

Magnolia Bostad's shares are classified as green

To increase transparency in the company's sustainability work towards investors, Magnolia Bostad has developed a Green equity framework that has enabled a green labelling of shares. Cicero Shades of Green has provided a Company Assessment of the framework which shows that 86 per cent of revenue, 78 per cent of costs and 87 per cent of investments are identified as green.

Interest from the financial market in green investments and green bonds is increasing. Magnolia Bostad already has a Green Bond Framework with two green bonds outstanding, which today make up 71 per cent of total financing via bonds. By now adding a framework for green equity, Magnolia Bostad is enabling green labelling of the entire balance sheet. Magnolia Bostad will report annually how much of the company's revenue, costs and investments, each separately, are linked to environmentally certified projects or other project also with at least 10 per cent lower energy consumption than the applicable national building regulation. Cicero Shades of Green's Company Assessment also includes an analysis of the company's alignment with the EU Taxonomy for sustainable activities. Furthermore, Cicero Shades of Green provides a Company Assessment of Magnolia Bostad's governance structure and practise.

"Magnolia Bostad is an urban developer and with this comes huge responsibility. We work to develop societies with low climate impact and we are convinced that a framework around green shares will clarify our sustainability value for our investors," says Johan Tengelin, CEO.

Magnolia Bostad's "Green equity framework"

Magnolia Bostad's Green Equity Framework considers the company's entire business model and its contribution to sustainability, as well as an assessment of how green revenue, expenses and investments are. To be able to label shares as green more than 50 per cent of the company's revenue, operating expenses and investments must be classified as green. The company must also be able to demonstrate robust sustainability management. Swedbank has acted as a sole structuring adviser to Magnolia Bostad in the development of the Green Equity Framework.

"Swedbank has established a Green Equity Framework for Magnolia Bostad, which, in combination with a Company Assessment from Cicero Shades of Green, enables green labelling of the company's equity. The real estate sector is among the most carbon intensive industries in Sweden, and as such it is important to help steer capital towards the most sustainable businesses. Magnolia Bostad is one such example, with 80-90 per cent green revenues, operating expenditures and investments," says Per-Åke Nyberg, Swedbank's Head of Investment Banking.

About Cicero Shades of Green

Cicero Shades of Green's independent Company Assessment is based on well-known climate research and expertise from the Cicero Center for International Climate Research, which is one of the world's leading institutes for interdisciplinary climate research. In the review, Cicero Shades of Green assesses whether a certain activity aligns with a low carbon and climate-resilient society in the long-term. In the Company Assessment, Cicero Shades of Green includes a classification of a company's revenue, costs

Magnolia Bostad AB, CIN 556797-7078, is a leading urban developer that develops new residential properties primarily rental apartments but also tenant-owned apartments, community service properties and hotels, in attractive locations in Sweden's growth areas and major cities. Housing is being developed both for sale and for self-management. Our work is based on a holistic approach where the operations are conducted in a way that promotes long-term, sustainable urban development. Magnolia Bostad's shares (MAG) are listed on Nasdaq Stockholm. More information is available at www.magnoliabostad.se

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and investments as well as an assessment of company governance to indicate the greenness of a company.

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