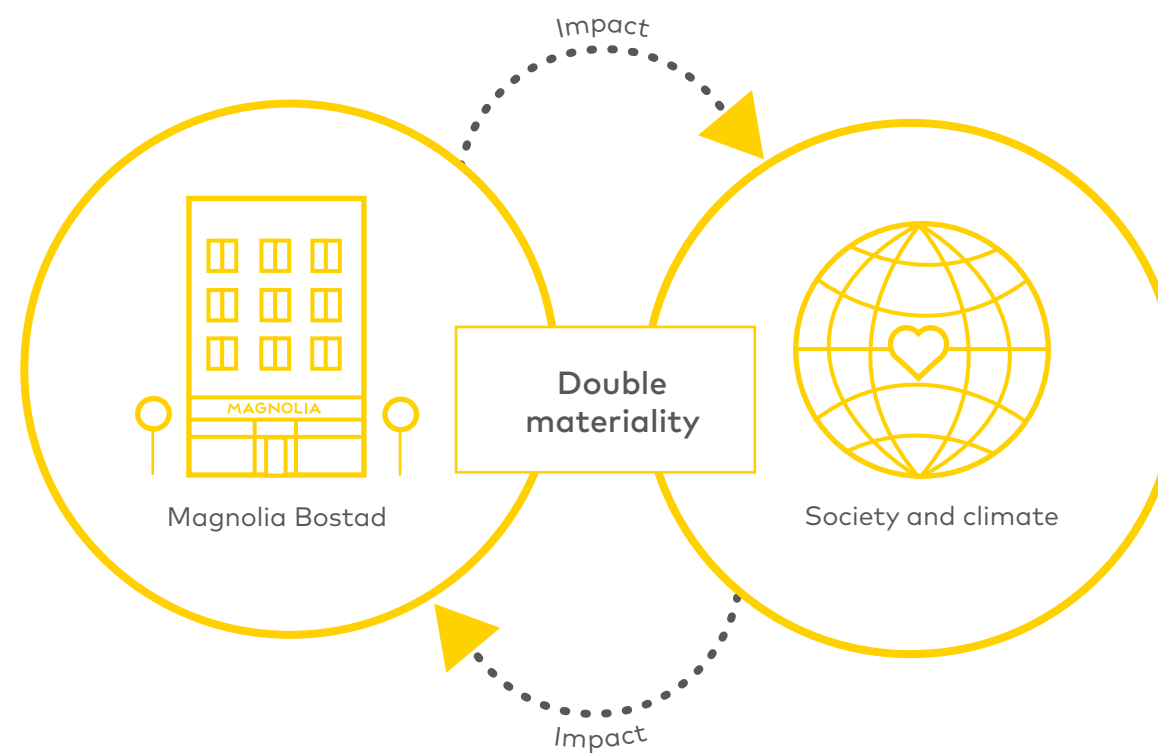
Environmental responsibility →

Social responsibility →

Ethical business responsibility →

Financial responsibility →

Double materiality



Sustainability reporting

- About this Sustainability Report →
- Sustainability management →
- The UN's global goals for sustainable development →
- Sustainability notes →
- GRI index →
- Auditor's statement →

About this Sustainability Report

About this Sustainability Report

Sustainability management →

The UN's global goals for sustainable development →

Sustainability notes →

GRI index →

Auditor's statement →

Our work on sustainable urban development is based on key sustainability areas, governance and adaptation to global sustainability goals. We have chosen to divide the Sustainability Report into two sections. We will describe our sustainability work in one part and present facts, with tables and documentation, in the other.

This is Magnolia Bostad's sixth sustainability report. It has been prepared in accordance with the GRI Standard guidelines, GRI 1 Foundation. The report contains information and targets for the company's sustainability work, where the precautionary principle has been applied. All information in the report refers to the period 1 January 2022–31 December 2022, unless otherwise stated.

The sustainability report consists of pages 13–29 and 114–125. The company's business model can be found on page 10 and the GRI index can be found on pages 123–125. Magnolia Bostad's sustainability risks and their management are described on pages 64–66.

Through experts in our relevant areas of responsibility climate, environment, social, business ethics and finance we aim to highlight important aspects and insights, see pages 18–28.

The Magnolia Bostad sustainability report is issued by the Board.

In Upplands-Bro, we are developing a new neighborhood and completed bridges in 2022 that can be used as sun decks by the residents.



Sustainability management

About this Sustainability Report →

Sustainability management

The UN's global goals for
sustainable development →

Sustainability notes →

GRI index →

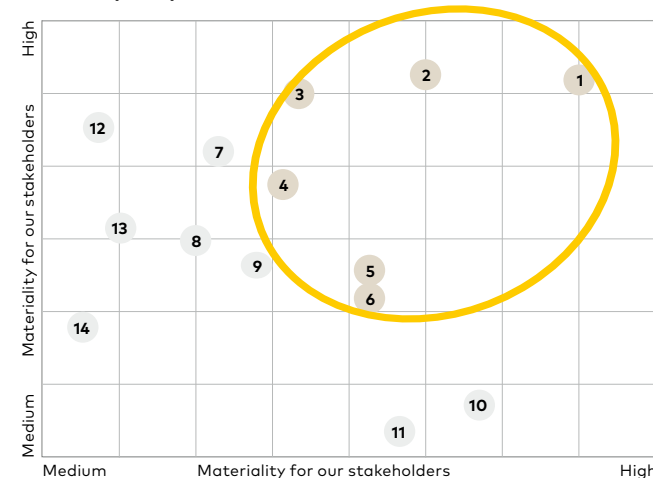
Auditor's statement →

Magnolia Bostad's essential sustainability aspects are integrated into the overall business strategy and business plan. The company's CFO is responsible for the company's sustainability work, and the Sustainability Manager reports to him. Sustainability issues are discussed and decided on at executive management meetings and reported on at the company's board meetings. Strategy and policy documents are revised by the Board or the CEO once a year.

The company has codes of conduct and environmental policies for employees, suppliers and various partners. We have a whistleblowing function, a conflict of interest policy and a board diversity policy. The company also has an ethics council, an emergency committee and a health and safety committee.

In the management of green bond funds, we have a supervisory committee to ensure that only eligible projects are funded. Each year, this is presented in a report published on the Magnolia Bostad website and audited by the company's auditor.

Materiality analysis



The materiality analysis was carried out during 2020.

Ranking Material sustainability aspects

Ranking	Material sustainability aspects
1	Health and safety for Magnolia Bostad employees
2	Anti-corruption
3	Reduced environmental impact
4	Sustainable profitable growth
5	Security
6	Sustainable purchasing and evaluation of suppliers
7	Sustainable construction materials
8	Energy consumption
9	Waste
10	Training, skills and internal career opportunities
11	Information security
12	Health and safety on turnkey contracts
13	Human rights
14	Affordable housing

Magnolia Bostad's stakeholders



Materiality analysis

The company's most significant sustainability issues and focus areas have been identified through a materiality analysis that was last produced in 2020. Stakeholder dialogue was conducted through interviews and text data collection. The analysis is regularly updated.

There are six material sustainability aspects forming the basis of the company's strategical sustainability priorities.

The UN's global goals for sustainable development

About this Sustainability Report →

Sustainability management →

The UN's global goals for
sustainable development

Sustainability notes →

GRI index →

Auditor's statement →

Given our role in society and our materiality analysis, we have chosen to focus on eight of the UN's Sustainable Development Goals. We have also considered the most relevant targets based on materiality linked to each goal.

Goal 5 Gender equality

For social sustainability, Goal 5 is important to how we work in our operations and how we work with our engagement with the community.

Targets 5.1 and 5.5: End discrimination against women and girls and Ensure women's full participation in leadership and decision-making

- We support around 30 girls' and women's football clubs across the country in order to actively promote gender equality, safety, inclusion and health.
- We are committed to gender equality in the company. The company currently has slightly more female employees than male, 53% women and 47% men. Men outnumber women in management and the Board of Directors, with 41% of the management team being women and 59% men.

Magnolia Bostad has zero tolerance for harassment and discrimination and has an ethics council and a health and safety committee that works preventively.

- Our code of conduct is signed by all employees and is also attached to external agreements with partners and partners receiving sponsorship.
- We have a whistleblowing function for employees and external stakeholders.

Goal 7 Affordable and clean energy

Within our environmental responsibility, target 7 is central to how we work on sustainable energy.

Targets 7.2 and 7.3: Increase global percentage of renewable energy and Double the improvement in energy efficiency

- We are actively working to provide our projects and homes with smart, sustainable energy solutions. We aim to create the conditions for the increased use of renewable energy.
- Through design, materials and energy choices, we work to increase energy efficiency. These are monitored at the time of environmental certification.

Goal 8 Decent work and economic growth

In business ethics and financial responsibility, Goal 8 underpins how we work and view sustainability in relation to growth.

Targets 8.1 and 8.8: Sustainable Economic Growth and Protect labour rights and promote safe working environments for everyone

- Sustainable profitable growth is a prerequisite for the continued future of Magnolia Bostad. Sustainability is integrated into the business plan and business model.
- Magnolia Bostad promotes a safe and secure working environment through the ethics council, emergency committee, health and safety committee and employee forums.
- Magnolia Bostad maintains active dialogue with its stakeholders and sets requirements for the work environment in contractual agreements and carries out a total audit of a contractor every year, includ-



ing an audit of the work environment.

- The company's code of conduct includes Magnolia Bostad's position on human rights violations.

Goal 10 Reduced inequalities

In terms of social responsibility, goal 10 is important to how we work within our business..

Target 10.3: Ensure equal opportunities and end discrimination

- The company works against unequal outcomes in terms of remuneration, such as through pay mapping carried out each year, where any unjustified differences are corrected.
- Magnolia Bostad conducts annual employee surveys and works actively with the results through internal discussion and evaluation.

- About this Sustainability Report →
- Sustainability management →
- The UN's global goals for sustainable development
- Sustainability notes →
- GRI index →
- Auditor's statement →

Goal 11 Sustainable cities and communities

An important goal for how we work with environmental and climate responsibility, but also part of our green framework for sustainable financing and financial sustainability.

- Targets 11.1, 11.3 and 11.6: Safe and affordable housing, Inclusive and sustainable urbanization and Reduce the environmental impacts of cities*
- By developing rental accommodation, tenant-owned apartments, community service properties and hotels, Magnolia Bostad develops communities and residential areas that attract a wide range of people.
 - Magnolia Bostad develops neighbourhoods with a focus on enabling residents to make sustainable choices in terms of reduced environmental impact.
 - By developing smart mobility solutions in our projects, we contribute to sustainable urbanisation.

Goal 13 Climate action

An important goal for how we work with environmental and climate responsibility, but also part of our green framework for sustainable financing and financial sustainability.

- Targets 13.1 and 13.3: Strengthen resilience and adaptive capacity to climate-related disasters and Build knowledge and capacity to meet climate change*
- Vid utveckling av nya stadsdelar beaktar Magnolia Bostad risken för klimatförändringar, såsom att havsnivåer förväntas att stiga och att extremväder bedöms bli vanligare.
 - Vi för en aktiv dialog med myndigheter och samarbetspartners kring hur man tillsammans utvecklar motståndskraftiga stadsdelar och minskad klimatpåverkan.

Goal 15 Ecosystems and biological diversity

As part of our environmental responsibility, biodiversity is an important area and we strive to reduce our negative impact.

- Targets 15.5: Protect biodiversity and natural habitats, including through engagement*
- Magnolia Bostad strives to reduce its negative impact by working in close dialogue with specialists, municipalities and interest groups on how to protect nearby habitats.
 - Only certified wood from sustainable forests is used in projects built with timber frames.

Goal 16 Peaceful and inclusive societies

A key area of business ethics that is essential to our operations is anti-corruption, which we strive to combat in line with Goal 16 of Agenda 2030.

- Targets 16.5: Substantially reduce corruption and bribery*
- Magnolia Bostad works preventively against corruption and bribery in dialogue with partners and employees through the company's code of conduct and whistleblowing function.
 - In the company's projects, safety and security are mandatory aspects to consider when developing housing. The company works in accordance with the BoTryggt2030 guidelines to ensure this.



Sustainability notes

- About this Sustainability Report →
- Sustainability management →
- The UN's global goals for sustainable development →
- Sustainability notes
- GRI index →
- Auditor's statement →

Created value

We create value through the development of housing and communities. The reported distributed value to the employees (in the table below) differs from reported personnel costs in Note 9, Remuneration to employees. In the table below, part of the costs are capitalized and reported as operating expenses and socialsecurity contributions and other personnel-related taxes are taken out and reported as payments to the public sector. On the other hand, Note 9, Remuneration to employees includes the total payments relating to personnel. Figures in the tables are averages for the year unless otherwise stated.

Sustainability aspect	Target	Outcome	
Sustainable profitable growth	For Magnolia Bostad's business and financial objectives, see page 10	Direct financial value created and delivered, GRI 201-1	
		SEK m	
		2022	2021
		Created value	
		Property sales	207938
		Project management revenue	4959
		Rental income	1919
		Financial income	145
		Other income	295253
		Distributed value	
		Operating expenses	-782-1,111
		Employee wages and benefits	-61-69
		Payments to providers of capital	-206-219
		(of which dividends to owners)	(-5)(-29)
		Payments to the public sector	-46-44
		Community investments	00
		Unrealized changes in value	-359191
		Remaining in Magnolia Bostad	-86821

Sustainability aspect	Target	Outcome	
anti-corruption	No cases of corruption	Incidents of corruption GRI 406-1/205-3	
		Discrimination	0
		Violations	0
		Corruption	0
		Violations of the code of conduct	0
Sustainable purchasing and supplier evaluations		2022	
		All new employees must sign the code of conduct	Percentage of new employees who have signed the company's code of conduct100%
		All employees must undergo training in the Code of Conduct	Percentage of employees trained in human rights GRI 412-2100%
		An audit of a contractor must be carried out every year	Number of suppliers audited regarding agreement fulfilment and Code of Conduct, GRI 414-10

Environment

- About this Sustainability Report →
- Sustainability management →
- The UN's global goals for sustainable development →
- Sustainability notes
- GRI-index →
- Revisors yttrande →

Sustainability aspect	Target	Outcome		
Reduced environmental impact	All projects must be certified in accordance with a minimum of the Swedish Green Building Council's silver certification, the Nordic Swan Ecolabel or an equivalent standard		2022	2021
		Type and number of sustainability certifications, rankings and markings according to new buildings, GRI CRE-8	6 out of 6 completed projects were certified or planned to be certified in accordance with the Swedish Green Building Council's silver certification, the Nordic Swan Ecolabel or equivalent	7 out of 9 completed projects were certified or planned to be certified in accordance with the Swedish Green Building Council's silver certification, the Nordic Swan Ecolabel or equivalent
Reduced environmental impact	Climate impact of operations must be measured		2022	2021
		Greenhouse gas emissions in CO2e for scope 1, 2 and 3 according to the Greenhouse Gas Protocol GRI 305	See page 123	–

Social responsibility

Sustainability aspect	Target	Outcome			
Health and safety for Magnolia Bostad employees			2022	2021	
	All employees must be covered by a health and safety committee	Representation on working environment committees, GRI 403-1	100%	100%	
	No workplace accidents	Number of work-place accidents, GRI 403-9			
		Absence due to illness ¹⁾	2,2%	2,5%	
		Of which short-term illness	34%	44%	
		Of which long-term illness	66%	56%	
		Occupational injuries ²⁾	0	1	
		Deaths	0	0	
		¹⁾ Long-term absence due to illness is defined as sick leave exceeding four weeks. In 2022, fewer than two people have been on long-term sick leave.			
		Low staff turnover	Staff turnover 401-1	Percentage of women	Percentage of men
	New employees		33%	67%	15
	Leaving		62%	38%	24
Training and skills development	The average number of hours of training per woman and man and job category should exceed 40 hours per year	Total average hours of training, GRI 404-1			
		2022	Women	Men	Total
		Executive Management	24	7	12
		Managers	16	22	21
		Employees	14	12	12
		Total	18	14	15
		2021	Women	Men	Total
		Executive Management	13	6	9
		Managers	17	17	17
		Employees	21	23	22
		Total	20	20	20

- About this Sustainability Report →
- Sustainability management →
- The UN's global goals for sustainable development →
- Sustainability notes
- GRI-index →
- Revisors yttrande →

Sustainability aspect	Target	Outcome				
Training and skills development	All employees should have annual performance re-views and career planning	Performance reviews and career planning GRI 404-3				
		Percentage of employees with regular performance reviews and career planning				100%
Diversity and gender equality	Gender breakdown between women and men	Diversity of governance bodies and em-ployees, GRI 405-1, based on average number of employees during 2022				
		2022				
		2022	Board of Directors	Executive Manage-ment	Employ-ees	Total
		Gender distribution				
		Women	30%	40%	46%	39%
		Men	70%	60%	54%	61%
		Age group				
		<30	0%	0%	9%	3%
		30-50	37%	60%	73%	57%
		>50	63%	40%	18%	40%
		2021	Board of Directors	Manage-ment	Employ-ees	Total
		Gender distribution				
		Women	30%	41%	54%	53%
		Men	70%	59%	46%	47%
		Age group				
		<30	0 %	0%	9%	8%
		30-50	37%	80%	80%	78%
		>50	63%	20%	11%	14%

Sustainability aspect	Target	Outcome			
Diversity and gender equality	Gender breakdown between women and menn	Total number of employees by gender, region and employment type, GRI 102-8, number of employees as of 31 December 2022			
		2022			
		Region	Women	Men	Total
		Eastern Region	11	19	30
		Central Region	3	4	7
		Western Region	1	6	7
		Southern Region	4	5	9
		Northern Region	0	6	6
		Central functions	28	17	45
		Total	47	57	104
		2021			
		Region	Women	Men	Total
		Eastern Region	12	19	31
		Central Region	3	5	8
		Western Region	2	6	8
		Southern Region	3	5	8
		Northern Region	0	5	5
		Central functions	37	18	55
		Total	57	58	115

Climate footprint

- About this Sustainability Report →
- Sustainability management →
- The UN's global goals for sustainable development →
- Sustainability notes
- GRI-index →
- Revisors yttrande →

In its 2022 Annual Report, Magnolia Bostad is reporting its carbon footprint in accordance with the Greenhouse Gas Protocol, scope 1-3, for the second time. This measurement will be followed up on an annual basis.

Magnolia Bostad has developed frameworks for both activity data and transaction data. The calculations were performed by Normative. The lower climate footprint for 2022 reflects the weaker market situation and appears primarily under Purchased goods and services.

Greenhouse Gas Protocol

The Greenhouse Gas Protocol is the most widely accepted international standard for the understanding, quantifying and managing of greenhouse gas emissions. This prevalence makes it easier for organizations that follow the Protocol to compare their emissions with those of others. The Protocol divides emissions into different scopes.

- Scope 1** covers direct emissions from sources controlled by the company.
- Scope 2** consists of indirect emissions made by the producer from purchased electricity, heating and cooling.
- Scope 3** includes emissions from activities that are not covered by Scope 1 or Scope 2.

Climate footprint

KgCO ₂ e	2022	2021
Scope 1		
Company vehicles	16,450	33,082
Total	16,450	33,082
Scope 2		
Offices		
Electricity	1,900	55,926
Heating	30,230	40,533
Cooling	3,270	130,779
Property holdings		
Energy (Electricity, heating, cooling)	145,980	24,283
Total	181,380	251,521
Scope 3		
Business travel	3,200	27,039
Fuel and energy-related activities	18,060	N/A
Upstream transport and distribution	680	N/A
Waste	520	12,500
Purchased goods and services ¹⁾	2, 701,810	5,704, 452
Downstream leased assets	73,500	N/A
Total	2,797,770	5,743,991
Total scope 1, 2 and 3 (kgCO ₂ e)	2,995,600	6,028,594

¹⁾ Transaction data from construction is reported in the 2022 annual report under scope 3 – Purchased goods and services. In the 2021 annual report, Transaction data from construction was reported only in the Other metrics table.

Other metrics ²⁾	2022	2021
Climate footprint per square metre of GFA		
Property holdings, kgCO ₂ e/m ²)	4,7	1,64
Construction of buildings		
Transaction data from construction, kgCO ₂ e	2,283,400	5,072 686
Company vehicles, kWh	66,316	N/A
Officieontor, kWh	1,216,846	N/A
Energy consumption		
Property holdings, kWh/m ²	82,34	46,5
Proportion of renewable energy, offices (%)	95	23

²⁾ The measurement figures are also included in the measurement figures for climate footprint Scopes 1, 2 and 3.

The EU taxonomy for sustainable activities

The EU taxonomy is a new regulatory framework and classification system for economic activity. The purpose is to create comparability between investments through common definitions of sustainability. The aim is to increase the allocation of capital to sustainable solutions and contribute to complying with Agenda 2030 and the Paris Agreement. Firstly, climate targets have been included. 2022 is the first year that larger companies covered by the legal requirement must start reporting how big share of the business is affected by the taxonomy. Magnolia Bostad is not covered by the reporting requirement but reported in 2021 based on the EU's taxonomy, see page 27. See also Ciceros Company Assessment at: www.magnoliabostad.se.



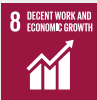

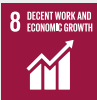

GRI index



- About this Sustainability Report →
- Sustainability management →
- The UN's global goals for sustainable development →
- Sustainability notes →
- GRI index
- Auditor's statement →

Statement on the accounting				
Magnolia Bostad reports in accordance with GRI Standards for the period 1 January, 2022 – 31 December, 2022.				
Use of GRI				
GRI 1: Foundation 2021.				
GRI Standard	Details		Page reference	Comments
GENERAL INFORMATION				
GRI 2: General Disclosures	2-1	Information about the organization	8, 75	
	2-2	Units covered by the Sustainability report	115	
	2-3	Accounting period, frequency and contact person	115	Publication April 2023. Contact person: Fredrik Westin, CEO & CFO.
	2-4	Changes in previously reported information		No changes have been made to previously reported information.
	2-5	External validation	126	The sustainability report has not been externally reviewed, but has received the auditor's opinion.
	2-6	Activities, value chain and other business relations	8–11, 14, 47–57	
	2-7	Employees	119–121	
	2-8	Non-employed employees		None
	2-9	Composition and structure of governance	128, 131–132	
	2-10	Nominatin and election of the highest governing body	128	
	2-11	Chairman of the highest governing body	131	
	2-12	The highest governing body's role in the work with review and management of impact	25	
	2-13	Delegation of decision-making to manage impact	25, 116	

GRI Standard	Details		Page reference	Comments
GENERAL INFORMATION				
	2-14	The highest governing body's role in relation to the sustainability report	115	
	2-15	Conflict of interest	65	
	2-16	Communication of critical issues	25	
	2-17	Collective knowledge of the highest governing body	119–121	
	2-18	Evaluation of the work of the highest governing body	128	
	2-19	Compensation Policy	88–89	
	2-20	Process for determining allowances	88–89	
	2-21	Annual total compensation rate		None
	2-22	Statement on strategy for sustainable development	5–6, 38	
	2-23	Policy commitment	25–26	
	2-24	Anchoring of policy commitment	25–26, 116, 129	
	2-25	Process to address adverse impact	25–26, 116, 129	
	2-26	Mechanisms for advising and reporting matters	129	
	2-27	Compliance with laws and regulations	128–130	
	2-28	Membership in organizations	18–24	
	2-29	Stakeholder engagement method	10–11, 116	
	2-30	Collective bargaining agreements		None







- About this Sustainability Report →
- Sustainability management →
- The UN's global goals for sustainable development →
- Sustainability notes →
- GRI index
- Auditor's statement →





GRI Standard	Details		Page reference	SDG ¹⁾	Comments
SIGNIFICANT FOCUS AREAS					
Economy					
Sustainable profitable growth					
GRI 3: Material Topics 2021	3-3	Management of material topics	10–11, 25, 27, 116, 119, 128	 	
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	119		
Anti-Corruption					
GRI 3: Material Topics 2021	3-3	Management of material topics	25, 116, 129	 	
GRI 205: Anti-corruption	205-3	Corruption incidents and measures	65, 119		
Sustainable purchasing and supplier evaluations					
GRI 3: Material Topics 2021	3-3	Management of material topics	25, 116	 	
GRI 412: Human Rights Assessment	412-2	Employee training on human rights	22		
	414-1	Number of suppliers audited regarding agreement fulfillment and Code of Cobdyc	20		

GRI Standard	Details		Page reference	SDG ¹⁾	Comments
SIGNIFICANT FOCUS AREAS					
Climate					
Reduced climate impact				 	
GRI 3: Material Topics 2021	3-3	Management of material topics	18, 25, 116		
GRI 305: Växthusgas-utsläpp	GRI 305-1	Direct (Scope 1) greenhouse gas emissions	122		
	GRI 305-2	Indirect (Scope 2) greenhouse gas emissions	122		
	GRI 305-3	Other indirect (Scope 3) greenhouse gas emissions	122		
	GRI 305-4	Greenhouse gas emissions intensity measures	122		

¹⁾ SDG: Sustainable Development Goals. The global sustainable development goals.

- About this Sustainability Report →
- Sustainability management →
- The UN's global goals for sustainable development →
- Sustainability notes →
- GRI index
- Auditor's statement →

GRI Standard	Details		Page reference	SDG ¹⁾	Comments
Significant focus areas					
Environment					
Reduced environmental impact				 	
GRI 3: Material Topics 2021	3-3	Management of material topics	20, 116		
GRI Construction and Real Estate Sector Supplement	CRE-8	Type and number of sustainability certifications, rankings and markings for new construction	20		
Social					
Health and safety for Magnolia Bostad employees				 	
GRI 3: Material Topics 2021	3-3	Management of material topics	22–24, 116		
GRI 403: Occupational Health and Safety	403-1	Representation in work environment committees	25, 116		
	403-9	Work-related injuries and illnesses	120		
Training and skills development				 	
GRI 3: Material Topics 2021	3-3	Management of material topics	22, 25, 116, 119–121		
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	119–121		
	404-3	Percentage of employees with regular performance reviews and career planning	119–121		

GRI Standard	Details		Page reference	SDG ¹⁾	Comments
Significant focus areas					
Diversity and gender equality					
GRI 3: Material Topics 2021	3-3	Management of material topics	22, 25, 116, 117, 119–121	 	
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	119–121		
Security					
GRI 3: Material Topics 2021	3-3	Management of material topics	22–23, 116, 119–121	 	

¹⁾ SDG: Sustainable Development Goals. The global sustainable development goals.

Auditor's report on the statutory sustainability statement

- About this Sustainability Report →
- Sustainability management →
- The UN's global goals for sustainable development →
- Sustainability notes →
- GRI index →
- Auditor's statement

To the general meeting of the shareholders of Magnolia Bostad AB (publ), corporate identity number 556797-7078

Engagement and responsibility
It is the Board of Directors who is responsible for the statutory sustainability statement for the year 2022 on pages 13–29 and 114-125 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability 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.

Opinions
A statutory sustainability statement has been prepared.

Stockholm, 4 April 2023

Ernst & Young AB

Fredric Hävrén
Authorized Public Accountant

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL