

Annual and Sustainability
Report 2024

Happy
neighbour-
hoods for
the many



BONAVA



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Pages 47–95 constitute the statutory Annual Report. The statutory Sustainability Report is found on pages 6, 14–26, 41–42, 55–57 och 100–143. This Annual report is a non-official translation from Swedish. In the event of discrepancies between the language versions, the Swedish wording will prevail.

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Why?

Our purpose is to build happy neighbourhoods for the many.

Happiness goes hand in hand with where you live. Since the beginning, Bonava has been driven by a strong curiosity to understand what this means. Creating locations and environments where people thrive, and future generations can grow up, means so much more than just four walls.

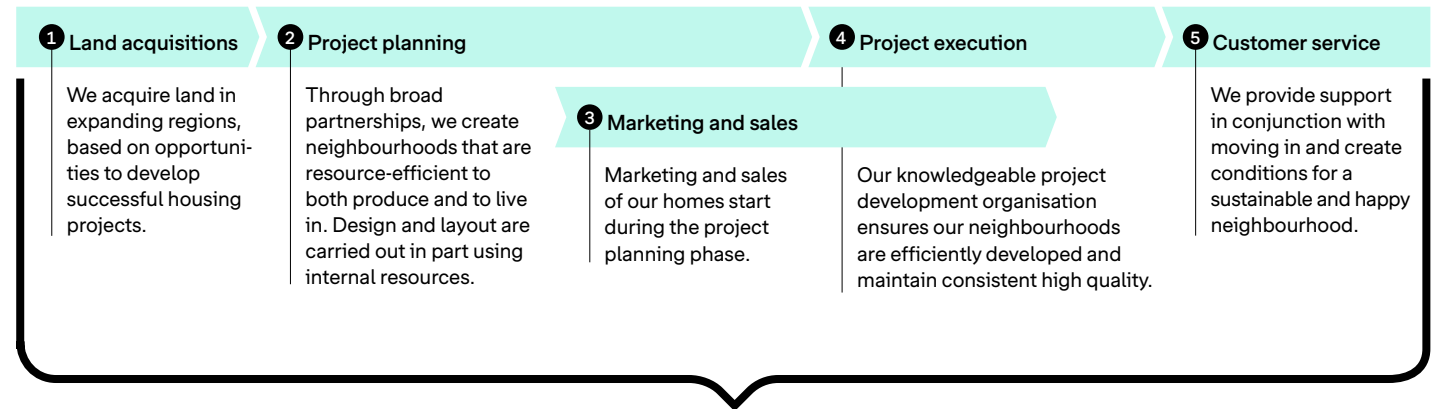
That is why we build more than just houses. We create happy neighbourhoods for the many.

What?

A leading residential developer

We develop attractive and competitive homes while helping to alleviate the housing shortage and improving the conditions for urban growth.

We develop land into attractive, sustainable neighbourhoods based on a genuine understanding of our customers' needs and the unique circumstances of the area. We construct several types of homes, multi-family housing, single-family homes and semi-detached houses with various types of tenure. Our resource-efficient and sustainable houses create value for our customers, owners, employees and society as a whole.



Where?

In Europe

In 2024, we conducted operations in Germany, Sweden, Finland, Latvia, Estonia and Lithuania with our approximately 900 employees. Germany is our largest submarket.

Our operations focus on metropolitan regions, and we are endeavouring to strengthen our position in markets with major potential for long-term value creation.

Net sales¹⁾

SEK Bn

8.2 (13.3)

Per segment



■ Germany, 69%
■ Sweden, 13%
■ Finland, 10%
■ Baltics, 8%

Employees¹⁾

Number of employees

900 (1,300)

Per segment

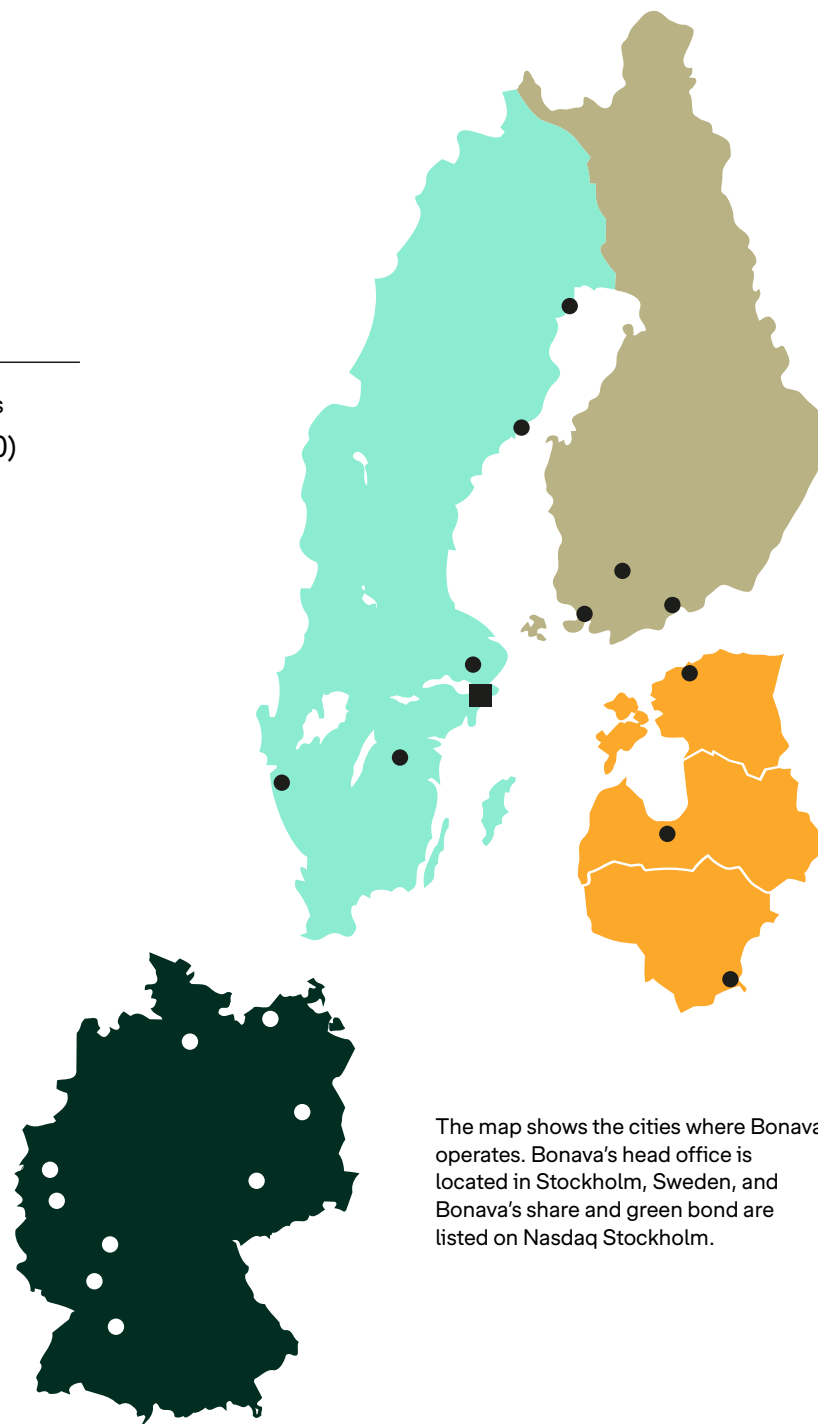


■ Germany, 52%
■ Sweden, 9%
■ Finland, 11%
■ Baltics, 22%
■ Other operations, 6%

Geographic presence

Countries

6 ⁽⁶⁾



¹⁾ Pertains to continuing operations unless otherwise indicated.

How?

A business model that balances risk through diversification

Bonava's project portfolio is diversified as regards customer segments, product type, type of tenure and geography. Which segment is strong, and which type of housing units are in demand, varies over time. Moreover, the macroeconomic situation may differ among countries.

Our balanced business model provides us with greater flexibility, a lower risk profile, and increased possibilities to steer our investments to the projects that create most value.

Consumers and investors

Bonava's business targets both consumers and investors. The core operations are developing and selling homes to consumers. At the same time, projects targeted at investors – who in turn lease housing units to tenants – constitute an attractive complement that also reduce risk in the business. In general, investor projects entail lower risk and favourable cash flow compared to consumer projects.

Customer segment



Consumers

Customer diversification
Margin and risk profile differ



Investors

Product mix and type of tenure

Our offering contains both multi-family housing and single-family homes, and we offer different types of tenure. Our product mix promotes risk reduction through variation in margins and volumes as well as sales and construction rates. Condominiums is the most common type of tenure, though we also sell rental apartments to investors.

The product mix and different types of tenure increases the possibilities of meeting demands that change over time.

Product mix



Multi-family homes

Product diversification
Volumes and speed differ



Single-family homes

Geographic spread

With a geographic presence in six countries, we can address local changes in demand by investing in the markets that generate the best returns.

Bonava routinely monitors and evaluates macroeconomics and other criteria in its markets in order to ensure that we are operating in the markets that are most attractive to the company's long-term business.

Geographic spread



Market X

Geographic diversification
Macroeconomic situations differ



Market Y

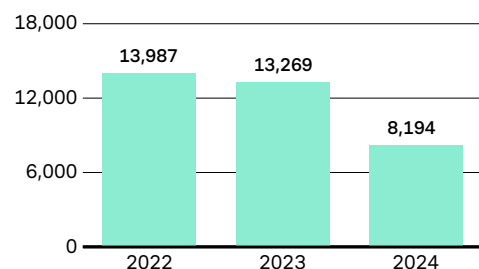
2024 in brief

Financial¹⁾

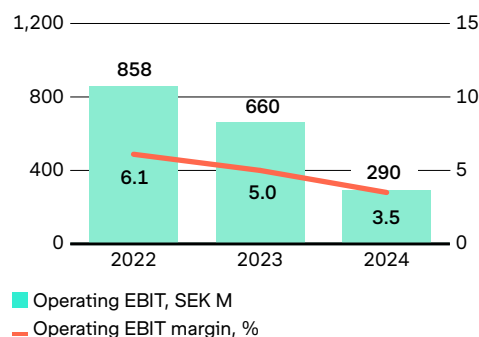
Key figures

SEK M unless otherwise stated	2024	2023	2022
Net sales	8,194	13,269	13,987
Operating gross profit	948	1,421	1,689
Operating gross margin, %	11.6	10.7	12.1
Operating EBIT	290	660	858
Operating EBIT margin, %	3.5	5.0	6.1
EBIT	22	-619	802
EBIT margin, %	0.3	-4.7	5.7
Earnings per share, SEK ²⁾	-1.85	-10.66	4.10
Net debt ³⁾	3,068	4,951	7,259
Return on equity, R12, % ³⁾	-7.3	-18.5	-3.6
Equity/assets ratio, % ³⁾	41.7	34.6	31.2
Number of housing units recognised in profit	2,095	3,969	4,369
Net project asset value / Net debt excl. leases, multiple ³⁾	1.6	1.2	1.2

Net sales, SEK M



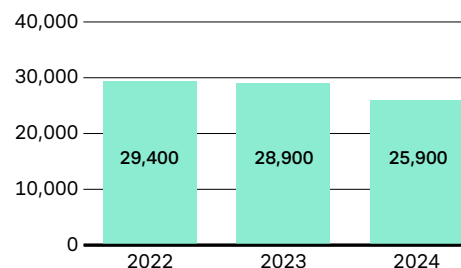
Operating EBIT and operating EBIT margin



Beginning in the second quarter of 2024, monitoring of the segments has partially been changed, which is why Bonava recognises operating gross profit and operating EBIT (earnings by segment), which corresponds to the earnings that form the basis of the monitoring of each segment in the Group. The operating EBIT comprises EBIT before items affecting comparability adjusted for impairment, sales of land, items related to restructuring and costs for M&A. The figures that are based on segment reporting are marked in brown in the tables in this report. A bridge between operating EBIT and EBIT is found in Note 2.

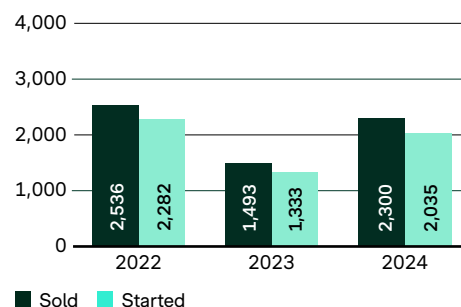
Building rights, sales and starts¹⁾

Number of building rights



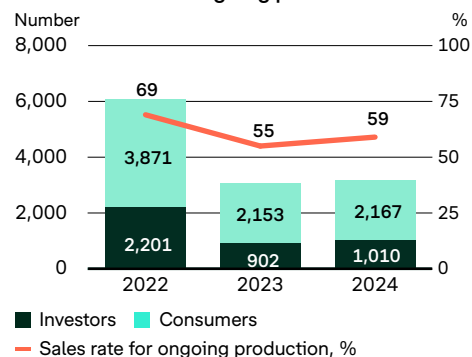
The building rights portfolio decreased by 3,000 building rights during the year to 25,900 (28,900).

Number of housing units sold and started⁴⁾



The number of housing units sold in 2024 totalled 2,300 (1,493), an increase of 54 per cent. The number of housing starts increased to 2,035 (1,333), corresponding to an increase of 53 per cent.

Number of housing units in ongoing production and sales rate for ongoing production⁴⁾



The number of housing units in ongoing production increased to 3,177 (3,055). The sales rate for ongoing production increased to 59 per cent (55).

¹⁾ Pertains to continuing operations unless otherwise indicated.

²⁾ Before and after dilution. For more information about the Group's key figures and definitions, see page 151.

³⁾ Including discontinued operations up until date of discontinuation.

⁴⁾ Excluding investment properties.

Events, 2024

During the year, Bonava implemented several measures to adapt its operations to the new market environment, to strengthen the conditions for financial and operational flexibility, and to increase the number of production starts and enhance the company's profitability going forward.

- In March 2024, the last condition was met – meaning all conditions have now been met – for Bonava's financing package comprising three parts: extended bank financing of SEK 4.5 Bn until 2027, an extension of the SEK 1.2 Bn green bond until 2027, and a fully underwritten rights issue of approximately SEK 1 Bn.
- We implemented restructuring measures in Germany, Sweden and Finland. The total gross savings for the Group will amount to almost SEK 1.1 Bn on an annual basis from 1 January 2025 compared with 2022, which is slightly better than planned.
- We reduced the company's net debt by 38 per cent to SEK 3.1 Bn.
- We improved operating cash flow by around SEK 1 Bn.
- We reduced completed unsold housing units from SEK 1.5 Bn to SEK 0.8 Bn.

- We continued to optimise the building rights portfolio, buying attractive building rights and selling building rights of a non-strategic nature. This also meant that we entered into collaboration agreements with other leading residential developers, in turn reducing the capital tied up in building rights in favour of increased investments in value-creating production starts.
- We increased the degree of decentralisation and flexibility in the organisation. This brings us closer to customers and markets, enabling us to respond quickly to local changes and scale up operations when necessary.
- The focus at the end of 2024 and ahead of 2025 was to address the improving housing market and increased demand for good housing by starting the right projects with good prospects for increasing business volumes and profitability.

Bonava's investor transactions during the year amounted to a value of SEK 1.8 Bn, which shows increased activity in the transaction market. Bonava sold and started production of five rental projects comprising 573 housing units in 2024, compared to 251 in 2023.

Significant events after year-end

- Bonava has during February 2025 carried out an issue of green bonds, amounting to M 960 SEK, which was significantly oversubscribed.
- In January 2025, Bonava's Green Financing Framework was updated in line with the Green Bond Principles 2021 and Green Loan Principles 2023.

Sustainability

- During the year, life cycle assessments (LCAs) were carried out on all completed projects in all business units. This makes it possible to compare and follow up emissions between projects and will serve as a new baseline according to Science Based Target 2025.
- Bonava AB was once again named as one of Sweden's most gender-equal companies in AllBright's annual gender equality report.
- During the year, the Executive Management Group decided that each business unit should develop its own emissions reduction plans by 2026 to deliver on Bonava's 2030 climate targets.
- During the year, a new Group-wide leadership program, Committed to Growth, was launched that involves self-reflection, sharing of experiences and practical exercises in relation to the everyday work and challenges of our managers.
- In November, the Remuneration Committee decided to include climate-related performance as part of Bonava's compensation model for senior executives, with start from 2025.
- In 2024, the common health and safety theme was "Walk the Talk", which was manifested in new ways of working in the form of Manager Talks, increased quality and transparency in our hazard reporting, and better health and safety preparations ahead of production starts.

Corporate governance

- In January 2024, CFO Lars Granlöv left Bonava and was replaced by interim CFO Lars Ingman.
- In June 2024, it was announced that Jon Johnsson had been appointed as new CFO and member of Bonava's Executive Management Group. In December 2024, Bonava's Board of Directors also resolved to appoint Jon Johnsson as Deputy CEO of Bonava. He took up both roles in January 2025.
- During the year, the number of votes in Bonava AB changed as a result of the conversion of 3,136,254 Class A shares to 3,136,254 Class B shares. The number of votes in the company therefore amounts to 594,241,762.



Bonava is building single-family housing projects at several locations in Germany. In 2024, construction started on a total of 268 single-family homes in 20 projects around the country, often in smaller phases. In the family-friendly and modern district Wohnen am Ritterschlag, Bonava delivered 58 homes during the year.

2024 – from a cautious start to a strong finish

2024 was characterised by a steady increase in activity in the market with a strong finish for Bonava, which reported an increase in the number of housing units sold and housing starts. The consumer and investor markets stabilised but from low levels. With a declining net debt, improved operating cash flow, a lower cost base and an attractive project portfolio, Bonava is on solid ground and ready to start more projects.

Gradual recovery in the consumer market

Looking back on 2024, we can see a year when housing markets in Europe began to show strength again, after a few cautious years. Buying a new house is one of life's biggest decisions for most people. The housing market is largely driven by consumer confidence and household purchasing power. Overall purchasing power strengthened when central banks started to cut key interest rates in the summer of 2024, at the same time as disposable household incomes increased. For Bonava, this meant increased interest in our homes and neighbourhoods. The booking situation improved during the year and the number of homes sold and reserved increased by 35 per cent for the full-year, compared with 2023. In 2024, Sweden was the market that demonstrated the strongest recovery, while we continued to see high demand for new housing units in Germany and the Baltics, particularly in the cities of Berlin, Düsseldorf, Riga and Tallinn.

Focus on production starts

Bonava's full focus was on sales and production starts in 2024. All colleagues contributed ideas and hard work to



enhance customer offerings and drive our projects forward. We have redesigned projects, tested new ideas and held countless dialogues with both clients and municipalities. This intensive work has made Bonava more forward-looking and commercially oriented. At the end of the year, we could see that this work had borne fruit – sales increased to 2,300 housing units sold (1,493) and the number of housing starts increased to 2,035 (1,333).

Investor market came to life

In 2024, we also observed increased activity in the transaction market. We started and sold 573 (251) housing units for investors at a value of SEK 1.8 Bn. These bundled sales build business volume with low business risk, contribute to positive cash flow and enable the development of larger neighbourhoods. In our largest market, Germany, Bonava often builds large residential areas with

mixed types of tenure, that achieve synergies between investor and consumer projects. In an investor transaction, the investor typically pays around 30 per cent of the sales price at the start of the development. This advance finances the production of the project and also the area's infrastructure, enabling Bonava to start the production of housing units for consumers with higher profitability in the next step. As a complement to our regular investor transactions, we have also noted a positive development for our Build-to-Manage business model in the Baltics, with good occupancy rates, secured local financing and good cash flow.

Stable margins

With the accounting method applied by Bonava, revenue is recognised at the point in time when the customer takes possession of the housing unit. The decrease in net sales for 2024 to SEK



"In the markets where Bonava operates, there is a pent-up need for homes."

Peter Wallin
President and CEO

8.2 Bn (13.3) was therefore expected. Despite the lower business volume, we achieved stable operating margins, with an operating gross margin of 11.6 per cent (10.7) and an operating EBIT margin of 3.5 per cent (5.0), thanks to a lower cost base and improved project margins. By the end of 2024, we had achieved gross annual savings of just under SEK 1.1 Bn, compared to the annual rate for 2022, which was slightly better than our target. We are focused on achieving our target of an operating margin of at least 10 per cent.

Stronger financial position

In recent years, we have endeavoured to reduce financial risk. Early in 2022, when market conditions were rapidly deteriorating, we took action to strengthen the company's financial position. Since then, we have, for example, sold building rights that were not considered strategically important and reduced the stock of completed

The Gartenstadt Karlshorst investor project on the outskirts of Berlin

Type of homes: Multi-family housing for investors
Number of units: 194 rental apartments

In Berlin, Bonava has sold and started production of 194 rental apartments. This is the initial construction of Gartenstadt Karlshorst, where Bonava will build more than 500 new homes by 2031, by creating a garden city consisting of 194 rental apartments, more than 50 single-family homes and about 280 condominiums. The rental apartments in question will be built in three multi-family buildings with high energy efficiency, green roofs and sustainable energy and heating systems.



unsold housing units from SEK 1.5 Bn to SEK 0.8 Bn. In 2024, operating cash flow improved significantly to SEK 1,524 M (538) and net debt decreased to SEK 3.1 Bn (5.0). In 2024, we implemented the long-term financing package announced in 2023. The owners showed confidence and long-term commitment to Bonava and the company's business plan by participating in the new share issue conducted in March 2024, which was heavily oversubscribed.

Steps forward in sustainability work

At Bonava, we have an integrated approach to sustainability and made several advances in 2024. We decided that each business unit should develop a climate transition plan in line with our science-based climate targets by 2026. During the year, we also carried out life cycle assessments on all completed projects, enabling us to compare and follow up greenhouse gas emissions in more detail. This work also forms the basis for updating the baseline and following up on our science-based targets.

Solid foundation to grow from

Having faced a challenging market in recent years, we worked intensively in 2024 to build an effective organisation for the future. We have updated our investment process to make

more accurate decisions, launched a comprehensive leadership programme to develop our managers and continued to decentralise operations, with responsibility and decisions resting with colleagues who are out in the market and who meet the end customers.

Bonava has an attractive building rights portfolio with many qualities. Our 25,900 building rights are located in some of northern Europe's most attractive growth regions and we continuously strive to make the building rights ready for production by actively working on the development of zoning plans, which is a prerequisite for production start, together with municipalities and other stakeholders.

In conclusion, I can state that Bonava has an attractive building rights portfolio, a strong market position and a cost-efficient organisation that is ready to start approximately 3,500–4,000 homes annually. In the markets where Bonava operates, there is a pent-up need for newly built homes. We are one of Germany's most active and best-known residential developers, and in Germany alone, the annual need for new homes is estimated at 400,000. We have a strong market position and are the leading residential developer in cities like Berlin, Riga, and Tallinn.

"I can confidently say that Bonava has strengthened its financial position in 2024."

Finally, I would like to thank all our employees, customers, business partners and shareholders for an intensive year. We are well placed to start more profitable projects in 2025 and beyond, contribute to society with sustainable homes, and create many more happy neighbourhoods.

March, 2025

Peter Wallin
President and CEO



The Seminarieret consumer project in Uppsala

Type of homes: Multi-family housing for consumers

Number of units: 66 apartments

The Seminarieret project is located in Luthagen in Uppsala. It is being built in two phases, with the first 66 homes expected to be handed over to customers in the second half of 2026. In total, the area will consist of 113 apartments when the neighbourhood is completed. Residents will have access to a sauna-relax, a communal space and a bookable overnight room. The area has schools, preschools, public transport, services and a wide range of cultural activities.



Strategic framework

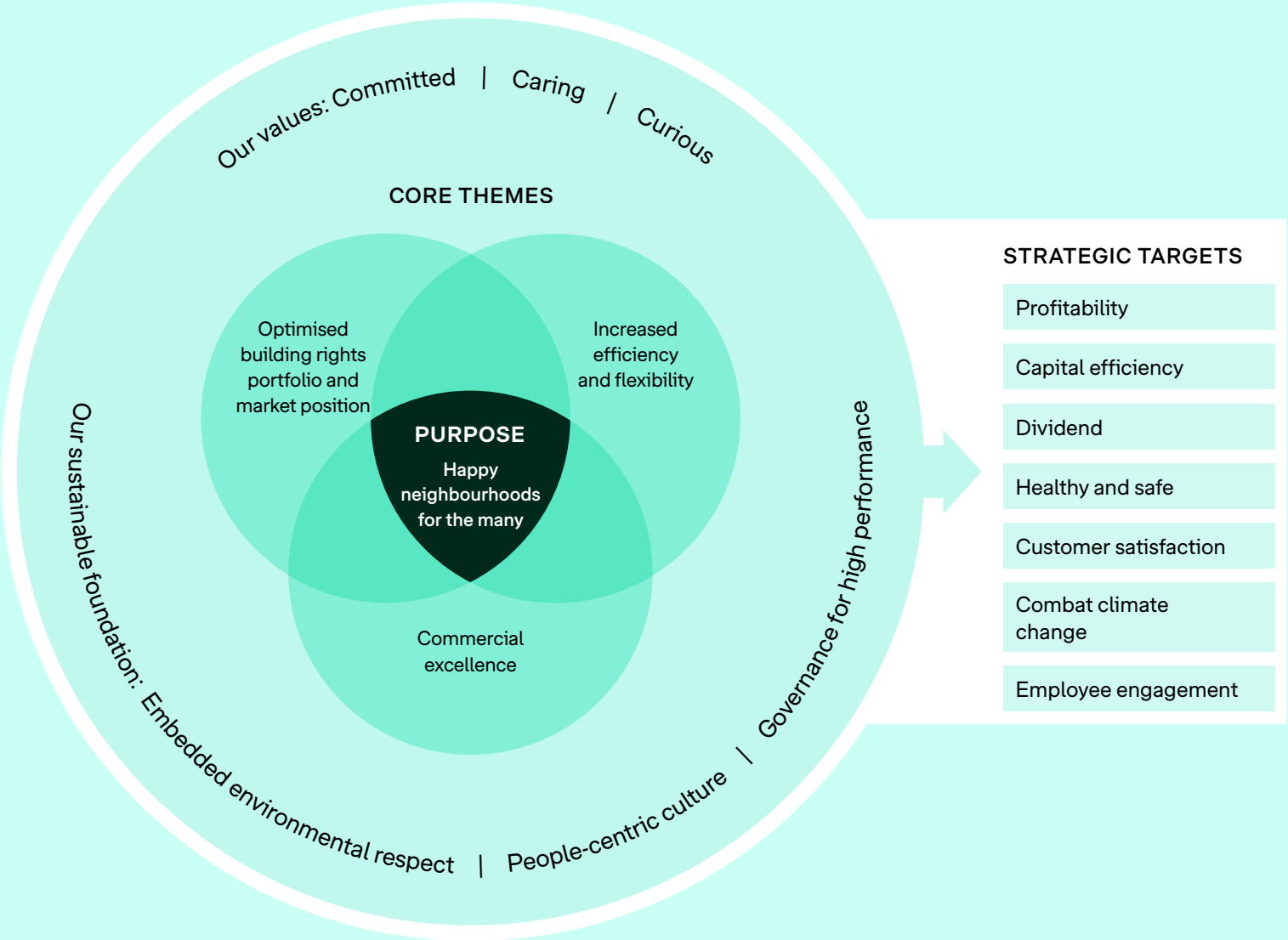
Everything we do must take us towards our purpose and our strategic targets.

Our journey continues towards more happy neighbourhoods

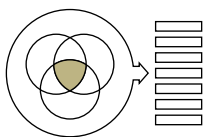
We are a residential developer with the aim of developing land in our building rights portfolio into happy neighbourhoods for our customers. In this way, we want to help reduce the housing shortage and create sustainable communities.

To achieve our purpose, we continuously execute the strategy in our focus areas and deliver on our sustainable foundation and our values. Together, these enable us to create business opportunities and achieve our targets.

Read more about our strategic framework and its components on the following pages.



Our purpose – Happy neighbourhoods for the many



To create locations and environments where people thrive, and where future generations can grow up, we build more than homes – we create happy neighbourhoods for the many. These efforts are founded in a genuine understanding of our customers’ needs and drivers.

We build homes for various needs

We develop homes that more people have the possibility of buying and living in. By developing residential districts with a broader diversity of housing units in different sizes and price ranges, we create greater freedom of choice for customers and promote more vibrant neighbourhoods. This way, we also make it possible for people to live in the same area during the different stages of life.

Development based on customer insights

Our value-generating residential environments are built on a genuine understanding of our customers’ needs and driving forces. We work strategically to understand and identify what is important for people to feel content and happy where they live. We do so through annual surveys, consultations and dialogue with relevant target groups. Through our efforts, we have gained good insights into which factors enable happiness in the neighbourhood. We know that secure and green outdoor environments, social interaction among neighbours, and the opportunity to pursue a more sustainable lifestyle are crucial factors for experiencing happiness in the neighbourhood.

We start from local conditions

We see that our customers’ needs and perceived happiness in the neighbourhood are similar but the solutions vary, depending on market. To achieve the best possible results in all projects in our various markets, we have focused in recent years on adjusting our processes, structures and work methods to come even closer to our customers and the local conditions.



Ambitious goals and constant improvements

The success of our efforts is evaluated over the short and long term through Bonava’s customer satisfaction programme. In this programme, we monitor our customers’ experience and customer satisfaction with our products, services and interaction throughout the customer journey.

Our strategic target is to reach 100 per cent NPS Consistency by 2026. The target concerns our capacity to deliver at the same level to all customers.

NPS indicates the likelihood that Bonava will be recommended to others. We measure NPS among all new customers

Customer Satisfaction Net Promoter Score and NPS Consistency

	2024	2023	2022
NPS			
Germany	40	38	29
Sweden	25	9	14
Finland	50	26	44
Estonia	60	49	31
Latvia	40	40	53
Lithuania	47	N/A	43
NPS Consistency, %			
Germany	49	53	39
Sweden	14	5	17
Finland	83	27	38
Estonia	96	37	33
Latvia	55	21	50
Lithuania	0	N/A	N/A
Total, Group	45	29	35

N/A = Not applicable

Lithuania completed and handed over a project in 2024 with an NPS score of 47. Consequently, NPS Consistency was 0. In March 2023, the calculation principle for NPS Consistency was adjusted. The change meant that data would only be included when there were over 30 respondents. This change is intended to highlight the significance of each customer and respondent.

six weeks after occupancy. NPS can range between –100 and +100, and we have set an ambitious target that all of our projects are to achieve an NPS of at least 50. Once all projects in a market have achieved an NPS of at least 50, we define this as 100 per cent NPS Consistency. Only when NPS Consistency has reached 100 per cent will we know that we are delivering on the same level to all customers.

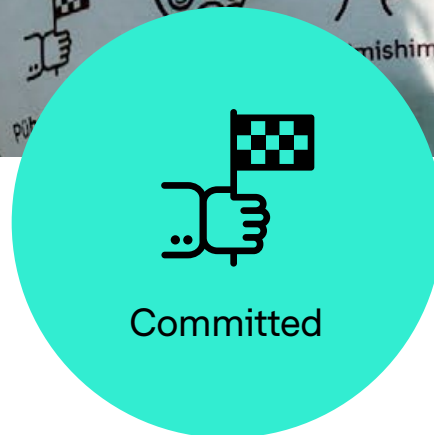
In 2024, 45 per cent of Bonava’s projects reached the overall NPS Consistency target. Estonia stands out with 96 per cent, followed by Finland with 83 per cent, of projects reaching an NPS of over 50.

Our values permeate our culture and operations

Our values underpin our culture, which is always people-centric. Our values also constitute our approach to achieving a sustainable, high-performance and profitable operation.

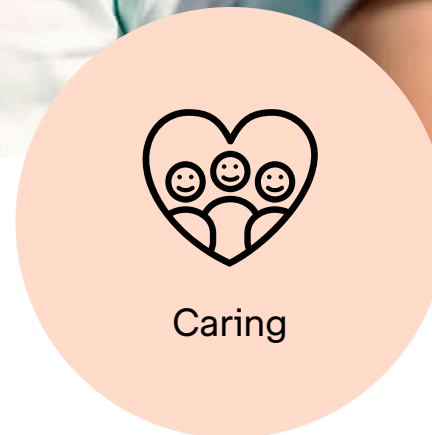
With a desire to create the best for our customers, suppliers and partners, our success is built on having the right conditions in place to facilitate our employees' performance. To create the best culture and work environment, each employee has an important role to play every day, and our values provide guidance and support in this role. Our values describe successful aspects of the behaviours and decision-making at Bonava, and serve as the keys in our work, our development and our recruitment of employees.

With a committed, caring and curious culture, we are building a strong business and a robust brand, which will ensure that we continue to attract talent and skills, as well as continue to create the best for our customers, suppliers and partners.



Committed

We are committed: We are committed, we drive business results and customer satisfaction. We strive to exceed ourselves, to achieve the best results for our customers, our operations and for society at large.



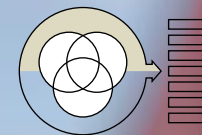
Caring

We are caring: We are caring, we want the best for each other and our customers and society at large. We have an inclusive and caring approach and enjoy collaborating and sharing knowledge.

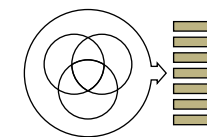


Curious

We are curious: We are curious, we always endeavour to learn and improve ourselves, as well as to create what is best for our customers. We endeavour to offer improvements for people and the planet – not just for today, but also going forward – by being part of building the society of tomorrow.



The targets that guide us



To fulfil our purpose and create value for society and our shareholders, Bonava has set a number of strategic targets. The targets, which are divided into financial and other strategic targets, guide the company's activities and are followed up regularly. The financial targets are based on a framework that is meant to balance the financial risks in the business.

Financial targets	Targets (Target year)	Outcome 2024
Profitability		
EBIT margin before items affecting comparability	≥10% (2026)	0.3%
Capital efficiency		
Return on equity over time	≥15%	-7.3%
Dividend		
Distribution of the Group's profit after tax over time	40%	0%
Financing framework	Targets	Outcome 2024
Net debt		
Group's net project assets are to exceed the net debt	> 1.0 times ¹⁾	1.6 times
Equity/assets ratio	≥ 30%	42%

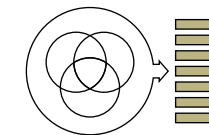
¹⁾ The target is defined as net project asset value/net debt excl. leasing > 1.0.

²⁾ Read more about the targets in Note S12;

³⁾ Employee engagement should be in line with the top 10 per cent of companies according to the Brilliant Future high-performance benchmark, which stands at 88 in the most recent survey conducted in 2024.

⁴⁾ SBTi = Science Based Targets initiative. Bonava has no specified Scope 3 target in absolute figures. In 2025, Bonava will update its baseline and targets based on LCA data, in line with the SBTi Building Sector Guidance. Read more on page 106 and in Note S6.

Other strategic targets	Targets (Target year)	Outcome 2024
Customer satisfaction		
Net Promoter Score (NPS) Consistency	100% (2026)	45%
Healthy and safe workplace		
Frequency of severe incidents ²⁾	<7.1 (2026)	4.1
Everyone Plan fulfilment ²⁾	≥90%	95%
Employee engagement		
Top 10 per cent best companies	88 ³⁾ (2026)	83
Combat climate change		
Reduced climate impact in line with our climate targets approved by SBTi to limit warming to 1.5 °C ⁴⁾		
Emissions, Scope 1–2, absolute figures	-50% (2030)	-61%
Emissions, Scope 3 per housing start	-50% (2030)	+5%
Emissions, Scope 3, absolute figures	Not targeted	-75%



Financial targets and financing framework

Profitability, capital efficiency and dividend

Bonava's profitability target is to achieve an operating margin before items affecting comparability of at least 10 per cent from 2026. For 2024, the operating margin before items affecting comparability was 0.3 per cent (5.0). On the basis of segment reporting, the operating EBIT margin was 3.5 per cent (5.0). The low outcome relative to the target is explained by the business volume during the year, which was not high enough to cover overheads. During the year, Bonava completed cost-savings measures to reduce the Group's indirect production costs and other overheads. The impact of this was a gross annual saving of just under SEK 1.1 Bn from 2025.

The target for capital efficiency is that return on equity will total at least 15 per cent over time. For 2024, the outcome was -7.3 per cent (-18.5), which is an improvement year-on-year. The negative return is due to financial expenses that reduced profit after tax.

The Group's dividend policy states that 40 per cent of the Group's profit after tax over time shall be distributed to shareholders. The Board of Directors proposes that no dividend be paid for the 2024 financial year. Under the current financing package, there are also limits that prevent a dividend from being paid out for 2024-2026.

Financial risk framework for the equity/assets ratio and net debt

The financial targets rest on a financing framework to ensure control over financial risk. Under the framework, the equity/assets ratio is to exceed 30 per cent and the Group's net debt is not to exceed net project assets. This clarifies that investments in building rights can only be made with shareholders' equity.

At the end of 2024, the criteria of the financing framework were met by a healthy margin. The equity/assets ratio increased to 42 per cent (35) and net project assets/net debt excluding leases was 1.6 (1.2).

Other strategic targets

Customer satisfaction

The target is for all projects to reach NPS Consistency by 2026, which is equivalent to NPS > 50. In 2024, 45 per cent (29) of Bonava's projects reached the NPS Consistency target. Bonava in Estonia reached 96 per cent, followed by Bonava Finland with 83 per cent of projects reaching NPS over 50. The good results in Estonia are due to a focus on product development and the customer journey. Read more on page 14.

Healthy and safe workplace

The frequency of severe incidents was 4.1 (7.5). During the year, work in this area focused on learning from severe incidents, and several improvements have been made. The decrease in frequency is also due to a reduced number of units in production and a decrease in near miss reporting.

The implementation rate of the Everyone Plan during the year was 95 per cent (90), which means that virtually all activities planned for 2024 were implemented and the target was therefore achieved. Read more on page 109 and in Note S12.

Employee engagement

The outcome of the Passionate Workplace employee survey shows a retained high level of engagement of 83 (83) despite the current market situation. Bonava's purpose, together with our efforts to increase the clarity and efficiency of the teams, has helped to maintain a high level of engagement. Bonava's target for strategic engagement is 88, based on Brilliant's high-performance benchmark, and we are working to further strengthen engagement. Read more on page 112.

Combat climate change

Emissions in Scope 1 decreased by 31 per cent during the year due to a significant decrease in greenfield developments in the German and Swedish markets, a reduction in the number of company vehicles, a growing proportion of electric

vehicles, and the construction schedule in the Baltics, which facilitated a transition from fuel-based heating to district heating during the winter work.

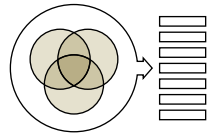
Emissions in Scope 2 decreased 19 per cent during the year. This was primarily due to a decrease in the number of construction worksites, higher proportion of fossil-free energy in Finland as well as an increased proportion of renewable energy in Germany. All together, emissions decreased in Scope 1 and 2 by 25 per cent during the year and by 61 per cent from 2018.

Emissions in Scope 3 per housing start decreased by 55 per cent from the preceding year and have increased by 5 per cent since 2018.

The current expense-based model that is used to calculate Bonava's Scope 3 emissions was best practice when Bonava set its science-based climate targets as validated by the SBTi. Over time, however, the model has proven to be less reliable and has resulted in major fluctuations in our intensity measure for several reasons, read more about these on page 107.

In 2025, we will update our baseline and our climate targets in line with the new SBTi guidelines for the sector. Our emissions will then be based on emissions from life cycle assessments. At the same time, we will switch from measuring emissions per housing unit to emissions per m². Read more on page 106 and in Note S6.

Ready to meet growing demand for happy neighbourhoods



In 2024, we took measures to strengthen our cash flow and balance sheet, ensured that we have an efficient and locally rooted organisation, and adapted our customer offering to meet new market conditions.

This work has been done within the framework of our strategy, which brings together our three core themes:

1. Commercial excellence
2. Increased efficiency and flexibility
3. Optimised building rights portfolio and market position

Together, they lead us towards profitability, long-term success and happy neighbourhoods for the many.





1. Commercial excellence

With a decentralised organisation, we can stay close to the local market and be agile to adapt our operations and our offerings to meet customer demand. It could involve switching from consumer to investor transactions, adjusting the design of a neighbourhood based on the identified target group's ability to pay, or meeting an investor's expectations for technological solutions and making relevant sustainability investments to remain competitive.

In a changing market, we are exploring alternative business models to strengthen our financial position. One example is the rental housing projects completed under our Build-to-Manage (B2M) model that are now generating cash flow in the form of market-based rental income, efficient operations and external financing. In Tallinn and Riga, 208 homes have been built and rented out to tenants who, according to customer surveys, are very satisfied with their residences.

2. Increased efficiency and flexibility

To ensure long-term profitability, we need to work efficiently and in a customer-oriented manner. In our experience, standardised solutions that are continuously improved yield shorter turnaround times, high cost efficiency and higher customer satisfaction. We therefore use repetitive work methods and tried-and-tested building systems in several of our markets. For example, we are building single-family housing projects at several locations in Germany with a high degree of repetition. In 2024, construction started on a total of 268 single-family homes in 20 projects around the country, often in smaller stages.

Within the framework of our standardised ways of working, there is scope for flexibility in how we design housing units. With just small means we ensure a varied expression and we offer an attractive mix of products within our segments. In the family-friendly and close-to-nature district Wohnen am Ritterschlag outside Berlin, Bonava delivered 58 homes during the year. When completed, the neighbourhood will consist of 291 single-family homes in various designs.

3. Optimised building rights portfolio and market position

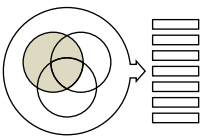
If we are to start projects, we must have an optimised building rights portfolio in terms of geography and development potential. By working with other players in areas where we have a lot of land, the building rights portfolio can be balanced and risks spread. During the year, we entered into a joint venture to implement a project in Södra Änggården in Gothenburg, thereby enabling more production starts in the area and contributing to more efficient use of capital for us.

With a strong regional presence, synergies can be identified and resources used efficiently. We are therefore actively endeavouring to strengthen our market position in our priority submarkets and nurture good relationships with local stakeholders and authorities.

To ensure the best return on invested capital and the wise use of our resources, all investments in land and projects are carefully evaluated. With a robust investment process, we ensure the right investments are made over time and across business units.

Read more on the next page.

Our building rights portfolio is the foundation for future profitability



Our building rights portfolio contains 25,900 building rights (28,900). The aim is that the distribution of building rights between our business units and regions should reflect the growth potential we see in each market. Through strategic acquisitions and divestments, we ensure an optimal distribution of building rights in the portfolio over time.

In the cautious market of recent years, we have chosen to focus on developing existing land in the portfolio rather than making new investments. Thanks to this, we currently have a large number of building rights where the conditions for the start of production have been met, for example, when

the zoning plan for residential construction has become final. Such developed land is valued higher and is more attractive in the market in the case of a potential land sale.

The value of the building rights portfolio can be assessed from several different aspects. The carrying amount of building rights determines how assets are recognised in our balance sheet, but these values are not always in line with estimated market values. To highlight this, we updated the valuation of our building rights portfolio during the year.

Using a valuation model where each building right is measured on the basis of an assumed future cash flow, based on

the project to be built, the present value of the building rights portfolio can be compared with its carrying amount. The valuation performed in the third quarter led to impairment of SEK 143 M, corresponding to 1 per cent of the total estimated value of the portfolio.

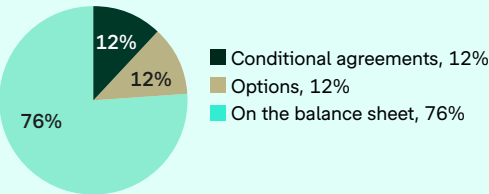
At the same time, we established that there is an estimated surplus value of SEK 4.6 Bn in the portfolio, mainly as many of the building rights that are in early development stages have a low carrying amount.

Building rights at the end of 2024

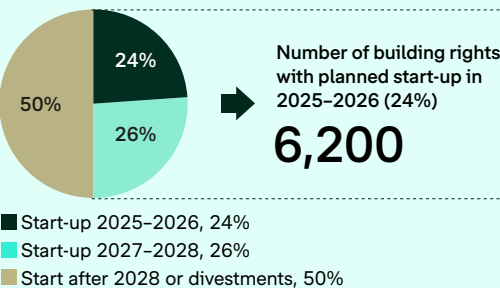
Number of building rights

25,900

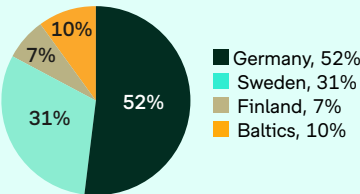
Number of building rights, on and off the balance sheet



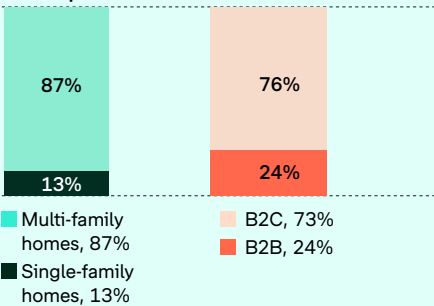
Intended start for building rights



Carrying amount in building rights portfolio

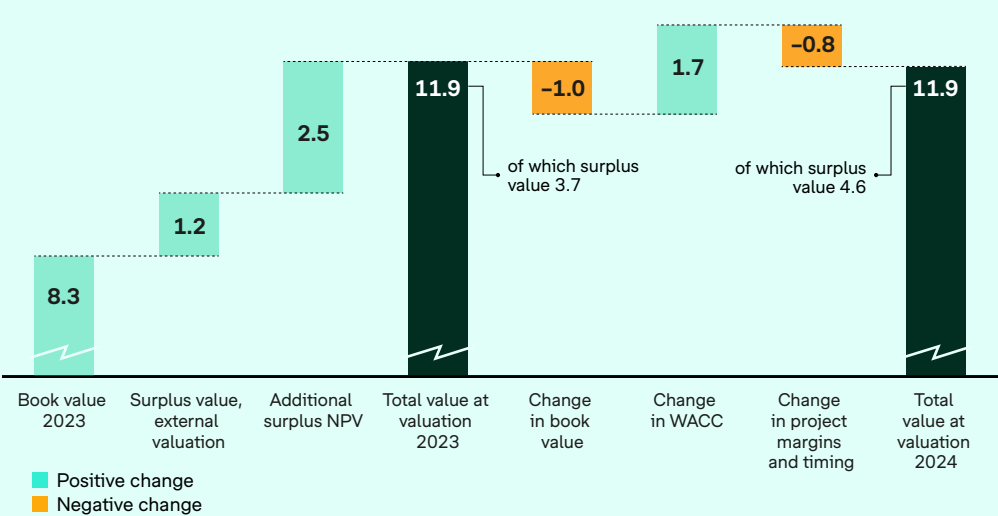


Distribution of building rights with start-up in 2025-2026

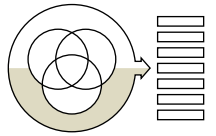


Valuation of building rights portfolio

Illustration of estimated surplus value in the building rights portfolio, based on a combination of the external valuation made in 2023 and a valuation made based on discounting of assumed future cash flows. Negative changes in 2024 consist of impairments and changes in project assumptions, while a lower assumed discount rate based on changes in interest rates had a positive effect on the total value of the building rights portfolio in 2024.



Everything we do will rest on our firm foundation



Bonava's operations stand on a stable foundation consisting of our sustainability focus areas. This foundation is the starting point of our strategy, and means that we have an integrated approach to sustainability in our business and value chain.

We have a people-centric culture. This is the core of how we work for our customers' best interests. There is embedded environmental respect in everything we do, and we apply an efficient governance model with a focus on regulatory compliance and transparency. Our work method, procedures and structures are based on the needs and possibilities of the projects, and our work is balanced between the business units and the Group's support functions, with the ambition of pursuing our business close to the local markets.





Embedded environmental respect

The climate impact of the construction and property industry is significant, and developing housing units in line with the international climate targets has become increasingly important to customers and investors. Environmental respect must therefore be embedded into our entire procedure when creating new homes.

We have climate targets that have been validated by the Science Based Targets initiative (SBTi), and to reduce our environmental and climate impact across the life cycle we focus on the sustainable use of land and the development of resource-efficient housing units, with good energy efficiency and low water consumption.

Where previously undeveloped land is claimed, we work to protect biodiversity and other ecological values. Where needed, we remediate land to render it suitable for building homes. To optimise the use of materials and other resources throughout the life cycle, we endeavour to attain a circular production model with as few virgin production raw materials and as little waste as possible. We also focus on using the right materials for healthy homes with as few materials as possible that are hazardous to the environment and to health. Ecolabelled materials comprise an excellent tool for ensuring sound homes.

To package our sustainability offering in relation to customers, investors and financiers, we use the relevant sustainability labelling and certification.

Read more about our efforts under Embedded environmental respect on pages 105–108 and Notes S6–S11.

Our foundation



People-centric culture

We always focus on our customers, employees, suppliers and the entire neighbourhood in our projects – from planning to completion. Our culture is always people-centric. Our efforts are based on our Group-wide framework: our People strategy. This framework includes our values and leadership principles, and is based on how we are to work on health and safety, a value-driven workplace and diversity.

We ensure a safe and healthy workplace by integrating our health and safety activities into our entire operations, and by focusing on continual learning and improvement efforts. Our goal is a safe and healthy workplace for everyone, everywhere, every day, with a halving of severe injuries and near misses by 2026 compared with the 2022 level.

To create a sustainable and successful culture with the best conditions for attracting, engaging and retaining skilled employees, we start from our values: Committed – Caring – Curious. Through robust culture-building initiatives and a welcoming, inclusive workplace, we create better conditions for achieving our purpose of happy neighbourhoods for the many.

Read more about our efforts in the area under People-centric culture on pages 109–113 and Notes S12–S15.



Governance for high performance

Development of housing units and residential districts is a central component of every community, and maintaining trusting relationships with many different stakeholders is of particular importance. Good governance is a condition for achieving the best results, and there is an expectation among all our stakeholders that our operations are to be carried out with a high level of business ethics and good transparency.

Our internal regulations and procedures for good business ethics and compliance are defined in our Code of Conduct as well as in other policies and business management systems. We also have a programme for compliance with the Code of Conduct that includes training in anti-corruption and ethics. Our efforts with human rights, safe working conditions, environmental protection and anti-corruption are based on the fundamental principles of the UN Global Compact.

A long-term perspective and mutual learning with our suppliers are crucial to our strategy and to achieving several of our targets, such as minimising the risk of severe incidents and, not least, our climate targets. Bonava sets Group-wide requirements that all suppliers delivering to the company's housing projects must meet. This includes requirements for systematic environmental and occupational health and safety work and compliance with the UN Global Compact principles.

To be a reliable business partner, we are transparent and openly report on how we comply with the universal principles and promote the UN Sustainable Development Goals.

Read more about our efforts under Governance for high performance on pages 114–116 and in Notes S16–S19.



Market and trends

The conditions for residential development in our markets are favourable over the long term, but have been challenging in recent years. We are now seeing an improvement, although normalisation will take time.

A local market, attractive over the long term

Residential development is characterised by local markets and long turnaround times. Knowledge of our markets and understanding of the trends is therefore crucial. Bonava can then make the right choice and offer homes and neighbourhoods where people will feel happy.

The conditions for residential developers in our markets are favourable over the long term, but have presented challenges in the form of high inflation and interest rates and rising production costs in recent years. Lower inflation and the expectation of falling interest rates have had a positive impact on all of Bonava's markets in 2024, albeit to varying degrees.

Local market with long turnaround times

Bonava operates in six countries. These markets differ – not only among countries, but among submarkets in each country. Some markets are very fragmented and will likely be consolidated over time. Other markets are dominated by a handful of players.

Laws, regulations and requirements for housing units and housing construction vary based on country, region, and even municipality. This means that products and processes need to be standardised at a suitable level, and the offering must be adapted to the needs of the local market in order to be effective.

In our various markets, moreover, the working methods of our subcontractors, our expected payment methods for land and our customers' payment methods all vary.

Residential development is characterised by long turnaround times. After the initial investment in land, it will sometimes take years before people can move into their homes. This requires a long-term perspective, while stakeholders have to deal with a constantly changing market.



Bonava is developing the Hugos neighbourhood with a total of approximately 450 terraced houses, tenant-owned apartments and rental apartments in Berlin. In 2024, Bonava started production of a new phase, with 40 homes in a neighbourhood surrounded by green spaces. The focus is on sustainability, with the green roofs acting as natural air conditioners and supporting green rainwater management. Charging stations for electric vehicles are also part of the mobility concept for the district.

Long-term trends

Trend

Favourable demography leads to demand for housing units

Bonava's markets have experienced robust population growth while housing construction levels have been low. This has increased the need for new homes.

People in different markets have different needs and wants. What is regarded as a successful housing project differs according to geography and target group. Different customer groups demand different types of homes, different types of tenure and different ways of financing their housing.

Efficiency in the industry is lagging behind

Europe needs to strengthen its competitiveness and more modern housing units will need to be built. The residential development sector is relatively inefficient, lagging behind in terms of digitalisation and with lengthy regulatory processes. There is great potential for operators who manage their projects in a well-planned and effective way.

A focus on sustainability generates possibilities

The construction and property industry has a significant impact on nature and accounts for a large share of the global climate impact. The development and construction of housing units is a resource-intensive operation that requires a great deal of land and materials. The future use of the housing units also has an impact. The energy crisis in 2022 resulted in exceptionally high electricity prices and put a focus on energy efficiency throughout the life cycle of the housing units, as well as on the potential role of the properties in the energy system of the future.

New legislation and new initiatives are being put forth at the global, European, national and local levels in order to rein in global warming and protect natural values. At the same time, local authorities are imposing more stringent requirements on housing and property developers in urban environments concerning how homes and the neighbouring environment are to be developed to promote a healthy, sustainable lifestyle. Increasing demands from consumers, investors and employees are also a driver behind the sustainability matters.

Bonava's response

We closely monitor demographic trends in our markets to guide investments in land and optimise our building rights portfolio, and to ensure successful production starts.

By carefully analysing each submarket and being familiar with our customers' preferences, we can develop attractive offerings based on local conditions and create happy neighbourhoods specifically for the customers who are living there. These customer insights are gained using local methods, such as citizen dialogues and customer surveys.

We are constantly developing our product offering to meet demand for different types of homes with different types of tenure that more people have the possibility of buying or renting. We adjust our offering when the market situation – and demand – changes.

Bonava is to contribute to strengthening Europe's growth. We are actively engaged in optimising the building rights portfolio and increasing cost efficiency through a flexible organisation, reduced indirect production costs and overheads as well as through repetition in products and processes in respective markets. This way, we can deliver high quality at a reasonable cost, stand strong among the competition and scale up the organisation as needed.

At the same time, our knowledge of, and presence in, the local market is good, which means that our offering can be swiftly adapted to our customers' preferences. As part of the larger chain, we can also see the importance of the interaction between developer and authorities. Good cooperation is needed to ensure effective approval processes.

To be a successful residential developer, Bonava wants to be part of the solution for minimising the burden on the environment and the climate. We will achieve this by becoming considerably more resource efficient at every stage of our operation. We have thoroughly surveyed our climate impact and were the first residential developer in Europe to have its defined climate targets validated by the SBTi¹⁾. We also strive to have our housing units facilitate more sustainable living, which is a responsibility that Bonava shares with all operators in the chain that we are a part of.

To package our sustainability offering in relation to customers, investors and financiers, we use the relevant sustainability labelling and certification. In pace with consumers becoming more aware of the energy consumption of their homes, there is a premium on energy-efficient new constructions over older, less energy-efficient housing units. In other words, the energy issue creates possibilities for Bonava, which delivers energy-efficient housing units.

Issues of social sustainability are also of central importance to Bonava. We endeavour to create neighbourhoods that promote a sense of community, as well as a healthy and sustainable lifestyle.

In recent years, as a consequence of new legislation in this area – in particular the EU Taxonomy for sustainable investments and the EU's new Corporate Sustainability Reporting Directive (CSRD) – we have further developed our sustainability reporting and our procedures for reporting sustainability data.

¹⁾ SBTi: The Science Based Target initiative is a partnership initiative from the UN Global Compact, the World Resource Institute and the Carbon Disclosure Project (CDP). Read more on pages 20–21, 113 and in Note S6.

Signs of increasing interest in housing

Business environment factors are changing the conditions for companies, communities and markets at a more rapid pace. Constant changes in the market place high demands on players in residential development in terms of having an overall perspective as well as speed and flexibility.

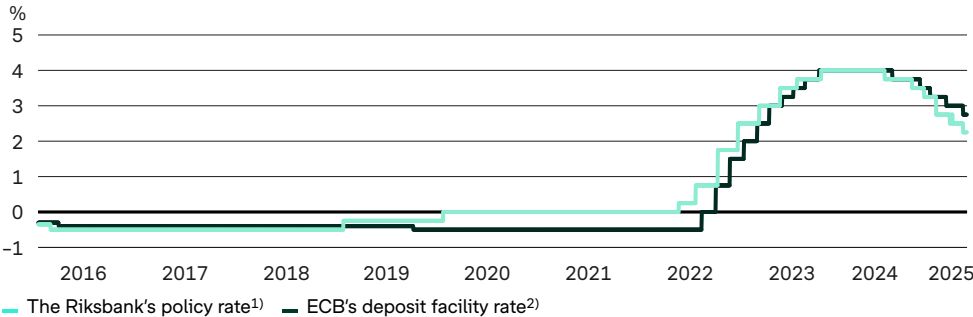
In the long term, we see a significant need for housing, but in the past three years the market has been challenging, impacted by high production and financing costs, which has made it difficult to build housing units at a reasonable cost. This in turn has affected pricing and dampened demand. There are strong indications that residential construction has bottomed out. These include a reduction in interest rates, expectations of an increase in purchasing power, less uncertainty in the economy as a whole as well as a slow down in construction cost increases. From the end of 2024, we can see an improvement in the market, though a return to a normalised situation is expected to take time. In the coming years, both geopolitical and financial stability in the world are required if the positive trend is to continue.

Market trends over the shorter term

Lower key interest rates and falling inflation in Europe in 2024 have gradually strengthened household purchasing power. Demand in the housing market is improving, but from relatively low levels and with a slow move towards normalised conditions.

Interest rates in our markets January 2016–February 2025

Lower key interest rates and falling inflation in Europe in 2024 have gradually strengthened household purchasing power. Demand in the housing market is improving, but from relatively low levels and with a slow move towards normalised conditions.



¹⁾ The policy rate is the rate at which banks can borrow or invest in the Riksbank for seven days. The Riksbank's policy is one of its key interest rates. The Riksbank's policy rate was called the repo rate until 8 June 2022.

²⁾ Refers to the European Central Bank's deposit facility rate, which is the rate through which the Governing Council steers the monetary policy stance in the euro area.

Source: Sveriges Riksbank and ECB

Even if the German macroeconomy is facing challenges, we do not see that this in itself has affected demand for housing units in the local markets in which Bonava operates. There is continued customer interest in several German submarkets, most notably in Berlin, Düsseldorf and Cologne, and sales have also increased in Sweden and the Baltics. In Finland, there are positive signs, but the recovery here is likely to take longer than in other markets.

Investors in rental housing projects have also benefited from falling interest rates, which has increased interest in our rental neighbourhoods from our investor clients. During the year, we completed sales of several rental housing projects to investors.

The slowdown in the housing market has resulted in a high supply of homes for sale in the secondary market in some markets. This means increased competition for customers in the short term, but as the market recovers, the balance is expected to be gradually restored.

The low volume of new housing starts in 2022–2023, together with the underlying housing need, has led policy-makers in several of our markets to discuss how residential construction can be stimulated. For example, the Swedish government presented a report in autumn 2024 on reducing amortisation requirements and requirements for cash deposits when buying homes. However, to date these discussions have resulted in few concrete measures.



In Lönne, Sweden, we are building 23 tenant-owned terraced houses ranging from 104 to 122 square metres in size and featuring large gardens and their own rooftop solar panels.



Segments

Our markets differ,
and that is why we serve
them in different ways.

Germany

Share of net sales

69% (55%)



Market facts Germany

Population (annual growth since 2012): 83.4 million inhabitants (0.3%)

Share that live in cities: 77.8%

Unemployment 2024 (2023): 3.4% (3.0%)

Competitors: BPD, BUWOG/DEUWO, Instone, Ten Brinke, Deutsche Reihenhaus, Zech Group, PANDION, Quarterback

Type of products

Single-family homes



Multi-family homes



Type of customers

B2B



B2C



SEK M	2024	2023	2022
Net sales	5,678	7,283	7,785
Operating gross margin, %	12.2	12.6	15.6
Operating EBIT margin, %	7.6	8.6	11.6
Number of building rights	7,600	9,000	9,800

Towards greater efficiency and flexibility in the organization in Germany

There is still a shortage of housing units in Germany, and Bonava has a strong market position, a robust performance over time and high brand awareness.

Market potential and drivers

Germany is Europe's largest economy, with a population of approximately 83 million people. Inflation peaked in 2022 and consumer confidence began improving during 2023 and 2024. However, the recovery was uneven due to economic developments and the resulting concerns about job security and corporate insolvencies. There are some recovery indications such as lower interest rates and a higher number of buyers in market. An upturn is expected beyond 2025.

Despite the existing macroeconomic challenges in Germany, there are signs of increasingly favourable conditions in the regions and segments where Bonava is pursuing residential development. The housing shortage – which has accumulated over the years – brings long-term demand for new housing units, especially in metropolitan areas and conurbation regions around economically robust major cities where Bonava operates.

The political ambition of building 400,000 new housing units annually has neither been achieved nor adjusted upwards. In addition to subsidies, legislation has been introduced that includes measures to accelerate the construction of homes by simplifying regulations and speeding up planning, approval and building processes.

Historically, the German market has been highly fragmented, with numerous regional and local developers. The challenging market situation has led to insolvencies and consolidation, and further occurrences are possible, which could be favourable for a large operator with national coverage such as Bonava.

Bonava's regions and offering

Germany is Bonava's largest market, and Bonava is one of the largest residential developers in Berlin. As one of the most active residential developers in Germany, we are well positioned to capitalise on the undersupply in the market. Our operations in the growth regions of major cities, in metropolitan regions



Multi-family housing project started in Römerquartier

In the beautifully situated Langen region, in a neighbourhood close to schools, preschools and grocery stores, with good transport links to nearby Frankfurt, Bonava is now starting 50 sustainable apartments, for consumers, with flexible floorplans and facilities for charging electric vehicles in the underground garage.

and along the Baltic Sea coast, cover some 30 million inhabitants, which corresponds to roughly 35 per cent of Germany's population. Even though the economic and political situation in Germany has its challenges, we are seeing a continued need for and rising interest in housing.

We offer multi-family housing in the form of condominiums, single-family housing, row and semi-detached houses for consumers and rental housing projects for investors with apartments to let. We have adapted our offering to the new market conditions, providing downsized housing units and entry prices that have been reduced due to adjustments in planning and equipment. We also offer housing units featuring renewable energy solutions, such as solar panels and heat pumps, and have integrated sustainability aspects, such as circularity of materials. Moreover, we are studying demographic trends to meet the housing needs of an ageing generation.

Development during the year

Germany accounted for 69 per cent of Bonava's sales in 2024. Net sales declined to SEK 5 678 M (7,283), due primarily to fewer housing units being delivered. The operating gross margin was 12.2 per cent (12.6).

Germany reported stable sales and improved market sentiment, noting increased consumer activity during the year. The market volume of investor deals has been historically low but we are also seeing activity coming back in this area.

Bonava sold and started more projects in 2024 than in the previous year: 910 (724) housing units sold to consumers and 474 (176) to investors, as well as 657 (610) consumer units and 474 (176) investor units started.

Investor and consumer projects started

There is widespread interest in Bonava's rental housing projects in Germany, and business in the investor segment is picking up once again. The total value of sold and started investor projects in 2024 was approximately EUR 140 M, which buyers are financing on instalment plans in pace with the progress of construction, generating cash flow right from the start.

During the summer, we announced the finalisation of an investor transaction for 89 rental apartments in Düsseldorf's new Paulshöfe residential district sold to housing company from Bonn. Production started in 2024, with completion and handover expected in the fourth quarter of 2026. Bonava also has sold rental apartment in this neighbourhood, including 63

housing units to the same investor in September. In addition to the rental apartments, we are building some 290 condominiums for consumers. By the end of 2028, the entire residential neighbourhood will contain about 550 households across 12 multi-family buildings, and include around 315 underground parking spaces.

In November, Bonava sold and started a project comprising 194 rental apartments in Berlin to a company based in the city. The production start constitutes the first phase of the new Gartenstadt residential project, where we will construct some 500 housing units over time.

Also in Berlin, a project with 128 rental apartments was sold and started in December for a municipal housing company, with delivery expected in late 2026. It is part of Bonava's new Cecilien Carré residential district, which will comprise eight multifamily buildings until mid-2028 for a total of 272 households. In addition, Bonava started production of approximately 180 housing units for consumers in its five regions, with completion planned for 2025 and 2026.

Favourable cash flow model

In Germany, we can start projects in smaller phases and the projects are partly financed through advance payments, thereby generating a healthy cash flow. This reduces risk-taking on Bonava's part. In projects for investors, Bonava negotiates payment plans that generate a positive cash flow right from the start.

Efficient building system and flexible working methods

Construction of our products is based on a technical platform that has continually been improved in steps since 1994. Key capabilities such as site management and planning/design remain in-house. While we use standardised working methods that are continually adjusted and deployed across projects to achieve cost efficiency, the platform leaves flexibility to adapt our customer offering to changing market conditions, meeting customers' wishes as well as the requirements of local authorities. With our well-developed building system, we can work efficiently and easily scale our production volume up or down.

Strengthening competitiveness

Since the first signs of a weakening market in 2022, Bonava has been reviewing the company's costs and adapting to lower business volumes. To strengthen long-term competitiveness

and increase profitability, in 2023 Bonava decided to implement restructuring measures reducing the cost base by SEK 400 M per annum. The purpose is to create a more efficient, competitive, customer-oriented and agile organisation that can be easily scaled up. Restructuring has proceeded as planned: lower sales and administration costs gradually took effect during 2024, with full effect expected in 2025. Once the market recovers, the organisation is set to accelerate its operations.

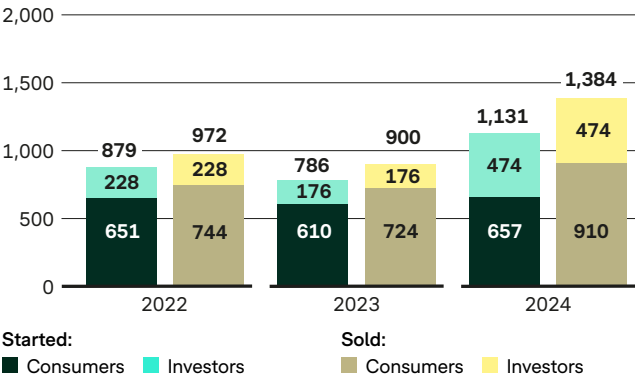
Optimising the portfolio

At the end of 2024, German operations held a total of 7,600 (9,000) building rights, of which 1 400 (1,600) were off the balance sheet. During 2024, Bonava divested non-strategic land in the Rhine-Main metropolitan region as part of optimising its building rights portfolio. Bonava's building rights are all at different stages, thereby constituting a firm foundation for the years ahead.

Strategic focus going forward

With a strong market position and an efficient building system with proven processes in place, the business unit is implementing an agile and fast organisation. Once the market recovers, the business unit will be well positioned to start more projects and acquire attractive building rights. Improvement initiatives will continue to focus on flexibility and cost efficiency in production as well as strategic sourcing.

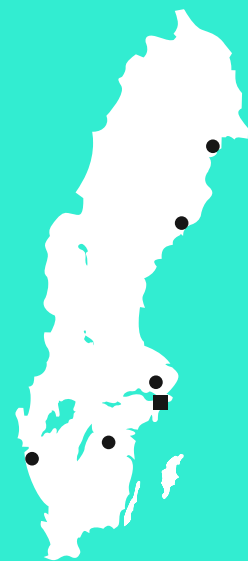
Number of housing units started and sold



Sweden

Share of net sales

13% (20%)



Market facts Sweden

Population (annual growth since 2012): 10.6 million inhabitants (0.9%)

Share that live in cities: 88.7%

Unemployment 2024 (2023): 8.4% (7.7%)

Competitors: JM, Riksbyggen, HSB, OBOS, Skanska, Peab, Besqab, Nordr, BoKlok

Type of products

Single-family homes



Multi-family homes



Type of customers

B2B



B2C



SEK M	2024	2023	2022
Net sales	1,073	2,685	2,745
Operating gross margin, %	5.7	8.4	3.1
Operating EBIT margin, %	-5.3	2.9	-2.0
Number of building rights	8,700	9,500	8,700

Segments

Turnaround in the Swedish market

Following the lower sales and fewer production starts of recent years, 2024 showed a significant improvement with higher levels of positive sentiment and increased activity among customers.

Market potential and drivers

There was significantly stronger activity in the market in general, with increased sales across the housing industry compared to 2023. While the housing market in Sweden was previously driven by a growing population that was increasingly relocating to the major cities – together with historically low interest rates and greater disposable income – higher costs of living and rising interest rates in 2023 led to a cautious market and a sharp slowdown in production starts and sales of housing units. A large proportion of Swedish households have variable rate mortgages, meaning that the interest rate hikes have impacted consumption capacity and reduced purchasing power.

The Riksbank implemented interest rate cuts in 2024. Combined with the fall in inflation during the year, this improved household finances and boosted consumer confidence in the future – thus strengthening the conditions for housing construction going forward. The market is expected to recover even further during 2025 thanks to continued stabilisation of the economic situation.

At the same time, there is a significant deficit of housing units, corresponding to approximately 190 times Bonava's annual production volume in the country over the last five years. In Sweden, the housing shortage is expected to increase further in coming years due to the low number of production starts of new housing units, and Bonava is active in the regions that have – and are expected in future to have – a deficit.

During 2024, the current Swedish government expressed a clear ambition regarding the construction of more single-family homes. In addition, the government presented an investigation intended to facilitate consumer entry into the housing market. Proposals included easing the borrower's repayment rate on homes as well as reducing the up-front cash investment required from the home buyer. The practical outcome of the investigation will become clear in 2025.



Production start in Fjärilshusen 2024

The Fjärilshusen project in Järfälla, north of Stockholm, comprises 70 Nordic Swan eco-labelled homes, with 16 energy efficient single-family houses now in the first stage of production. Located close to public transport and essential services, Fjärilshusen is designed to meet the growing demand for climate-smart housing.

The first units are expected to be delivered in late 2025, and the construction of the second phase started in the beginning of 2025.

Bonava's regions and offering

Bonava operates in Stockholm, Gothenburg, Uppsala, Linköping, Umeå and Luleå. Approximately 4 million inhabitants (40 per cent of the country's total population) live in these regions. Population growth and urbanisation combined with low activity levels in housing construction for several years have led to a housing deficit in population centres such as Stockholm and Gothenburg.

Bonava is one of the few operators with experience in housing construction in northern Sweden, which is advantageous when housing is required in connection with the current green transition in this region. During the year, Bonava completed and delivered the last phase of the project in Tomtebo Gård, Umeå, comprising a total of 450 apartments.

Our offering consists of multi-family housing with apartments and single-family housing for consumers (tenant-owned apartments and housing units with ownership rights) and rental housing projects for investors. Bonava is Sweden's fourth largest builder of single-family homes.

In Sweden, we are competitive in developing large areas with mixed forms of tenure. We also have a strong track record in single-family and multi-family houses.

Development during the year

In 2024, net sales decreased to SEK 1,073 M (2,685), attributable to a fewer housing units delivered to consumers and investors. The operating gross margin decreased to 5.7 per cent (8.4) due to lower margins on housing units recognised in profit and sales of land.

However, we noted a significant increase in activity levels in the consumer segment during the year. In terms of Bonava's consumer markets, Sweden accounted for the most positive change compared with the preceding year. While the volume of investor deals has been historically low, we are also beginning to see increased activity levels in this area.

Sales increased during the year but levels remained low. The number of housing units sold to consumers during the year was 233 (110), while 0 housing units (0) were sold to investors. The market is gaining momentum, but from low levels

Increase in number of housing starts

As positive signs began to show in the market during the year, Bonava Sweden increased the number of housing starts: 116 housing starts (88) for consumers, 66 of which were in

Uppsala city centre. The project, called Seminariet, is located in the Luthagen district and is being built in two stages, with delivery of the first 66 homes to customers expected in the second half of 2026. When completed, the neighbourhood will comprise a total of 113 apartments.

In September, Bonava announced the production start of its first single-family home project in Linköping, with 23 energy efficient houses in the Ekängen district. Over time, the area will include nearly 300 Nordic Swan ecolabelled homes and a preschool, with the first phase completed in late 2025.

Another project consisting of 16 housing units started production in Järfälla, outside Stockholm, after a warm reception from customers for the Fjärilshusen project. In December, Bonava began production of 11 energy efficient single-family homes in Sigtuna Stadsängar in December. They constitute the first phase of a total of 33 planned homes in the neighborhood.

Joint ventures and partnerships

A success factor for Bonava Sweden is creating partnerships and joint ventures when developing and starting projects, which allows Bonava to free up capital for more project starts. During the year, Bonava established a structure for long-term collaboration with OBOS Nya Hem, which will jointly develop the Explora block in the Södra Änggårdens district of Gothenburg. Together, both companies will leverage their combined expertise to be a leading operator in the development of this city district. The start of production of the 200 apartments of varying sizes in Explora is scheduled for 2025.

Ready for take-off

In light of the challenging market in recent years, and to ensure profitability and a strong business for the future, the organisation underwent comprehensive restructuring during 2023. Sentiment and activity levels among customers improved in 2024. Once the market really recovers, Bonava Sweden will be able to offer an attractive breadth of housing units, to rent or own, in or near large cities.

Optimising the portfolio

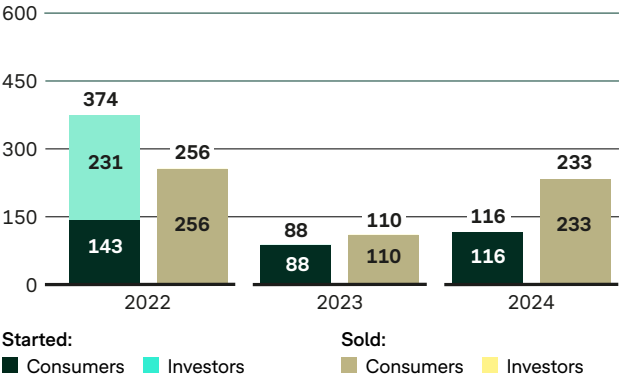
Bonava's building rights and project portfolios were further optimised during the year. We are actively driving the planning process in our building rights portfolio, acting as a partner to municipalities. When developing our portfolio and making investment decisions, we optimise every investment

as regards the number of units and the mix of multi-family housing with apartments and single-family housing. We also divest rights that are not a good fit with our strategy, thereby increasing cash flow and facilitating the start of new projects in pace with improvements in the market. During the year, we divested the Librobäck property in the City of Uppsala to the real estate company Aeonis. At the end of 2024, there were 8,700 building rights (9,500) in total, of which 1,800 (2,500) were off the balance sheet.

Strategic focus going forward

To ensure good profitability and manage shifts in business volume, the business unit has established a more flexible organisation and increased clarity around responsibilities and control in its projects. The business unit will focus on high margin regions and products, increase the utilisation of turnkey suppliers and build on its strong track record for single-family houses and multi-family houses outside Stockholm, availing of options such as joint ventures.

Number of housing units started and sold



Finland

Share of net sales

10%^(19%)



Market facts Finland

Population (annual growth since 2012): 5.6 million inhabitants (0.3%)

Share that live in cities: 85.8%

Unemployment 2024 (2023): 8.4% (7.2%)

Bonava's regions: Helsinki, Turku, Tampere

Competitors: YIT, Skanska, SRV, JM Suomi, Peab, Pohjola Rakennus, T2H, Lujatalo

Type of products

Single-family homes



Multi-family homes

Type of customers

B2B



B2C



SEK M	2024	2023	2022
Net sales	791	2,531	1,759
Operating gross margin, %	12.3	7.6	10.4
Operating EBIT margin, %	-1.0	4.2	5.0
Number of building rights	3,200	3,600	3,400

Signs of market recovery in Finland

There are tentative positive signs in the Finnish housing market, but a full recovery will take time. Bonava Finland demonstrates resilience and adaptability in this market environment.

In 2024, Bonava Finland navigated a difficult market environment with resilience and adaptability, positioning itself for future success with a strong foothold in Finland's key growth regions. While supply exceeded demand, it will take some time before the market will be normalised.

Market potential and drivers

Demand for housing units in Finland is concentrated primarily in the Helsinki metropolitan area, together with the cities of Tampere and Turku. These areas, which have the largest population growth and development of infrastructure, are the regions where Bonava operates and has a strong position.

In recent years, the housing market in Finland has been impacted by higher interest rates, inflation, and low consumer confidence. Customer activity in the housing market in general was low for the second consecutive year. Despite these challenges, the macroeconomic forecast for the end of 2024 was neutral. Consumption is predicted to grow in pace with income development, fading inflation, salary increases, and recently adopted income tax reductions.

The interest-rate trend is expected to support demand, and real incomes are expected to increase more than consumption during 2025. Supply in the housing market remains greater than demand. Urbanisation in Finland is creating long-term demand for new sustainable housing. It is assumed that the share of single households will grow based on current and long-term population forecasts.

Competition for multi-family housing in the Finnish market is intense, comprising primarily major operators with broad offerings as well as active smaller players. Bonava is one of the few companies that is a dedicated residential developer. Despite the challenges of recent years, Bonava Finland has been able to improve its project margins.



New concept for flexible floor plans

In Tampere, Bonava started construction of 29 apartments for consumers after having won a site allocation competition with a new concept for flexible floor plans. Since the floor plans can easily be altered, these housing units can be customised to tenants' needs and changing living situations. The largest floor plan can be divided into up to six rooms, or it can easily be transformed into a combination of home and office. The location of the neighbourhood is excellent, close to the city centre with good public transportation and other services.

Bonava's regions and offering

Bonava operates in the Helsinki metropolitan area as well as the cities of Tampere and Turku, where 2.3 million inhabitants, and approximately 40 per cent of the country's total population, is located. Bonava's markets in Finland are experiencing steady, robust growth in population, and these vibrant university cities are highly attractive destinations for relocation and living.

Bonava Finland offers multi-family housing with apartments for consumers and rental housing projects for investors. Our portfolio features a diverse range of homes, from compact studios to spacious family apartments, all designed with modern amenities and energy-efficient solutions. With an emphasis on sustainable living, Bonava integrates eco-friendly technologies and materials into our projects, aiming to create vibrant neighbourhoods that foster community engagement and environmental responsibility.

Development during the year

The Finnish market remains the market with the lowest levels of activity. Net sales decreased to SEK 791 M (2,531), attributable to a lower number of housing units delivered. The operating gross margin increased to 12.3 per cent (7.6) despite improved project margins, as a result of improved project margins and reversal of previously provisioned costs.



The project Turun Akselintie in Turku, which consists of 99 rental state-subsidised apartments, started during 2024.

During the year, we sold 73 housing units (87) to consumers and 99 housing units (75) to investors, and we started 29 units (0) for consumers and 99 units (75) for investors.

Bonava sold and started production of a project comprising 99 state-subsidised rental apartments in Turku to the property company TA-Asumisoikeus Oy at the end of the year. The purchase consideration was approximately EUR 20 M and the project will generate a positive cash flow right from the start. The parties agreed on a rolling payment plan, which meant that the project received financing from the very start. The housing units are expected to be completed during the first quarter of 2026.

Finland's largest residential development districts

In November, a new project with two multi-family houses started in one of Finland's largest residential development districts: Kirstinpuisto in Turku, a district we are very familiar with and where we previously built several projects. Bonava plans to construct a total of 1,400 housing units in Kirstinpuisto and this marks the beginning of the construction of Bonava's eighth and ninth multi-family housing blocks in the area.

With over 200,000 inhabitants, the university city of Turku is one the biggest growth centres in Finland. For decades, the city's harbour and shipping have formed the heart of the region's economy, which is also characterised by businesses that specialise in information and biotech development.

Completed neighbourhood with 790 homes

After seven years of construction, Bonava completed the Vermonniitty neighbourhood in Espoo, an attractive city close to the capital, Helsinki. The neighbourhood has been built in phases with the delivery of the last of nine apartment buildings to the investor during 2024.

Bonava began the large-scale regional project in early 2017 with the construction of a 126-unit apartment building. Between 2017 and 2024, Bonava created a flourishing neighbourhood of 790 homes in nine apartment buildings and two parking garages. The zoning, which was developed in cooperation with the city of Espoo, is a good example of successful planning. It enabled a versatile mix of owner-occupied and rental apartments, as well as the rapid completion of construction projects.

Able and cost-efficient organisation

In 2023 and 2024, we adapted our organisation and operations to meet the challenging market situation and adjusted

costs to reflect reduced volumes. In connection with restructuring the organisation, we also implemented strategic and operational changes to provide continued support for business turnaround and cost control. The core processes and responsibilities were renewed accordingly. These updated processes will make our operations simpler and even more reliable. Furthermore, we strengthened our local presence, continued improving project governance and enhanced our project margins in 2024.

Optimising the portfolio

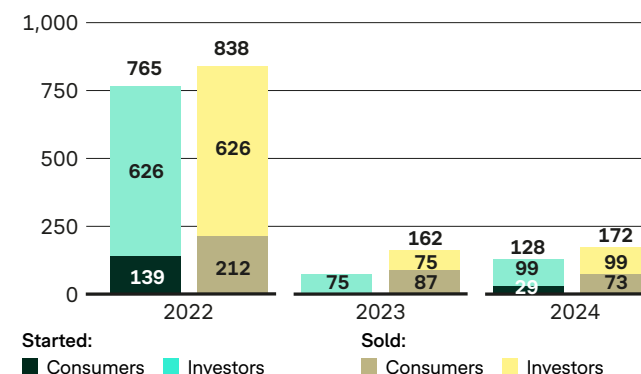
Bonava Finland has a sharp focus on growth areas and expanded its building rights portfolio during the year with 27 building rights in the attractive Kaleva micro-district in Tampere. The building rights are situated in an area where Bonava Finland previously constructed and completed successful projects. During the year, we optimized our land portfolio to better suit our needs and exited a few plots. At the end of 2024, the Finnish operation held 3,200 (3,600) building rights, of which 1,600 (2,100) were off the balance sheet.

Strategic focus going forward

Efforts to increase organisational efficiency, ensure decision-making closer to local markets, improve governance and cost efficiency in design, production and sourcing, and stabilise performance are all continuing.

We will focus on the consumer market in all three cities to improve profitability and prioritise projects with high margins.

Number of housing units started and sold



Baltics

Share of net sales

8% (6%)



Market facts Baltics

Population (annual growth since 2012): Estonia 1.4 million inhabitants (0.4%), Latvia 1.9 million inhabitants (-0.7%), Lithuania 2.9 million inhabitants (-0.3%)
Share that live in cities: Estonia 69.8%, Latvia 68.7%, Lithuania 68.7%
Unemployment 2024 (2023): Estonia 7.6% (6.4%), Latvia 6.9% (6.5%), Lithuania 7.3% (6.9%)
Competitors: Merko, Liven, YIT, Hanner, Eika, RealCo

Type of products

Single-family homes	Multi-family homes
	✓

Type of customers

B2B	B2C
✓	✓

SEK M	2024	2023	2022
Net sales	651	770	832
Operating gross margin, %	14.5	15.0	18.2
Operating EBIT margin, %	7.3	8.9	13.0
Number of building rights	6,400	6,800	7,500

Segments

Future opportunities in Baltics

Bonava is a well-established developer in the Baltics with a promising building rights portfolio, a cost-efficient building system and a strong market position.

Market potential and drivers

The Baltics segment comprises the capital cities of Tallinn in Estonia, Riga in Latvia, and Vilnius in Lithuania. Bonava was the largest residential developer in Tallinn and Riga 2024. Bonava has the potential to repeat the success from Riga and Tallinn and become leader also in Vilnius having started its first project in 2020.

The markets in all three Baltic capitals are growth economies. The low standard of the existing housing stock combined with growing demand for rental housing presents opportunities for construction and property management. The favourable market conditions in the Baltic capital markets – low unemployment levels and a lack of supply – hold firm. The prices for new housing units are stable in all markets and sales are gradually improving. We noted higher levels of activity for Bonava in Riga, compared with other markets.

The low quality of the existing housing stock – combined with growing demand for energy-efficient and well-planned housing – presents opportunities for a future that includes resource-efficient and modern rental apartments. Moreover, banks are actively competing for housing loan customers. Overall, there are therefore several factors that promote favourable markets.

Bonava regions and offering

In the Baltics, we are located around the capitals and are thus building up a very strong position both in terms of branding and relationships where clients and municipalities are concerned. Bonava operates in the greater Riga region with 1.1 million inhabitants, Tallinn with 600,000 inhabitants and Vilnius with 800,000 inhabitants. Approximately 2.5 million inhabitants in total live in the three Baltic metropolitan capital cities.

We offer multi-family housing for consumers (housing units with ownership rights) and rental housing projects for investors (historically low share). In Vilnius, we are one of the few players to offer a fully finished housing unit.



Forest Gate just outside Vilnius started in 2024

During the year, Bonava started production of the Forest Gate project, which consists of 101 apartments for consumers in multi-family housing.

Located just 15 minutes from Vilnius city centre, Forest Gate has a large amount of green space and is also close to preschools, schools, shopping centres and sport facilities. The project will feature unique architecture and a sharp focus on sustainability, with a building that has an A++ energy classification that will also reduce residents' costs.

Development during the year

Net sales decreased to SEK 651 M (770), attributable to fewer housing units being delivered to consumers. The operating gross margin in/decreased to 14.5 per cent (15.0) due to certain selective price adjustments.

During the year, Bonava sold 511 (321) housing units for consumers and started 660 (384) housing units for consumers.

Several projects started

Bonava started production of a new project consisting of 101 housing units in Vilnius: the new Forest Gate neighbourhood, located in the large Fabijoniškės residential area, just seven

kilometres from Vilnius city centre. Interest in this project has been significant. Completion of the Forest Gate project in Vilnius is expected in the third quarter of 2025.

Production started on the second and final phase of the Pikaliiva Kaarmaja neighbourhood, consisting of 81 housing units just outside Tallinn city centre and close to Lake Harku. In Pikaliiva Kaarmaja, we will leverage the experience gained from production of the first phase of the project and create a neighbourhood featuring energy efficient homes. Pikaliiva Kaarmaja's first phase comprising 79 apartments was completed in January 2024. The second phase and thus, the entire neighbourhood with 160 housing units across four buildings was finished in fourth quarter of 2024.

In Riga, construction work commenced and was completed on the Blūmendāles Majas project, consisting of a five-storey building with 58 eco-friendly and functional homes.

In addition, production started of 114 housing units in the projects Hartmaņa kvartāls and Valterciems in Riga and 66 housing units in the project Ainandi in Tallinn. These production starts were well received by customers.

Important player in the capitals

Bonava was the largest residential developer in Tallinn and Riga 2024, according to Colliers, a leading global diversified professional services company, specializing in commercial real estate services, engineering consultancy and investment management. According to the construction and real estate platform Citify that monitors real time sales of projects, Bonava was the residential developer that sold the highest number of units in Tallinn in 2024.

Efficient building

Bonava has a well-proven and cost-efficient pan-Baltic building system that is customised to specific conditions at each market.

Build to manage projects

In Tallinn and Riga, Bonava commenced its first rental housing projects intended for in-house management under our Build to Manage (B2M) model in late 2021. The B2M model involves constructing, retaining and managing properties for a certain period instead of divesting immediately.

During 2023, 195 B2M housing units for rental were completed in the Baltics, of which 99 are in the Uus-Mustamäe project in Tallinn and 96 in the Krasta kvartāls project in Riga.

Development and production were preceded by rigorous cost control and the projects were completed on schedule.

Both projects generated rental income in 2024, which gradually increased over the course of the year in pace with rising occupancy rates. Strong potential can be seen for the establishment of a professional rental market in the Baltic markets, which are currently dominated by the private rental sector.

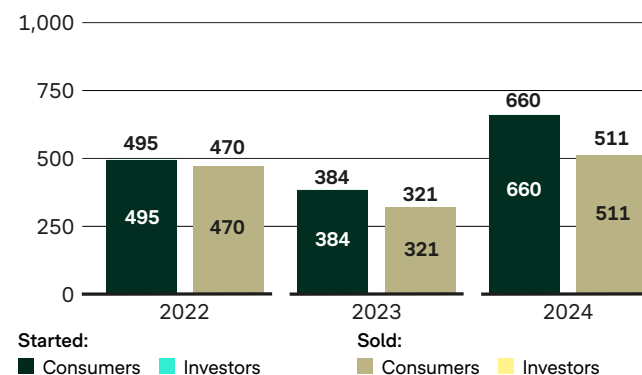
Optimising the building rights portfolio

A strong building rights portfolio is key to growing and starting projects at the right time and place. Bonava Baltics signed contracts with options for the acquisition of approximately 400 building rights during the year. At the end of 2024, the Baltic operation had 6,400 building rights (6,800), of which 1 500 (2,000) were off the balance sheet. This will ensure a strong land portfolio for the next two to four years.

Strategic focus going forward

The market position of the business unit is strong, especially in Riga and Tallinn. Bonava will continue to strengthen control over purchasing, design and production, while prioritizing a good offering and a strong team in place. Vilnius is the largest region in terms of population and offers additional growth potential over time as it is the most recent market Bonava has entered.

Number of housing units started and sold



Ambitious neighbourhood in Riga started

The first phase of Hartmaņa kvartāls comprises 72 modern apartments and marks the beginning of an ambitious neighbourhood that will comprise approximately 420 apartments upon completion. The first phase is expected to be completed in the second quarter of 2026 and offers a sustainable and comfortable living environment in one of Riga's most promising and attractive districts.



Corporate governance

Corporate Governance Report

This Corporate Governance Report, which has been prepared in accordance with the Annual Accounts Act and the Swedish Corporate Governance Code, "the Code", contains important information about how Bonava complies with the Code, about shareholders, the Nomination Committee, the Annual General Meeting ("AGM"), the Board of Directors and its work, including committees, remuneration and allocation of responsibilities within the governance model. The Corporate Governance Report also describes Bonava's system for internal control and risk management, which according to the Swedish Companies Act and the Code is the responsibility of the Board. This Corporate Governance Report has been prepared by the Board of Directors and is presented in compliance with the Annual Accounts Act and the Code, presenting Bonava's Corporate Governance in 2024.

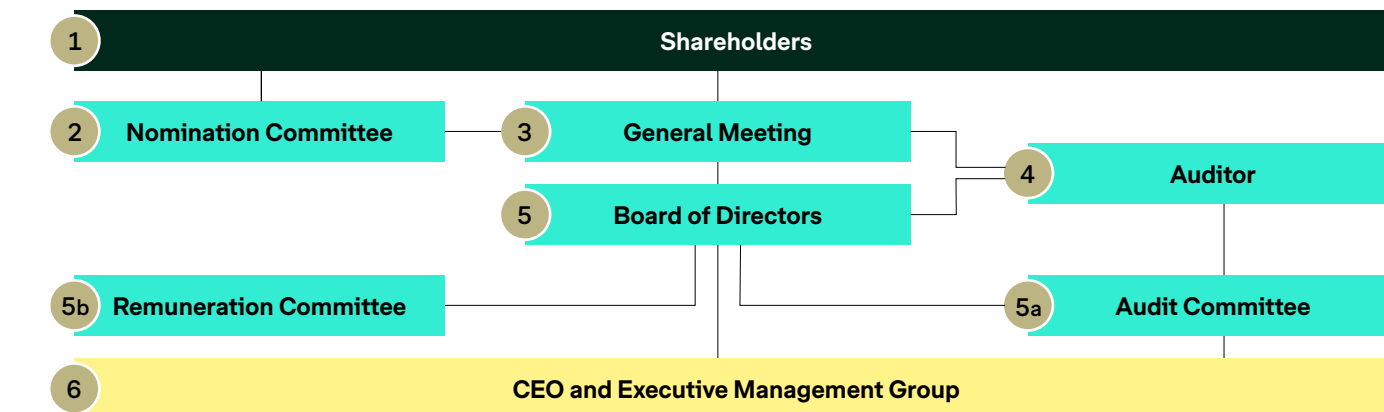
Regulatory framework, governance model and internal control

Through good corporate governance, Bonava aims to ensure a responsible and sustainable way of working over time. The governance model applied provides a transparent and clear allocation of mandates and responsibility, and an effective management of relevant risks and necessary controls. The objective is to create a long-term sustainable operation that generates value for shareholders and other stakeholders over time.

Regulatory framework and governance model

Bonava is a Swedish public limited company that was listed on Nasdaq Stockholm in 2016. Bonava's corporate governance complies with Swedish law, the Articles of Association, Nasdaq Stockholm's Rules for Issuers and regulations and recommendations issued by relevant organisations. In the countries where Bonava conducts operations, the company complies with local legislation and other regulations. Bonava also complies with accepted securities market practice, which includes the application of the Code.

Bonava's Articles of Association were adopted at the AGM on 10 April 2024 and are available in full at [bonava.com](https://www.bonava.com). The



Articles of Association stipulate that the company, directly or through subsidiaries, develops and invests in residential properties and engages in real estate trading operations, and conducts other operations related to the above. The company also undertakes certain Group-wide activities, such as the provision of employee services. The registered office is in Stockholm, Sweden. The company is prohibited from making any decisions that contravene the Articles of Association without first referring such matters to the General Meeting for a decision and potentially amending the Articles of Association. The Articles of Association do not contain any special stipulations regarding the appointment and discharge of Board members or amendments to the Articles of Association.

Bonava has not departed from the Code. There have been no instances of non-compliance with Nasdaq Stockholm's Rules for Issuers or accepted securities market practice.

1 Shareholders

Bonava's share was listed on Nasdaq Stockholm in 2016. At year-end, the number of shares in the company was 322,816,756. On the same date, the share capital totalled SEK 538 M with a quotient value per share of SEK 1.67.

At year-end, Bonava had approximately 28,260 known shareholders. The company's five largest shareholders at year-end were Nordstjernan AB, the Fourth Swedish National Pension Fund (Fjärde AP-fonden), Schroders, Nordea Liv & Pension and Swedbank Robur Fonder. Read more about Bonava's shares and shareholders on pages 149–150.

2 Nomination Committee

The Nomination Committee is a body established by the AGM with the task of proposing the number of Board members and the composition of the Board, including the Chairman as well as proposals relating to remuneration to the Board, including any special fees for committee work. The Nomination Committee also proposes the Chairman of the AGM and the company's auditors and their remuneration. Where required, the Nomination Committee also proposes any changes to the applicable instructions for the Nomination Committee.

Nomination Committee ahead of 2025 AGM

At the 2024 AGM of Bonava, Peter Hofvenstam (Nordstjernan AB), Olof Nyström (Fourth Swedish National Pension Fund) and Lennart Francke (Swedbank Robur Fonder) were

appointed to the Nomination Committee for the 2025 AGM. In addition, the Chairman of the Board is a co-opted member. Peter Hofvenstam was elected Chairman of the Nomination Committee. No special remuneration was paid to the members of the Nomination Committee. The Nomination Committee's proposals are published in the notice convening the AGM and at bonava.com. The Nomination Committee has applied Code rule 4.1 of the Swedish Corporate Governance Code as its diversity policy.

Board members ¹⁾	Appointed by	Non-affiliated ²⁾
Peter Hofvenstam, Chairman of the Nomination Committee	Nordstjernan AB	Yes/No
Olof Nyström	Fourth Swedish National Pension Fund (Fjärde AP-fonden)	Yes/Yes
Lennart Francke	Swedbank Robur Fonder	Yes/Yes

¹⁾ And Chairman of the Board, as a co-opted Board member.

²⁾ Non-affiliated to the company and management/ to the largest shareholder in terms of votes.

3 General meeting

The general meeting is Bonava's highest decision-making body and a forum for all shareholders to exercise their influence. The general meeting decides on changes to the Articles of Association. Notices convening general meetings are made available on the company's website and through announcements in the Swedish Official Gazette (Post- och Inrikes Tidningar). Confirmation that the notice has been issued is published simultaneously in the Swedish daily newspaper Dagens Nyheter.

2024 Annual General Meeting

In 2024, the AGM was held on 10 April 2024 when the Board was elected and other customary matters were decided.

In addition, an Extraordinary General Meeting was held on 7 February 2024 where it was resolved on a new issue of Class A and Class B shares with preferential rights for existing shareholders of approximately SEK 1,050 M before transaction costs.

2025 Annual General Meeting

Bonava's AGM for 2025 will be held on 9 April 2025 in Stockholm, Sweden. Shareholders are entitled to raise matters at the AGM subject to submitting a written request to the Board of Directors by 19 February 2025, which the company announced on its website in conjunction with the interim

report for the third quarter of 2024. Bonava seeks to ensure that the Board of Directors, management team, Nomination Committee and auditor are present at AGMs. For more information about the AGM, see page 153 or Bonava's website, bonava.com.

4 Auditor

The company's financial accounts and accounting, as well as the management by the Executive Management Group and the Board of Directors, are reviewed and audited by the company's auditor.

At the AGM on 10 April 2024, the registered audit firm Öhrlings PricewaterhouseCoopers AB (PwC) was elected auditor for the period until the AGM in 2025. The election took place on the Nomination Committee's proposal which concurred with the Audit Committee's recommendation. Authorised Public Accountant Patrik Adolfson has been appointed Auditor in Charge.

The auditor is to report any material accounting errors and suspected irregularities to the Audit Committee. At least once a year, usually in connection with the closing of the financial statements, the auditor is to report any observations from the audit and its assessment of the company's internal control to the Board of Directors. The auditor also participates at the AGM to present its Auditor's Report and outline the audit work carried out and observations made.

5 Board of Directors

The Board of Directors has the overarching responsibility for Bonava's organisation and administration.

According to the Articles of Association, Bonava's Board of Directors shall have a minimum of three and a maximum of eight members. The AGM on 10 April 2024 resolved to re-elect Viveca Ax:son Johnson, Mats Jönsson, Per-Ingemar Persson, Nils Styf, Olle Boback, Anette Frumerie and Tobias Lönnevall as Board members. The AGM also resolved to elect Mats Jönsson as Chairman of the Board.

For information on Board members, their assignments outside the Group and their shareholdings in Bonava, see the "Board of Directors" section. The Board of Directors also adopts the Rules of Procedure for the Board and instructions for the CEO. The Board of Directors has also decided on a number of general policies relating to the company's operations, see page 41. These internal policy documents are

reviewed at least once a year and are also updated continuously to comply with legislation as and when required.

The Board of Directors and non-affiliation

Bonava's Board of Directors was deemed to satisfy the Code's requirements of non-affiliation as all seven of the members elected by the AGM are not affiliated with the company and the Executive Management Group.

All Board members, with the exception of Viveca Ax:son Johnson and Tobias Lönnevall, are deemed to satisfy the requirement for non-affiliation with regard to major shareholders (in both cases this relates to Nordstjernan AB).

Chairman

The Chairman of the Board is elected by Bonava's AGM and leads the work of the Board. At the AGM on 10 April 2024, Mats Jönsson was elected as the Chairman of the Board.

Work of the Board of Directors in 2024

In 2024, the Board held 17 meetings. The agenda for every regular Board meeting includes a number of standing items: the CEO's summary of operations, divestments and investments, financial reporting, a summary of major exposures and reports on any potential health and safety and Code of Conduct incidents.

In 2024, the Board of Directors focused on the company's long-term financing. This work included the financing package finalised in the first half of 2024, including the implementation of a new share issue, the extension of the existing bond loan and an extension of the company's loan agreements. In addition, the Board devoted time to issues related to changing market conditions in the business units and the impact of this on local operations, as well as decisions on major land and project sales and investments.

Remuneration of Board members

The AGM on 10 April 2024 resolved to pay, in accordance with the proposal from the Nomination Committee, in the period until the next AGM is held, annual fees of SEK 825,000 to the Chairman and SEK 330,000 to each of the other Board members who are not employed by the company. Furthermore, the AGM resolved that, in addition to this remuneration, Board members living in Europe but outside of the Nordic region would receive a meeting fee of SEK 21,000 for each physical Board meeting held in the Nordic region. Additionally,

the AGM resolved to pay for work on the Audit Committee, in the period until the next AGM is held, annual fees of SEK 154,000 to the Chairman and SEK 77,000 to each of the other committee members who are not employed by the company, and for work on the Remuneration Committee, an annual fee of SEK 77,000 will be paid to the Chairman and SEK 36,000 to each of the other committee members who are not employed by the company. No special remuneration was paid for any other committee work.

Evaluation of the Board of Directors

In accordance with the Board of Directors' Rules of Procedure, the Chairman of the Board evaluates the Board's work annually. In 2024, an evaluation was carried out whereby the Chairman interviewed each of the Board members and compiled the results, after which these were reviewed and discussed at a Board meeting. The purpose of the evaluation was to gather information about the views of Board members on the Board's work and what measures can be implemented to improve its efficiency.

The intention was also to gain an understanding of the issues that the Board of Directors considers should be given more prominence, and in which areas the Board may be in need of additional experience and competence. The results of the evaluation were presented to the Board of Directors, and the Chairman shared the results with the Nomination Committee.

Board committees

The Board currently has two committees: the Audit Committee and the Remuneration Committee. The committees' assignments are regulated more closely in the annually revised committee instructions.

5a Audit Committee

The tasks of the Audit Committee include monitoring the company's financial reporting and the efficiency of the company's internal control and risk management.

The Audit Committee works according to an agenda that is set annually and has since the AGM on 10 April 2024 consisted of Board members Tobias Lönnevall (who also served as Chairman), Per-Ingemar Persson and Nils Styf, none of whom is employed by the company.

In 2024, the Audit Committee held five meetings. Bonava's auditor was present at all of these meetings. The meetings

Overview of the Board's work in 2024¹⁾

Fourth quarter (Oct–Dec)

- Interim Report Q3
- Budget meeting
- Discussions STI 2024
- Evaluation of Board of Directors and CEO

Third quarter (Jul–Sep)

- Interim Report Q2
- Strategy meeting

First quarter (Jan–Mar)

- Implementation of new share issue
- Year-end Report Q4
- Outcome STI 2023
- Notice, AGM documentation
- Annual and Sustainability Report
- Preparation of long-term financing arrangements

Second quarter (Apr–Jun)

- Statutory meeting
- Decision, Board of Directors' Rules of Procedure and other Group policies
- Decision, Board Committees
- Interim Report Q1
- Discussion, implementation of revised strategy
- Update, health and safety
- Annual General Meeting

¹⁾ In addition to topics specifically detailed above, there are other areas that are continuously discussed, such as CEO updates on the business, follow-up and update of the company's financing, divestments and investments, and summary of large exposures.

addressed matters such as the company's interim reports and financing, including the preparation of a long-term financing package, the focus of the external audit and the company's internal control of its financial reporting.

5b Remuneration Committee

The tasks of the Remuneration Committee include addressing matters relating to the principles governing remuneration to the CEO and senior executives, as well as individual remuneration to the CEO in accordance with the remuneration principles.

The Remuneration Committee works according to an agenda that is set annually and as of the AGM on 10 April 2024, consisted of Board members Mats Jönsson (who also served as Chairman), Anette Frumerie and Tobias Lönnevall, none of whom is employed by the company.

The remuneration principles include the relationship between fixed and variable remuneration, and the correlation between performance and remuneration, mainly the terms applying to potential bonuses and incentive programmes, and the primary terms of non-monetary benefits, pension, termination of employment and severance pay. The whole Board determines the CEO's remuneration and other employment terms. Share-based incentive programmes for the Executive Management Group and other senior executives are decided by the AGM.

In 2024, the Remuneration Committee held three regular meetings and one extraordinary meeting. The members were present at all meetings. The meetings addressed matters such as variable and other remuneration to senior executives and guidelines for such remuneration.

CEO and Executive Management Group

The division of responsibilities between the CEO and the Board of Directors is defined in the Board's Rules of Procedure, and the instructions to the CEO are prepared by the Board of Directors. The CEO serves as the head of the Executive Management Group and makes decisions in consultation with members of the Executive Management Group.

The Board of Directors reviews the work and performance of the CEO on an ongoing basis. A comprehensive CEO evaluation was carried out in autumn 2024 and discussed at a Board meeting. The Executive Management Group comprises the CEO, CFO, and presidents of the Germany, Sweden, Finland and Baltics business units, as well as SVP Brand and Culture and the Chief Legal Officer.

The Executive Management Group meets regularly and supplementary meetings are held as and when required. During 2024, the Executive Management Group held ten meetings. In addition, the Executive Management Group had ongoing reconciliations and close contact by phone and e-mail during the year.

Guidelines for remuneration to senior executives

In this context, senior executives are defined as the CEO and other members of the Executive Management Group. For more information on remuneration to senior executives, refer to Note 4.

In accordance with the guidelines adopted by the AGM on 10 April 2024, Bonava offers remuneration on market terms that enable the company to recruit and retain individuals with the highest possible competence levels. The total remuneration package should support the company's long-term strategy. Remuneration to management comprises fixed salary, short-term variable cash-based remuneration, long-term variable share-based remuneration, pensions and other benefits. When determining fixed salaries, individual employees' area of responsibility, experience and achieved results are considered. Fixed salaries are reviewed either annually or biannually. All variable remuneration is related to a fixed salary, and rewards the fulfilment of pre-determined targets, primarily of a financial nature. All variable remuneration at Bonava is designed to motivate and reward value-creating activities that support the company's long-term operational and financial objectives.

With regard to pension, Bonava offers defined-contribution solutions, which means that Bonava pays premiums comprising a specific portion of the employee's salary. The Board of

Remuneration and attendance at Board meetings 2024

Members appointed by General Meeting	Elected year	Board of Directors	Audit Committee	Remuneration Committee	Non-affiliated, shareholders	Non-affiliated, company	Total paid annual fees, SEK
Total number of meetings		17	5	4			
Chairman Mats Jönsson	2020	17	–	4	Yes	Yes	895,250
Viveca Ax:son Johnson	2015	17	–	–	No	Yes	327,500
Per-Ingemar Persson	2021	17	5	–	Yes	Yes	404,000
Nils Styf	2022	17	5	–	Yes	Yes	404,000
Olle Boback	2023	17	–	–	Yes	Yes	431,500
Anette Frumerie	2023	17	–	4	Yes	Yes	363,250
Tobias Lönneval	2023	17	5	4	No	Yes	516,250

Directors is entitled to depart from the above guidelines for remuneration to senior executives if there are special reasons in an individual case.

Share-based incentive programmes

During the year, Bonava had three share-based incentive programmes, to which approximately 45 key executives are invited to participate in each programme.

The Board of Directors decided not to introduce a share-based incentive programme for the Executive Management Group and certain key executives for 2024, but intends to propose long-term incentive programmes once again from 2025. The share-based incentive programme adopted at the AGM in 2021 was concluded in 2024.

Under the terms of the programme, at least the minimum level for each of the adopted performance targets had to be achieved in order to allocate share rights relating to the relevant performance target to the participants at the conclusion of the programme. Since the minimum level was not achieved for any of the adopted performance targets, the outcome was thus zero for the 2021 programme and no share rights were allocated to the participants.

Share-based long-term incentive programme	LTIP 2023	LTIP 2022	LTIP 2021
No. of employees invited to participate	44 ¹⁾	44	45
No. of employees opting to participate	21	28	36

¹⁾ Of these, 12 people were prevented from investing during the standard investment period on account of inside information. In connection with the extended investment period, 11 of these chose to accept.

The Board of Directors' report on internal control

Internal control of financial reporting and risk management

Bonava's internal control regarding financial reporting is designed to manage risk and ensure a high degree of reliability in the processes surrounding the preparation of the financial statements, and to ensure compliance with applicable accounting standards and other requirements placed on Bonava as a listed company. Bonava complies with the Committee of Sponsoring Organisations of the Treadway Commission's ("COSO") framework for evaluating a company's internal control over its financial reporting, "Internal Control—Integrated Framework." The Framework includes the following five components: control environment, risk assessment, control activities, information and communication, and follow-up. The process has been designed to ensure appropriate risk management, including reliable financial reporting in accordance with IFRS, applicable legislation and regulations as well as other stipulations with which companies listed on Nasdaq Stockholm are required to comply. This work involves the Board of Directors, the Executive Management Group and other employees.

Process for risk assessment and internal control

Bonava has a central Risk Committee and an annual process for systematic risk assessment and internal control for financial and non-financial risks. The Risk Committee consists of the company's CFO, Chief Legal Officer, SVP Brand and Culture, Group Head of Treasury and Group Head of Risk & Compliance. This process was further developed in 2024 to focus more intently on the internal controls most material to Bonava's

operations. At the beginning of the year, all of the relevant special functions defined the key internal controls for a number of different areas, with a special focus on the main risks for the company in accordance with the risk assessment process carried out in the preceding year. Subsequently, the Risk Committee defined the selected internal controls encompassed by the internal control conducted in 2024. During the spring and summer, each respective Bonava business unit and Group function conducted a self-evaluation of its internal control on the basis of the controls defined above. This self-evaluation was then discussed and analysed in more detail in an interactive process that included the Risk Committee. After sharing the results of this work with the company's auditors, the Committee compiled Bonava's annual report on risk management and regulatory compliance based on the process described above. This report was approved by the CEO and the Audit Committee, adopted by the Board of Directors and delivered to the Executive Management Group. During the autumn, the Executive Management Group and Risk Committee carried out the company's annual risk assessment which, among other uses, forms the basis for the risk section of the Annual Report and next year's internal control process.

Control environment

The division and delegation of responsibilities has been documented and communicated in company policies that govern the Board of Directors and the company. The Board of Directors reviews and approves the following policies annually:

- The Board of Directors' Rules of Procedure
- Instructions to the CEO
- Decision order
- Finance Policy
- Code of Conduct
- Corporate Governance Policy
- Insider Policy
- Sustainability Policy

All policies are decided by the Board of Directors. In addition to these policies, Bonava also has other kinds of binding policy documents including a number of Group procedures determined by the CEO. All internal policy documents are updated regularly in connection with changes to legislation, accounting standards or listing requirements, and as and when necessary. All the Group's policies and other policy

documents are available to all employees on the company's intranet. The Board of Directors monitors and ensures the quality of the company's internal control in accordance with the Board's Rules of Procedure and instructions to the Audit Committee. The Board of Directors has also adopted a number of fundamental guidelines that govern risk management efforts and internal control activities. These guidelines include risk assessment, demands for control activities to manage the most material risks, in accordance with the aforementioned risk assessment and internal control process, and reporting. Bonava's control environment is comprised of responsibilities, authorisations and policy documents as well as laws and regulations. Within company management, relevant named document owners have primary responsibility for ensuring compliance with the relevant policy documents. In addition, the company considers that all employees have a responsibility to ensure compliance with all governing regulations and processes. The company makes it possible for employees to assume this responsibility by means of various information and training initiatives.

Risk assessment

In accordance with the Board's Rules of Procedure, the Board of Directors and the Audit Committee review the company's internal control annually. This review is based on the risk assessment and internal control process described above.

The Group's overarching risk analysis primarily encompasses risks in the following areas:

- Bonava's operating environment
- Strategic
- Operational
- Health and safety
- Climate and environment
- Customer-related
- Financial
- Legal

The risks identified in each area are evaluated on the basis of their estimated probability and impact. The outcome of the risk analysis is part of the aforementioned risk assessment and internal control process and is included in the annual risk and regulatory compliance report. For more information about the Group's risks and risk management, see pages 55–57 and Note 24.

Control activities

Bonava's risk management is based on a number of control activities being carried out at different levels throughout the business operations and within various functions. The control activities are intended to ensure that Bonava's processes are efficient and that the risks identified are managed effectively. For the business operations, ERP systems form the basis of the control structure, focusing on key stages of the business operations such as investment decisions, production start and sales. Bonava places considerable emphasis on monitoring its projects.

Bonava has a Treasury function that controls financial risks in various respects. In addition, there is the IT function that bears central responsibility for the most essential IT systems at Bonava. Bonava also has a central function for Human Resources Operations that manages payroll administration for the Nordic countries. All these functions stipulate that processes must include control activities that manage identified risks effectively.

Other control activities in addition to the risk assessment and internal control process described above primarily include quarterly Board meetings in each business unit. Central elements in these meetings include reporting and discussion of financial forecasts and outcomes, the structured risk assessment of the business units, etc. Bonava has also implemented a comprehensive compliance programme ("Our Foundation"). The programme aims to minimise risk relating to regulatory compliance and business ethics, and includes written guidelines on anti-corruption and competition legislation, central and local advisers on these issues, compulsory training in business ethics, annual group discussions, and a whistle-blower function. For more information, refer to pages 55–57.

Information and communication

Bonava has established an organisation to ensure correct and efficient financial and non-financial reporting. The internal policy documents specify the division of responsibilities, and daily interaction between the individuals concerned means that relevant information and communication reaches all the relevant parties. Guidelines, instructions and manuals of significance to financial reporting are communicated to the relevant employees through Bonava's intranet. Instructions for non-financial reporting were developed during the year to ensure correct and efficient reporting.

The Board of Directors regularly receives financial reports regarding Bonava's financial position and earnings performance. The Executive Management Group receives monthly financial information about the progress of Bonava's sales, profit, reviews and follow-up of ongoing and future investments, and liquidity planning.

The company's communication policy ensures that all external and internal information is accurate and is presented in a timely manner. Bonava's employees are invited to participate, directly or indirectly, in the preparation of internal policies and guidelines, and have thus been part of preparing these internal policy documents.

Follow-up and improvements

Follow-up continuously takes place at all levels of Bonava. The Board of Directors regularly evaluates the information provided by management and the auditors. The company's auditor also reports observations based on his review, as well as an assessment of internal control, directly to the Board of Directors and to the Audit Committee.

Bonava's financial position, investments and ongoing operations are discussed at each Board meeting. The Board is also responsible for monitoring and improving internal control, and ensuring that measures are taken to address any weaknesses or proposals that emerge. This work includes ensuring that measures are taken to handle any shortcomings, as well as following up on suggested measures arising from the external audit. The main basis for the Board's monitoring consists of the previously described risk assessment and internal control process.

Evaluation of the need for a dedicated internal audit function

Bonava does not currently have an internal audit function, apart from the established Risk Committee whose operations have some characteristics of an internal audit. The Board of Directors has reviewed the matter and considers the existing structures for follow-up and evaluation to be satisfactory. In conclusion, this means that it is currently not justified to establish a separate internal audit function. The matter is reviewed annually.

Sustainability

The Board of Directors determines Bonava's sustainability agenda and overarching Group sustainability targets, and

issues the Sustainability Report. Sustainability is integrated in the company's strategy and its strategic and long-term goals.

The key policy document for Bonava's sustainability work is the company's Code of Conduct, which is based on the principles for compliance with the UN Global Compact and the company's Sustainability Policy. Like all our other policies, these are revised annually and adopted by the Board. The Board follows up on the sustainability agenda in its entirety, with all the sustainability targets, at least once a year. Areas such as health and safety and employees are routinely followed up at every Board meeting. Monthly reports are also submitted to the Board that include any incidents and accidents at the worksites. The CEO and Legal address any other severe incidents or events in other areas, such as the environment, at the Board meetings.

During the year, no incidents or events occurred that were of the degree of severity that required reporting to the Board.

The Board receives an annual review of current and future changes to national, EU, or other relevant legislation and regulations concerning sustainability initiatives or reporting of same. The Board received information concerning CSRD and the company's process, organisation and work with double materiality assessment and stakeholder dialogue.

The Board has opportunities for relevant training, such as digital training in workplace safety, which is also a requirement for being permitted to visit a Swedish construction worksite. The Board's annual evaluation of its activities includes sustainability. The members of the Board possess expertise that includes broad experience on boards of directors and in management, as well as specific proficiencies that also include aspects of our sustainability agenda. The Board is of the opinion that the relevant competence is on hand for the operations that Bonava pursues. The Rules of Procedure for the Board of Directors contains clear instructions as regards issues such as conflicts of interest.

The Board of Directors issues the Sustainability Report, which forms part of Bonava's Annual Report and has been prepared in accordance with the Global Reporting Initiative (GRI Universal Standards 2021). The period of the report is the full-year 2024 and the reporting cycle is annual. Read more about Bonava's sustainability agenda and reporting on pages 6, 14–26, 41–42, 55–57 och 100–143, which constitute the statutory Sustainability Report.

Sustainability organisation

The Board of Directors holds ultimate responsibility for reviewing, monitoring, and guiding Bonava's sustainability initiatives. Bonava's CEO delegates the strategic responsibility for the sustainability agenda to the SVP Brand & Culture. The operational responsibility is held by the Group Head of ESG Control & Reporting, who coordinates the sustainability work with the other responsible functions. The Group Head of ESG Control & Reporting reports to SVP Brand & Culture.

An ESG Committee was established in 2022 as a supporting body for Bonava's Executive Management Group and is tasked with ensuring the implementation of the company's Sustainability Policy and coordinating issues in the ESG agenda together with the company's business units. The ESG Committee is led by the Group Head of ESG Control & Reporting and also includes the Chief Legal Officer, CFO, SVP Brand & Culture and Group Head of Health & Safety.

The Group Head of ESG Control & Reporting also chairs Bonava's Green Financing Committee, which otherwise consists of members from Group Treasury.

In addition, Bonava has a Group Head of Health & Safety who has overarching responsibility for developing Group-wide processes and driving the development process for the sustainability topic of health and safety. The Group Head of Health & Safety leads Bonava's Council for Health and Safety with the aim of preparing supporting documentation for the Executive Management Group, and implementing decisions. The Council for Health and Safety includes representatives from each business unit. Bonava has a Group Head of Risk & Compliance, who is responsible for developing Bonava's procedures for deliberate and proactive work on risk and compliance management and leads Bonava's Risk Committee.

Board of Directors



Mats Jönsson

Board member since 2020
Chairman since 2021

Born: 1957

Education: M.Sc. in Engineering, KTH Royal Institute of Technology in Stockholm

Other current assignments: Chairman of the Board of Lekolar Group AB, and Board member in NCC AB and Assemblin Caverion Group.

Previous experience: CEO and President of Coor Service Management, Business Unit Director at Skanska Services and Division Head at Skanska Sverige.

Holdings in Bonava (incl. related parties)*: 290,000 Class B shares and 735,294 options issued by Nordstjernan AB



Viveca Ax:son Johnson

Board member since 2015
Born: 1963

Education: Social science secondary education

Other current assignments: Chairman of the Board of Nordstjernan AB, the Axel and Margaret Ax:son Johnson Foundation for Public Benefit, and Bokförlaget Stolpe AB. Board member of FPG Media AB.

Holdings in Bonava (incl. related parties)*: 75,000 Class A shares and 369,000 Class B shares, and also 24,000,000 Class A shares and 55,731,795 Class B shares through the company Nordstjernan AB



Per-Ingemar Persson

Board member since 2021
Born: 1956

Education: M.Sc. in Civil Engineering, Lund University, LTH Faculty of Engineering

Other current assignments: Board member of Veidekke ASA and Jacob Bennet Holding AB.

Previous experience: CEO of Veidekke Sverige AB and of NVS Installation and various senior management positions within the Skanska Group.

Holdings in Bonava (incl. related parties)*: 49,700 Class B shares



Nils Styf

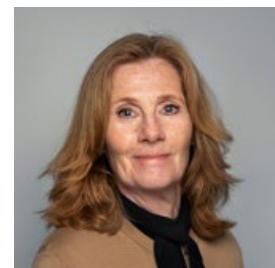
Board member since 2022
Born: 1976

Education: M.Sc. in Economics, Stockholm School of Economics

Other current assignments: CEO of Hemsö Fastighets AB and Board member in all wholly-owned and partly-owned subsidiaries of the Hemsö Group. Chairman of the Board of NP3 Fastigheter AB. Board member of Cibus Nordic Real Estate AB (publ), Mattssons Fastighetsutveckling i Stockholm AB and Rigido Invest AB.

Previous experience: Chief Investment Officer at Citycon, Director at Areim, Principal at Doughty Hanson & Co, Associate at Deutsche Bank and Analyst at Merrill Lynch.

Holdings in Bonava (incl. related parties)*: 137,778 Class B shares



Anette Frumerie

Board member since 2023
Born: 1968

Education: M.Sc. in Engineering, KTH Royal Institute of Technology in Stockholm

Other current assignments: CEO of Rikshem AB and Board member of Lindab International AB.

Previous work experience: CEO of BESQAB and Business Area Manager at Residential Development Nordic at Skanska.

Holdings in Bonava (incl. related parties)*: 30,000 Class B shares



Olle Boback

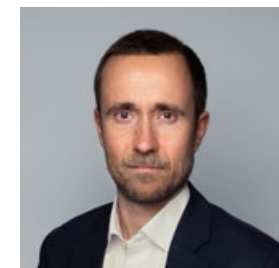
Board member since 2023
Born: 1953

Education: M.Sc. in Engineering, Rudbecksskolan

Other current assignments: Chairman of the Board of Sunparadise AG.

Previous experience: Senior adviser for Bonava Group. CEO of NCC's German operation.

Holdings in Bonava (incl. related parties)*: 48,512 Class B shares



Tobias Lönnevall

Board member since 2023
Born: 1980

Education: B.Sc. in Economics, Stockholm School of Economics

Other current assignments: Investment Director at Nordstjernan AB and Board member of Attendo AB.

Previous experience: CFO at Landic Property. Accenture Management Consulting.

Holdings in Bonava (incl. related parties)*: 55,000 Class B shares

Auditor

Patrik Adolfsen

PwC (Öhrlings PricewaterhouseCoopers AB)
Auditor in Charge since 2018
Born in 1973

Other significant assignments:

Other audit assignments include Anticimex Group AB (publ), Dometic Group AB (publ), Nordstjernan AB och Röko AB (publ). Member of FAR.

Proposed changes for the 2025 Annual General Meeting

The nomination committee proposes re-election of the board members Mats Jönsson, Per-Ingemar Persson, Nils Styf, Olle Boback, Anette Frumerie and Tobias Lönnevall and new election of Anneli Jansson and Paula Röttorp. Viveca Ax:son Johnson has declined re-election. The nomination committee proposes re-election of Mats Jönsson as chairman of the board for the period until the end of the next annual general meeting.

* Holdings in Bonava, including related parties, as per 11 February 2025.

Executive Management Group



Peter Wallin

President and CEO since 2021

Born: 1967

Education: M.Sc. in Economics, Uppsala University

Professional experience: CFO and Business Area Manager at Ratos. Prior to this, 18 years of experience from senior roles in the Skanska Group, including as CFO and Line Manager with responsibility for Skanska's construction operations in the UK, Poland and the Czech Republic. Executive Chairman of the Board of the Norwegian construction company HENT and Board member of the Norwegian offshore company Aibel.

Holdings in Bonava (incl. related parties)*: 299,967 Class B shares and 588,235 options issued by Nordstjernan AB



Jon Johnsson

Deputy CEO and Chief Financial Officer since 2025

Born: 1975

Education: Bachelor of Economics, School of Business, University of Gothenburg

Professional experience: CFO in Karo Healthcare and CEVT, and 11 years of experience from leading finance roles in Atlas Copco, including VP Finance for several divisions and Manager for Group Controlling. DeLaval and Addnature

Holdings in Bonava (incl. related parties)*: 0



Michael Björklund

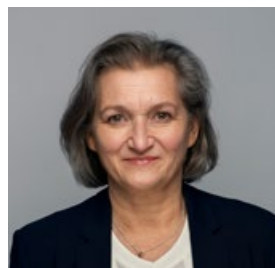
Business Unit President Sweden-Baltics since 2016

Born: 1969

Education: M.Sc. in Engineering, KTH Royal Institute of Technology, Stockholm, and B.Sc. in Economics, Stockholm University.

Professional experience: 25 years' experience in senior positions in the property sector, including IKEA Real Estate Russia, Skanska International and NCC.

Holdings in Bonava (incl. related parties)*: 6,855 Class B shares



Sabine Helterhoff

Business Unit President Germany since 2019

Born: 1962

Education: Law degree, Leipzig University

Professional experience: General Counsel in Germany since 1991 and responsible for investor transactions in Germany since 2007.

Holdings in Bonava (incl. related parties)*: 9,893 Class B shares



Riku Patokoski

Business Unit President Finland since 2021

Born: 1973

Education: M.Sc. in Architecture, University of Oulu

Professional experience: More than 20 years of experience in construction, residential and property development. Executive Vice President of Hoivatilat (2018–2020) with responsibility for the company's operations in southern Finland and Sweden. Prior to this, various senior positions at Peab and Skanska.

Holdings in Bonava (incl. related parties)*: 12,050 Class B shares



Hedvig Wallander

Chief Legal Officer since 2021

Born: 1973

Education: Law degree, Uppsala University

Professional experience: Head of Legal at Bonava Sweden 2016-2021. Company lawyer at Peab and lawyer at Mannheimer Swartling.

Holdings in Bonava (incl. related parties)*: 45,000 Class B shares



Anna Wenner

SVP Brand and Culture since 2022

Born: 1971

Education: M.Sc. in Political Science, Örebro University and Marketing Communication Program (IHR), Stockholm University.

Professional experience: A total of 20 years of experience from senior roles within the Skanska Group, including HR, Communication and marketing and Head of Media Relations at Skanska AB. Senior Vice President HR and Communication at Skanska Sweden 2016–2021.

Holdings in Bonava (incl. related parties)*: 23,676 Class B shares

Changes in the Executive Management Group; 2024 through February 2025

Jon Johnsson assumed the role of Deputy CEO and CFO on January 2, 2025. During 2024, Lars Ingman served as interim CFO and was also part of Bonava's Executive Management Group during that period.

* Holdings in Bonava, including related parties, as per 11 February 2025.

Auditor's Report on the Corporate Governance Statement

This is a literal translation of the Swedish original report included in RevR 16.

Stockholm, 18 March 2025

**To the general meeting of the shareholders in Bonava AB (publ),
corporate identity number 556928-0380**

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2024 on pages 36–44 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 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.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

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Stockholm, 18 March 2025
Öhrlings PricewaterhouseCoopers AB

Patrik Adolfson
Authorized Public Accountant
Auditor in Charge

Linda Andersson
Authorized Public Accountant

Mats Jönsson
Chairman of the Board

Viveca Ax:son Johnson
Board member

Per-Ingemar Persson
Board member

Nils Styf
Board member

Anette Frumerie
Board member

Olle Boback
Board member

Tobias Lönnevall
Board member

Peter Wallin
CEO



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Report of the Board of Directors

The Board of Directors and Chief Executive Officer of Bonava AB (publ.), corporate identity number 556928-0380, with its registered office in Stockholm, Sweden, hereby present the Annual Report and consolidated financial statements for the 2024 financial year.

Group

Operations

Bonava is a leading residential developer in Europe. With our 900 employees, Bonava has operations in Germany, Sweden, Finland, Estonia, Latvia and Lithuania. Germany is our largest market. The operations in St. Petersburg and Norway were divested in 2023 and are recognised as discontinued operations in comparative figures. The numbers in the Report of the Board of Directors concern continuing operations, unless otherwise stated.

Bonava focuses on 19 major city regions with pronounced growth and with stable local labour markets, which generates demand for new housing over time. Bonava develops land into affordable and sustainable neighbourhoods, where the housing units are adapted to customers' wants and needs as well as the unique circumstances of each location.

Bonava provides multi-family and single-family housing units, and develops homes for consumers and investors, such as pension funds, alongside municipalities and other stakeholders. Bonava thus contributes to the creation of new and vibrant neighbourhoods.

Bonava's share and green bond are listed on Nasdaq Stockholm.

Beginning in 2024, monitoring of the segments has partially been changed, which is why Bonava recognises operating gross profit and operating EBIT (earnings by segment), which corresponds to the earnings that form the basis of the monitoring of each segment in the Group. The operating EBIT comprises EBIT before items affecting comparability adjusted for impairment, sales of land, items related to restructuring and costs for M&A. A bridge between operating EBIT and EBIT is found in Note 2.

Performance of operations

Net sales

Net sales amounted to SEK 8,194 M (13,269). During the period, 1,630 (2,419) housing units for consumers were recognised in profit, with net sales of SEK 6,288 M (9,308). The average price per housing unit recognised in profit was somewhat higher compared with the year-earlier period, totalling SEK 3.9 M (3.8).

Net sales to investors totalled SEK 1,399 M (3,871), and the number of housing units recognised in profit was 465 (1,550).

Net sales also include the sale of land totaling SEK 483 M (78).

Translation of foreign currencies had an effect of SEK -23 M on net sales compared with the preceding year.

Operating EBIT

Operating gross profit amounted to SEK 948 M (1,421) and the operating gross margin was 11.6 per cent (10.7). Operating EBIT was SEK 290 M (660) and the operating EBIT margin was 3.5 per cent (5.0). The decrease in operating EBIT is attributable primarily to the low business volume, which was not sufficient to cover overheads. Exchange rate fluctuations impacted EBIT by SEK -1 M compared with the year-earlier period.

EBIT

EBIT in accordance with IFRS totalled SEK 22 M (-619) and the operating EBIT margin was 0.3 per cent (-4.7). The difference compared with operating EBIT consists primarily of impairment of properties held for future development. Total operating adjustments were SEK -123 M for Sweden, SEK -114 M for Germany and SEK -30 M for Finland. In the preceding year, SEK -1,279 M pertaining to impairments and restructuring was classified as items affecting comparability. For more information, see Note 25.

Net financial items, profit/loss before tax and profit/loss for the year

Net financial items totalled SEK -524 M (-518) with higher interest rates offsetting the effect of lower net debt. Loss before tax amounted to SEK -501 M (-1,137). Tax on loss for the year was SEK -17 M (-5), corresponding to a tax rate of -3 per cent (0). The low tax rate is attributable primarily to deferred tax not being reported for deficits generated in 2024 or the comparative period. Loss for the year for continuing operations amounted to SEK -518 M (-1,143).

	2024	2023	2022	2021	2020
Net sales	8,194	13,269	13,987	13,959	15,203
Operating EBIT	290	660	858	1,111	860
EBIT	22	-619	802	1,081	860
Profit/loss for the year	-518	-1,143	441	761	528
Net debt ¹⁾	3,068	4,951	7,259	3,313	3,311
Equity/assets ratio, % ¹⁾	41.7	34.6	31.2	35.1	34.6
Cash flow before financing activities ¹⁾	621	716	-3,345	631	3,662
Operating cash flow ¹⁾	1,524	538	N/A	N/A	N/A
Average no. of employees	923	1,486	1,787	1,740	1,696

¹⁾ Including discontinued operations
N/A = Not Applicable

Financial position (continuing and discontinued operations)

Total assets

Total assets were SEK 17,254 M (19,097). The decrease is due primarily to a lower number of completed housing units on the balance sheet as well as a lower carrying amount for ongoing housing projects. Exchange-rate fluctuations increased total assets by SEK 511 M compared with 31 December 2023.

Net debt and net project asset value

Net debt decreased year-on-year to SEK 3,068 M (4,951) at year end. The decrease was mainly due to a positive cash flow from operations. Net project asset value amounted to SEK 4,651 M (5,637) and the ratio between net project asset value and net debt excl. leases was 1.6 (1.2).

Capital employed and return on capital employed

Capital employed amounted to SEK 11,499 M (12,422) at year-end. Return on capital employed was -0.3 per cent (4.3), with the decline due to lower earnings before items affecting comparability.

Equity/assets and debt/equity ratio

As of 31 December, the equity/assets ratio was 41.7 per cent (34.6). The debt/equity ratio was 0.4 (0.8).

Cash flow (continuing and discontinued operations)

Starting in 2024, Bonava reports a simplified operating cash flow that reflects EBITDA together with net investments and changes in working capital in the balance sheet in accordance with IFRS, without adjustments for exchange-rate changes and other non-cash items. However, the comparative figures produced have been adjusted for the divestments of operations that took place in 2023. A bridge between operating cash flow and the legal cash flow before financing activities is provided in Note 30.

	2024 Jan-Dec	2023 Jan-Dec
Operating cash flow		
Operating EBITDA	399	977
Operating adjustments/items affecting comparability	-267	-1,279
EBITDA	132	-302
Net project investments/divestments	954	3,926
Net land investments/divestments	988	-374
Net investments/divestments, other	-56	-18
Net investments	1,886	3,534
Change in accounts receivable	-19	70
Change in customer advances	78	-2,046
Change in accounts payable	-45	-281
Change in other working capital	-508	-436
Change in working capital	-494	-2,694
Operating cash flow	1,524	538

EBITDA totalled SEK 132 M (-302) and includes impairment of SEK 244 M (721) that is not included in operating EBITDA.

Net investments totalled SEK 1,886 M (3,534), with net divestments in project operations of SEK 954 M being much lower than the SEK 3,926 M that was recognised in the preceding year. Net changes in land amounted to SEK 988 M (-374), with SEK 244 M (721) of this effect being due to recognised impairment. Excluding this, changes in land totalled SEK 744 M for the period, which is attributable to a small number of strategic sales of properties held for future development and reclassifications to ongoing projects.

The change in working capital totalled SEK -494 M (-2,694) with an increase in customer advances contributing SEK 78 M (-2,046).

In total, the operating cash flow strengthened during the period, amounting to SEK 1,524 M (538).

Cash flow before financing activities was SEK 621 M (716), with the negative discrepancy compared with operating cash flow being attributable primarily to financial items of SEK -482 M (-521) and changes in project financing of SEK -347 M (-807). The preceding year also included a positive effect from the sale of the operations in Norway and St. Petersburg.

Housing sales, housing starts and building rights

Building rights

The total number of building rights at the end of the year was 25,900 (28,900). All business units show a net decrease for 2024, with the largest decrease in Germany.

Housing units in production

At the end of the year, there were 2,167 housing units (2,153) for consumers and 1,010 housing units (902) for investors in production. As of 31 December, the sales rate for ongoing production was 40 per cent (36) for housing units for consumers and 100 per cent (100) for housing units for investors. At the end of the period, the completion rate was 53 per cent (61) for consumers and 43 per cent (45) for investors.

Sold completed housing units not recognised in profit

The number of completed housing units sold but not recognised in profit at year-end was 59 (45).

Unsold completed housing units

The number of unsold completed housing units at year-end was 309 (505). The number has decreased in all business units.

	2024	2023
Number of building rights	25,900	28,900
of which, off-balance sheet building rights	6,300	8,200
Housing development for consumers		
Number of housing units sold	1,727	1,242
Sales value of housing units sold	6,329	4,795
Number of housing units started	1,462	1,082
Number of housing units in ongoing production	2,167	2,153
Sales rate for housing units in ongoing production, %	40	36
Number of housing units recognised in profit	1,630	2,419
Housing development for investors		
Number of housing units sold	573	251
Sales value of housing units sold	1,743	802
Number of housing units started	573	251
Number of housing units in ongoing production	1,010	902
Sales rate for housing units in ongoing production, % ¹⁾	100	100
Number of housing units recognised in profit	465	1,550

¹⁾Excluding investment properties.

The share and shareholders

Bonava has two share classes, Class A and Class B. Each Class A share carries ten votes and each Class B share one vote. The share capital was SEK 538 M on the balance sheet date, divided among 322,816,756 shares and 594,241,762 votes. At 31 December 2024, Bonava had 30,158,334 Class A shares and 292,658,422 Class B shares. The number of Class B shares in treasury totalled 1,245,355, corresponding to 0.4 per cent of the capital and 0.2 per cent of the votes. At year-end, Bonava had 28,261 (30,385) shareholders.

Bonava's largest shareholders were Nordstjernan AB, with 24.7 per cent of the capital and 49.8 per cent of the votes; followed by the Fourth

Swedish National Pension Fund with 9.2 per cent of the capital and 5.6 per cent of the votes; and Schrodgers, with 7.0 per cent of the capital and 3.8 per cent of the votes. The ten largest shareholders controlled 65.4 per cent of the capital and 72.7 per cent of the votes in total.

In February 2024, Bonava completed a fully underwritten rights issue which provided approximately SEK 1,050 M before deduction of issuing costs. The issue was oversubscribed by 169.7 per cent. As a result of the rights issue, Bonava's share capital increased by SEK 104,580,931 to SEK 538,324,219. More information on Bonava's share, owners and the implemented rights issue can be found on bonava.com/investor-relations and on pages 149-150.

Organisation and employees

The average number of employees in the Group for the year was 923 (1,486).

Nomination activities

Bonava's 2024 AGM appointed the following Nomination Committee ahead of the 2025 AGM: Peter Hofvenstam (Nordstjernan AB), Lennart Francke (Swedbank Robur Fonder), Olof Nyström (Fourth Swedish National Pension Fund), with the Chairman of the Board as a co-opted member. Peter Hofvenstam was elected Chairman of the Nomination Committee. For more information about the composition of the Board, refer to the Corporate Governance Report.

Corporate Governance Report

The Corporate Governance Report is included as a separate section of Bonava's Annual Report and does not constitute a part of the formal Annual Report documents; refer to the Corporate Governance section on pages 37-42.

Significant events during the year

In January, Lars Granlöv stepped down from the role of CFO of Bonava. At the same time, Lars Ingman was appointed interim CFO. In June, Bonava announced the appointment of Jon Johnsson as new CFO taking office on 2 January 2025. In December, Bonava's Board of Directors also resolved to appoint Jon Johnsson as Deputy CEO of Bonava, and he will assume the position on the same date as stated above.

On 10 January 2024, Bonava received approval from the noteholders to amend the terms and conditions under its outstanding SEK 1,200 M bond loan, which will take effect after the implementation of the rights issue and the extension of bank financing.

Bonava has finalised negotiations with its lenders concerning the extension of credit facilities by three years based on the main conditions that were set in December 2023 and an agreement was signed in 1 February.

On 1 February 2024, Bonava announced revised financial targets. The target for the EBIT margin to amount to at least 10 per cent by 2026 remains valid, as does our long-term dividend policy stating that Bonava is to disburse 40 per cent of the Group's earnings after tax over time.

The net debt/equity ratio target will no longer apply. A new target has been added: return on equity is to be at least 15 per cent over time. The targets are based on a financing framework that is meant to balance the financial risks in the business. Equity/assets ratio is to exceed 30 per cent and the Group's net debt is not to exceed net project assets. This clarifies that investments in building rights or dividends to shareholders may only be made using shareholders' equity.

In February 2024, Bonava completed a fully underwritten rights issue that provided approximately SEK 1,050 M before the deduction of issue costs.

For its obligations under the credit facility agreement and bond loan, Bonava has pledged as collateral the shares in the wholly owned subsidiary Bonava Group Holding AB, into which ownership of all of the Group's subsidiaries has been gathered through shareholder contributions or non-cash issue. Shares in other material subsidiaries and some intra-Group loans have been pledged as security for Bonava's obligations under the credit facility agreement.

Significant events after year-end

During February 2025, Bonava issued a SEK 960 M secured green bond, which was significantly oversubscribed. The coupon of the new bond is STIBOR +475 bp, and the tenor is 3.5 years. The previous bond, which was more expensive due to a step-up structure, was tendered and called at a price of 102 per cent of the nominal value.

Remuneration

The 2023 AGM resolved that the maximum outcome for variable cash-based remuneration shall amount to at most 60 per cent of fixed annual cash-based remuneration for the CEO and 50 per cent for other senior executives during the measurement period for such criteria. The foundation for the applicable guidelines will be valid for the period up until the 2027 AGM. These guidelines cover the Executive Management Group including the CEO, totalling six (seven) senior executives.

Bonava applies remuneration levels and employment terms that are necessary to enable the recruitment and retention of a management possessing high competence and the ability to achieve the targets set. The remuneration principles and structures should motivate senior executives to do their utmost to safeguard the shareholders' interests. Accordingly, remuneration should be on market terms and competitive. It should be straightforward, long-term and measurable. The total remuneration package should support the company's long-term strategy. Remuneration to company management comprises fixed salary, variable remuneration, long-term performance-based incentive programmes, pensions and other benefits.

Fixed cash-based salary

Fixed salary to senior executives should be on market terms and based on areas of responsibility, experience and results achieved. Fixed remuneration is reviewed either annually or biannually.

Variable cash-based remuneration

Short-term variable remuneration is to be maximised and related to fixed salary, and based on the outcome in relation to the targets set, of which the absolute majority correspond to financial targets. In 2024, short-term variable remuneration to the CEO was capped at 60 per cent of fixed salary, and for other members of the Executive Management Group maximised at 50 per cent of fixed salary.

Variable share-based remuneration

At the AGM on 10 April, a resolution was passed not to authorise a long-term performance-based share programme 2024 for senior executives and key individuals within the Bonava Group. More details on the previously introduced long-term incentive programmes are available at bonava.com. See also Note 4, Number of employees, personnel costs and remuneration of senior executives.

Pensions and other benefits

With regards to pensions, Bonava offers defined-contribution solutions, which means that Bonava pays premiums that comprise a specific proportion of the employee's salary. For all members of company management (who are not covered by ITP plans under collective bargaining agreements), the pension premium in fixed cash salary is not to exceed 30 per cent. For the CEO, the pension premium in fixed cash salary is not to exceed 35 per cent. Variable cash remuneration will not be pensionable, provided this does not follow from obligatory provisions in a collective bargaining agreement.

Other benefits may include features such as life insurance, health-care insurance and company vehicles. All together, premiums and other costs for benefits of this kind may total a maximum of 10 per cent of the fixed cash salary. For members of company management working outside Sweden, pension and other benefits are arranged in accordance with fixed or mandatory local practice, but in that case adjustment must be kept as far as possible within the boundaries of these guidelines.

Termination of employment

A senior executive who terminates his/her employment on the company's initiative is normally entitled to a maximum of nine months' notice with severance pay corresponding to nine months' fixed salary. The company shall be entitled to deduct from the severance pay for compensation paid during the said nine months from a new employer. For the CEO, a notice period of twelve months may instead be applied with severance pay corresponding to twelve months' fixed salary. The notice period is a maximum of six months in the event of termination on the initiative of the senior executive. In this context, senior executives are defined as the CEO, CFO and other members of the Executive Management Group. The Board of Directors is entitled to depart from the above guidelines for remuneration to senior executives if there are special reasons in an individual case.

The Parent Company

Net sales and profit

The Parent Company comprises the operations of Bonava AB (publ). The company's net sales for the period totalled SEK 167 M (213). Profit after financial items was SEK 166 M (-1,109).

The average number of employees for the year was 47 (60).

Environmental impact

Bonava does not conduct any operations subject to permits under the Swedish Environmental Code within the Parent Company or subsidiaries.

Statutory sustainability report

The statutory Sustainability Report is found on pages 6, 14–26, 41–42, 55–57 and 100–143. Refer to Note S1 and S2 in the Sustainability Report for accounting policies and changes to this year's report.

Seasonal effects

Bonava recognises revenues and earnings from housing sales when sold and completed housing units are delivered to customers. Bonava's operations are affected by seasonal variations, which means that a majority of housing units are delivered to customers in the fourth quarter. Accordingly, earnings and cash flow before financing are usually stronger in the fourth quarter than in other quarters.

Amounts and dates

Unless otherwise stated, amounts are indicated in millions of Swedish kronor (SEK M). The relevant period is 1 January–31 December for income statement-related items, and 31 December for balance sheet-related items. Rounding differences may occur.

Appropriation of profit

The Board of Directors proposes that distributable earnings of SEK	6,765,313,947
<i>Be appropriated as follows:</i>	
Carried forward	6,765,313,947
Total SEK	6,765,313,947

Segments

Germany

Germany is Bonava's largest market, with operations in the major city regions of Berlin and Hamburg as well as the Baltic Sea, Saxony, Rhein-Ruhr, Cologne/Bonn, Rhein-Main and Rhein-Neckar/Stuttgart, offering apartments and single-family homes to consumers, and multi-family housing with rental apartments to investors.

Profit

Net sales decreased year-on-year to SEK 5,678 M (7,283), which is attributable to a lower number of housing units delivered to consumers and investors.

The operating gross margin was 12.2 per cent (12.6).

Operating EBIT amounted to SEK 431 M (628) with an operating EBIT margin of 7.6 per cent (8.6).

Building rights and ongoing production

Building rights were slightly lower than the preceding year, totalling 7,600 (9,000).

The number of housing starts for consumers was 657 (610) and the number of housing starts for investors was 474 (176).

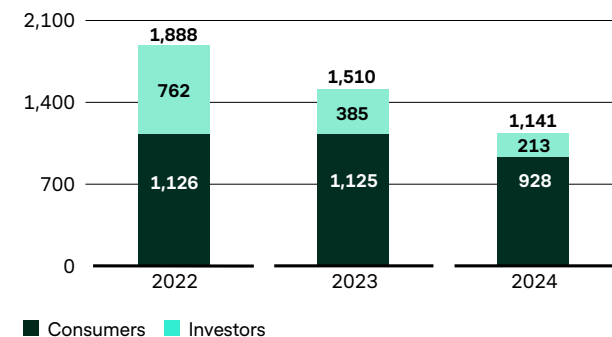
The number of housing units sold to consumers was higher than in the preceding year, totalling 910 (724). The sales rate for ongoing production increased to 50 per cent (44). The number of housing units sold to investors increased to 474 (176) and the sales rate for ongoing production was 100 per cent (100).

Financial position

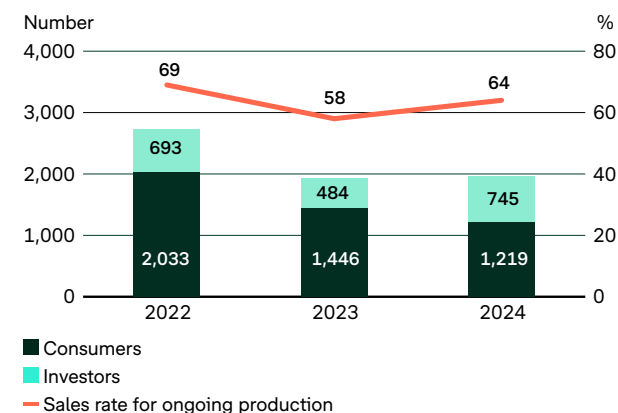
Capital employed amounted to SEK 6,087 M (6,936) and the return on capital employed was 4.1 per cent (8.2). The return fell due primarily to lower profit after financial items, excluding interest expenses.

	2024	2023
Net sales	5,678	7,283
Operating EBIT	431	628
Operating EBIT margin, %	7.6	8.6
Capital employed	6,087	6,936
Return on capital employed, %	4.1	8.2
Average no. of employees	453	836
Building rights		
Number of building rights	7,600	9,000
of which, off-balance sheet building rights	1,400	1,600
Housing development for consumers		
Number of housing units sold	910	724
Sales value of housing units sold	4,429	3,690
Number of housing units started	657	610
Number of housing units in ongoing production	1,219	1,446
Sales rate for housing units in ongoing production, %	50	44
Number of housing units recognised in profit	928	1,125
Housing development for investors		
Number of housing units sold	474	176
Sales value of housing units sold	1,532	637
Number of housing units started	474	176
Number of housing units in ongoing production	745	484
Sales rate for housing units in ongoing production, %	100	100
Number of housing units recognised in profit	213	385

Number of housing units recognised in profit



Number of housing units in ongoing production and sales rate for ongoing production



Sweden

In Sweden, Bonava offers apartments and single-family homes to consumers in Stockholm, Gothenburg, Linköping, Uppsala and Umeå. We offer rental housing projects to investors all over Sweden.

Profit

Net sales decreased year-on-year to SEK 1,073 M (2,685), which is attributable to a lower number of housing units delivered to consumers and investors.

The operating gross margin was 5.7 per cent (8.4).

Operating EBIT amounted to SEK -57 M (77) with an operating EBIT margin of -5.3 per cent (2.9), as a result of lower volumes and lower margins in housing units recognised in profit.

Building rights and ongoing production

Building rights decreased during the year and totalled 8,700 (9,500) at year-end.

The number of housing starts for consumers totalled 116 (88). No housing units were started for investors this year or last year.

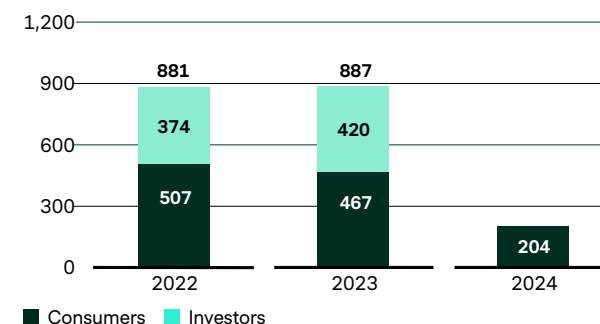
The number of housing units sold to consumers was 233 (110). The sales rate for ongoing production was 45 per cent (24). No housing units were sold to investors during the year, or in the preceding year.

Financial position

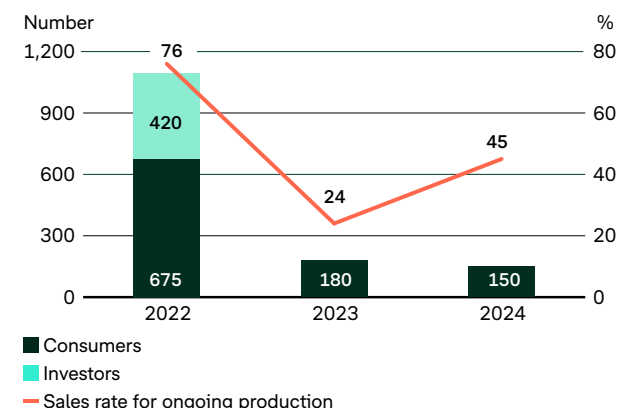
Capital employed amounted to SEK 2,636 M (3,189) and the return on capital employed was -6.6 per cent (1.9). The return was lower as a result of lower profit after net financial items, excluding interest expenses.

	2024	2023
Net sales	1,073	2,685
Operating EBIT	-57	77
Operating EBIT margin, %	-5.3	2.9
Capital employed	2,636	3,189
Return on capital employed, %	-6.6	1.9
Average no. of employees	87	153
Building rights		
Number of building rights	8,700	9,500
of which, off-balance sheet building rights	1,800	2,500
Housing development for consumers		
Number of housing units sold	233	110
Sales value of housing units sold	989	454
Number of housing units started	116	88
Number of housing units in ongoing production	150	180
Sales rate for housing units in ongoing production, %	45	24
Number of housing units recognised in profit	204	467
Housing development for investors		
Number of housing units sold		
Sales value of housing units sold	5	10
Number of housing units started		
Number of housing units in ongoing production		
Sales rate for housing units in ongoing production, %		
Number of housing units recognised in profit		420

Number of housing units recognised in profit



Number of housing units in ongoing production and sales rate for ongoing production¹⁾



¹⁾ Excluding investment properties.

Finland

In Finland, Bonava is active in the regions of Helsinki, Tampere and Turku. We offer apartments for consumers and rental housing projects for investors.

Profit

Net sales amounted to SEK 791 M (2,531). The number of housing units for consumers recognised in profit decreased compared with the preceding year to 64 (306), and the number of housing units for investors recognised in profit decreased to 252 (745).

The operating gross margin increased year-on-year to 12.3 per cent (7.6) as a result of improved project margins and reversal of an earlier provision for costs related to a warranty issue that was resolved in Bonava's favour.

Operating EBIT was SEK -8 M (107) and the operating EBIT margin was -1.0 per cent (4.2). The operating EBIT fell despite improved project margins as a result of lower volumes that did not cover indirect costs.

Building rights and ongoing production

Building rights decreased during the year and totalled 3,200 (3,600) at year-end.

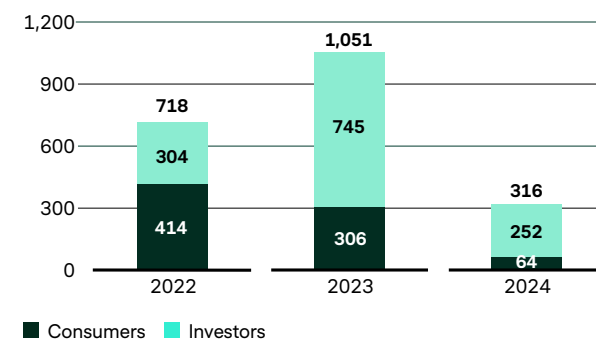
The number of housing units sold to consumers was 73 (87). The sales rate for ongoing production was 31 per cent (0). The number of housing units sold to investors was 99 (75). 29 housing units for consumers were started, as opposed to none in the preceding year. 99 (75) housing units for investors were started. The sales rate for ongoing production was 100 per cent (100).

Financial position

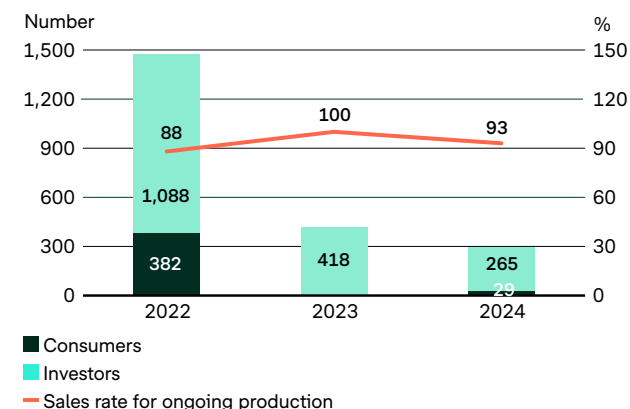
Capital employed amounted to SEK 669 M (789) and the return on capital employed was -3.8 per cent (11.3). The lower return was lower due to lower profit after net financial items, excluding interest expenses.

	2024	2023
Net sales	791	2,531
Operating EBIT	-8	107
Operating EBIT margin, %	-1.0	4.2
Capital employed	669	789
Return on capital employed, %	-3.8	11.3
Average no. of employees	110	168
Building rights		
Number of building rights	3,200	3,600
of which, off-balance sheet building rights	1,600	2,100
Housing development for consumers		
Number of housing units sold	73	87
Sales value of housing units sold	198	191
Number of housing units started	29	
Number of housing units in ongoing production	29	
Sales rate for housing units in ongoing production, %	31	
Number of housing units recognised in profit	64	306
Housing development for investors		
Number of housing units sold	99	75
Sales value of housing units sold	206	154
Number of housing units started	99	75
Number of housing units in ongoing production	265	418
Sales rate for housing units in ongoing production, %	100	100
Number of housing units recognised in profit	252	745

Number of housing units recognised in profit



Number of housing units in ongoing production and sales rate for ongoing production



Baltics

The Baltics segment comprises the capital cities of Tallinn, Estonia; Riga, Latvia; and Vilnius in Lithuania. The offering primarily consists of apartments for consumers, which are supplemented by rental housing projects for investors.

Profit

Net sales decreased to SEK 651 M (770), which is attributable to fewer housing units being delivered to consumers.

The operating gross margin decreased slightly to 14.5 per cent (15.0).

Operating EBIT was SEK 47 M (68) and the operating EBIT margin was 7.3 per cent (8.9), as a result of lower volumes. In 2023, the two B2M projects were completed.

The occupancy rate continues to increase in the two B2M properties, which has enabled external financing.

Building rights and ongoing production

Building rights decreased during the year and totalled 6,400 (6,800) at year-end.

The number of housing starts for consumers was 660 (384) and there were zero housing starts for investors, neither in the current or the preceding year.

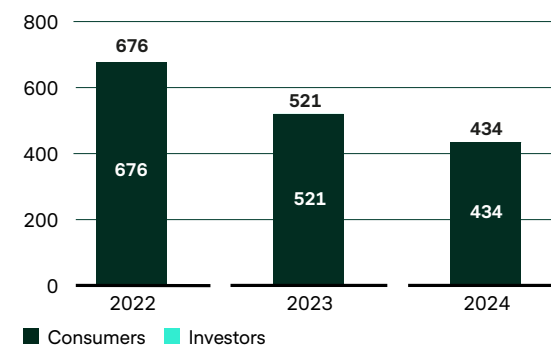
The number of housing units sold to consumers was 511 (321). The sales rate for ongoing production was 23 per cent (19). During the current and preceding year, zero housing units were sold to investors.

Financial position

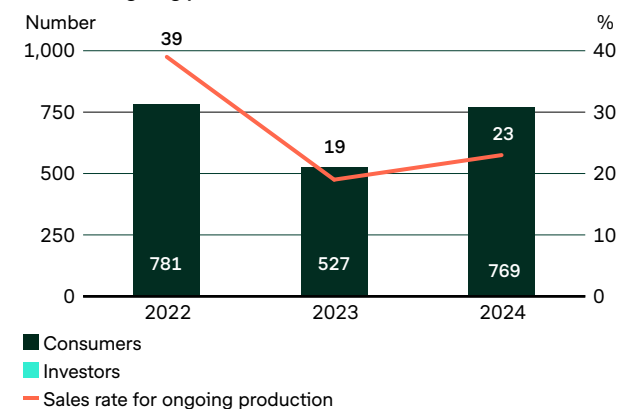
Capital employed amounted to SEK 1,584 M (1,409). Return on capital employed was slightly lower and totalled 3.1 per cent (5.2).

	2024	2023
Net sales	651	770
Operating EBIT	47	68
Operating EBIT margin, %	7.3	8.9
Capital employed	1,584	1,409
Return on capital employed, %	3.1	5.2
Average no. of employees	219	257
Building rights		
Number of building rights	6,400	6,800
of which, off-balance sheet building rights	1,500	2,000
Housing development for consumers		
Number of housing units sold	511	321
Sales value of housing units sold	712	460
Number of housing units started	660	384
Number of housing units in ongoing production	769	527
Sales rate for housing units in ongoing production, %	23	19
Number of housing units recognised in profit	434	521
Housing development for investors		
Number of housing units sold		
Sales value of housing units sold		
Number of housing units started		
of which investment properties		
Number of housing units in ongoing production		
of which investment properties		
Sales rate for housing units in ongoing production, %		
Number of housing units recognised in profit		

Number of housing units recognised in profit



Number of housing units in ongoing production and sales rate for ongoing production¹⁾



¹⁾ Excluding investment properties.

Risks and risk management

With a structured risk management framework Bonava's aim is to identify, manage and mitigate risks in the business in order to enhance resilience and support decision making thereby ensuring business continuity and the achievement of the company's financial and strategic goals. Bonava is exposed to risks with varying degrees of impact on the company. These risks may be attributable to events or decisions beyond Bonava's control but may also be the result of decisions by the company. The Audit Committee continuously monitors and evaluates Bonava's risk management, including the internal control processes and environment.

In the yearly risk assessment process, a number of risks were identified and assessed based on the probability that they could occur and the potential financial impact of the specified risks.

Bonava has a Risk Committee consisting of the CFO, Chief Legal Officer, SVP Brand & Culture, Group Head of Treasury, and Group Head

of Risk & Compliance. The Risk Committee is responsible for centrally organising, coordinating and driving Bonava's risk management work. The Risk Committee regularly reports to the Audit Committee.

The demand for housing units is affected by macroeconomic factors such as the general economic situation, inflation and interest rates, the level of employment, the pace of housing construction, changes in infrastructure and demographic trends.

Housing units are developed over long periods of time and require long-term financing. Bonava therefore requires access to long-term external financing to conduct the business. In February 2024, Bonava signed an agreement with current lenders to extend existing credit facilities and current bond until March 2027.

If Bonava for any reason is unable to secure financing for running the ongoing business, refinancing of previously secured financing or

can only obtain such financing on unfavourable terms, this could have a negative impact on Bonava's financial position and ability to perform the business.

Cyber threats are both increasing and becoming more sophisticated which requires a close monitoring of the company's cyber security through its central IT organisation.

In the table below, Bonava presents selected major risks that the company has identified to have an impact on the ability to achieve set goals and factors to mitigate those risks.

Macroeconomic risk

Description	Mitigating factors
Regulation	
The company is faced with regulatory changes that significantly impact its operations (e.g., building permit regulations, construction guidelines or financing rules).	Bonava is in continual dialogue with stakeholders who have an influence over the political agenda. This is complemented by an external analysis focused on identifying causes, trends and ongoing changes to laws, ordinances, and other regulations. Bonava continually adjusts its processes, decisions, and its strategy as needed when significant changes occur.
Housing market and competition	
The company is faced with changes in the housing market that adversely affect demand for its housing units.	The housing market is continuously monitored by internal and external experts to foresee changing market conditions as soon as possible. Bonava carries out structured customer surveys and constantly optimises its production costs in order to always offer customers the products they demand. Bonava is following the market closely and respond to changes in the demand to secure the financial position.

Operational risk

Description	Mitigating factors
Building rights portfolio management	
The company takes poorly informed decisions about investments and divestments in land and housing projects.	Investments in and divestments of land are managed through a formal process with a multi-level control environment that includes a properly developed due diligence process and an investment-specific risk and opportunity assessment. Board approval is required in conjunction with larger investments.
Project development	
The company is running housing projects that fall short of initially projected key performance indicators.	Project development risks are managed through a structured internal corporate governance process. Bonava evaluates and manages risks through operational systems and developed processes and routines concerning, for example, preliminary project and detailed project planning processes.
Procurement	
The lack of construction materials and services is causing delays in the company's housing projects and lead to increased costs.	Bonava has created a framework for the selection and review of its suppliers to increase control over and improve the coordination of procurement. Bonava has identified the requirements that each supplier must fulfil to qualify as a supplier, with the principles of the UN Global Compact and Bonava's Code of Conduct as a starting point.

Operational risk cont.

Description	Mitigating factors
Design and production	
The company's design and production organisation does not deliver the planned housing units within the time frame, at the quality, and at the costs that have been initially projected.	Bonava seeks to increase the industrialisation of its production. Increased repetition and a greater exchange of know-how within the Group reduces the risk of repeating mistakes.
Environment and climate	
The company's activities do not comply with internally decided and externally required environmental requirements leading to delays, administrative fines and reputational damages.	Bonava's internal corporate governance in each market ensures compliance with national and local requirements. Bonava's long term climate risk scenario analysis has informed the decision to set full scope science-based targets for urgent climate action, aligned with the pathway to minimise global warming to 1.5 degree Celsius. Responsibility to contribute to the targets is distributed according to business plans. Local and group-wide initiatives are initiated to support the targets. Bonava has internal local resources and/or employs external experts to plan and carry out soil remediation or post-treatment as well as planning of nature protection measures in close dialogue with local authorities. Bonava has Group-wide procedures and systems for alerts and communication regarding accidents and serious incidents as well as a professional Group-wide sustainability network.
Staffing	
The company does not maintain an attractive and motivating work environment that attracts and retains a competent workforce to enable the achievement of the company's business objectives.	Bonava has a structured recruitment process and places considerable emphasis on strengthening its reputation as an employer. The company offers competitive employment terms and has established a feedback culture that is complemented by anonymous employee surveys.
Health and safety	
The company's workplaces do not meet internal or external health and safety requirements.	Bonava makes no distinction between its employees and subcontractors' employees at sites managed by Bonava with the ultimate objective of preventing the occurrence of all injuries and occupational illnesses. Bonava has established organisational structures and procedures to utilise synergies, govern operations and monitor occupational health and safety work across the Group. Bonava has implemented crisis management plans as well as Group-wide routines and systems for hazard and incident management that include notifications and alerts for severe accidents or incidents. A Group-wide health and safety network has also been established.

Description	Mitigating factors
IT	
The company's IT environment does not meet operational requirements in terms of functionality, reliability, and data security.	Bonava has implemented a centralised IT organisation that continuously evaluates the company's business needs and closely monitors the IT-security
Breach of internal and external regulations	
The company significantly violates rules and regulations.	Bonava pursues a comprehensive compliance programme to manage compliance risks. Key elements of the programme include team discussions and online training courses, extensive advisory services, a whistle-blower function, risk assessments as well as regular internal reporting and communication.
Sales and marketing	
The company's offering does not meet customer demands while sales and marketing activities are inefficient and do not sufficiently promote the sales of housing units.	Bonava can rely on an extensive network of local experts with long-term experience and deep knowledge of customer expectations in Bonava's markets. This expertise is being converted into sales and marketing processes that are best suited for each customer group.
Customer service	
Bonava's customer service is not effective in guiding the customer through their journey until the end of the warranty period causing controversy with customers and is not providing the organisation with feedback on common defects.	The company works according to documented and monitored customer service procedures that include feedback to design & production functions and the measurement of KPIs such as average response times.
Crises	
The company is not able to adequately respond to crisis situations that have a significant impact on customer behaviour, supply chains or Bonava's reputation.	The company has established crisis management teams in all organisational units that ensure crisis preparedness and the management of crises based on documented procedures.

Financial risk

Description	Mitigating factors
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Liquidity

The company is unable to meet its payment obligations on time.

Bonava has stipulated a specific level relating to its payment capacity. The company also has a structured process for continuously monitoring and forecasting Group liquidity to ensure optimal financing and liquidity at any given time.

Reporting

The company submits inaccurate financial and non-financial (environmental, social and governance) reports to the external market or to authorities.

For financial reporting, Bonava applies the completed contract method, which implies that revenue and costs are known at the time of profit recognition. The company also has a structured process for budgeting outstanding costs at the time of profit recognition. A structured process is also used for non-financial items.

Guarantees

The company exceeds its guarantee facilities and guarantors decide to deny additional guarantees.

Bonava closely monitors its volume of guarantees utilised and obtains sureties from a centrally selected group of guarantors. The company also ensures that guarantees outstanding after the expiration of the guarantee period are reclaimed.

Financial Market risk

The company's profitability is negatively affected due to interest rate increases, FX rate changes, or other financial market movements.

The company closely monitors developments in the interest rate and currency markets and can mitigate risks from adverse changes in these variables through the use of financial instruments

Financing

The company cannot obtain sufficient long-term financing at reasonable costs.

Bonava works with several banks and maintains close contact with them. The aim is to reduce the risk of not being able to secure external financing at market rates when the company has the demand for it.

Consolidated income statement

	Note	2024	2023
Continuing operations	1, 12		
Net sales	2, 3	8,194	13,269
Production costs	4, 5, 7, 9, 11, 15, 21	-7,514	-11,849
Gross profit		680	1,421
Selling and administrative expenses	4, 5, 6, 7, 9, 11, 21	-658	-760
EBIT before items affecting comparability	2	22	660
Items affecting comparability	25		-1,279
EBIT after items affecting comparability		22	-619
Financial income		48	19
Financial expenses		-571	-537
Net financial items	8	-524	-518
Profit/loss before tax		-501	-1,137
Tax on profit/loss for the year	14	-17	-5
Profit/loss for the year¹⁾		-518	-1,143
Discontinued operations			
Profit/loss for the year from discontinued operations	28		-194
Profit/loss for the year from continuing operations and discontinued operations		-518	-1,337
Per share data (before and after dilution)			
Profit/loss for the year relating to continuing operations, SEK	26	-1.85	-10.66
Profit/loss for the year relating to continuing operations and discontinued operations, SEK	26	-1.85	-12.47
Profit/loss for the year relating to discontinued operations, SEK	26		-1.81
Cash flow from operating activities, SEK		2.02	-3.15
Shareholders' equity, SEK		22.36	61.58
Weighted average number of shares in million		279.9	107.2
Number of shares at end of the year, million		321.6	107.2

¹⁾ Profit for the full year is attributable to Bonava AB's shareholders.

Consolidated statement of comprehensive income

	Note	2024	2023
Profit/loss for the year		-518	-1,337
<i>Items that have been or may be reclassified to profit for the period:</i>			
Translation differences during the year on translation of foreign operations		93	-3
Translation differences during the year on translation of discontinued operations	28		-43
<i>of which reclassified to the income statement</i>	28		-7
Other comprehensive income for the year		93	-47
Comprehensive income for the year¹⁾		-425	-1,384

¹⁾ Comprehensive income for the full year is attributable to Bonava AB's shareholders.

Consolidated balance sheet

	Note	2024	2023
ASSETS	1, 12, 23		
Fixed assets			
Goodwill	9	22	22
Other intangible assets	9		
Investment properties	10	286	239
Real estate used in business operations	11	33	38
Right-of-use assets, buildings		89	84
Machinery and equipment	11	105	126
Right-of-use assets, machinery and equipment		40	47
Non-current receivables	13	625	665
Deferred tax assets	14	137	136
Total fixed assets	24	1,338	1,358
Current assets			
Housing projects			
Properties held for future development	15	7,150	8,138
Ongoing housing projects	15	6,565	6,933
Right-of-use assets, ongoing housing projects		33	33
Completed housing units	15	1,007	1,593
Housing projects		14,755	16,697
Tax receivables		16	20
Accounts receivable		255	236
Prepaid expenses and accrued income		57	173
Other receivables	13	240	432
Cash and cash equivalents	23	593	180
Total current assets	24	15,917	17,738
TOTAL ASSETS		17,254	19,097

	Note	2024	2023
SHAREHOLDERS' EQUITY			
Share capital	16	538	434
Other capital contributions		5,368	4,569
Reserves		459	366
Profit brought forward incl. comprehensive income for the year		817	1,226
Shareholders' equity attributable to Bonava AB's shareholders		7,184	6,596
Non-controlling interest		5	5
Total shareholders' equity		7,189	6,601
LIABILITIES			
Non-current liabilities			
Non-current interest-bearing liabilities	17	2,810	126
Non-current interest-bearing lease liabilities	17	103	102
Other non-current liabilities	19	18	11
Deferred tax liabilities	14	42	30
Non-current provisions	18	510	1,184
Total non-current liabilities	24	3,483	1,452
Current liabilities			
Current interest-bearing liabilities	17	1,341	5,536
Current interest-bearing lease liabilities	17	56	58
Accounts payable		292	337
Tax liabilities		112	264
Accrued expenses and deferred income	20	1,035	1,244
Other current liabilities	19	3,423	3,604
Current provisions	18	322	
Total current liabilities	24	6,582	11,044
Total liabilities		10,065	12,496
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		17,254	19,097

Consolidated statement of changes in shareholders' equity

	Shareholders' equity attributable to Bonava AB's shareholders					Non-controlling interest	Total shareholders' equity
	Share capital	Other capital contributions	Translation reserve	Profit brought forward	Total		
Opening shareholders' equity, 1 January 2023	434	4,569	413	2,563	7,979	5	7,984
Profit/loss for the year				-1,337	-1,337		-1,337
Other comprehensive income			-47		-47		-47
Total comprehensive income	0	0	-47	-1,337	-1,384	0	-1,384
Performance-based incentive programme				0	0		0
Total transactions with shareholders	0	0	0	0	0	0	0
Closing shareholders' equity, 31 December 2023	434	4,569	366	1,226	6,596	5	6,601
Profit/loss for the year				-518	-518		-518
Other comprehensive income			93		93		93
Total comprehensive income	0	0	93	-518	-425	0	-425
Reduction in share capital	-325			325	0		0
Bonus issue	216			-216	0		0
New share issue	214	836			1,050		1,050
Issuing costs		-37			-37		-37
Performance-based incentive programme				0	0		0
Total transactions with shareholders	105	799	0	109	1,013	0	1,013
Closing shareholders' equity, 31 December 2024	538	5,368	459	817	7,184	5	7,189

Change in shareholders' equity

The change in shareholders' equity consists of profit for the year and other comprehensive income for the year, dividends, new share issue and effects of the long-term performance-based incentive programme.

Other capital contributions

Shareholders' equity paid up by shareholders.

Reserves

Reserves pertain to translation reserves that include all exchange rate differences from 1 January 2013 and onwards arising from the translation of the financial statements of foreign operations prepared in a currency other than that used in Bonava's financial statements, i.e. SEK.

Profit brought forward including comprehensive income for the year

This item includes accrued earnings in Bonava and transactions with shareholders such as dividends, repurchases of treasury shares and performance-based incentive programmes. In 2024, profit brought forward was also affected by the reduction of share capital and bonus issue.

Consolidated cash flow statement

	Note	2024	2023
OPERATING ACTIVITIES			
Profit/loss before tax		-501	-1,297
Adjustments for items not included in cash flow:			
– Depreciation/amortisation	5	109	132
– Impairment losses		271	938
– Exchange rate effects		-232	81
– Changes in provisions		-382	273
– Other including capital gain on divested operations		-24	241
Total items not included in cash flow		-258	1,665
Tax paid		-159	-139
Cash flow from operating activities before change in working capital		-918	229
Cash flow from change in working capital			
Sales of housing projects		6,943	11,293
Investments in housing projects		-4,815	-8,099
Customer advances		-39	-2,135
Other changes in working capital		-605	-1,625
Cash flow from change in working capital		1,484	-567
Cash flow from operating activities		566	-337

	Note	2024	2023
INVESTMENT ACTIVITIES			
Sale of Group companies	13, 28	93	1,239
Acquisitions of buildings and land		-37	-167
Acquisitions of property, plant and equipment and intangible assets		-8	-42
Sales of property, plant and equipment and intangible assets		9	24
Cash flow from investment activities		56	1,054
Cash flow before financing activities		621	716
FINANCING ACTIVITIES			
New share issue		1,050	
Issuing costs		-37	
Increase in interest-bearing financial liabilities		7,480	6,662
Decrease in interest-bearing financial liabilities		-8,729	-7,495
Increase (-)/decrease (+) in current interest-bearing receivables		-1	
Cash flow from financing activities		-237	-833
Cash flow for the year		384	-117
Cash and cash equivalents at 1 January	23	180	303
Exchange rate difference in cash and cash equivalents		29	-6
Cash and cash equivalents at 31 December	23	593	180

	Note	2024	2023
OF WHICH CASH FLOW FROM DISCONTINUED OPERATIONS			
Net cash flow from operating activities	28		360
Net cash flow from investment activities			1,248
Net cash flow from financing activities			-375
Net increase in cash and cash equivalents from subsidiaries			1,233

1 Significant accounting policies

Bonava's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The Group additionally applies RFR 1 Supplementary Accounting Rules for Corporate Groups.

The annual accounts and the consolidated accounts were approved for publication by the Board of Directors on 11 March 2025. The consolidated income statement and balance sheet and the Parent Company's income statement and balance sheet will be presented to the AGM for adoption on 9 April 2025.

New standards applied by Bonava

The IASB has made additional amendments to IAS 1 regarding the classification of liabilities as current or non-current in the statement of financial position when the liabilities are subject to covenants. The IASB has clarified that covenants that an entity must comply with after the balance sheet date do not affect whether the liability should be classified as current or non-current. However, the amendment to IAS 1 introduces disclosure requirements regarding covenants that an entity is required to comply with within 12 months of the reporting date in order for the liabilities not to fall due for payment. The amendments enter into force from 1 January 2024.

Other changes to IFRS that came into effect in 2024 did not have any material impact on Bonava.

New standards and interpretations that have not yet been applied by Bonava

None of the other new or amended IFRS that have not yet come into effect are expected to have any material impact on Bonava.

Consolidated accounts

Business combinations deriving from parties who are not under joint control are recognised by applying the acquisition method. This method entails that the acquisition of a subsidiary is regarded as a transaction whereby Bonava indirectly acquires the subsidiary's assets and takes over its liabilities.

Companies in which Bonava has a controlling influence, in practice through a direct or indirect holding carrying more than 50 per cent of the voting rights, are consolidated in their entirety. Regarding tenant-owner associations and housing companies, Bonava is deemed to have a controlling influence over these, and they are subsequently consolidated in full.

Joint arrangements are defined as projects conducted in Bonava in forms similar to those of a consortium, meaning subject to joint control. This could take the form of, for example, jointly owned companies that are governed jointly. In Bonava's financial statements, joint

arrangements are recognised in accordance with the proportional method. Refer to Note 12.

Revenue

Bonava's net sales primarily comprise three revenue streams: sales of housing units for consumers, sales of housing projects to investors and – to a lesser extent – sales of land. For all revenue flows, estimated losses are charged in their entirety to profit or loss for the period.

Housing projects for consumers

Bonava's business model for sales of housing units with ownership rights entails that Bonava enters into a written agreement to build a housing unit with each respective owner. During the construction of the housing unit, accrued costs are recognised in the "Housing projects" asset class. Bonava's obligations to its customers are viewed as a single performance obligation in the form of transferring a housing unit to the customer. Revenue is recognised when the housing units are completed and the customer has taken up occupancy of the home. The transaction price is a fixed price stipulated in the contract. Bonava's customers pay advances at various points in the process and to varying extents depending on the market. Advance payments are conditional on the completion of Bonava's performance obligation and thus do not affect Bonava's assessment that the performance obligation is fulfilled only when the buyer takes possession of the housing unit.

In Sweden and Finland, Bonava also develops housing projects by entering into a construction contract with a client, either a tenant-owner association in Sweden or a housing company in Finland. In Sweden, the end customer purchases a right of use in the tenant-owner association corresponding to an individual apartment. In Finland, the customer purchases shares in the housing company corresponding to an individual apartment. Bonava's business model means that control is transferred to the customer who acquires the housing unit when the customer takes possession of the housing unit. Since Bonava exercises control over both the tenant-owner association and the housing company during construction up until the end customers take possession of the housing unit, these entities are consolidated. As a result, there is no contract with any external party until the end customer has signed a contract. Revenue is based on the actual revenue for the housing project sold. Recognised revenue per housing unit is offset by a share of the housing unit's estimated cost when the project is completed.

Housing projects for investors

Sales of housing projects to investors are recognised at the time when control is transferred to the buyer. Depending on the wording of the contract and local laws and regulations, this may occur on the signing

date, continuously during production, or when the buyer takes possession of the housing units.

Sales of land

Sales of land are recognised on the date when control is transferred to the buyer, which normally coincides with the buyer taking possession of the land.

Depreciation/amortisation

Straight-line depreciation/amortisation according to plan is applied in accordance with the estimated useful life, with due consideration for any residual values at the end of the period. Bonava applies component depreciation/amortisation, whereby each asset with a considerable value is divided into a number of components that are depreciated/amortised on the basis of their particular useful life.

The period of depreciation/amortisation varies in accordance with the table below:

Software	1–5 years
Other intangible assets	3–10 years
Real estate used in business operations	8–25 years
Machinery and equipment	3–20 years

Leases

The right to use a leased asset is recognised either as property, plant and equipment (buildings – premises in which Bonava conducts its operations, machinery and equipment – primarily cars and office equipment) or a current asset (ongoing housing projects) depending on how the leased asset would be classified if it were owned instead. Leases for land (ongoing housing projects) are recognised only when there is a confirmed zoning plan or the building permit can no longer be appealed. Before that point, Bonava has neither control of the land nor the rights and obligations associated with the land.

Variable costs such as property tax and maintenance costs, including electricity, heating and water, have been excluded from the calculation of lease liabilities to the extent they can be separated from rental costs. There are no substantial variable lease payments that depend on an index or rate.

With respect to land leases, Bonava applies the rate implicit in the lease. For the remaining leases, the incremental borrowing rate is applied; this is established by taking the geographical market and term of the lease into account.

Bonava has essentially chosen not to consider the possibility of extending lease contracts. This is not financially beneficial because the assets are not business-critical or specialised, and other suitable alternatives are deemed to be available. In addition, the costs associated with not extending the leases (e.g. costs for negotiation and relocation or costs for identifying another appropriate asset) were deemed to be immaterial.

Bonava has not applied exceptions for assets of a low value or short-term leases during the 2024 financial year, but this exception will be applied as of 1 January 2025.

Items affecting comparability

This heading includes events and transactions such as substantial legal disputes, major impairment losses, restructuring and other substantial non-recurring costs or revenue, the profit effect of which is important to note when the profit/loss for the period is compared with earlier periods. Tax on items affecting comparability and tax items that are themselves classified as items affecting comparability are recognised under tax in the consolidated income statement. Items recognised as affecting comparability in one period are recognised consistently in future periods by any potential reversal of these items also being recognised as items affecting comparability. Refer also to Note 25.

Reporting of operating segments

The earnings of an operating segment are continuously monitored by the chief operating decision-maker (in Bonava's case this is the CEO) in order to evaluate results and allocate resources to the operating segment. The reporting of operating segments concurs with the reports presented to the CEO, in Bonava's case on the basis of the geographic areas in which Bonava conducts operations.

Beginning with the second quarter of 2024, monitoring of the segments has partially been changed, which is why Bonava recognises an operating gross profit and operating EBIT (earnings by segment), which corresponds to the earnings that form the basis of the monitoring of each segment in the Group. The operating EBIT comprises EBIT before items affecting comparability adjusted for impairment, sales of land, items related to restructuring and costs for M&A. The figures that are based on segment reporting are marked in brown in the tables in this report. For more information, refer to Note 2.

Intangible assets

Intangible assets are recognised at cost less accumulated amortisation and impairment losses. Goodwill is not amortised but is impairment tested on an annual basis instead. Refer also to Note 9.

Property, plant and equipment

Investment properties

Investment properties are measured at fair value in accordance with IAS 40. Investment properties are initially recognised at cost, which includes fees directly attributable to the acquisition. A rental housing project in Sweden was suspended during 2023. The same project was revalued by SEK -123 M in 2023 and classified thereafter as land held for future development, and was therefore measured as a building right. At 31 December 2024, fair value was deemed to correspond to the carrying amount, which is why no unrealised change in value was recognised. Classification is at level 3 according to IFRS 13.

Real estate used in business operations

Real estate used in business operations is held for use in the company's operations for purposes such as production, provision of services or administration. These properties are recognised at cost less accumulated depreciation and any impairment losses. Refer also to Note 11.

Current assets

Housing projects

Bonava's property holdings designated as housing projects are recognised as current assets, since the intent is to sell the properties and transfer them to the customer after completion. Property holdings are measured at the lower of cost and net realisable value.

Housing projects in Bonava are divided among:

- Properties held for future development
- Ongoing housing projects
- Completed housing units

For a distribution of amounts, refer to Note 15. Properties held for future development are reclassified as ongoing projects when construction on a project has started.

Properties held for future development

Properties held for future development refer to Bonava's holdings of land and building rights for future housing development and capitalised project development costs. Development expenses related to land over which Bonava has control is capitalised.

The valuation of properties held for future development takes into consideration whether the properties will be developed or sold. The valuation of land and building rights for future development is based on a capital investment appraisal. This appraisal is updated annually with regard to the established sales price and cost trend as well as when market trends or other circumstances so require. In the event

that a positive contribution margin from the development cannot be obtained with regard to normal contract profit, an impairment loss is recognised. The building rights are recognised as current assets and measured at the lower of cost and market value, item by item.

During the third quarter of 2024, the building rights portfolio was assessed through both external valuations and internally by assessing the discounted future cash flows (DCF). The external valuations covered approximately 30 per cent of the portfolio, and furthermore the internal model was checked externally regarding the model and yield requirements. In cases where an external valuation was obtained for an item, Bonava has applied the lowest of the external value and the internally calculated DCF. The valuation model for building rights that Bonava applies is a valuation model where cash flows from projects to be started for development properties are valued through a discounted cash flow approach. The assessed risk of the cash flows is taken into consideration by including risk provisions and also an assessment is made regarding where in the project cycle the project is. Based on the assessed risk in each project, a discount rate is applied which reflects this risk. In the valuation conducted 2024, the discounted rate (unlevered) varied between 8.4 and 11.5 (12.5) with an average unlevered discount rate of 9.2 per cent.

Ongoing housing projects

In connection with the production start, the value of land and capitalised development expenses is reclassified to ongoing projects, together with costs incurred after the production start.

Completed housing units

Project costs for completed housing units are reclassified from ongoing housing projects to completed housing units at the date of final inspection. Completed housing units are measured at the lower of cost and net realisable value.

Financial instruments

Purchases and sales of financial instruments are recognised on the transaction date, meaning the date on which the company undertakes to purchase or sell the asset. Financial instruments recognised on the asset side of the balance sheet include cash and cash equivalents, non-current receivables, accounts receivable, other non-current shareholdings and derivatives. Accounts payable, current and non-current borrowings, and derivatives are recognised under liabilities. Refer also to Note 22 and 24.

Classification and measurement

The classification of an instrument is dependent on the business model in which it is held and the characteristics of the instrument. This classification determines how the financial instrument is measured, as described below.

Classification and measurement of financial assets

Bonava classifies its financial assets as follows:

Financial assets measured at fair value in profit or loss

This category includes Bonava's derivative instruments with a positive fair value. Changes in fair value are recognised in net financial items. Moreover, Bonava's other non-current shareholdings are measured at fair value through profit or loss.

Financial assets measured at amortised cost

Bonava has accounts receivable, non-current receivables and other receivables under a business model whose objective is to hold these for the purpose of collecting the contractual cash flows and the contractual terms give rise, at specific times, to cash flows that are solely payments of principal and interest on the outstanding principal amount and therefore measures them at amortised cost. Since the expected maturity of accounts receivable is short, a nominal value without discounting is recognised. Non-current receivables, other receivables and cash and cash equivalents are recognised at amortised cost.

Impairment of financial assets

The Group recognises a credit loss allowance for expected credit losses on financial assets measured at amortised cost. Bonava applies the simplified model for provisions for expected credit losses for accounts receivable that is calculated using a provision matrix, which is based on past events, current conditions and forecasts of future economic conditions. For cash and cash equivalents, the allowance is based on the banks' probability of default.

The Group only enters into banking transactions with counterparties with a long-term credit rating of at least A- since these are deemed to have a low credit risk when testing for impairment. Information about

credit ratings is provided by Standard & Poor's or an equivalent independent rating agency.

The Group defines default as meaning it is deemed unlikely that the counterparty will meet its obligations due to indications such as financial difficulties and missed payments.

Classification and measurement of financial liabilities

Bonava classifies its financial liabilities as follows:

Financial liabilities measured at fair value through profit or loss

This category includes Bonava's derivative instruments with a negative fair value. Changes in fair value are recognised in net financial items.

Other financial liabilities measured at amortised cost

This group includes non-current interest-bearing liabilities, other non-current liabilities, current interest-bearing liabilities, accounts payable and other current liabilities.

Receivables and liabilities in foreign currencies

Receivables and liabilities in foreign currencies are revalued at the exchange rate prevailing on the balance sheet date. Exchange rate differences arising from the translation of operating receivables and liabilities are recognised in operating profit, while exchange rate differences relating to financing activities are recognised in net financial items.

Remuneration to employees

Share-based remuneration

The fair value of allocated share rights at the time of allocation is recognised as a personnel cost with a corresponding increase in shareholders' equity. The fair value of allocated synthetic shares is recognised as a personnel cost with a corresponding increase in liabilities. At each reporting date, a judgement is made regarding the likelihood of performance targets being achieved. Expenses are measured based on the number of share rights and synthetic shares expected to be settled at the end of the vesting period.

In the period when services are rendered, provisions are made for estimated social security contributions based on the fair value of the share rights and synthetic shares at the reporting date.

To fulfil Bonava AB's commitments pursuant to the long-term incentive programme, Bonava AB has repurchased Class B shares. These shares are recognised in treasury as a reduction in shareholders' equity. For a description of the Bonava Group's share-based payment programme, refer to Note 4.

Post-employment remuneration – pension plans

Bonava differentiates between defined-contribution and defined-benefit pension plans. Bonava primarily has defined-contribution plans.

For salaried employees in Sweden, the ITP 2 plan's defined-benefit pension obligations for retirement and family pensions are secured through insurance in Alecta, which has been assessed as a multi-employer defined-benefit plan. For the financial year, it was recognised as a defined-contribution plan as the company did not have access to the information required for reporting its proportional share of the plan's commitment, plan assets and expenses.

Provisions

Guarantee commitments

Provisions for future expenditure arising due to guarantee commitments are recognised at the estimated amounts required to settle the commitment on the balance sheet date.

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be received by the Group from a contract are less than the unavoidable costs of meeting the obligations under the contract. Costs to be included when measuring onerous contracts consist of direct incremental costs and an allocation of other directly attributable costs.

Restructuring reserves

A provision for restructuring is recognised when there is an established detailed and formal restructuring plan and the restructuring has either commenced or been publicly announced.

Discontinued operations

Discontinued operations consist of material operations being disposed of or that constitute disposal groups held for sale. Profit after tax from discontinued operations is recognised on a separate line in the income statement.

The implication of classifying a group of assets and liabilities as held for sale is that their carrying amounts will be recovered principally through sale rather than through use. All assets included in the group are presented on a separate line among assets and all the group's liabilities are presented on a separate line among liabilities. The group is measured at the lower of carrying amount and fair value less deductions for selling costs.

Critical estimates and assessments

The consolidated financial statements include certain assessments and assumptions about the future. These are based in part on historical information and in part on expectations concerning future events and thus may, at a later date, be changed because of, for example, changes in factors in the business environment. This must particularly be taken into account given the current circumstances and the uncertainty caused by the geopolitical situation. The sources of estimation uncertainty that entail a significant risk that the value of assets or liabilities may need to be materially adjusted within the next financial year are described below. The description also includes important accounting assessments made in applying the Group's accounting policies.

Revenue

Bonava's assessment is that the consumer business has a controlling influence over tenant-owner associations and housing companies, which are therefore consolidated in full. This means that there are no contracts with external parties before the end customer has signed a contract.

Bonava's business model and the agreement structure of housing projects thus mean that control is transferred to the buyer at the time of delivery of the housing unit or project. Bonava satisfies the undertaking to transfer the housing unit or project upon delivery and recognises revenue and profit from sales of housing projects in full at this point. No revenue is recognised on the basis of forecast sales of housing projects. This applies to both housing units for consumers and investors.

Depending on the wording of the contract and local laws and regulations, control of residential properties may be transferred to investors on the signing date, continuously during production, or when the housing units are delivered to the buyer. Bonava's assessment is that control is transferred upon taking occupancy of the property, and revenue during 2023 and 2024 is recognised at that date.

Valuation of housing projects and properties held for future development

Bonava's housing projects and properties held for future development are recognised at the lower of cost and net realisable value. The assessment of net realisable value is based on a series of assumptions such as sales prices, production costs, the price of land, rent levels and yield requirements as well as the possible timing of production start and/or sale. Bonava continuously monitors market conditions and tests the assumptions made on an ongoing basis. In some cases, the difference between the carrying amount and the estimated net realisable value is minor. A change in the assumptions made could give rise to impairment requirements.

Uncertainty regarding market conditions and the impact on customers' purchasing power are indicators that a decline in value has occurred.

Guarantee commitments

Provisions for future expenditure arising due to guarantee commitments are recognised at the estimated amounts required to settle the commitment on the balance sheet date. This estimate is based on historical outcomes. The scope of the provisions is based on such factors as the number of housing units per project and is adjusted as needed in accordance with prevailing conditions. The assessments by company management can also have an impact on individual cases based on experience from previous transactions, or in conjunction with other specific events that could impact the estimated amount required to settle Bonava's commitments. The guarantee provisions at year-end are presented in Note 18.

Surety and guarantee obligations, legal disputes, etc.

Within the framework of Bonava's regular business operations, Bonava occasionally becomes a party in legal disputes. In such cases, an assessment is made of Bonava's obligations and the probability of a negative outcome for the company. Bonava's assessment is based on the information and knowledge currently possessed by the company. In a number of cases, these assessments are difficult and the final outcome could differ from the assessment. Refer also to Note 22.

2 Reporting of operating segments

Bonava's operations are divided into four operating segments based on the parts of the organisation monitored by the CEO, the chief operating decision-maker. Each operating segment has a manager who is responsible for the daily operations and regularly reports the results of the operating segment's performance to the CEO. On the basis of this internal reporting, Bonava has identified the following segments: Germany, Sweden, Finland and the Baltics (Estonia, Latvia and Lithuania). All segments develop and sell housing units. Sales between the segments are not material. Of the operating adjustments of SEK -267 M, SEK -244 M pertains to impairments in Germany, Sweden and Finland.

2024	Germany	Sweden	Finland	Baltics	Other operations ¹⁾	Total
Net sales, consumers	4,723	759	169	638		6,288
Net sales, investors	773	5	621			1,399
Net sales, land	181	302				483
Other revenue	1	7	1	13	2	24
Selling and administrative expenses (including depreciation/amortisation)	-263	-118	-105	-47	-126	-658
Depreciation/amortisation	-76	-8	-12	-6	-6	-109
Operating EBIT	431	-57	-8	47	-124	290
Operating adjustments	-114	-123	-30			-267
Items affecting comparability						
EBIT	316	-180	-38	47	-124	22
Net financial items						-524
Profit/loss before tax						-501
Fixed assets	208	125	42	288	675	1,338
Capital employed	6,087	2,636	669	1,584	524	11,499

2023	Germany	Sweden	Finland	Baltics	Other operations ¹⁾	Total
Net sales, consumers	5,849	1,819	872	768		9,308
Net sales, investors	1,404	814	1,654			3,871
Net sales, land	30	44	4			78
Other revenue	1	8	1	1	1	12
Selling and administrative expenses (including depreciation/amortisation)	-289	-148	-85	-48	-190	-760
Depreciation/amortisation	-80	-8	-15	-8	-21	-132
Operating EBIT	628	77	107	68	-219	660
Operating adjustments						
Items affecting comparability	-879	-303	-90		-7	-1,279
EBIT	-251	-226	17	68	-227	-619
Net financial items						-518
Profit/loss before tax						-1,137
Fixed assets	236	173	53	247	650	1,358
Capital employed	6,936	3,189	789	1,409	98	12,422

¹⁾ Other operations consist of the Parent Company, Group adjustments, eliminations, the Danish operations and discontinued operations.

Net sales by country	Germany	Sweden	Finland	Denmark	Latvia	Estonia	Lithuania
2024	5,678	1,074	791	0	353	221	77
2023	7,283	2,685	2,531	0	381	313	75

No customer accounts for net sales corresponding to over 5 per cent of the Group's net sales.

3 Revenue

Estimated completions per quarter

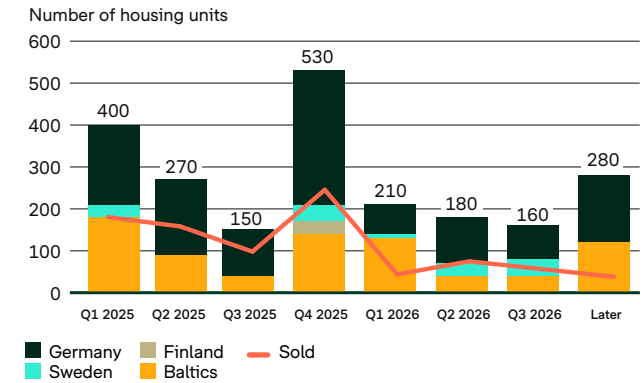
The diagrams illustrate the estimated completion dates for housing units for consumers and investors. Changes such as the date for receiving building permits, disruptions in the logistics and production chain or other factors could positively or negatively impact the estimated time of completion. The risk of changes to the estimated time of completion increases when uncertainty prevails in the market.

The number of housing units have been rounded off since they are estimates of the point in time of completion. The curves illustrate the percentage of units sold at 31 December 2024.

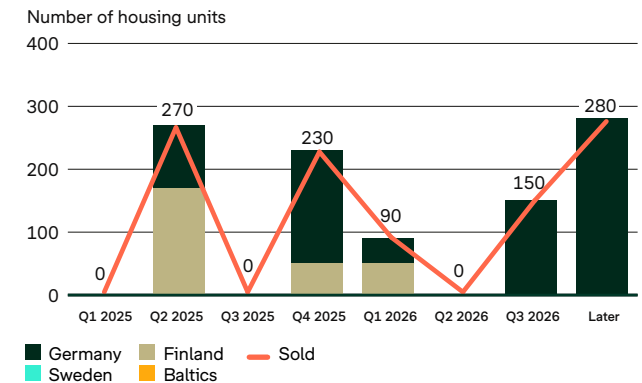
On the balance sheet date, the sales value of housing units sold in projects started totalled SEK 4,314 M (4,363) for consumers and SEK 3,242 M (2,766) for investors.

Customer advances	2024	2023
Carrying amount on 1 January	3,129	5,103
Divested operation		-30
Advances paid in	7,709	7,978
Advances recognised in profit	-7,747	-9,951
Other changes in customer advances		-1
Translation differences for the year	116	29
Carrying amount on 31 December	3,206	3,129

Estimated completion dates for housing units for consumers



Estimated completion dates for housing units for investors



4 Number of employees, personnel costs and remuneration of senior executives

Average number of employees	2024		2023	
	No. of employees	Of which, men	No. of employees	Of which, men
Sweden	133	56	213	103
Germany	453	285	836	564
Finland	110	69	168	104
Denmark	8	4	12	5
Estonia	50	28	72	46
Latvia	134	84	157	101
Lithuania	35	17	28	13
Total	923	543	1,486	936

Gender distribution in management, percentage women, %

	2024	2023
Board of Directors	29	29
Senior executives	43	43

Senior executives are defined as the individuals who, together with the CEO, constitute the Executive Management Group.

Pension plans

Anticipated fees during the next accounting period for ITP 2 insurance taken out with Alecta amount to SEK 3 M.

The collective solvency rate consists of the market value of Alecta's assets as a percentage of its insurance obligations, calculated in accordance with Alecta's actuarial accounting methods and assumptions, which do not comply with IAS 19. The collective solvency rate is normally allowed to vary between 125 and 155 per cent. If Alecta's collective solvency rate falls below 125 per cent or exceeds 155 per cent, measures must be taken to create conditions for returning the solvency rate to the normal interval. In the event of low solvency, one measure could be raising the agreed price for new subscriptions and increasing existing benefits. In the event of high solvency, one measure could be introducing premium reductions. At the end of 2024, Alecta's preliminary surplus in the form of its collective solvency rate was 162 per cent (158).

Terms and remuneration for senior executives

The Chairman of the Board and the other directors elected by the AGM receive remuneration only at an amount resolved by the AGM. No pensions are paid to the Board of Directors.

Remuneration of the CEO is proposed by the Chairman of the Board and decided by the Board of Directors. Remuneration to other members of Bonava's senior management is proposed by the CEO and approved by the Chairman of the Board.

Remuneration to the CEO and other senior executives consists of a fixed salary, variable remuneration, share-based remuneration, other benefits and pensions. At the end of 2024, the number of senior executives was seven. Of these, one was an interim consultant, four were employed by the Parent Company and two by subsidiaries.

Variable remuneration

For CEO Peter Wallin, variable remuneration was capped at 60 per cent of fixed salary for 2024. The variable remuneration was based on financial targets established by the Board of Directors. Remuneration for the 2024 financial year amounted to SEK 2.9 M (1.9). For other members of the Executive Management Group, variable remuneration is capped at 50 per cent of fixed remuneration.

Salaries and other remuneration allocated between the Board and senior executives, and other employees

	2024			2023		
	Board of Directors and senior executives	Other employees	Total	Board of Directors and senior executives	Other employees	Total
Salaries and other remuneration	35	820	855	47	1,468	1,515
Social security expenses			214			313
of which, pension costs			66			97

Remuneration, provisions and other benefits in 2024

SEK 000	Total salary, remuneration and benefits ^{1) 2)}	of which, benefits	of which, variable remuneration ³⁾	of which, provisions for share-based remuneration	Pension cost
CEO Peter Wallin	11,303	6	2,859		2,481
Chairman of the Board Mats Jönsson	895				
Director Viveca Ax:son Johnson	328				
Director Per-Ingemar Persson	404				
Director Nils Styf	404				
Director Anette Frumerie	363				
Director Olle Boback	432				
Director Tobias Lönnevall	516				
Other senior executives, Group (six individuals) ⁴⁾	24,961	517	4,219		3,174
Total senior executives	34,532	523	7,078		5,655

¹⁾ Remuneration and benefits pertain to holiday pay, reduced working hours, company vehicles and/or other benefits and, when appropriate, severance pay.

²⁾ Board fees have been allocated from the date of the 2024 AGM and onwards. At the 2024 AGM, all Board members were re-elected. Audit Committee fees were paid to Tobias Lönnevall (Chairman), Per-Ingemar Persson and Nils Styf, and Remuneration Committee fees were paid to Mats Jönsson (Chairman), Anette Frumerie and Tobias Lönnevall.

³⁾ Variable remuneration pertains to the amounts expensed for each financial year.

⁴⁾ Interim CFO Lars Ingman was not employed. Consulting fees were instead paid. The fees are included in the recognised amounts.

Pension terms for the CEO

CEO Peter Wallin has a defined-contribution pension plan with a premium amounting to 33 per cent of fixed salary. Peter Wallin's retirement age is 65.

Pension terms for other senior executives

Other senior executives employed in Sweden have a defined-contribution ITP plan with a retirement age of 66.

For other senior executives employed outside Sweden, defined-contribution supplementary pension terms apply at a rate of up to 30 per cent of pensionable salary depending on the country of employment.

Remuneration, provisions and other benefits in 2023

SEK 000	Total salary, remuneration and benefits ^{1) 2)}	of which, benefits	of which, variable remuneration ³⁾	of which, provisions for share-based remuneration	Pension cost
CEO Peter Wallin	10,979	9	1,878	379	2,490
Chairman of the Board Mats Jönsson	856				
Director Viveca Ax:son Johnson	320				
Director Per-Ingemar Persson	395				
Director Nils Styf	385				
Director Anette Frumerie	266				
Director Olle Boback	340				
Director Tobias Lönnevall	379				
Director Åsa Hedenberg	99				
Director Angela Langemar Olsson	126				
Director Andreas Segal	100				
Other senior executives, Group (seven individuals)	32,925	530	5,713	171	4,265
Total senior executives	47,170	539	7,591	550	6,755

¹⁾ Remuneration and benefits pertain to holiday pay, reduced working hours, company vehicles and/or other benefits and, when appropriate, severance pay.

²⁾ Board fees have been allocated from the date of the 2023 AGM and onwards. At the 2023 AGM, Åsa Hedenberg, Angela Langemar Olsson and Andreas Segal left the Board and Anette Frumerie, Olle Boback and Tobias Lönnevall were elected to the Board. Audit Committee fees were paid to Tobias Lönnevall (Chairman), Per-Ingemar Persson and Nils Styf, and Remuneration Committee fees were paid to Mats Jönsson (Chairman), Anette Frumerie and Tobias Lönnevall.

³⁾ Variable remuneration pertains to the amounts expensed for each financial year.

Severance pay

The period of notice for the CEO is six months. A period of notice of 12 months is in effect in conjunction with termination by the company. Severance pay amounts to 12 months. Other senior executives are subject to between nine and 12 months' notice from the company, or six months' notice if the senior executive resigns of his/her own accord. Severance pay for between nine and 12 months is payable if employment is terminated by the company. The severance pay will be reduced by an amount corresponding to any remuneration received from a new employer or own business. During the period of notice, senior executives may not take up a new position with another employer or conduct their own business activities without the company's written consent. Should the senior executive resign on his/her own accord, severance pay is not payable. When employment ends, the senior executive becomes subject to a prohibition on competition or employees for a period of 12 and nine months respectively.

Long-term incentive programme

Bonava has two outstanding long-term performance-based share programmes for senior executives and key personnel in the Bonava Group (LTIP 2022 and LTIP 2023). The purpose of the programmes is to align the interests of the shareholders and the Executive Management Group to ensure maximum long-term value creation and a long-term Group-wide focus on profit performance and to facilitate the recruitment and retention of members of the Executive Management Group and other key executives. No LTI program was launched in 2024.

LTIP 2022

LTIP 2022 is offered to 44 senior executives and key personnel in the Bonava Group. LTIP 2022 is a three-year performance-based programme that involves participants receiving no-cost performance-based and matching-based share rights that confer the right to Class B shares, and synthetic shares. The synthetic shares enable the participants to pay the tax arising from the allocation of shares under LTIP 2022 without being required to immediately divest the shares. Participants in LTIP 2022 are required to invest in independent shareholdings in Bonava AB (known as investment shares) that are allocated to LTIP 2022. The participants are divided into four categories: (1) CEO, (2) CFO and Business Unit Presidents, (3) rest of the Executive Management Group and other key personnel, and (4) key personnel with responsibility for functions. For category (1), each investment share confers entitlement to 2.25 share rights and 2.25 synthetic shares, for category (2), each investment share confers entitlement to 1.8 share rights and 1.8 synthetic shares, for category (3), each investment share confers entitlement to 1.35 share rights and 1.35 synthetic shares, and for category (4), each investment share confers entitlement to 0.9 share rights and 0.9 synthetic shares. The share rights and synthetic shares are divided into performance share rights and matching share rights. One ninth of all share rights and synthetic shares that the participant has been allocated in total is to constitute matching share rights (meaning the number of matching share rights corresponds to one eighth of the number of performance share rights), which are not subject to any goal fulfilment other than retention of the shareholding and continued employment.

Performance-based targets

The share rights and the synthetic shares are divided into Series 1 and Series 2, with a 60/40 per cent weighting. The allocation of Class B shares for the respective series depends on the extent to which the performance goals for the series are met. The goals for LTIP 2022 are related to (Series 1) Bonava's accumulated profit before tax (EBT) (Series 2) total shareholder return (TSR) on Bonava's Class B share.

Scope and cost of the programme

Assuming complete fulfilment of the performance-based targets and maximum participation and maximum investment, the value of the share rights and synthetic shares amounts to approximately SEK 25 M including social security contributions.

Repurchase of treasury shares

The Extraordinary General Meeting held in 2022 resolved that the company will have the right to repurchase Class B shares in the company for the purpose of covering the costs that could arise as a result of the 2022 incentive programme. The company did not exercise this right during the year.

LTIP 2023

LTIP 2023 encompasses 44 senior executives and key personnel in the Bonava Group. LTIP 2023 is a three-year performance-based programme that involves participants receiving no-cost performance-based and matching-based share rights that confer the right to Class B shares, and synthetic shares. The synthetic shares enable the participants to pay the tax arising from the allocation of shares under LTIP 2023 without being required to immediately divest the shares. Participants in LTIP 2023 are required to invest in independent shareholdings in Bonava AB (known as investment shares) that are allocated to LTIP 2023. The participants are divided into four categories: (1) CEO, (2) Executive Management Group, (3) regional managers, and (4) key personnel with responsibility for functions. The allocation value per investment share is 2.25 share rights and 2.25 synthetic shares for category (1), 1.8 share rights and 1.8 synthetic shares for category (2), 1.35 share rights and 1.35 synthetic shares for category (3), and one 0.9 share rights and 0.9 synthetic shares for category (4). The share rights and synthetic shares are divided into performance share rights and matching share rights. One ninth of all share rights and synthetic shares that the participant has been allocated in total is to constitute matching share rights (meaning the number of matching share rights corresponds to one eighth of the number of performance share rights), which are not subject to any goal fulfilment other than retention of the shareholding and continued employment.

Performance-based targets

The share rights and the synthetic shares are divided into Series 1 and Series 2, with a 60/40 per cent weighting. The allocation of Class B shares for the respective series depends on the extent to which the performance goals for the series are met. The goals for LTIP 2023 are related to (Series 1) Bonava's accumulated operating profit (EBIT), and (Series 2) total shareholder return (TSR) on Bonava's Class B share.

Scope and cost of the programme

Assuming complete fulfilment of the performance-based targets and maximum participation and maximum investment, the value of the share rights and synthetic shares amounts to approximately SEK 22 M including social security contributions.

Repurchase of treasury shares

The 2023 AGM resolved that the company will have the right to repurchase Class B shares in the company for the purpose of covering the costs that could arise as a result of the 2023 incentive programme. The company did not exercise this right during the year.

Share rights 2024	Group	Parent Company
Outstanding at the beginning of the period	320,014	185,895
Allocated in the period		
Forfeited in the period	-87,395	-56,325
Recalculation of number during the period	197,042	109,753
Outstanding at end of period	429,661	239,324

Share rights 2023	Group	Parent Company
Outstanding at the beginning of the period	216,096	56,136
Allocated in the period	185,378	138,461
Forfeited in the period	-81,461	-8,702
Outstanding at end of period	320,014	185,895

Synthetic shares 2024	Group	Parent Company
Outstanding at the beginning of the period	313,285	185,895
Allocated in the period		
Forfeited in the period	-80,666	-56,325
Recalculation of number during the period	197,042	109,753
Outstanding at end of period	429,661	239,324

The number of share rights and synthetic shares has been recalculated by multiplying by a factor of 1.8471 to take into account the dilutive effect of the new share issue carried out in the spring of 2024.

Allocation in the 2021 long-term incentive programme

The results for the 2021 incentive programme did not reach the minimum level for the performance measures. No share rights were therefore allocated to the participants in accordance with the conditions of the 2021 incentive programme.

Objective	Weight, %	Share allocation	
		Outcome, %	Allocation, %
ROCE	40	0	0
TSR	30	0	0
Relative TSR	30	0	0
Total allocation	100	0	0

Fair value and assumptions

	2024		2023	
	Group	Parent Company	Group	Parent Company
LTIP 2022				
Fair value at valuation date, SEK 000 ¹⁾	292	35	171	44
Share price, SEK ²⁾	18.50	18.50	34.18	34.18
Exercise price, SEK	0	0	0	0
Term of the share rights and synthetic shares, years	0.5	0.5	1.5	1.5

	2024		2023	
	Group	Parent Company	Group	Parent Company
LTIP 2023				
Fair value at valuation date, SEK 000 ¹⁾	357	250	459	343
Share price, SEK ²⁾	9.69	9.69	17.89	17.89
Exercise price, SEK	0	0	0	0
Term of the share rights and synthetic shares, years	1.5	1.5	2.5	2.5

¹⁾ Anticipated dividends have not been taken into consideration in the calculation of the fair value of share rights.

²⁾ The price was divided by 1.8471 to take into account the dilutive effect of the new share issue completed during the year.

	2024		2023	
	Group	Parent Company	Group	Parent Company
Personnel costs for share-based remuneration and liabilities for synthetic shares				
Share rights and synthetic shares	0	0	0	0
Social security expenses	0	0	0	0
Total personnel cost for share-based remuneration	0	0	0	0
Recognised liability for synthetic shares	0	0	0	0

5 Depreciation/amortisation

	2024	2023
Other intangible assets		6
Real estate used in business operations	8	8
Right-of-use assets, buildings	40	46
Machinery and equipment	28	29
Right-of-use assets, machinery and equipment	18	25
Right-of-use assets, ongoing housing projects	15	17
Total depreciation/amortisation	109	132

6 Remuneration and fees to audit firms

	2024	2023
PwC		
Audit assignment	9	10
of which, Parent Company auditors	5	5
Audit-related activities in addition to audit assignment		
Tax advice		
Other fees	1	1
of which, Parent Company auditors	1	1
Total PwC	10	11
Other audit firms		
Audit assignment	0	0
Total remuneration and fees to auditors and audit firms	10	11

Remuneration above includes remuneration for discontinued operations. Audit assignment is defined as fees for the statutory audit (i.e. audit work required to present the Auditor's Report and provide audit advice in connection with the audit assignment). Other services relate mainly to a statement in conjunction with the prospectus and statutory statements in connection with share issues.

7 Operating expenses distributed by cost type

	2024	2023
Production-related goods and services, and raw materials and consumables	6,781	10,919
Change in inventories		8
Personnel costs	1,069	1,483
Depreciation/amortisation	109	132
Impairment losses	213	67
Total production costs, and selling and administrative expenses	8,172	12,609

8 Net financial items

	2024	2023
Financial income	48	19
Interest expense on financial liabilities measured at amortised cost	-459	-484
Interest expenses on financial liabilities measured at fair value through profit or loss	-9	-4
Net exchange-rate changes	13	-10
Other financial expenses	-117	-39
Financial expenses	-571	-537
Net financial items	-524	-518

9 Intangible assets

2024	Goodwill	Other ¹⁾
Recognised cost at 1 January	67	472
Recognised cost at 31 December	67	472
Accumulated amortisation at 1 January		-412
Accumulated amortisation at 31 December		-412
Accumulated impairment losses at 1 January	-45	-59
Accumulated impairment losses at 31 December	-45	-59
Residual value at 1 January	22	0
Residual value at 31 December	22	0

¹⁾ "Other" refers mainly to capitalised development expenses for IT systems.

9 Intangible assets cont.

2023	Goodwill	Other ¹⁾
Recognised cost at 1 January	122	472
Investments		1
Divestments	-56	
Recognised cost at 31 December	67	472
Accumulated amortisation at 1 January		-406
Amortisation according to plan during the year		-6
Accumulated amortisation at 31 December		-412
Accumulated impairment losses at 1 January	-45	-59
Accumulated impairment losses at 31 December	-45	-59
Residual value at 1 January	77	6
Residual value at 31 December	22	0

¹⁾ "Other" refers mainly to capitalised development expenses for IT systems.

Amortisation is included in the following lines in the income statement

	2024	2023
Production costs		
Selling and administrative expenses		6
Total	0	6

Impairment testing

The need for impairment pertaining to the carrying amount of goodwill and other intangible assets with an indefinite useful life and intangible assets that cannot be used yet is tested annually, and otherwise whenever events indicate that the carrying amount of an asset cannot be recovered. The value in use is measured as the expected future discounted cash flow generated by the asset. The calculations are based on forecasts approved by company management as well as assessments from company management given the best information available. The key assumptions in the calculation are: when the relationship began, units sold and recognised in profit and investments in housing projects in relation to net sales, unchanged gross margin per unit and weighted average capital cost (WACC).

The carrying amount of goodwill was allocated across reportable segments and cash-generating units with material goodwill amounts as follows: Sweden SEK 22 M.

Based on calculations made for Sweden, no need for impairment has been identified.

10 Investment properties

	2024	2023
Fair value on 1 January	239	262
Investments	37	140
Change in value		-123
Reclassification		-36
Translation differences for the year	9	-4
Fair value on 31 December	286	239

A rental housing project in Sweden was suspended during 2023. The same project was revalued by SEK -123 M in 2023 and reclassified thereafter to properties held for future development, and was measured as a building right. At 31 December 2024, fair value was deemed to correspond to the carrying amount, which is why no unrealised change in value was recognised.

11 Property, plant and equipment

2024	Real estate used in business operations	Machinery and equipment	Total
Recognised cost at 1 January	129	448	577
Investments	2	4	6
Divestment and disposal	-7	-28	-35
Translation differences for the year	5	13	18
Recognised cost at 31 December	129	437	566
Accumulated impairment losses and depreciation on 1 January	-91	-322	-413
Divestment and disposal	7	27	34
Depreciation during the year	-8	-28	-36
Translation differences for the year	-3	-9	-12
Accumulated impairment losses and depreciation on 31 December	-95	-332	-427
Residual value at 1 January	38	126	164
Residual value at 31 December	33	105	138

11 Property, plant and equipment, cont.

	Real estate used in business operations	Machinery and equipment	Total
2023			
Recognised cost at 1 January	158	445	603
Less divested operation	-9	-8	-17
Investments		34	34
Divestment and disposal	-19	-21	-40
Translation differences for the year	-1	-2	-3
Recognised cost at 31 December	129	448	577
Accumulated impairment losses and depreciation on 1 January	-106	-321	-427
Less divested operation	7	6	13
Divestment and disposal	18	21	39
Depreciation during the year	-8	-29	-37
Impairment losses for the year	-2		-2
Translation differences for the year		1	1
Accumulated impairment losses and depreciation on 31 December	-91	-322	-413
Residual value at 1 January	52	123	175
Residual value at 31 December	38	126	164

12 Participations in joint operations

Bonava's financial statements include the following items that constitute interests in the net sales, costs, assets and liabilities of joint operations.

	2024	2023
Revenue	19	1
Expenses	-11	-2
Profit/loss	8	0
Fixed assets	47	39
Current assets	222	138
Total assets	270	177
Non-current liabilities		16
Current liabilities	103	111
Total liabilities	103	127
Net assets	166	50

Specification of joint operations	Shareholding, %
Tipton Brown AB	33
NVB Beckomberga KB	33
NCC Kaninen Projekt AB	30
Stora Urvik KB	50
Urvik Exploaterings AB	50
KB Öhusen	50
AB Broutsikten	50
Sigtuna Stadsängar Exploaterings AB ¹⁾	53
NVB Sköndalsbyggarna II AB	33
NVB Sköndalsbyggarna II KB	33
K-torp 474 AB	50
Stadspuls Utveckling AB	50

¹⁾ The company has been consolidated as a joint operation because of a shareholder agreement stipulating that Bonava exercises joint control over the company.

13 Non-current receivables and other receivables

	2024	2023
Non-current receivables		
Other non-current shareholdings	2	2
Vendor note	554	580
Other non-current receivables	69	83
Non-current receivables	625	665
Other receivables classified as current assets		
Receivables from housing projects sold	84	89
Advance payments to suppliers	12	13
Derivative instruments not used for hedge accounting		35
Receivables in tenant-owner associations		145
Vendor note	40	91
Other current receivables	103	59
Other receivables classified as current assets	240	432

In conjunction with the divestment of the Norwegian operations in June 2023, a part of the transaction price has been received through a vendor note. The vendor note has been discounted to its present value and the portion of the vendor note that is expected to be paid in 12 months has been classified as a current receivable while the remaining amount has been classified as a non-current receivable. In 2024, Bonava received repayments of SEK 93 M relating to the vendor note, which in the Group's cash flow were classified as "sale of Group companies." For more information regarding the vendor note and how the transaction has impacted the accounts, refer to Notes 24 and 28.

14 Tax on profit for the year, deferred tax assets and deferred tax liabilities

Tax on profit/loss for the year

	2024		Effective tax	2024		2023	
				Tax, %	Profit/loss	Tax, %	Profit/loss
Current tax cost	-4	19	Profit before tax		-501		-1,137
Deferred tax cost	-13	-25	Tax according to company's current tax rate	21	103	21	234
Total recognised tax on profit/loss for the year	-17	-5	Effect of other tax rates for non-Swedish companies	3	13	6	64
			Non-tax deductible costs	-16	-80	-9	-97
			Non-taxable revenues	5	28	6	73
			Unused tax loss carry-forward	-34	-170	-22	-247
			Utilisation of non-capitalised tax loss carry-forwards	18	93	0	2
			Tax effect of revaluation of tax loss carry-forwards			-4	-42
			Tax attributable to prior years	1	-5	1	6
			Other	0	1	0	1
			Average tax rate/recognised tax	-3	-17	0	-5

Current tax has been calculated based on the nominal tax prevailing in the country concerned.
When the tax rate for future years has been amended, that rate is used for calculating deferred tax.

Change in deferred tax in temporary differences and tax loss carry-forwards

	2024		Deferred tax asset/tax liability	Assets		Liabilities		Net	
				2024	2023	2024	2023	2024	2023
Opening carrying amount	106	126	Ongoing housing projects	10	15			10	15
Recognised tax on profit/loss for the year	-13	-25	Properties held for future development		10	-7		-7	10
Translation differences for the year	1	0	Untaxed reserves	6	6			6	6
Closing carrying amount	95	106	Provisions	53	54			53	54
			Tax loss carry-forwards	73	45			73	45
			Other		6	-41	-30	-41	-24
			Net accounting	-5		5			
			Deferred tax asset/tax liability	137	136	-43	-30	95	106

Capitalised tax loss carry-forwards are expected to be used within a five-year period.
There are non-capitalised tax loss carry-forwards of SEK 1 437 M (862) in the Group.

Disclosures regarding Pillar Two

The Group is subject to the OECD's model rules for Pillar Two. Legislation relating to Pillar Two has been adopted in Sweden, where Bonava AB (publ) is based, and took effect on 1 January 2024. Bonava is subject to the top up tax rules for FY 2024. Bonava assess that the transitional safe harbour rule is applicable for constituent entities in all jurisdiction except Latvia. However, the top up tax that may be levied on Latvia is not material.

15 Housing projects

	Properties held for future development	Ongoing housing projects	Completed housing units	Total
2024				
Recognised cost at 1 January	9,298	7,037	1,623	17,961
Investments ¹⁾	592	4,168		4,759
Divestments	-468	-4,935	-1,579	-6,982
Reclassification	-1,108	150	958	0
Translation differences for the year	231	250	36	517
Recognised cost at 31 December	8,544	6,670	1,038	16,252
Accumulated impairment losses at 1 January	-1,161	-103	-30	-1,294
Impairment losses for the year	-213			-213
Divestments	5			5
Translation differences for the year	-25	-2	-1	-29
Accumulated impairment losses at 31 December	-1,394	-105	-31	-1,531
Residual value at 1 January	8,137	6,934	1,593	16,664
Residual value at 31 December	7,150	6,565	1,007	14,721

¹⁾ Investments pertain to investments in land held for future development, ongoing housing production and acquisitions of housing units that have been completed but have not yet been delivered or sold.

	Properties held for future development	Ongoing housing projects	Completed housing units	Total
2023				
Recognised cost at 1 January	10,313	12,093	830	23,236
Less divested operation	-1,574	-811	-194	-2,579
Investments ¹⁾	1,707	7,593		9,301
Divestments	-92	-9,283	-2,458	-11,834
Reclassification	-946	-2,530	3,477	0
Translation differences for the year	-110	-25	-31	-164
Recognised cost at 31 December	9,298	7,037	1,623	17,961
Accumulated impairment losses at 1 January	-477	-38	-30	-546
Less divested operation	50			50
Impairment losses for the year	-756	-67		-824
Translation differences for the year	22	2	0	25
Accumulated impairment losses at 31 December	-1,161	-103	-30	-1,294
Residual value at 1 January	9,836	12,055	799	22,690
Residual value at 31 December	8,138	6,933	1,593	16,665

¹⁾ Investments pertain to investments in land held for future development, ongoing housing production and acquisitions of housing units that have been completed but have not yet been delivered or sold.

16 Share capital

Changes in share capital	No. of shares	Share capital, SEK 000
Number of shares, 1 January 2024	108,435,822	433,743
Number of shares, 31 December 2024	322,816,756	538,324

The shares are divided between 30,158,334 Class A shares and 292,658,422 Class B shares. Class A shares confer the right to ten votes each and Class B shares confer the right to one vote each. The quotient value per share is SEK 1.67. The new share issue carried out this year increased the number of shares.

In order to meet its commitments under its long-term incentive programmes, Bonava AB holds 1,245,355 (1,245,355) Class B treasury shares as of 31 December 2024.

On 9 June 2016, NCC AB distributed all of the shares in Bonava AB to the shareholders. NCC AB remains a minority owner of Bonava Deutschland GmbH, but Bonava holds the option to acquire NCC AB's participations that will mature in 2027. On the basis of this option, the German company is being consolidated in its entirety. According to a profit-sharing agreement, NCC AB will waive its dividend and instead receive annual compensation of EUR 1.3 M, which is expensed on a regular basis.

17	Interest-bearing liabilities	
	2024	2023
Non-current liabilities		
Liabilities to credit institutions and investors	2,719	
of which, green bond	951	
Lease liabilities	103	102
Liabilities pertaining to project financing	91	126
Total	2,913	227
Current liabilities		
Liabilities to credit institutions and investors	1,021	4,994
of which, green bond		1,200
Liabilities pertaining to project financing	320	542
Lease liabilities	56	58
Total	1,397	5,594
Total interest-bearing liabilities	4,310	5,821

For repayment schedules and terms and conditions, refer to Note 24.

18	Provisions		
2024	Guarantees	Other	Total
On 1 January	521	663	1,184
Provisions during the year	158	101	260
Amount utilised during the year	-182	-343	-526
Reversed, unutilised provisions	-42	-74	-116
Translation differences for the year	17	14	31
On 31 December	472	361	832
<i>of which current provisions</i>	<i>120</i>	<i>201</i>	<i>322</i>
2023	Guarantees	Other	Total
On 1 January	557	413	970
Divested Group companies	-40	-13	-53
Provisions during the year	171	510	681
Amount utilised during the year	-173	-205	-378
Reversed, unutilised provisions	-5	-28	-33
Reclassification	13	-1	12
Translation differences for the year	-3	-13	-16
On 31 December	521	663	1,184

Guarantees

Guarantee provisions pertain to assessed future costs. To estimate a future guarantee cost, individual assessments are made per project. Standard percentage rates are used for the calculation of the size of the future cost, whereby the standard percentage is varied depending on the nature of the project. The guarantee cost is posted individually for each project. The longest term for a guarantee provision is ten years, while a majority have maturities of approximately two to three years.

Other

Other items include restructuring reserve, risk provisions for projects, contractual commitments for land held for future development and provisions for estimated risks in ongoing disputes. The items are expected to be settled within 1–10 years.

19	Other liabilities	
	2024	2023
Other non-current liabilities		
Liabilities, property acquisitions		10
Other non-current liabilities	18	1
Total	18	11
Other current liabilities		
Customer advances	3,206	3,129
Liabilities, land acquisitions	67	203
Derivative instruments not used for hedge accounting	6	6
Other current liabilities	144	266
Total	3,423	3,604

20	Accrued expenses and deferred income	
	2024	2023
Payroll-related costs	137	159
Project-related costs	841	1,001
Administrative expenses	35	50
Interest expenses	13	30
Other expenses	9	3
Total	1,035	1,244

21	Leases	
	2024	2023
Interest expenses for lease liabilities	7	7
Total cash flow for leases	78	92

For other disclosures on leasing, refer to Notes 1 (Leases), 5 and 17.

	2024	2023
Pledged assets		
<i>For own debt:</i>		
Property mortgages	355	235
Net assets in the Group, excl. Parent Company	2,000	
Other pledged assets	611	13
Total pledged assets	2,966	249
Surety and guarantee obligations		
<i>Own obligations:</i>		
Counter guarantees to external guarantors	600	600
Contingent liabilities ¹⁾	395	393
Other sureties ²⁾	129	803
Total surety and guarantee obligations	1,124	1,796

¹⁾ Expenses related to properties held for future development that are deemed to arise even if housing projects are not started.

²⁾ The undertakings pertaining to divested companies to be taken over by the purchaser in accordance with agreements.

Property mortgages consist of collateral on behalf of Finnish housing companies, Swedish tenant-owner associations and financing of investment properties in the Baltics.

Counter guarantees pertaining to guarantees that constitute collateral for amounts paid to tenant-owner associations formed by Bonava Sverige AB comprise SEK 600 M (600). Deposit guarantees are valid until one year after the final acquisition cost of the tenant-owner association's building has been established.

As part of its financing from credit institutions and Bonava's green bond, the Group has pledged shares in subsidiaries and material receivables (with the associated assets) and surety and guarantee obligations as collateral. Some intra-Group receivables have also been pledged. These have been eliminated in the Group.

Investment commitments

Bonava has investment commitments for the purchase of building rights, which are contractual and conditional and have not yet been recognised as part of the financial statements. At 31 December 2024, the value of these amounted to SEK 1,184 M (1,427). The table below shows when the investments are expected to be adjusted, provided that the covenants in the agreement are met.

The agreements are often conditional on building permits being received or zoning plans being approved.

In addition, Bonava has entered into agreements that provide the opportunity to acquire building rights. In the event these options are exercised, this will involve a future cash outflow. In the event the options are not exercised, Bonava may incur a cost, primarily in the form of impairment of recognised advances.

Anticipated investment period	2025	2026	2027 and beyond	Total
Building rights	676	135	373	1,184

Other change in working capital	2024	2023
Increase (-)/decrease (+) in inventories		12
Increase (-)/decrease (+) in receivables	299	4
Increase (-)/decrease (+) in liabilities	-904	-1,609
Total other change in working capital	-605	-1,625
Cash and cash equivalents	2024	2023
Cash and bank balances	593	180
Total according to balance sheet and cash flow statement	593	180

Cash and cash equivalents are recognised at amortised cost. Fair value corresponds to the carrying amount. In accordance with IFRS 9, cash and cash equivalents are subject to impairment using the model for expected credit losses.

Information about interest paid/received

Interest received during the year amounted to SEK 20 M (12). Interest paid during the year amounted to SEK 433 M (474).

	2023	Cash flow	Reclassi- fication	Currency	2024
Non-current interest-bearing receivables	582		16	-7	591
Current interest-bearing receivables	108	-93	43	-1	57
Total interest-bearing receivables	690	-93	59	-8	648

	2022	Cash flow	Divested operation	2023
Non-current interest-bearing receivables	2		580	582
Current interest-bearing receivables	18		90	108
Total interest-bearing receivables	20		670	690

	2023	Cash flow	Non-cash items			2024
			Exchange-rate changes	Reclassi- fications	New leases	
Non-current interest-bearing liabilities	125	2,679	5			2,810
Interest-bearing lease liabilities	160	-72	0		72	160
Current interest-bearing liabilities	5,536	-3,857	8	-347		1,341
Total interest-bearing liabilities	5,821	-1,250	13	-347	72	4,311

	2022	Cash flow	Non-cash items				2023
			Exchange-rate changes	Reclassi- fications	Change divested operation	New leases	
Non-current interest-bearing liabilities	3,914	-2,291	-6	-1,492			125
Interest-bearing lease liabilities	228	-91	1			21	160
Current interest-bearing liabilities	3,442	1,548	5	679	-136		5,536
Total interest-bearing liabilities	7,583	-833	0	-813	-136	21	5,821

Finance Policy (principles for risk management)

Bonava is exposed to financial risks through its business operations. Financial risk is defined as refinancing risk, liquidity risk, interest rate risk, exchange rate risk, credit risk, counterparty risk and guarantee capacity risk. In 2024, Bonava adopted a new Finance Policy that, combined with the update to its financial targets, provides greater focus on creating financial stability and reducing financial risks over time. The Finance Policy is adopted by Bonava's Board of Directors and specifies the management of financial risks in the form of risk mandates and limits for the finance operations.

Bonava's financial risks are then managed by the Treasury function in order to manage the Group's overall financial risk position and safeguard Group-wide interests. The Treasury function manages Bonava's interest rate, exchange rate, credit, refinancing, counterparty and liquidity risk. Customer credit risk is managed by the relevant business unit. Local project funding is available and requires approval by the Treasury function.

Refinancing risk

Refinancing risk is defined as the risk that Bonava will not be able to obtain financing at a given time. Bonava's financing needs vary during the year due to the volume of ongoing projects. In order to ensure the availability of financing, Bonava shall strive to diversify central debt and project financing. To reduce refinancing risk, Bonava shall strive for a risk profile that provides good conditions for bank and market financing on favourable terms over time. In the case of project finance, the funding must be linked to one or more specific housing projects or properties. For 2024, project financing was raised for Finnish housing companies and Swedish tenant-owner association, with the term reflecting the projects' completion dates and B2M for financing in the Baltics.

Project financing at 31 December 2024 amounted to SEK 411 M (667) with a tied-up capital of 19 (9) months. As of 31 December 2024, tied-up capital was 26 (3) months for the rest of the company's debt portfolio¹⁾. Bonava's syndicated credit agreements include two loan covenants. The first is that EBIT, with some contractual adjustments, must exceed certain levels that vary from quarter to quarter. The second is a minimum level of available liquidity to be held by the Group in the form of cash and cash equivalents or available credit. Both loan covenants were met on the balance sheet date.

Capital structure

Bonava defines capital as shareholders' equity including minority share as indicated in the balance sheet. In 2024, Bonava carried out a new share issue of approximately SEK 1,050 M before transaction costs to

strengthen its balance sheet. Capital thus amounted to SEK 7,189 M (6,601) as of 31 December 2024.

Bonava's objective is to achieve a capital structure that results in an efficient weighted cost of capital and a credit rating that secures the operations' needs and potential future acquisitions.

Bonava reviews its capital structure and makes changes when financial circumstances change. To retain or change the capital structure, Bonava's Board of Directors may propose an adjustment of the dividend paid to shareholders, pay an extraordinary dividend, buy back shares, complete a new share issue or sell assets in order to reduce its liabilities.

Financial targets and framework

When assessing the capital structure, Bonava uses key figures regarding current and forecast equity to assets ratio, as well as frequent liquidity forecasts in the short and long-term. Bonava's strategic financial targets include a dividend to shareholders of 40 per cent of the Group's profit after tax over time. According to Bonava's financing framework, the equity/assets ratio should be at least 30 per cent.

At the end of 2024 the equity/assets ratio was 41.7 per cent. To ensure a healthy level of debt, Bonava's net project asset value should exceed its net debt, meaning that land and building rights that are not yet part of an ongoing project must be covered by equity. At 31 December 2024, the ratio of the net project asset value to net debt was 1.6 (1.2). Bonava's Board has proposed that no dividend is to be distributed for financial year 2024. Under the new financing package that was developed in 2024, there are also limits preventing a dividend from being paid out over the next three years.

In 2024, a revision took place of the financial targets set in 2023. The target is that operating margin before items affecting comparability is to amount to at least 10 per cent on an annual basis from 2026 and that return on equity is to be at least 15 per cent over time.

Maturity structure of tied-up capital 2024¹⁾

Matures	Interest-bearing liabilities	
	Amount	Proportion, %
2025	271	6
2026	557	13
2027	3,304	78
2028	0	0
2029	91	2
Total	4,224	100

¹⁾ Concerns nominal amounts excluding liabilities pertaining to leases.

In 2024, Bonava entered into a new long-term financing agreement for the central debt encompassing an outstanding bond and a facility agreement that can be drawn in EUR, SEK or NOK with Bonava's bank counterparties. As of 31 December 2024, the nominal amount of the bond was SEK 960 M maturing in March 2027, while the facility agreement amounted to EUR 380 M with final maturity in March 2027. However, it should be noted that the framework will gradually decrease by EUR 22 M per quarter until maturity.

Of the total project financing, SEK 271 M falls due in 2025, SEK 49 M in 2026 and SEK 91 M in 2029.

Liquidity risks

Liquidity risk refers to the risk of being unable to meet payment obligations due to insufficient liquidity.

To achieve adequate flexibility and cost-effectiveness, while ensuring that future financing requirements are satisfied, Bonava's Finance Policy for 2024 stated that Bonava manages liquidity risk through two limits: if liquidity is expected to fall below the first threshold value then internal measures must be taken to restore the liquidity forecast, and a lower amount under which liquidity must never fall.

Available liquidity is defined as cash and cash equivalents, short-term investments and unutilised committed credit facilities and overdraft facilities. Available cash and cash equivalents shall be deposited in banks available in the Group account structure where possible. All surplus liquidity should be used to repay external debt.

As of 31 December 2024, Bonava's available liquidity amounted to SEK 2,105 M (2,065), of which cash and cash equivalents and short-term investments amounted to SEK 575 M (167).

The table on the next page shows Bonava's financial assets and liabilities (including interest payments) and derivative instruments classified as financial assets and liabilities. For financial instruments carrying variable interest rates, the interest rate prevailing on the balance sheet date has been used.

The amounts in the tables are contractual undiscounted cash flows.

Analysis of maturities (amounts including interest)

2024	Carrying amount	Total future payment amount	<3 months	3 months–1 year	1–3 years	3–5 years	>5 years
Other non-current shareholdings	2	2					2
Vendor notes	594	650		41	609		
Other interest-bearing receivables	54	54		17	37		
Accounts receivable	255	255	255				
Currency derivatives	-6						
inflow		1,688	1,688				
outflow		-1,693	-1,693				
Cash and cash equivalents	593	593	593				
Total	1,492	1,548	842	58	646	0	2
Interest-bearing liabilities	3,739	4,419	52	217	4,150		
Interest-bearing liabilities in project financing	411	438	7	274	57	100	
Interest-bearing lease liabilities	160	266	15	44	78	9	119
Accounts payable	292	292	292				
Total	4,602	5,414	366	535	4,285	109	119

Repayment of advances amounting to 18,7 MEUR will occur during 2025. Since the project that the advances relates to probably will be resold, the assumption is that the effect on net cash flow will be limited.

2023	Carrying amount	Total future payment amount	<3 months	3 months–1 year	1–3 years	3–5 years	>5 years
Other non-current shareholdings	2	2					2
Vendor notes	671	752	17	77	658		
Other interest-bearing receivables	19	19		17	3		
Accounts receivable	236	236	236				
Currency derivatives	28						
inflow		2,465	2,465				
outflow		-2,437	-2,437				
Cash and cash equivalents	180	180	180				
Total	1,136	1,216	461	94	660	0	2
Interest-bearing liabilities	4,994	5,084	5,084				
Interest-bearing liabilities in Finnish housing companies and Swedish tenant-owner associations	667	698	130	440	128		
Interest-bearing lease liabilities	160	280	17	48	75	24	117
Accounts payable	337	337	337				
Total	6,159	6,399	5,568	488	202	24	117

Interest rate risk

Interest rate risk is the risk that changes in market rates will adversely affect Bonava. Both interest-bearing liabilities and assets are therefore exposed to interest rate risk. As of 31 December 2024, all positions were exposed to floating rates and are under strategic review ahead of 2025.

The fixed-rate term for project financing of SEK 411 M (667) was 5 months (5). Interest-bearing liabilities for the rest of the company's debt portfolio amounted to SEK 3,813 M (4,996) and the average fixed-rate term was 2 months (2). As of 31 December 2024, Bonava's total interest-bearing gross debt was SEK 4,224 M (5,663) and the average fixed-rate term was 2 months (2)¹⁾.

There were no interest rate swaps outstanding as of 31 December 2024 or 2023.

An increase in interest rates by one percentage point would result in an increase of SEK -28 M (-45) in interest expenses, given the interest-bearing assets and liabilities that existed on the balance sheet date. This relates to variable interest since no assets or liabilities bear interest at a fixed rate. Refer to page 82 for the distribution of currencies and the underlying base interest rates for Bonava's loans.

Interest rate sensitivity¹⁾

Profit/loss	Profit effect, SEK M	
	2024	2023
Market interest rate ± 1%	28	45

Maturity structure, fixed-rate term 2024¹⁾

Matures	Interest-bearing liabilities	
	Amount	Proportion, %
2025	4,224	100
Total	4,224	100

¹⁾ Concerns nominal amounts excluding liabilities pertaining to leases.

Exchange rate risk

Exchange rate risk is the risk that fluctuations in exchange rates will adversely affect the consolidated income statement, balance sheet or cash flow statement. Exchange rate risk can be managed using swaps, derivatives or forward agreements. These are to be limited to the currencies to which the Group is exposed. Currency-forward contracts are used to hedge dividends from subsidiaries in EUR. EUR and SEK currency swaps are used to hedge internal loans in currencies other than the borrowing currencies and swaps against NOK and DKK are to be used to match liabilities in relation to other assets.

Transaction exposure

In accordance with Bonava's Finance Policy for 2024, transaction exposure should be reported and managed by Bonava's central treasury function when it exceeds EUR 1 M. Because Bonava's business units mainly receive and make payments in local currency, the extent of the transaction exposure is not significant.

The following table shows Bonava's interest-bearing liabilities in various currencies. The liabilities bear interest at a variable rate, which for the respective currencies is EURIBOR, NIBOR, CIBOR and STIBOR.

Translation exposure is not hedged.

Interest-bearing liabilities 2024¹⁾

Counter-value in SEK	Amount	Proportion, %
EUR	2,594	61
NOK	489	12
SEK	1,141	27
Total	4,224	100

¹⁾ Concerns nominal amounts excluding liabilities pertaining to leases.

Translation exposure

The following table shows Bonava's net investments by currency.

Counter-value in SEK

Currency	2024 Net investment	2023 Net investment
DKK	295	281
EUR	2,071	2,267
Total	2,366	2,548

As of 31 December, a 5 per cent depreciation of the SEK in relation to other currencies would result in an increase in shareholders' equity of SEK 118 M (127).

Currency sensitivity and transaction exposure

At 31 December 2024, there were no transactions that are probable and certain in terms of the amount and date that would result in a significant impact on Bonava's earnings in the event of a change in the underlying exchange rate.

Credit risk

Credit and counterparty risk in financial operations

Bonava's investment regulations for financial credit risks are characterised by caution. Bonava's credit risk for financial counterparties is mainly based on investments and the market value of existing derivative contracts. To minimise these risks, the banks with which Bonava invests money or enters into derivative contracts must have credit ratings of at least A- (Standard & Poor's) or the equivalent international rating, as well as local banks with a minimum rating equal to the credit-worthiness of the country in which Bonava conducts operations. The International Swaps and Derivatives Association (ISDA) master agreement on netting is used with all external counterparties with respect to derivative trading.

The total counterparty exposure relating to derivatives, calculated as net receivables per counterparty, amounted to SEK 8 M (53) at the end of 2024. Net receivables per counterparty is calculated in accordance with the market valuation method, i.e. the market value of the derivative plus a supplement for the change in risk (1 per cent of the

nominal amount). The calculated gross exposure to counterparty risks pertaining to cash and cash equivalents and short-term investments amounted to SEK 593 M (180). In connection with the divestment of the Norwegian operations in 2023, vendor notes of SEK 767 M were received. The remaining amount will be paid over time as the buyer sells the completed housing units and hands them over to customers. These are exposed to a credit risk related to the buyer and are thus valued at SEK 594 M at 31 December.

Credit risk in accounts receivable

The risk that Bonava's customers will not fulfil their obligations, meaning that payment is not received from customers, constitutes a credit risk. The credit rating of the Group's customers is checked, whereby information on the customers' financial position is obtained from various credit information companies. Essentially, the right of ownership of the product the customer is paying for is not transferred until full payment has been made. This means that Bonava's risk is low, as it is limited to changes in market value.

Age analysis of accounts receivable including receivables for divested housing projects at 31 December 2024

	Gross amount	Expected default rate, %	Credit loss allowance	Total
Not due receivables	204	0.3-4	1	203
Past-due receivables 1-30 days	53	0.3-5	2	51
Past-due receivables 31-60 days	9	2.4-50	1	8
Past-due receivables 61-180 days	71	3-100	6	65
Past-due receivables >180 days	14	3-100	3	11
Total	351		12	339

Bonava has grouped its accounts receivable into portfolios corresponding to the respective Group operating segment, as these items are deemed to have a similar credit risk. Each operating segment in the Bonava Group has prepared a matrix for accounts receivables, which examines historical losses and has been adjusted for current and forward-looking conditions. This means that the intervals represent the lowest and highest credit loss allowance percentage applied in the Group for each period.

Change in credit loss allowance	2024	2023
Opening balance as at 1 January	12	16
Provision for the year	3	1
Reversal of previously posted impairment losses	-1	-4
Accounts receivable written off during the year	-2	-2
Closing balance as at 31 December	12	12

Carrying amount and fair value of financial instruments

The carrying amount and the fair value of financial instruments are presented in the following table. The measurement at fair value of currency-forward contracts is based on published forward rates on an active market.

For financial instruments measured at amortised cost (accounts receivable, other receivables, cash and cash equivalents, accounts payable, other interest-free liabilities and other interest-bearing liabilities), fair value is considered equal to the carrying amount.

Classification of financial instruments 2024	Financial assets measured at fair value through profit or loss	Financial assets measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Other financial liabilities	Total
Other non-current shareholdings	2				2
Non-current receivables		592			592
Accounts receivable		255			255
Other receivables		141			141
Cash and cash equivalents		593			593
Derivatives					
Total assets	2	1,581			1,583
Non-current interest-bearing liabilities				2,913	2,913
Other non-current liabilities				18	18
Current interest-bearing liabilities				1,397	1,397
Accounts payable				292	292
Other current liabilities				67	67
Derivatives			6		6
Total liabilities			6	4,686	4,692

Classification of financial instruments 2023	Financial assets measured at fair value through profit or loss	Financial assets measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Other financial liabilities	Total
Other non-current shareholdings	2				2
Non-current receivables		582			582
Accounts receivable		236			236
Other receivables		197			197
Cash and cash equivalents		180			180
Derivatives	35				35
Total assets	36	1,195			1,232
Non-current interest-bearing liabilities				227	227
Other non-current liabilities				11	11
Current interest-bearing liabilities				5,594	5,594
Accounts payable				337	337
Other current liabilities				203	203
Derivatives			6		6
Total liabilities			6	6,373	6,379

In the following tables, disclosures are made concerning how fair value has been determined for the financial instruments that are continuously measured at fair value and the financial instruments not measured at fair value in Bonava's balance sheet. The difference between fair value and carrying amount for long-term liabilities does not constitute a material amount and the carrying amount has therefore been deemed to correspond to the fair value. For current liabilities, the carrying amount has been deemed to correspond to the fair value. The fair value measurement divides assets into three levels. No transfers between levels occurred during the period and no significant changes were made with respect to measurement methods, data used or assumptions.

Level 1: according to prices quoted on an active market for identical instruments. The bond loan of SEK 960 M is measured at fair value according to level 1 of the fair value hierarchy, which involves measurement using direct or indirect market data.

Level 2: according to the method for Level 2, fair value is based on models that use other observable inputs for the asset or liability other than the quoted prices included in Level 1. For Bonava, these inputs include market interest rates and yield curves used to calculate fair value.

Level 3: on the basis of inputs that are not observable on the market. This category is used for measuring investment properties.

Offsetting financial instruments

Bonava has binding master agreements (ISDA) governing netting with all counterparties as regards derivatives. The table above shows reported gross financial assets and liabilities that can be offset. Bonava has not offset any amounts in the balance sheet.

	2024			2023		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial assets measured at fair value						
Financial assets measured at amortised cost		594	594		671	671
Derivative instruments not used for hedge accounting					35	35
Other securities held as non-current assets		2	2		2	2
Total financial assets		597	597		708	708
Financial liabilities measured at fair value						
Derivative instruments not used for hedge accounting		6	6		6	6
Financial liabilities measured at amortised cost						
Other liabilities (interest-bearing liabilities) ¹⁾		3,199	3,199		4,461	4,461
Bond loans	968		968	1,200		1,200
Total financial liabilities	968	3,204	4,137	1,200	4,467	5,667

¹⁾ Excluding liabilities pertaining to leases.

25 Items affecting comparability

In 2024, no items affecting comparability were recognised. Items affecting comparability in 2023 pertain to impairment of properties held for future development, capitalised development expenses, negative change in value of one B2M project and restructuring, and totalled SEK -1,279 M. For further information on items affecting comparability and which segments they pertain to, refer to Note 2.

In 2024 and 2023, the following items affecting comparability were recognised:

	2024	2023
Impairment of land		-606
Value change of B2M project		-123
Impairment of capitalised project development costs		-115
Organisational changes		-435
Total items affecting comparability		-1,279

Of the organisational changes of SEK 435 M in 2023, SEK 426 M affected selling and administrative expenses. The remaining SEK 9 M relating to organisational changes, all impairments and the value change of the B2M project impacted production costs by a total of SEK 853 M.

Consolidated income statement incl. items affecting comparability.

	2024	2023
Net sales	8,194	13,269
Production costs	-7,514	-12,702
Gross profit	680	567
Selling and administrative expenses	-658	-1,186
EBIT	22	-619
Financial income	48	19
Financial expenses	-571	-537
Net financial items	-524	-518
Profit/loss after financial items	-501	-1,137
Tax on profit/loss for the year	-17	-5
Profit/loss for the year	-518	-1,143

26 Earnings per share

	2024	2023
Earnings per share before and after dilution relating to continuing operations, SEK	-1.85	-10.66
Earnings attributable to the Parent Company's shareholders relating to continuing operations, SEK M	-518	-1,143
Earnings per share before and after dilution relating to continuing operations and discontinued operations, SEK	-1.85	-12.47
Earnings attributable to the Parent Company's shareholders relating to continuing operations and discontinued operations, SEK M	-518	-1,337
Earnings per share before and after dilution relating to discontinued operations, SEK		-1.81
Earnings attributable to the Parent Company's shareholders relating to discontinued operations, SEK M		-194
Number of shares when calculating earnings per share before and after dilution, millions	279.9	107.2

27 Significant events after year-end

During February 2025, Bonava issued a SEK 960 M secured green bond, which was significantly oversubscribed. The coupon of the new bond is STIBOR +475 bp, and the tenor is 3.5 years. The previous bond, which was more expensive due to a step-up structure, was tendered and called at a price of 102 per cent of the nominal value.

St. Petersburg

In 2022, Bonava announced that the operations in St. Petersburg would be wound down and an agreement was signed later that year. Consequently, the operations have been recognised as operations to be discontinued since 2022.

The prospective buyer did not secure the necessary permits and the contract was thus cancelled. The decision to close down the operations has stood firm.

As of 18 October 2023, Bonava has signed an agreement with a new buyer, Star Development LLC, for the divestment of its operations in St. Petersburg for EUR 50 M (SEK 578 M) and received the purchase price at the same time. In conjunction with the conclusion of the transaction, Bonava has chosen to terminate the agreement with RBI Group that was signed on 31 May 2023. This is because the counterparty did not receive acquisition permits from the special committee established to oversee business transfers within the contractual time frame under the agreement. The new buyer, Star Development LLC, has received this permit, and conclusion of the transaction was conditional on the approval of the Russian competition authority.

In the fourth quarter of 2023, the Russian competition authorities approved the divestment of Bonava's operations in St. Petersburg and controlling influence over the operations thereby transferred to the buyer.

The net assets in St. Petersburg were valued at SEK 564 M, corresponding to the transaction price of EUR 50 M (SEK 578 M), which was received on 18 October 2023 less selling costs. Total earnings from operations to be discontinued was SEK 602 M (–808), of which SEK 38 M pertained to the liquidation of currency translation reserves.

Bonava AB has undertakings of SEK 65 M (74) for land investments in St. Petersburg that will be taken over by the buyer.

Divested assets	2023		2023
Properties held for future development	228	Net sales	682
Ongoing housing projects	332	Production costs	-499
Completed housing units	58	Gross profit	183
Other current assets	71	Selling and administrative expenses	-25
Cash and cash equivalents	77	EBIT	157
Total assets	765	Financial income	-
Provisions	40	Financial expenses	-15
Non-current liabilities	79	Net financial items	-15
Customer advances	15	Profit before tax	142
Other current liabilities	67	Tax on profit for the year	-28
Total liabilities	201	Profit from operations to be discontinued after tax	114
Net assets	564	Transaction costs	-14
Pledged assets and contingent liabilities		Impairment of net assets	450
Pledged assets ¹⁾	129	Profit/loss from operations to be discontinued	602
		Exchange rate difference on translation of operations to be discontinued	-38
	2023	Other comprehensive income from operations to be discontinued	-38
Sales proceeds received			
Cash	578	Net cash flow from operating activities	307
Total sales price	578	Net cash flow from investment activities	502
Carrying amount of net assets sold	564	Net cash flow from financing activities	-342
Profit before tax and reclassification of currency translation reserve	14	Net increase in cash and cash equivalents from the subsidiary	467
Reclassification of currency translation reserve	38		
Profit on sale, net of tax	52		

¹⁾ Pertains to property mortgages on properties owned by Bonava St. Petersburg.

¹⁾ Pertains to property mortgages on properties owned by Bonava St. Petersburg.

Norway

On 30 June 2023, Bonava signed the agreement to divest its operations in Norway. The buyer is the Union Residential Development property fund. The purchase price totalled SEK 1,532 M, of which SEK 765 M was paid in cash upon completion of the transaction, and the remainder – SEK 767 M – has been paid via vendor notes. The remaining amount will be paid over time as the buyer sells the completed housing units and hands them over to customers. In the transaction currency, the purchase price totalled NOK 1,515 M.

In conjunction with Bonava signing agreements on divesting its operations, the operations in Norway were recognised as operations to be discontinued.

On the balance sheet date, the remaining guarantee obligations for the Norwegian operations to be taken over by the buyer amounted to SEK 64 M (729).

Divested assets	2023
Goodwill	56
Fixed assets	50
Properties held for future development	1,574
Ongoing housing projects	761
Completed housing units	194
Other current assets	37
Cash and cash equivalents	28
Total assets	2,700
Provisions	53
Non-current liabilities	1,242
Customer advances	30
Other current liabilities	257
Total liabilities	1,582
Net assets	1,119
Pledged assets and contingent liabilities	
Pledged assets ¹⁾	202

¹⁾ Pertains to security for loans in J/V Solberg Öst.

	2023
Sales proceeds received	
Cash	441
Discounting of vendor note	-101
Total sales price	340
Carrying amount of net assets sold	-1,119
Profit before tax and reclassification of currency translation reserve	-779
Reclassification of currency translation reserve	-45
Profit on sale, net of tax	-824
	2023
Net sales	627
Production costs	-538
Gross profit	89
Selling and administrative expenses	-24
EBIT	65
Financial income	1
Financial expenses	-1
Net financial items	0
Profit before tax	65
Tax on profit for the year	-6
Profit from discontinued operations net of tax	59
Transaction costs	-30
Profit/Loss on sale of subsidiary, net of tax (see below)	-824
Profit/loss from discontinued operations, net of tax	-795
Exchange rate difference on translation of operations to be discontinued	-5
Other comprehensive income from discontinued operations	-5
Net cash flow from operating activities	53
Net cash flow from investment activities	746
Net cash flow from financing activities	-33
Net increase in cash and cash equivalents from the subsidiary	766

The portion of Bonava's rights issue that was not covered by subscription commitments was underwritten by Nordstjernan in addition to its subscription commitment. Underwriting remuneration of 2 per cent for the guarantee commitment, corresponding to SEK 13.8 M, was paid in 2024.

30 Bridge between operating and legal cash flow

Starting in the second quarter of 2024, Bonava began to recognise "operating cash flow". To facilitate understanding of how operating cash flow relates to cash flow before financing activities that are found in the legal cash flow, a bridge with explanatory items has been compiled below.

	2024	2023
Operating cash flow	1,524	538
Currency translation	77	-63
Financial items	-482	-521
Tax paid	-151	-137
Changes in project financing	-347	-807
Sale of Group companies		1,239
Other		469
Cash flow before financing activities	621	716

Parent Company income statement

	Note	2024	2023
Net sales	1	167	213
Production costs		-5	-6
Gross profit		162	207
Administrative expenses		-266	-372
EBIT	2, 3, 4	-103	-165
Profit/loss from financial items			
Profit/loss from participations in Group companies	5		-1,119
Other interest income and similar items		892	646
Interest expenses and similar items	6	-622	-471
Profit/loss after financial items		166	-1,109
Appropriations			
Group contributions paid			-170
Profit/loss before tax		166	-1,279
Tax on profit for the year	11	-2	-3
Profit/loss for the year		164	-1,282

Parent Company balance sheet

	Note	2024	2023
ASSETS	1		
Fixed assets			
<i>Intangible assets</i>			
Capitalised expenditure for development work, etc.	7		
Total intangible assets		0	0
<i>Property, plant and equipment</i>			
Equipment		0	1
Total property, plant and equipment		0	1
<i>Financial fixed assets</i>			
Participations in Group companies	8	2,084	2,084
Receivables from Group companies	9	8,048	
Other non-current receivables	10	658	682
Total financial fixed assets		10,790	2,766
Total fixed assets		10,790	2,766
Current assets			
<i>Current receivables</i>			
Receivables from Group companies		132	9,092
Prepaid expenses and accrued income		25	73
Other receivables		46	274
Cash and bank balances		138	113
Total current receivables		341	9,554
TOTAL ASSETS		11,131	12,320

	Note	2024	2023
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
<i>Restricted equity</i>			
Share capital		538	434
Fund for development expenses			
Total restricted equity		538	434
<i>Non-restricted equity</i>			
Share premium reserve		799	
Profit brought forward		5,802	6,975
Profit/loss for the year		164	-1,282
Total non-restricted equity	16	6,765	5,693
Total shareholders' equity		7,304	6,127
<i>Provisions</i>			
Other provisions		17	14
Total provisions		17	14
<i>Non-current liabilities</i>			
Interest-bearing liabilities	12	2,719	
Total non-current liabilities		2,719	0
<i>Current liabilities</i>			
Accounts payable		9	17
Liabilities to Group companies		15	1,079
Interest-bearing liabilities	12	1,019	4,994
Other liabilities		2	3
Accrued expenses and deferred income	13	47	86
Total current liabilities		1,091	6,179
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		11,131	12,320

Parent Company changes in shareholders' equity

	Restricted equity		Non-restricted equity			Total shareholders' equity
	Share capital	Fund for development expenses	Share premium reserve	Profit brought forward	Profit for the year	
Opening shareholders' equity, 1 January 2023	434	6	0	6,648	321	7,409
Appropriation of profit/loss				321	-321	
Transfer to/from fund for development expenses		-6		6		
Performance-based incentive programme						0
Dividend						
Profit/loss for the year					-1,282	-1,282
Closing shareholders' equity, 31 December 2023	434	0	0	6,975	-1,282	6,127
Appropriation of profit/loss				-1,282	1,282	
Reduction in share capital	-325			325		
Bonus issue	216			-216		
New share issue	214		836			1,050
Issuing costs			-37			-37
Transfer to/from fund for development expenses						
Performance-based incentive programme						0
Profit for the year					164	164
Closing shareholders' equity, 31 December 2024	538	0	799	5,802	164	7,304

Parent Company cash flow statement

	Note	2024	2023
OPERATING ACTIVITIES			
Profit/loss after financial items		166	-1,109
<i>Adjustments for items not included in cash flow:</i>			
– Anticipated dividend			390
– Depreciation/amortisation	3		6
– Impairment losses	5, 7		482
– Changes in provisions		3	3
– Other including capital gain on divested operations		-15	249
Total items not included in cash flow		-12	1,131
Tax paid			
Cash flow from operating activities before change in working capital		154	22
Cash flow from change in working capital			
Increase (-)/decrease (+) in receivables		-46	50
Increase (+)/decrease (-) in liabilities		-39	-73
Cash flow from change in working capital		-85	-24
Cash flow from operating activities		70	-2
INVESTMENT ACTIVITIES			
Investments in shares in subsidiaries		-2,084	-481
Sale of shares in subsidiaries		2,177	875
Cash flow from investment activities		93	394
Cash flow before financing activities		163	392
FINANCING ACTIVITIES			
New share issue after issuing costs		1,013	
Increase in interest-bearing receivables		-8,602	-1,265
Decrease in interest-bearing receivables		9,785	1,076
Increase in interest-bearing liabilities		3,737	78
Decrease in interest-bearing liabilities		-6,069	-168
Cash flow from financing activities		-137	-279
Cash flow for the year		25	113
Cash and cash equivalents at 1 January		113	
Cash and cash equivalents at 31 December		138	113

	2023	Cash flow	Reclassification	2024
Current interest-bearing receivables	9,906	-9,785	-75	46
Non-current interest-bearing receivables		8,602		8,602
Total interest-bearing receivables	9,906	-1,182	-75	8,649
	2022	Cash flow	Conversion of receivable	2023
Current interest-bearing receivables	10,403	189	-686	9,906
Total interest-bearing receivables	10,403	189	-686	9,906
	2023	Cash flow	Reclassification	2024
Current interest-bearing liabilities	6,069	-6,069	1,019	1,019
Non-current interest-bearing liabilities		3,737	-1,019	2,719
Total interest-bearing liabilities	6,069	-2,332		3,738
	2022	Cash flow	Group contributions	2023
Current interest-bearing liabilities	2,816	3,084	170	6,069
Non-current interest-bearing liabilities	3,174	-3,174		
Total interest-bearing liabilities	5,990	-90	170	6,069

Group contributions are recognised as interest-bearing receivables or liabilities as they are recorded, but do not impact cash flow. This occurs the following year, when the Group contribution is settled.

Interest received during the year amounted to SEK 749 M (640).

Interest paid during the year amounted to SEK 415 M (397).

Parent Company Notes

1 Accounting policies

The Parent Company's Annual Report has been prepared in accordance with the Annual Accounts Act (1995:1554) and the recommendation RFR 2, Accounting for legal entities and statements from the Swedish Financial Reporting Board.

The Parent Company's accounting policies differ from the Group's in the following ways:

Subsidiaries

For the Parent Company, shares in subsidiaries are recognised at cost less any impairment losses. Impairment losses for these shares and participations arise if the recoverable amount is lower than the carrying amount. Received and anticipated dividends are recognised as revenue.

Leases

In the Parent Company, all lease expenses are recognised in the income statement in conjunction with the cost arising.

Group contributions

Group contributions received and paid are recognised as appropriations in the Parent Company income statement, in accordance with the alternative rule in RFR 2.

Borrowing costs

The Parent Company recognises total borrowing costs as an expense in the period in which they arise.

2 Number of employees, salaries and other remuneration

The average number of employees for the year was 47 (61). 32 (38) of the employees are women and 15 (22) are men.

Gender division

	Percentage women, %	
	2024	2023
Board of Directors	29	29
Senior executives	43	43

Salary and other remuneration, and social security expenses including pension costs

	2024	2023
Salary and remuneration	68	88
Social security expenses	39	53
of which, pension costs	16	20

Salary and remuneration refer exclusively to personnel in Sweden. Refer also to Note 4 for the Group, Number of employees, personnel costs and remuneration to senior executives.

Salary and other remuneration divided among Board members, CEO and other employees

	2024		2023	
	The Board and CEO employees	Other	The Board and CEO employees	Other
Salaries and other remuneration	15	53	14	74
of which, bonuses, etc.	3	3	2	10

3 Depreciation/amortisation

	2024	2023
Intangible assets		6
Property, plant and equipment		
Total depreciation/amortisation		6

4 Remuneration and fees to audit firms

	2024	2023
PwC		
Audit assignment	5	3
Other services	1	1
Total remuneration and fees to auditors and audit firms	6	4

Audit assignment is defined as fees for the statutory audit (i.e. audit work required to present the Auditor's Report and provide audit advice in connection with the audit assignment).

5 Profit from participations in Group companies

	2024	2023
Dividend		-390
Impairment losses		-480
Loss on divestment of subsidiary		-249
Total		-1,119

6 Interest expenses and similar items

	2024	2023
Interest expenses, credit institutions	402	397
Interest expenses, Group companies	13	26
Other financial expenses	208	48
Total	622	471

7 Intangible assets

	2024	2023
Acquired intangible assets		
Recognised cost at 1 January	411	411
Recognised cost at 31 December	411	411
Accumulated amortisation at 1 January	-352	-346
Amortisation according to plan during the year		-6
Accumulated amortisation at 31 December	-352	-352
Accumulated impairment losses at 1 January	-59	-59
Accumulated impairment losses at 31 December	-59	-59
Residual value at 1 January	0	6
Residual value at 31 December	0	0

8 Participations in Group companies

Name, Corp. ID no., Reg. office	Proportion, %	No. of shares	Carrying amount 2024
Bonava East Holding AB, 556495-9079, Stockholm	100	2,143	2,084
Bonava Holding GmbH, HRB 16008 FF, Germany	100		
Bonava Wohnbau GmbH, HRB15662 FF, Germany	10		
Bonava Sverige AB, 556726-4121, Stockholm	100		
Bonava Suomi Oy, 2726714-3, Finland	100		
Bonava Eesti OÜ, 11398856, Estonia	100		
Bonava Latvija SIA, 40003941615, Latvia	100		
Bonava Lietuva UAB, 305099434, Lithuania	100		
Bonava Danmark A/S, 32 65 55 05, Denmark	100		
Total participations in Group companies			2,084

Name, Corp. ID no., Reg. office	Proportion, %	No. of shares	Carrying amount 2023
Bonava Danmark A/S, 32 65 55 05, Denmark	100	5,000	280
Bonava East Holding AB, 556495-9079, Stockholm	100	1,000	
Bonava Eesti OÜ, 11398856, Estonia	100	1	41
Bonava Holding GmbH, HRB 16008 FF, Germany	100	373	1,059
Bonava Latvija SIA, 40003941615, Latvia	100	15,780,000	176
Bonava Lietuva UAB, 305099434, Lithuania	100	250	9
Bonava Suomi Oy, 2726714-3, Finland	100	10,000	300
Bonava Supply AB, 559261-2807, Stockholm			
Bonava Sverige AB, 556726-4121, Stockholm	100	1,000	218
Bonava Wohnbau GmbH, HRB 15662 FF, Germany	10	2,500	1
SP Residential Holding AB, 559377-4358, Stockholm			
Total participations in Group companies			2,084

	2024	2023
Recognised cost at 1 January	2,844	3,466
Long-term incentive programme		
Companies sold	-2,740	-1,788
Capital injection	2,084	1,166
Recognised cost at 31 December	2,188	2,844
Accumulated impairment losses at 1 January	-760	-945
Companies sold	656	665
Impairment losses for the year		-480
Accumulated impairment losses at 31 December	-104	-760
Carrying amount on 1 January	2,084	2,521
Carrying amount on 31 December	2,084	2,084

For 2024, direct ownership refers only to shares in Bonava Group Holding AB, the remaining holdings in the table refer to indirectly controlled companies that are directly owned by Bonava Group Holding AB. Apart from the companies listed above, Bonava AB indirectly controls a number of trading and dormant sub-subsidiaries.

During the year, ownership in all of the Group's subsidiaries was concentrated through a shareholder contribution or share issue in kind, with Bonava AB transferring ownership in the individual subsidiaries to Bonava Group Holding (previous name Bonava East Holding AB). Bonava AB therefore only owns shares directly in Bonava Group Holding AB.

9 Receivables from Group companies

Other non-current receivables	2024	2023
Carrying amount on 1 January		
Additional receivables	8,048	
Carrying amount on 31 December	8,048	

10 Other non-current receivables

Other non-current receivables	2024	2023
Carrying amount on 1 January	682	102
Additional receivables		580
Repayments	-1	
Other changes in value	16	
Reclassification	-40	
Carrying amount on 31 December	658	682

11 Tax on profit for the year and deferred tax assets

Tax on profit for the year	2024	2023
Deferred tax cost	-2	-3
Total recognised tax on profit/loss for the year	-2	-3

	Profit/loss	
Effective tax	2024	2023
Profit/loss before tax	166	-1,279
Tax according to company's current tax rate	-34	263
Non-tax deductible costs	-3	-231
Non-taxable revenues	46	36
Unrecognised tax loss carry-forwards	-9	-70
Tax attributable to prior years	-2	-1
Recognised tax	-2	-3
Effective tax, %	1	0

There are non-capitalised tax loss carry-forwards of SEK 802 M (757) in the Parent Company.

12 Interest-bearing liabilities

	2024	2023
Non-current liabilities		
Liabilities to credit institutions	2,719	
of which, green bonds	951	
Total non-current liabilities	2,719	0
Current liabilities		
Liabilities to credit institutions	1,019	4,994
of which, green bonds		1,200
Liabilities to Group companies		1,075
Total current liabilities	1,019	6,069
Total interest-bearing liabilities	3,738	6,069

For repayment schedules and terms and conditions as well as information concerning the reclassification of liabilities from non-current to current, see Group Note 24.

13 Accrued expenses and deferred income

	2024	2023
Payroll-related costs	24	34
Administrative expenses	9	22
Interest expenses	13	30
Total	47	86

14 Pledged assets and contingent liabilities

	Utilised amount	
	2024	2023
Counter guarantee to external guarantors	5,731	6,528
Guarantees for project-specific financing	192	432
Guarantees for Group companies	993	1,723
Other sureties ¹⁾	129	803
Shares in subsidiaries	2,084	
Receivables from subsidiaries	8,048	
Other pledged assets	611	13
Total	17,788	9,499

Proportion of pledged assets and contingent liabilities that are on behalf of tenant-owner associations and housing companies

	2024	2023
Counter guarantee to external guarantors ²⁾	789	600
Guarantees for project-specific financing	192	432
Total	982	1,032

¹⁾ The undertakings pertaining to divested companies to be taken over by the purchaser in accordance with agreements.

²⁾ The counter guarantees pertain to guarantees that constitute collateral for amounts paid to tenant-owner associations formed by Bonava Sverige AB. Deposit guarantees are valid until one year after the final acquisition cost of the tenant-owner association's building has been established. Bonava AB's commitment is limited to SEK 600 M.

15 Information about the Parent Company

Bonava AB (publ), corporate identity number 556928-0380, is a registered limited company with its registered office in Stockholm, Sweden. Bonava AB's shares are listed on the Stockholm Stock Exchange (Nasdaq Stockholm Mid Cap).

The address of the head office is Bonava AB, Lindhagensgatan 74, Stockholm, Sweden.

The consolidated financial statements for 2024 consist of the Parent Company and its subsidiaries, jointly termed the Group. The Group also includes holdings in associated companies. For its obligations under the credit facility agreement and bond loan, Bonava has pledged as collateral the shares in the wholly owned subsidiary Bonava Group Holding AB, into which ownership of all of the Group's subsidiaries has been gathered through shareholder contributions or non-cash issue. Material receivables and some intra-Group receivables have also been pledged for Bonava AB's liabilities under the credit facility agreement.

16 Appropriation of profit

The Board of Directors proposes that distributable earnings of SEK	6,765,313,947
Be appropriated as follows:	
Carried forward	6,765,313,947
Total SEK	6,765,313,947

The Board of Directors and the Chief Executive Officer hereby give their assurance that the annual accounts and the consolidated accounts have been prepared in compliance with the international accounting standards referred to in the European Parliament's and Council of Europe's Regulation (EC) No. 1606/2002 dated 19 July 2002 regarding the application of international accounting standards and generally accepted accounting practice, and thus give a true and fair view of the financial position and results of operations of the Group and the Parent Company.

The Report of the Board of Directors for the Group and Parent Company provide a fair review of the Group's and the Parent Company's operations, financial position and results of operations and describe the significant risks and uncertainties facing the Parent Company and the Group.

The Board of Directors and the Chief Executive Officer also submit Bonava AB's Sustainability Report for 2024. The Sustainability Report describes the Group's operations from financial, environmental and social aspects. The Report is prepared according to the Global Reporting

Initiatives (GRI) Sustainability Reporting Standards. The annual accounts and the consolidated accounts were approved for publication by the Board of Directors on 18 March 2025. The consolidated income statement and balance sheet and the Parent Company's income statement and balance sheet will be presented to the AGM for adoption on 9 April 2025.

Stockholm, 18 March 2025

Mats Jönsson
Chairman of the Board

Viveca Ax:son Johnson
Board member

Olle Boback
Board member

Anette Frumerie
Board member

Tobias Lönnevall
Board member

Per-Ingemar Persson
Board member

Nils Styf
Board member

Peter Wallin
CEO

Our Auditor's Report was submitted on 18 March 2025
Öhrlings PricewaterhouseCoopers AB

Patrik Adolfson
*Authorised Public Accountant
Auditor in Charge*

Linda Andersson
Authorised Public Accountant

Auditor's report

To the general meeting of the shareholders of Bonava AB (publ), corporate identity number 556928-0380

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Bonava AB (publ), for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 47-95 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 parent company and the group as of 31 December 2024 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 31 December 2024 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. 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 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.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of manage-

ment override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

Bonava AB(publ) is a housing development company. The business consists of developing buildable land into affordable and sustainable residential environments in Sweden, Germany, Finland, Denmark, Estonia, Latvia and Lithuania. Bonava develops and sells both apartment buildings and single-family homes to consumers and investors, primarily in metropolitan regions. We are conducting an audit for group purposes of the accounts for the business areas Germany, Sweden and Finland, as well as special review efforts related to parts of the business area Baltics and Denmark. This activity accounts for the majority of the group's turnover and the group's balance sheet total. In addition, a statutory audit is carried out in all relevant units in the group. In February 2024, Bonava carried out a rights issue that raised SEK 1,050 million for the company, and shortly thereafter a refinancing was completed. In the spring of 2024, our audit included a review of both accounting and handling in financial reporting regarding these transactions. A particularly significant area of the audit has subsequently been the valuation of housing projects, which is affected by the assumptions about the future that are included in the Group's forecasts. In the audit, we have carried out, among other things, the following activities:

- Review of internal control over financial reporting, procedures and processes with a focus on key controls regarding financial reporting and accounting for housing projects;
- Review of the financial statements as of September 30, 2024 with the aim of issuing a review report;
- Audit of the annual financial statements as of December 31, 2024 with a focus on the valuation of development land and unsold properties, assessments and assumptions regarding ongoing housing construction projects, accrued costs, provisions for guarantees, disputes, restructuring costs and items affecting comparability; and
- Final audit work to issue this audit report regarding the annual accounts of the parent company and the group and, where applicable, other legal entities. In connection with this, review work is also performed to issue our opinion regarding compliance with guidelines for senior executives, the parent company's corporate governance and sustainability reports.

The review is carried out by audit teams belonging to the PwC network. Work performed is in accordance with local audit requirements in each country and specific instructions related to the group audit. In addition, members of the central team have held meetings during the year with, among others, the operations in Latvia, Estonia and Germany in order to create an understanding of the operations in these units and understand the procedures and controls to evaluate internal control and to conduct a general review of the financial reporting based on the group's accounting principles. For other units within the group that are not subject to statutory audit, other analytical review efforts are performed as part of the review of the consolidated accounts.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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.

Key audit matter

Valuation of housing projects

Housing projects are described in the annual report in Note 15 and Note 1 Significant accounting principles section Critical estimates and judgments.

Housing projects amounted to SEK 14,756 million on 31 December 2024, thus constituting 86 percent of the Group's assets. Residential projects consist of ongoing residential projects (SEK 6,598 million), completed homes (SEK 1,007 million) and development land (SEK 7,150 million).

Residential projects as a whole are reported at the lower of acquisition value and net realizable value. The assessment of net realizable value is inherently subject to assumptions and a change in the assumptions made can have a significant effect on the reported values. For completed housing units, there is no longer the possibility of compensating with cost savings. Assumptions and assessments regarding the sales price of completed housing units therefore

have a greater impact on the valuation. A wait-and-see market and longer planning, permit and project processes can also have an impact on the valuation of development land as this is valued from the perspective of the results of the final project. Assumptions and assessments affect all of the items mentioned but have the greatest impact on the valuation of development land. There have been write-downs of projects during the year. In order for the accounting of these items to be fair, related cost reserves and provisions attributable to the housing projects or completed housing projects are also of great importance.

As housing projects constitute the most significant item in Bonava's accounts and as the company's assessment is based on assumptions, the examination of the valuation of this item constitutes a Key audit matter in our audit.

How our audit considered the Key audit matter

Our audit is based on both an evaluation of internal control and substantive testing and other analytical procedures, including data-based transaction analyses, of certain balance sheet and income statement items on a sample basis of housing projects in significant subsidiaries. To ensure, in particular, the valuation, we have also performed the following audit procedures:

- Evaluated the management process for project accounting, including by reviewing relevant parts of Bonava's operating system for the purpose of evaluating whether processes and controls are appropriately designed.
 - On a sample basis, reviewed key controls that are performed to ensure that relevant control elements have been performed and documented in accordance with the operating system's requirements and that the project accounting is correct.
 - Performed an analytical review of a selection of the projects where we identified deviations between actual and forecasted outcomes and created an understanding of the causes. Analyzed trends over time in order to identify and, if necessary, understand the causes of trend breaks.
 - Reviewed prepared project calculations and evaluated the reasonableness of the project margins. With the support of PwC's valuation experts, we have reviewed the reasonableness of assumptions made such as sales prices, production costs, rental levels and yield requirements for the valuation of development land, but also other parts of the housing projects if necessary.
 - On a sample basis, tested, evaluated and challenged the information used in the calculations regarding Bonava's calculated hourly costs for its own personnel and other reported costs in the housing projects.
 - Where Bonava's projects include specific assessment issues, we have tested and evaluated Bonava's assessments based on our own experience based on Bonava's documentation and through discussions with Bonava's executives.
 - We have reviewed external valuation reports of selected projects and reviewed Bonava's handling and view of these and the impact they have had on the financial reporting.
 - Evaluated management's assessment of the carrying amount of capitalized development costs to be in balance.
 - Reviewed that necessary provisions and other reserves attributable to housing projects have been reported where necessary based on documentation and other assessments.
 - Assessed that the information provided in the annual report is correct based on applicable disclosure requirements.
- Apart from the fact that the valuation of housing projects is subject to inherent uncertainty when the accounting is partly based on assumptions that can change, we have not reported any significant observations to the audit committee based on our review.

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 1–35 and 100–155. The document Bonava Remuneration Report 2024 constitutes other information which is published on the company's website at the same time as this report and which we obtained before the date of this audit report. 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 intend 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 Directors' 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.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

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 Bonava AB(publ) for the year 2024 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.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the ESEF report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Bonava AB (publ) for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Bonava AB (publ) 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors (and the Managing Director) are responsible for the preparation of ESEF report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the ESEF report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the ESEF report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the ESEF report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the ESEF report by the Board of Directors (and the Managing Director), but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the ESEF report has been prepared in a valid XHTML format and a reconciliation of the ESEF report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the ESEF report have been marked with iXBRL in accordance with what follows from the ESEF regulation.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, with Patrik Adolfsen as the auditor in charge was appointed auditor of Bonava AB (publ) by the general meeting of the shareholders on the 10 April 2024 and has been the company's auditor since the 25 April 2018.

Stockholm March 18 2025

Öhrlings PricewaterhouseCoopers AB

Patrik Adolfsen
Authorized Public Accountant
Auditor in charge

Linda Andersson
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.



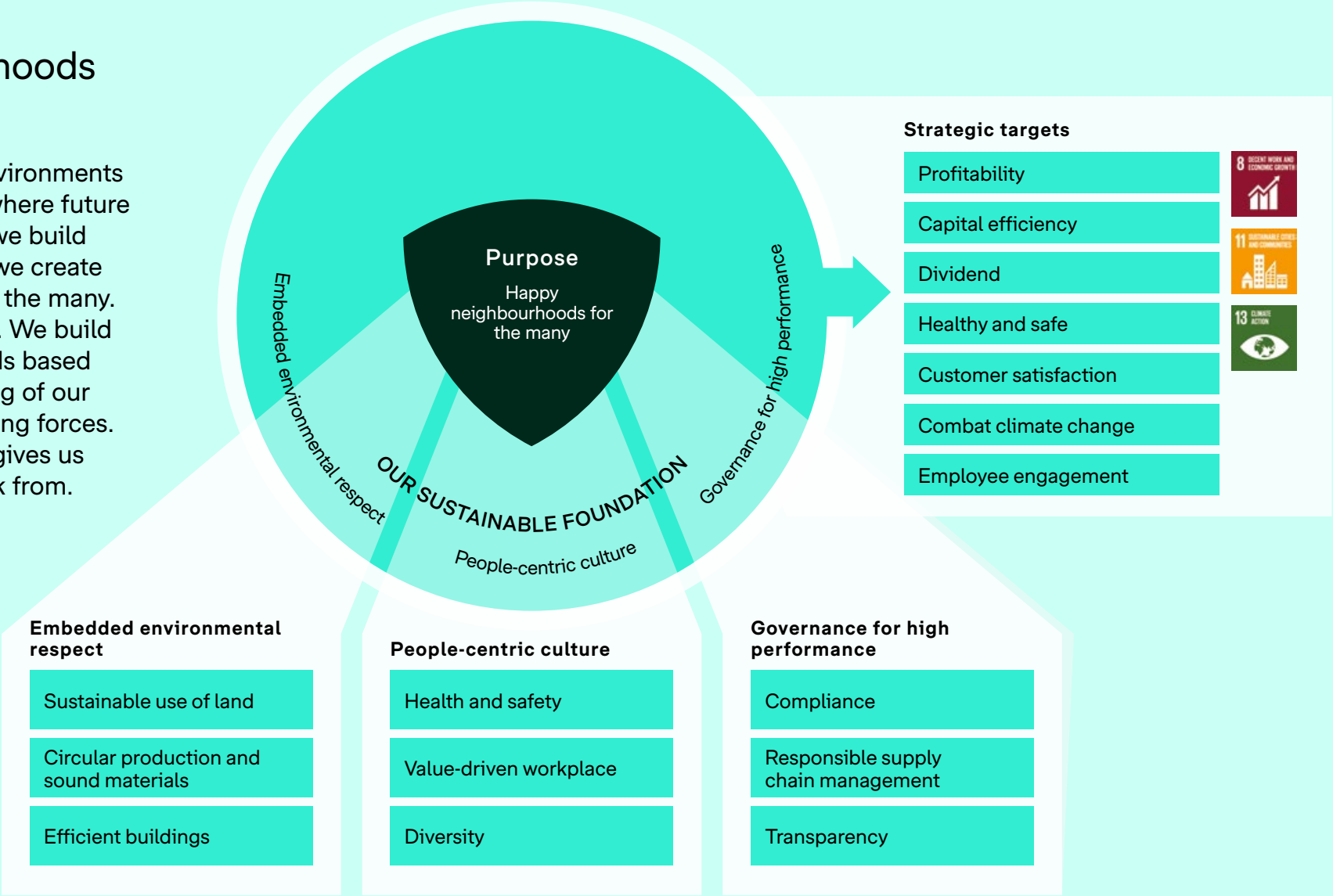
In-depth sustainability information

Sustainability is the foundation of our business. We meet people's needs for homes and contribute to a sustainable community with residential areas that function well both socially and environmentally.

Our sustainability agenda

Happy neighbourhoods for the many

To create locations and environments where people thrive, and where future generations can grow up, we build much more than homes – we create happy neighbourhoods for the many. This is our overall purpose. We build homes and neighbourhoods based on a genuine understanding of our customers’ needs and driving forces. Our sustainability agenda gives us a stable foundation to work from.



Sustainability targets 2024

Summary of results for 2024

Focus areas, Bonava's sustainability agenda	Bonava's strategic and other sustainability targets	Outcome 2024	Outcome 2023	Outcome 2022
Embedded environmental respect	Increase access to green financing. For 2024, through 100 per cent ecolabelled production starts in Sweden, and energy classification A or B in Finland, Germany and the Baltics. ¹⁾	Sweden: 100% Finland: 100% Germany: 93% Baltics: 100%	Sweden: 100% Finland: 100% Germany: 96%	Sweden: 100% Norway: 34%
Embedded environmental respect	Emissions, Scope 1-2, absolute figures -50% (2030) Emissions, Scope 3 per housing start -50% (2030) Emissions, Scope 3, absolute figures (monitored but not targeted)	Scope 1-2: -61% Scope 3 per unit: +5% Scope 3: -75%	Scope 1-2: -49% Scope 3 per unit: +134% Scope 3: -55%	Scope 1-2: -35% Scope 3 per unit: +53% Scope 3: -40%
People-centric culture	Everyone Plan fulfilment = >90% ²⁾ Frequency of severe incidents = <7.1 ³⁾ Engagement Index = 88 ⁴⁾	Everyone Plan fulfilment = 95% Frequency of severe incidents = 4.1 Engagement Index = 83	Everyone Plan fulfilment = 90% Frequency of severe incidents = 7.5 Engagement Index = 83	Everyone Plan fulfilment = 89% Frequency of severe incidents = 14.3 Engagement Index = 85
Governance for high performance	Publish annual Sustainability Report in accordance with the GRI standards and report progress to UN Global Compact.	Sustainability Report according to the Annual Accounts Act ⁵⁾	Externally reviewed and assured Sustainability Report	Externally reviewed and assured Sustainability Report

¹⁾ In 2024, projects from the Baltic business unit were included in the Green Finance pool. Green production starts include the Nordic Swan Ecolabel and energy classification A or B in line with Bonava's green criteria in the Green Financial Framework.

Operations in Norway were divested in June 2024 and had no ongoing projects in 2023.

²⁾ Bonava's health and safety strategy - Everyone Plan - includes improvement activities related to health and safety. The results include Germany, Finland, the Baltics, Sweden and Bonava's Group function.

³⁾ Target to halve severe incidents by 2026 with 2022 as the base year. Severe incidents are defined as injuries and near misses that could have resulted in a severe incident.

⁴⁾ Target for employee engagement to be in line with the top 10 per cent of companies, according to the Brilliant Future's high-performance benchmark, which in 2024 was 88.

⁵⁾ The 2024 Sustainability Report is assured in accordance with the Annual Accounts Act and does not include a limited assurance report.

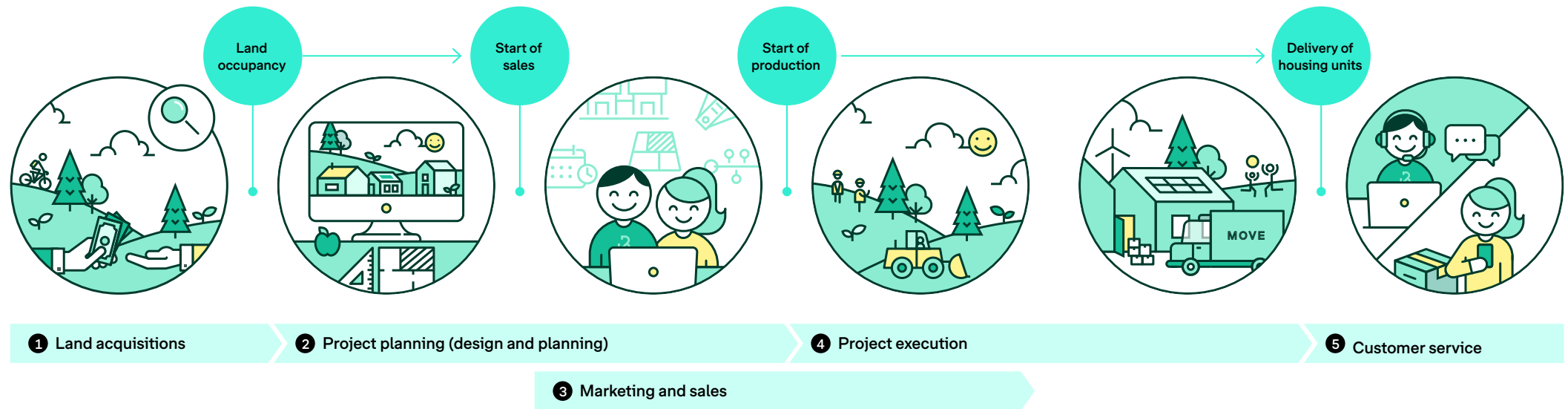


The UN Sustainable Development Goals

Bonava has identified three of the Sustainable Development Goals (SDGs) that we, with our purpose of building happy neighbourhoods for the many and our strategic targets, can primarily contribute to. These are goals 8 Decent work and economic growth, 11 Sustainable cities and communities and 13 Climate action. Many of the other SDGs are also clearly relevant for Bonava. Promoting these other SDGs and targets helps us deliver on the three overall goals; refer further to Note S20.



How Bonava works



The sustainability impact of Bonava's business

Land acquisitions

Land used and its location in relation to infrastructure and amenities have a significant impact on social and environmental aspects, directly in connection with production and indirectly through the future ability to live sustainably. Ahead of land acquisitions, we examine the conditions applying to the site and analyse both long-term sustainability risks and sustainability potential.

Project planning

The design and planning phase is key to our long-term indirect social and environmental impact. In collaboration with public authorities and other stakeholders, and through dialogue with our customers, the local community, and the general public, Bonava aims to create happy neighbourhoods for the many.

Our Code of Conduct and requirement specifications for suppliers provide support and guidance to ensure that contacts with authorities and suppliers are handled correctly. The design and decisions on choice of materials impacts the indoor environment of the housing units, the outdoor environment of the neighbourhood, and the environmental

and climate impact during production and the remaining life cycle of the neighbourhood.

Project execution

Bonava's projects are carried out under own management, with turnkey contracts or split contracts. Our main direct impact on sustainability occurs during the execution of projects. Production of most housing units involves ground work that can affect the water table and surrounding areas. Remediation of earlier contamination may also be necessary. Transport to and from the construction site, energy for production, materials used and waste have both a direct and indirect impact on the environment and GHG emissions. How the work is carried out has an impact on working conditions, including the health and safety of the people active at the construction site. Noise, dust and light pollution can directly disrupt the lives of neighbours. Through demands on and control of our suppliers and subcontractors, Bonava can indirectly have a positive effect on human rights, working conditions, the environment and anti-corruption considerations outside its own operations.

Customer service

After completion, our impact is largely indirect. Final inspection, remedial measures, fine-tuning of installations, maintenance opportunities and instructions are key factors. Through collaboration agreements or by providing contracts, we can also have a significant indirect impact on sustainability, for example, by supporting customers in their choice of service and maintenance providers as well as power supply contracts. Bonava can have a further indirect social and environmental impact by facilitating cooperation among residents and by providing them with information and support in order to use their buildings and the surrounding area for a sustainable lifestyle.

Limitations

From the perspective of the entire value chain, Bonava's main impact on people and the environment primarily lies outside the organisation. A value-driven workplace is the aspect that primarily influences the organisation internally. A circular production model, health and safety, diversity, and compliance have a significant impact in and outside the organisation.

Sustainability governance

The key policy document for Bonava's sustainability initiatives is the company's Code of Conduct, which is based on the principles in the UN Global Compact. The Code of Conduct clarifies responsibilities in relation to values and principles for human rights, fair labour conditions, the environment and anti-corruption. All of Bonava's employees are bound by the principles in the Code of Conduct. The Code of Conduct, like all our other policies, is revised annually and adopted by the Board.

Bonava's organisation and responsibility for the sustainability agenda is also described in the Corporate Governance Report on page 42.

Role of the Board

The Board of Directors holds ultimate responsibility for reviewing, monitoring, and guiding Bonava's sustainability initiatives. The Board has delegated daily responsibility for sustainability issues to the CEO. Sustainability is included

in the company's strategy, goals and remuneration to senior executives.

Sustainability is embedded in Bonava's purpose and strategy. When a review of Bonava's sustainability agenda is undertaken, through materiality assessment and stakeholder dialogues, this is discussed by the Board, including the procedure and the results of the assessment.

Bonava's Code of Conduct, like its other policies, is revised annually and adopted by the Board. The Board follows up on the sustainability agenda in its entirety, with all the sustainability targets, at least once a year. Areas such as health and safety and employees are routinely followed up at every Board meeting. Monthly reports are also submitted to the Board that include any incidents and accidents at the worksites. The CEO and Chief Legal Officer address any other severe incidents or events in other areas, such as the environment, at the Board meetings.

During the year, one severe incident pertaining to breaches of Bonava's Code of Conduct occurred that required reporting to the Board.

The Board receives an annual review of current and future changes to national, EU, or other relevant legislation and regulations concerning sustainability initiatives or reporting of same. The Board has opportunities for relevant training, such as digital training in workplace safety, which is also a requirement for being permitted to visit a Swedish construction worksite.

The Board's annual evaluation of its activities includes sustainability. The members of the Board possess expertise that includes broad experience on boards of directors and in management, as well as specific proficiencies that also include aspects of our sustainability agenda.

The Board is of the opinion that the relevant competence is on hand for the operations that Bonava pursues. The Rules of Procedure for the Board of Directors contains clear instructions as regards issues such as conflicts of interest.

Our green customer offering

Framework for green financing

Bonava's Green Financing Framework was developed in 2020 and issues green debt instruments such as bonds and loans. This offers the market an opportunity to co-finance or refinance existing and future projects aimed at mitigating climate change, through energy efficiency, in the projects developed by Bonava.

The current framework facilitates green financing for projects that will be Nordic Swan ecolabelled, or have an energy classification of A or B in line with the criteria of the EU Taxonomy for substantial contribution in the economic activity Existing buildings. The framework has been certified by Sustainalytics. In 2025, Bonava will update its Green Financing Framework, in line with the Green Bond Principles 2021 and Green Loan Principles 2023, to meet market expectations for a modern green framework.

The significance of the EU Taxonomy for our Green Framework

The EU Taxonomy is a green classification system that translates the EU's climate and environmental objectives into sustainable criteria for activities such as the construction of new buildings.

The overall perception, which for example has emerged in dialogue with various banks, is that the criteria of the EU Taxonomy have and will have a major impact on the green financing framework of companies.

It is crucial for us, and our investor clients in particular, that we have a common definition of what constitutes sustainable new housing production.

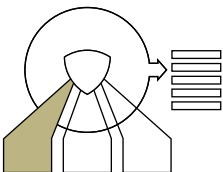
Our current Green Framework is partially adapted to the EU Taxonomy as a result of the fact that we have A or B energy classes as a green criterion. Going forward, Bonava Finland – driven by investor demand – has undertaken to

align all business-to-business projects with the EU Taxonomy. Our Sweden business unit will ensure that all new projects, in the planning phase, will carry the Nordic Swan Ecolabel (version 4.0) with an ambition to also be aligned with the EU Taxonomy.

The EU Taxonomy's criteria for substantial contribution and do no significant harm (DNSH) are integrated in our project reporting system for environmental data. Minimum safeguards (MS) have been subject to limited assurance by auditors. An analysis of internal policies and assessments has been carried out based on the OECD Due Diligence Guidance for Responsible Business Conduct and its six steps for integrating human rights, the environment, working conditions and anti-corruption, tax and competition legislation into guidelines and processes.

Refer to Note S8 for Bonava's reporting under the EU Taxonomy.

Embedded environmental respect



Bonava endeavours to reduce its environmental and climate impact throughout the life cycle using resource-efficiency principles. That is why consideration for environmental and climate aspects permeates everything we do.

Bonava has identified three aspects where our impact is the greatest in every link of the value chain. For all of these aspects, it is important that our continuous improvement efforts help combat climate change through reduced climate impact:

Sustainable use of land

Bonava remediates land to make it suitable for housing and designs to protect biodiversity and other ecological values when previously undeveloped land is claimed. It is crucial for the environment that Bonava creates residential districts with large amounts of green spaces, which have a buffer effect on the climate.

Circular production model with sound materials

The continuous endeavour for increased resource efficiency and material selection that facilitates future recycling and ensures healthy indoor environments also reduces emissions of greenhouse gases from production and the transportation of construction materials.

Efficient buildings

By using a life cycle perspective when considering emissions in both production and the operational phase, we reduce the greenhouse gas emissions throughout the buildings' life cycle.

Through energy efficiency and sustainability labelling of its housing units, Bonava safeguards the precautionary principle and contributes to increase the Group's assets that are available for green financing.

Combat climate change

By taking responsibility for our direct and indirect impact, Bonava becomes a real part of the solution for keeping global warming within the Paris Agreement target of 1.5 degrees Celsius. Overall research shows that global warming as a result of human activity constitutes a serious threat to the ecosystems that ensure the conditions for life on our planet.

Combat climate change

In 2019, Bonava was the first residential developer in Europe to establish science-based climate targets and to become a signatory to the Science Based Targets initiative (SBTi) in accordance with the recommendations of the UN Climate Panel. The SBTi follows strict scientific definitions and permits no purchasing of emissions rights or other compensation outside the company's own value chain as a method for achieving the targets. This is one of Bonava's strategic targets, and we have an in-depth overview of our climate impact.

Bonava uses the Task Force on Climate-Related Financial Disclosure (TCFD) method as a key part of our efforts to develop relevant climate metrics for our operations. An overview of this analysis is presented in Note S7.

Bonava's Climate Transition Journey

Decisions and initiatives taken over the past two years to deliver on our climate targets include, among others, that all completed projects within each business area have conducted life cycle assessments (LCAs) by the end of 2024. Based on this specific emissions data, Bonava will, in 2025, establish a new baseline for our emissions and update our 2030 climate

targets in accordance with the SBTi, Buildings Sector Guidance. A decision was also made in 2024 that all business areas will develop complete emission reduction plans in two steps:

- Step 1: 2025 will focus on identifying insights and opportunities to reduce emissions throughout the building's life cycle based on emissions data and related costs.
- Step 2: By the end of 2026, all business areas will have developed a complete emission reduction plan in line with our 2030 climate targets.

From 2025 onwards, climate will also be an important part of our compensation model. An evaluation of climate performance will now be part of the overall performance assessment applied to both short-term (STI) and long-term (LTI) incentive programs, as approved by the Remuneration Committee. The climate performance evaluated in 2025 is linked to step 1 of the business units' emission reduction plan.

Overall, these initiatives reinforce and concretize our commitment, meaningful climate action, and progress towards our 2030 goals.

Emissions – Scope 1 and 2

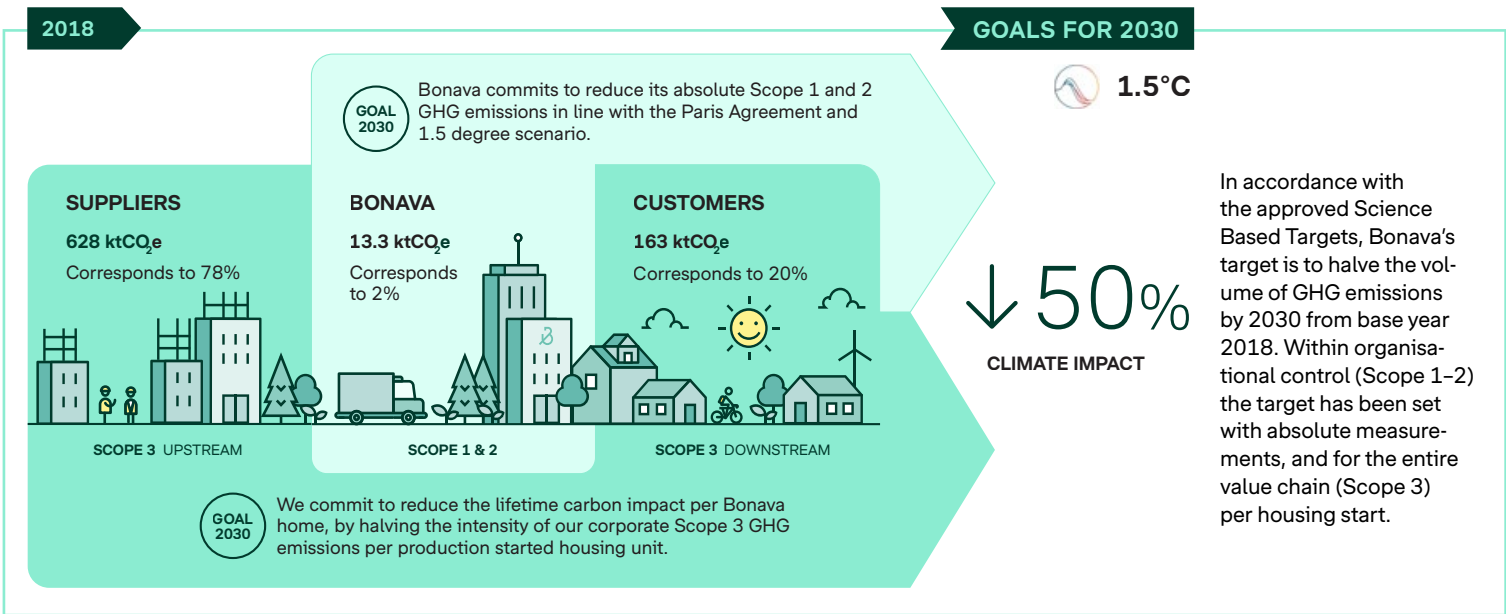
In the emissions inventory, energy was identified as a key issue, and partnerships with energy suppliers as crucial. Bonava continues to implement a framework agreement for renewable energy in the Nordic region and Germany and investigates additional opportunities to increase the proportion of renewable energy used in the operations. Our internal emissions requirements for our vehicle fleet have also been tightened up, which will expedite electrification and reduce dependence on fossil fuels.

Climate impact in value chain – Scope 3

The single largest climate impact for Bonava is the aggregate emissions from all purchased goods and services. The most important issue for us is therefore our efforts toward resource efficiency and shift to low carbon materials in our projects.

To improve the management and follow-up of our intensity metric within Scope 3, starting in 2025, we will measure "CO₂e per m² gross floor area" in completed projects instead of "CO₂e per housing unit started in production" during the current reporting year. This change will allow for project-level tracking,

Bonava's science based targets for combating climate change



which was previously not possible, rather than monitoring at an aggregated company level for a specific reporting year. Read more about this in Note S6.

Evaluation and results

Scope 1 emissions decreased by 31 per cent and Scope 2 emissions decreased by 19 per cent . All together, emissions decreased in Scope 1 and 2 by 25 per cent from the preceding year, and by 61 per cent from 2018. Emissions intensity per production start decreased by 55 per cent from the preceding year and has increased by 5 per cent in total since 2018. For more detailed reporting of greenhouse gas (GHG) emissions in Scopes 1, 2, and 3, as well as intensity, refer to Note S6 and data below.

Sustainable use of land

Our climate targets include changing land use as a direct negative climate impact, caused by former green spaces being built up in such a way that the capacity of the ground to capture carbon is impaired. This calculation method is supported by the UN Climate Panel.

Using land in a sustainable way is becoming increasingly important due to its major significance for climate change resilience, and for supporting biodiversity locally. The EU taxonomy for sustainable financing also clarifies the importance of these efforts.

Bonava evaluates the risk of ecological impact prior to decisions on investment. The need for soil remediation is also studied. Where needed, Bonava will remediate land and render it suitable for building homes. Where previously undeveloped land is claimed, the projects are designed to protect biodiversity and other ecological values.

Evaluation and results

Bonava monitors information on sustainable use of land centrally for the entire Group, read more in Note S9. The processes for risk management are assessed in our annual evaluation of risks and risk management.

Circular production model

Natural resources are limited. Bonava aims toward a more circular production model, in which the smallest possible amount of newly manufactured raw production materials is used. Bonava defines sound materials as sustainable and safe materials that do the least harm to the external environment, are non-hazardous to the health of the people that handle them, and do not have a negative impact on the indoor environment.

The use of materials also constitutes a significant portion of Bonava's indirect climate impact. Optimising the use of materials is therefore also important for achieving our climate targets.

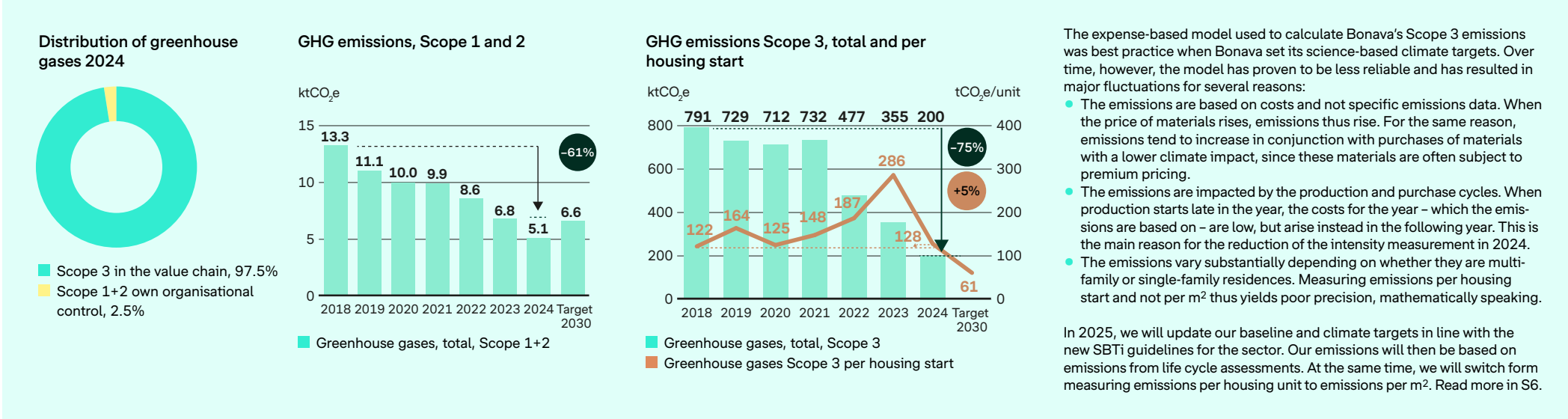
Evaluation and results

To gain deeper insights into our material consumption, we refined our reporting approach in 2024. We shifted from report on materials at the start of a project to reporting on the materials actually consumed at the project's end. This change enhances data accuracy and completeness, aligning with our emission calculations for finished homes.

In addition to the above, we have decided to make some changes to the materials we report on. Through a materiality assessment, we have decided to exclude gypsum-based products due to their low emissions. Instead, we will focus on reporting concrete and cement-based components, steel, and wood. These materials account for up to 80 per cent of the building and/or contribute the most emissions.

As of 2024, we are adopting the cascading principle for wood use. This means that we will try to get as much value as possible from each tree. Therefore, we have started to follow up on using the best wood for things like houses and furniture, and using the rest of the wood for other things like plywood and particle board. In this way, we reduce both the amount of waste and damage to the environment.

To further reinforce our commitment to responsible resource management and circular production, we have implemented an additional metric that will be closely monitored: the share of secondary reused and recycled components and sustainably sourced wood.



Bonava also regards sustainability labelling as an excellent tool for ensuring sound materials, either directly as certification or as a reference to evaluate our own procedures and requirements for our suppliers.

Efficient buildings

Residential developers, legislators and customers have long devoted considerable focus to the energy consumption of buildings during operation. This is linked with the EU Directive on the Energy Performance of Buildings which establishes standards and requirements to reduce energy consumption and greenhouse gas emissions in buildings for each EU country. The EU taxonomy for sustainable financing will focus further on the operational phase. At the same time, the trend is moving toward an increased share of renewable energy and decreased dependence on fossil fuels in energy systems.

We have long endeavoured to develop the most resource-efficient housing units possible. Adapting our building systems to national environmental and certification standards also creates potential for more efficient utilisation of resources. Countries do not have comparable definitions or requirement levels for energy use during the operational phase of a building, which complicates comparisons of energy intensity among buildings in different countries.

The extent to which Bonava's housing units will be more energy-efficient than indicated in national construction

regulations for new production is assessed and determined within the respective business units, based on the conditions of the respective geographical markets and as part of the action plans to reach the climate targets. This includes assessments of national definitions and prevailing regulations for energy performance as well as access to renewable and fossil-free energy.

Evaluation and results

We monitor energy intensity per building both in the design phase and after completion in relation to the requirements in the respective building permits in order to ensure that the energy performance target is achieved. Refer to the results for energy intensity as energy requirements per area heated, in accordance with the respective countries' definitions in the construction regulations, in Note S11. 76 per cent of the housing units we completed during the year were at least 10 per cent more energy-efficient than the requirements in the respective building permits.

Sustainability labelling

Our primary method at present is packaging our offering to both customers and financiers through ecolabelling and energy efficient housing. All projects undergoing production starts in Sweden are to be Nordic Swan eco-labelled version 4.0 from 2024, if local authorities or customers do not require

other certification. Swan eco-labelled version 4.0 are in line with is in line with the EU taxonomy and new production of buildings. Since 2022, Bonava Finland has a goal to achieve energy class A for every future project. In addition, Bonava Finland undertakes, from 2024 and forward, to align investor projects with the EU taxonomy as well that consumer projects must have the environmental label YL. During 2024 Bonava Finland completed another taxonomy aligned project.

Evaluation and results

Target achievement is followed up annually in the Executive Management Group and the Board of Directors. Bonava's Sustainable Financing Committee validates and follows up at the project level on a quarterly basis. The Nordic Swan ecolabelling and energy class A and B comprises the main criterion for nominating sustainable assets within the green financing framework.

In 2025, Bonava will update its Green Finance Framework, in line with the Green Bond Principles 2021 and Green Loan Principles 2023, to meet market expectations for a modern green framework.



Solar energy production in Tampere

In the Tuiki project located in Tampere, all solar energy produced is typically used to cover the housing company's electricity needs. However, to achieve an A energy class, we need to produce excess solar energy. This surplus will be distributed to the residents through a solar energy community, ensuring that each shareholder (apartment owner in the housing company) receives a credit on their electricity bill as compensation for their portion of the shared energy.

Product information and labelling

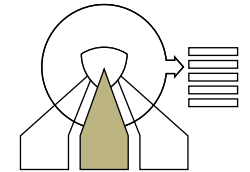
Housing starts	Share of sustainability labelling ¹⁾ housing units, %			Completed housing units	Share of sustainability labelling ¹⁾ housing units, %		
	2024	2023	2022		2024	2023	2022
Germany ²⁾	93	96	N/A	Germany ²⁾	100	100	N/A
Sweden	100	100	100	Sweden	100	100	100
Finland ²⁾	100	100	N/A	Finland ²⁾	100	95	N/A
Denmark	N/A	N/A	N/A	Denmark	100	N/A	100
Estonia ²⁾	100	100	N/A	Estonia	100	100	N/A
Latvia ²⁾	100	100	N/A	Latvia	100	100	N/A
Lithuania ²⁾	100	100	N/A	Lithuania	100	N/A	N/A

N/A = Not Applicable

¹⁾ Sustainability labelling = Nordic Swan or energy class A or B in line with Bonava's green criteria in Green Financing Framework.

²⁾ Energy class A or B was not part of the definition for sustainability labelling previous years.

People-centric culture



Bonava always takes a people-centric approach. We focus on our customers, employees, suppliers and the entire neighbourhood in our projects – from planning to completion. Safe workplaces and committed employees are a high priority, and our Group-wide People Strategy helps us incorporate a people-centric culture into everything we do.

Three themes have been identified as part of our continued efforts:

Health and safety

With proper routines and a strong focus on both health and safety, Bonava will reach many more people than just directly employed staff, especially in the markets where the industry has not prioritised health and safety as highly. When we “Walk the Talk” at every level, Bonava aspires to realise its vision of a safe and sound workplace for everyone – everywhere, every day.

Value-driven workplace

Through robust initiatives to create a good culture and focus on taking care of our employees and allowing them to grow, Bonava contributes to society by setting an example and facilitating development.

Diversity

Through initiatives for diversity, Bonava can reflect the communities we operate in while more people are given the opportunity to be part of and promote our culture.

Health and safety

Our long-term vision for health and safety is simple: Everyone should return home safe and sound, every day. We have two key metrics for our strategy period until 2026 that set a high standard for our work:

- ❶ **Everyone Plan >90%.** Each business unit has an *Everyone Plan* that includes specific health and safety improvement activities, and the target is to achieve at least 90 per cent of these actions annually.
- ❷ **Severity reduction >50%.** We focus on halving the frequency of severe incidents¹⁾, including both injuries and near misses, in order to minimise the risk of severe events and create a safe working environment. Base year 2022.

Local engagement for long-term results

Our strategic health and safety plans – the *Everyone Plans* – are key to our occupational health and safety work. Each business unit is responsible for its own *Everyone Plan*, which strengthens local ownership and ensures that improvement activities are tailored to the unique needs and circumstances of the local area. By assigning responsibility, we build a culture of accountability and engagement.

The plans are owned by the each Business Unit President and are followed up on a monthly basis. Our Health and Safety Group function provides support and feedback on the work of business units, and facilitates improvement initiatives that apply across the Group.

¹⁾ Injuries leading to more than 4 days of absence and/or link to actual or potential risk with consequence 4 or 5, and/or risk score of over 10.



Three overall themes guide us in our planning:

- 1 Leadership – culture of care.
- 2 Proactive work through a systematic and standardised approach by integrating health and safety in every part of our business.
- 3 Focus on continual learning and improvement efforts.

A learning culture for increased safety

Working on a construction site is associated with risks. We work proactively to identify, recognise, minimise and manage the risks that could negatively impact the health and safety of our own employees and of contractors. Proactive health and safety initiatives also comprise part of the performance-based evaluation of the management group.

Risk analysis is part of our investment process for projects, and is always done preventively in order to minimise the level of risk. Hazards and near misses are routinely identified and managed through our shared reporting system, monitoring of the work environment by the managers responsible, inspections and safety inspections.

The degree of severity of hazards and near misses is assessed in Bonava's system support for health and safety after which high risk level observations can be prioritised. Bonava's contractors are invited to take part in safety inspections and are encouraged to routinely report hazards, near misses and injuries.

To follow up our hazards, near misses and injuries, investigations are conducted in order to identify the root cause and ensure that the necessary measures are taken. This is important in order to learn from what went wrong and what was done right.

In 2024, we continued to work in a transparent and trust-inspiring manner to increase awareness of why reporting hazards and near misses, especially severe near misses, is important. We also continued our efforts to increase the quality of the root cause analysis, risk assessment and efficient counter-measures.

For increased knowledge and awareness in the Group, we share lessons from severe incidents via information to the organisation in the form of "Learnings". We also present our learnings in the global Health and Safety Council as well as production manager forum.

The ambition is for the business units to identify and act on similar risks in their own operations.



Bonava's crisis management work during the year included follow-up of all business units' implementation of shared documentation and procedures. Several business units have carried out crisis preparedness exercises in their respective crisis teams. More employees have also been trained in first aid.

For unsafe or unhealthy situations or behaviours, we use the Time Out tool, which means that work is paused to ensure a safe and healthy work environment. The initiative has been approved by the Executive Management Group and aims to strengthen a culture where everyone feels safe to take a Time Out. In 2024, Time Out was used on 348 occasions. The high number reflects a dedicated effort to create psychological security in our workplaces.

Work environment, health and well-being

We monitor health risks at all levels in the company. We measure the pulse of the company and monitor the perceived stress levels – and possibilities for recovery – through our comprehensive Passionate Workplace employee survey with subsequent workshops. Our business units document work environment factors and monitor areas for improvement related to health and safety as part of their Everyone Plan.

Parts of the organisation also conduct annual health and safety team risk assessments that are followed up during the year.

The health and work situation of individual employees is monitored through our strategic performance and development process. Our employees are offered health check-ups, and health and wellness are encouraged both directly in the form of healthcare allowances and indirectly through group health-promoting activities that are organised. We also continually monitor key performance indicators such as absence due to sickness.

For privacy reasons, Bonava avoids storing health-related information about its employees. Information such as doctor's certificates are managed under an especially restrictive procedure.

As regards employee participation and work environment communication, the Occupational Health and Safety Committee holds meetings with participants representing both the employer and employees. Health and safety is also addressed in collective agreements in the geographical markets where they exist.

During the year, Bonava Estonia was recognised for its work on mental health. Peaasi.ee, an organisation that works to

promote mental health, awarded Bonava Estonia its Gold Label award with the motivation that Bonava Estonia is successfully working with inclusion, support and communication that promotes the mental health of employees. Bonava Finland was also recognised for its mental health work and received MIELI's award for mental health and well-being in the workplace.

Occupational health and safety management system

Bonava's minimum requirements and management system was developed in accordance with ISO 45001. Operations in Germany is ISO 45001 certified. All employees are covered by Bonava's health and safety management system and refers to the entire value chain process, from the purchase of land to design, production and customer service. One possible exception is employees in investor projects, where the investor's health and safety requirements may take priority.

In 2024, Bonava's Health and Safety procedure was updated together with its Health and Safety guidelines for construction

sites and Bonava's Contractor Collaborations guidelines. In 2024, health and safety requirements were also included and further developed in Bonava's investment process, where the largest risks are identified in order to form part of the basis for decisions in projects at an early stage.

Health and safety training

Based on role, risk assessment and responsibility, courses in health and safety are mandatory for both our own staff and the staff of our contractors. Prior to entry into Bonava's construction sites, a health and safety introduction is provided.

Every year, a week-long Awareness Event is held for all staff and contractors at construction site are offices under the management of Bonava in order to increase awareness and understanding of our health and safety initiatives, our ambition, and how we all can promote a healthy and safe workplace. For 2024, the theme was "Walk the Talk": Each business unit was responsible for engaging people and planning their local

activities on the theme. These included various types of courses, workshops and practical exercises. The theme was introduced on World Day for Safety and Health at Work, when we also launched Manager Talk for the management of each business unit, which is an update to the manager audit, focusing on dialogue, relationships and collaboration in the workplace.

Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

We require our suppliers – not just those who will be present at Bonava's construction sites – to engage in systematic occupational health and safety work. High-risk areas that have been identified in Bonava's operations include work at heights, heavy lifting with cranes and working with heavy machinery. The goal is to identify, in the procurement phase, which purchases can be associated with these risks. Requirements concerning a safe work environment that are linked to specific risks are imposed on suppliers and monitored over the course of the work.

Our Group-wide initiative continued in 2024 with third-party risks and the implementation of activities in work environment and safety, as well as the environment and social responsibility in each business unit.

Evaluation and results

The outcome for 2024 was 95.4 per cent (90) fulfilment of Bonava's Everyone Plans.

The outcome of the Severity rate for 2024 was 4.1 (7.5), which is a reduction from the preceding year. Focus has increased on learning from severe incidents, and several improvements have been made. However, a large part of the decrease in rate comes from a reduction in the number of projects and project starts, as well as a reduction in near miss reporting.

The Board and Executive Management Group monitor progress on a continual basis, including how the health and safety plans – the Everyone Plans – are being fulfilled, as well as risks, severe near misses and injuries that have been identified. Reports are submitted on a monthly basis to the Executive Management Group, which includes all Business Unit Presidents, and to global health and safety council as well as production manager forum.



Value-driven workplace

For Bonava, a value-driven workplace is important in creating the best conditions for attracting, engaging and retaining skilled employees. This is crucial for Bonava's success over the short and long term.

To create a sustainable and successful culture, we start from our values: Committed – Caring – Curious. These values should guide us in everything we do every day, in our actions and behaviours. It could be a question of how we set goals and activities, make decisions, recruit employees and solve problems, and how we monitor and measure our efforts.

We work with our values at all levels of the company. At the business unit level, the management teams annually set goals and activities in culture and leadership that support the business plan. At the team and individual level, managers and employees collaborate on setting targets and activity plans, both for the team and for each individual employee.

In 2024, it was decided to complement the business units' efforts with a Group-wide leadership program, Committed to Growth, which runs over 12 months and includes 75 managers. The program consists of a total of approximately 60 hours of facilitated briefings and exercises, mainly conducted through digital meetings. The core of the program is self-reflection, experience sharing and practical exercises based on each manager's everyday work and challenges. The program is organised by Group HR in collaboration with three external partners.

Follow-up

Our strategic business target linked to a value-driven workplace is the Engagement Index, which is intended to measure engagement among our employees. The target for Bonava's Engagement Index is to be among the top 10 per cent of companies. The result is based on our employee survey and the benchmark is derived from approximately 830,000 responses from over 350 organisations in the Nordics and internationally.

The employee survey, along with our HR system, is one of our most important tools for data collection and analysis. Aside



from the figures for committed employees, the employee survey generates key figures for leadership, performance and development as well as employee loyalty (eNPS). In addition to the survey, our HR system generates data for such purposes as implementation of target and development reviews, sick leave, gender distribution, internal mobility, and personnel turnover. We also conduct our own questionnaire survey where we monitor how employees who left Bonava on their own initiative perceived their period of employment at Bonava and why they chose to leave the company. Exit interviews are conducted as a supplement to the survey, and these are followed up by HR to obtain additional input for improvement activities.

We are strategically engaged in monitoring and analysing our indicators for culture, leadership and engagement at the organisational, team and individual level. At the organisational level, selected key performance indicators are monitored on a quarterly basis, and there is a more in-depth annual analysis of our culture, our leadership and our engagement, where we are in relation to our targets and which activities had the desired effect. At the team level, the Passionate Workplace Survey is used to monitor the perception of our culture. We hold a team workshop annually with activity planning based on the results from the employee survey as well as a more brief check-in for discussion of status and evaluation of ongoing activities. At the individual level, we monitor the perception of our culture and employees' understanding of and compliance with our values and leadership principles through our ongoing performance and development process. Our employees engage in regular dialogue with

their supervisors on a weekly and monthly basis, as well as three more in-depth dialogues at the beginning, midpoint and end of the year in order to set and monitor targets as well as evaluate performance. This process assesses how the employee lives up to our values, and how well the employee has performed on individual business targets and goals for behaviour and development.

Results

Engagement Index and Passionate Workplace Survey

The results from the employee survey showed continued high levels of engagement during the year despite a tough market climate and several reorganisations. There is still work to be done to reach the goal of being among the top 10 per cent of companies with the highest engagement index. Last year, the threshold for making the top 10 was 88, with Bonava recording a result of 83 in 2024.

The employee survey otherwise shows stable, generally good results with continued high levels as regards, for example, engagement, leadership and team efficiency. In 2024, we noted particularly good results in terms of team efficiency, with our team index increasing from 81 to 86 during the year. We believe this is a result of slightly smaller teams and the fact that we have worked on clear communication within the teams.

Employee willingness to recommend Bonava as an employer (eNPS) decreased from 33 in the spring of 2022 to -6 in the spring of 2024. Based on the commentary from the survey, we can see that the decrease in the score is largely related to the market situation and potential consequences such as uncertainty around employment.

Percentage of employees receiving regular performance and career development reviews

Bonava's system for following up development reviews shows that 42 per cent (42) of all employees complete their development plans. As of 2022, we measure completed performance and development reviews in contrast to previously, when the data could be based on, for example, half-year reviews or year-end reviews. The 2024 data pertains to the results of the preceding year as the results are ready in March of the subsequent year. In the annual employee survey, 89 per cent (83) of respondents said they had had regular performance dialogues with their line manager/team leader.

Engagement and loyalty

	2024	Global benchmark	2023	Global benchmark	2022	Global benchmark
Engagement Index	83	81	83	80	85	80
eNPS ¹⁾	-6	15	-2	33	33	16

¹⁾ eNPS = Employee Net Promoter Score, the willingness to recommend an employer.

Diversity

Bonava aims to set an example in diversity. We want to ensure access to a broad recruitment base that can help us deliver on our purpose. By being a welcoming and inclusive workplace, we also want to benefit from the advantages of a diversified team with various skills and perspectives.

In September of this year, Bonava AB was once again named as one of Sweden's most gender-equal companies in AllBright's annual gender equality report.

Our Code of Conduct is our most important policy document in this area and emphasises that Bonava stands for equal opportunities regardless of gender, transgender identity or expression, ethnic origin, religion or other beliefs, disability, sexual orientation or age.

Our recruitment process is one of our most important tools for creating diversity. We apply competency-based recruitment where each role is described according to the competencies required for the position. These competences then form the foundation of the procedure and the candidates that are offered employment with Bonava. We also make use of, for example, competence and skills tests to ensure an objective competence assessment. In addition to competence, the team's composition and diversity is also taken into account. Candidates who are offered employment should preferably enrich the diversity of their team, for example in terms of age, gender and personality.

We conduct regular salary surveys to determine potential pay gaps, and we have a procedure for salary adjustment in addition to the normal annual salary reviews.



Bonava's various business units offer job experience and apprenticeship programmes to students.

Through active skills development and internal recruitment for management positions, we set a good example and ensure that our entire pool of employees achieves its full potential so that Bonava's organisation becomes as effective and as dynamic as possible.

Evaluation and results

The annual Passionate Workplace Survey asks two questions specifically linked to diversity and inclusiveness. The first question measures whether our employees feel that they have equal opportunities and obligations regardless of gender, gender identity or expression, ethnicity, religion or other outlooks on life, disability, sexual orientation or age. The result for this question was 87 per cent (87) for 2024, as against the comparison index of 87 per cent in the survey. The second question measures whether our employees feel that Bonava has an atmosphere and line of talk that suits everyone regardless of gender, gender identity or expression, ethnicity, religion or other outlooks on life, disability, sexual orientation or age. Bonava's result for 2024 was 88 per cent (88), as against the comparison index of 86 per cent in the survey.

For further information, refer to Note S14. Refer also to Note S13 for information on employees and S15 for employees covered by collective bargaining agreements.

Salaried employees, 2024



■ Women, 41%
■ Men, 59%

Skilled workers, 2024



■ Women, 9%
■ Men, 91%

Board of Directors, 2024



■ Women, 29%
■ Men, 71%

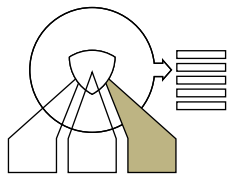
Executive Management Group, 2024¹⁾



■ Women, 50%
■ Men, 50%

¹⁾ The CFO is part of the management team but is not included in the statistics for 2024 because he was a consultant at that time.

Governance for high performance



Development of housing units and residential districts is a central component of every community. That makes it so important to maintain trusting relationships with many different parties. Bonava's operations must be conducted with a high degree of business ethics and proper transparency. Good governance is a condition for achieving all our goals regardless of whether they are linked to profitability, health and safety, customer satisfaction, resource and climate actions, or employee engagement.

Bonava has identified the following three aspects where our impact is the greatest:

Compliance By training our employees and continually auditing ourselves, we ensure compliance with laws and regulations, our own values, and all the principles of external frameworks that we have pledged ourselves to.	Responsible supply chain management By setting the same requirements for our suppliers as for ourselves – as regards fundamental principles on human rights, safe working conditions, environmental protection and anti-corruption – Bonava can mitigate potential negative impact towards workers in the value chain.	Transparency By sharing progress and challenges of our sustainability efforts, Bonava promotes the development of new ways to measure progress.
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Compliance

Developing city districts and housing units involves contact with various stakeholders such as customers, suppliers, employers, and public authorities as well as shareholders and banks. A high degree of business ethics is a condition for sustainable global development. Shortcomings can lead to risks to people, the environment, and society. Bonava's ability to operate in the market is dependent on the confidence of its stakeholders. Predicting risks and being proactive in preventing them is also crucial to the company's brand and profitability.

How we ensure compliance

Bonava's internal regulations and procedures are defined in the Code of Conduct, in the company's governing documents and its business management systems. Bonava's compliance programme includes training modules and various tools to help employees make the right decision. Ethical guidelines provide support concerning how issues such as entertainment, personal gifts, conflicts of interest and competition legislation are to be managed in an ethically correct manner. Bonava also has around 11 specially selected Ethics Advisors, across all Business Units and the central Group functions. They are legally trained and provide a specific forum for consultation. All employees of Bonava are encouraged to contact an Ethics Advisor as soon as any uncertainties arise regarding the correct action to comply with Bonava's values and Code of Conduct.

Bonava's SpeakUp system, a whistleblower function, makes it possible for employees and persons outside the company to anonymously report suspected deviations. This may be done online or by telephone. The system is run by an independent

service provider. Deviations from the Code of Conduct and Ethical Guidelines that are reported via the whistleblower function or other channels are investigated in accordance with an established procedure that determines who will be the responsible investigator based on the nature of, the people involved in, and the situation in question. If the investigation shows an actual deviation, measures are established that, depending on the degree of severity and existence of intent behind the deviation, could include everything from amended internal routines to formal warnings, termination of employment and/or a police report. Raising concerns about potential irregularities is encouraged as a way of helping the company, and anyone who does so has the expressed support of Bonava's top management. Whistleblower protection is guaranteed in the Code of Conduct.

Bonava manages its financial and nonfinancial risks using an integrated process that is organised by the company's Risk Committee. The Risk Committee is led by Bonava's Group Head of Risk and Compliance and includes the CFO, Chief Legal Officer, SVP Brand & Culture and Group Head of Treasury.

Every year, the Risk Committee creates an annual cycle in which all risks are evaluated. All Business Units, and the central Group functions, are involved in assessing the company's control functions for managing risks. Long-term climate risks are evaluated as part of the annual review of Bonava's sustainability agenda. The Illustration in Note S7 shows examples of scenario analyses for long-term climate risks.

Communication and training in anti-corruption policies and procedures

All of Bonava's employees undergo an online ethics training that includes guidance on anti-corruption and avoiding conflicts of interest. This is followed up on a quarterly basis to ensure that new employees do not miss this step of the onboarding process.

Bonava runs a recurring training format called Our Foundation team discussions that replaced the previously organised physical training sessions that were held by the Ethics Advisors. The team discussions are led by the respective line managers and comprise the joint discussions of ethical dilemmas. It is

required to have one discussion per year in each team. The foremost advantage of this format is the direct interaction between managers and members of the work teams regarding the importance of ethical conduct.

Bonava's Ethical Guidelines are presented and communicated on the intranet. There are notice boards at Bonava's work sites that are used to convey information about the Code of Conduct, SpeakUp System, and the company's values.

Evaluation and results

7 (5) deviations were reported during 2024, of which 1 (0) was a significant deviation leading to dismissal. Other reports of deviations mainly concerned alleged misconduct by managers at Bonava. At year end 89 (94) per cent of all employees had undergone Bonava's basic training for compliance with the Code of Conduct – including guidelines for anti-corruption.

Bonava is launching a new online compliance training format in first half of 2025. The follow-up of completion regarding the current basic training has therefore ceased towards the end of 2024.



Responsible supply chain management

Bonava partners with a large number of suppliers in the markets where we are active. These include contractors, service suppliers, and materials suppliers. Healthy, responsible partnerships are crucial to our strategy and to reaching several of the targets in our sustainability agenda, especially the climate targets. Risks in the supply chain pertaining to issues such as human rights, labour rights, environmental protection, and corruption could lead to people, the environment, and society as a whole being adversely impacted.

By placing the same demands on our suppliers as on ourselves – when it comes to fundamental principles for human rights, safe working conditions, environmental protection and anti-corruption – Bonava can mitigate potentially negative impacts on workers in the value chain.

We have Group-wide requirements that all suppliers to Bonava's housing projects must meet. This includes require-

ments for systematic environmental and health, safety, environmental and quality work (HSEQ) and compliance with the UN Global Compact in the form of Bonava's requirements for acceptable wage levels, working hours and paid leave, as well as requirements regarding responsibility for human rights, anti-corruption and tax payments. Suppliers must also meet our documentation requirements and allow Bonava to inspect their operations.

Bonava's supplier requirements encourage suppliers to raise concerns directly with Bonava or through our whistleblowing system, SpeakUp, if they suspect violations of the expected standards.

In 2023, our third-party risk strategy was developed and approved, based on a risk analysis in each business unit. The implementation of this strategy is being rolled out in each business unit starting in 2024 in order to follow up on the requirements we place on our suppliers.

Evaluation and results

In 2024, 97 (96) per cent of all new and renewed site-related contracts included Bonava's supplier requirement, refer to Note S17.

Transparency

The demand among internal and external stakeholders for relevant indicators to monitor sustainable development is steadily increasing. Bonava has transparently been reporting on indicators and information according to Global Reporting Initiative since 2016, which is the most recognized sustainability reporting framework.

Bonava will need to comply with the Corporate Sustainability Reporting Directive starting from the 2025 financial year, subject to any potential consequences of the European Commission's proposed changes regarding, among other things, the CSRD, in the so-called Omnibus proposals.



Sustainability notes

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S1 Sustainability reporting principles

This is Bonava's eighth annual Sustainability Report. It forms part of Bonava's Annual Report and has been prepared in accordance with the Global Reporting Initiative (GRI) Universal Standards 2021. The locations of the Sustainability Report disclosures in the Annual Report are indicated in the GRI and UN Global Compact index; refer to pages 140–142. The statutory Sustainability Report is found on pages 6, 14–26, 41–42, 55–57 och 100–143. The Sustainability Report is issued by the Board of Directors.

The report includes all of Bonava's units and covers the full-year period from 1 January to 31 December 2024. Unless otherwise indicated, this report covers the same period as the financial reporting. This Sustainability Report was published on 18 March 2024. Contact person for questions concerning this report, refer to note S21.

S2 Changes in the report

During the year, the decision was made not to carry out limited assurance of the sustainability report.

Starting in 2025 and going forward, there is a requirement for a limited assurance in accordance with the CSRD, subject to any potential consequences of the European Commission's proposed changes regarding, among other things, the CSRD, in the so-called Omnibus proposals.

Bonava will not report on the Happy Index, Home and Neighbourhood Sustainability metric in the focus area – Happy neighbourhoods for the many – this year. A review is being carried out internally to develop more suitable and valuable metrics.

S3 Memberships in external initiatives and organisations

Bonava is a member of the UN Global Compact, Transparency International Sweden's Corporate Supporters Forum and the Swedish Standards Institute (SIS).

Bonava Sweden is a member of the Sweden Green Building Council and supports the Construction and Civil Engineering Sector Roadmap for a Fossil Free Sweden. Bonava Sweden is also a member of Sweden's Håll Nollan initiative and the Swedish Safety Culture Network (SÅKU). In 2024, Bonava Sweden became a member of HS30 (Sustainable Stockholm 2030), whose purpose is to accelerate the transition to a sustainable housing industry in the Mälär Valley region.

Bonava Finland is a member of the Green Building Council Finland, including the #BuildingLife project that concerns working to achieve climate neutrality by 2035 in accordance with shared goals in the construction and civil engineering sector. Bonava Finland is also a member of the Confederation of Finnish Construction Industries RT (CFCI), which promotes participation on issues of worker protection.

Bonava in Germany remains a partner of the Sustainable Concrete Leaders network, which gathers together pioneers in the property industry to increase the use of truly sustainable concrete. Bonava in Germany is also a member of the Bauindustrieverband industry organisation and is engaged in innovation projects to respond to challenges in sustainability, environmental protection, and climate change.

Bonava Latvia participates in the Zero Tolerance for Corruption initiative and Initiative Mission Zero, which deals with safe workplaces.

S4 Materiality assessment

Bonava bases its sustainability agenda on regular analysis and review of the company's material sustainability matters. The analysis starts from a Group-wide monitoring of business environment factors in various relevant areas, as well as of current or impending changes in the operations. On this basis, the need for changes to Bonava's material sustainability matters is analysed. For example, this could include issues that have become increasingly important for Bonava, or exclude issues that are no longer relevant. This process involves internal functions and units in Bonava as well as various external stakeholders, industry associations, subject matter experts, and key individuals who can assist Bonava with quality assurance of the assessment. Using this documentation, Bonava establishes the content of the company's sustainability reports. Bonava considers that its existing sustainability agenda comprises the company's material sustainability matters for 2024.

In 2024, we continued to focus on carrying out the double materiality assessment in accordance with the CSRD. The assessment was presented to the management team and auditors. It was also validated with internal stakeholders, the steering group, the ESG Committee and the Risk Committee as well as via benchmarks and dialogue with industry colleagues.

During the year, we also focused on CSRD implementation and integration of requirements in order to make progress on issues linked to strategy, policy and data collection. Some strategic decisions have been made related to developing emissions reduction plans for all business units by 2026, as well as to efforts around implementation plans related to third-party risks.

Management of material sustainability matters

	Happy neighbourhoods for the many	Embedded environmental respect	People-centric culture	Governance for high performance
Bonava's impact on the economy, environment and people, including impacts on human rights	Bonava creates locations and environments where people thrive, and where future generations can grow up. We build more than homes – we create happy neighbourhoods for the many. This is our overall purpose and possibility to contribute to a positive impact for our customers, neighbourhoods and society at large.	Bonava develops land and constructs several types of homes, which negatively affects the environment through carbon emissions, use of land and use of natural resources. Bonava endeavours to reduce the environmental and climate impact throughout the life cycle using resource-efficient residential development. Consideration for environmental and climate aspects permeates everything we do.	As a residential developer and builder of housing, there is a risk of occupational injuries and ill health that could affect people negatively. Bonava always takes a people-centric approach and can promote a positive impact by working strategically with management of health and safety within the business and supply chain. Bonava also positively contributes to society by working with diversity and a values-driven workplace.	Development of housing units and residential districts includes maintaining trusting relationships with many different parties. Bonava can have a positive impact by conducting operations with a high degree of business conduct and proper transparency. Good governance is a condition for achieving all of Bonava's goals regardless of whether they are linked to profitability, health and safety, customer satisfaction, resource and climate actions, or employee engagement.
Material matters Read more on pages 101–116	<ul style="list-style-type: none"> • Customer insights • Customer satisfaction • Sustainable lifestyle 	<ul style="list-style-type: none"> • Sustainable use of land • Circular production and sound materials • Efficient buildings • Sustainability labelling 	<ul style="list-style-type: none"> • Health and safety • Value-driven workplace • Diversity 	<ul style="list-style-type: none"> • Compliance • Responsible supply chain management • Transparency
Policies	<ul style="list-style-type: none"> • Happy Neighbourhoods for the many is our purpose. Consideration for our purpose permeates everything we do 	<ul style="list-style-type: none"> • Sustainability Policy • Code of Conduct • Supplier Requirements 	<ul style="list-style-type: none"> • Sustainability Policy • Code of Conduct • Supplier Requirements 	<ul style="list-style-type: none"> • Code of Conduct • Corporate Governance Policy • Group Procedure Internal Control • Procedure on Reports of Misconduct • Supplier Requirements
Targets	<ul style="list-style-type: none"> • Net Promoter Score (NPS) Consistency 100 per cent by 2026 	<ul style="list-style-type: none"> • 50 per cent reduction, in absolute terms of Scope 1 and 2 emissions, and 50 per cent reduction per housing starts within Scope 3 by 2030, in line with validated Science Based Targets 	<ul style="list-style-type: none"> • Everyone Plan fulfilment ≥90% • Frequency of severe incidents = <7.1 • Employee engagement in line with the top 10 per cent of the best-performing companies. The benchmark for 2024 is 88 	<ul style="list-style-type: none"> • Sustainability Report assured according to the Annual Accounts Act
Metrics Read more on pages 101–139	<ul style="list-style-type: none"> • Customer satisfaction metrics: • Measured through NPS Consistency 	<ul style="list-style-type: none"> • Emission metrics (Scope 1, 2, 3) • Sustainability labelling • Sustainable use of land including biodiversity • Energy efficient buildings • Use of materials • Environmental compliance • TCFD metrics • EU Taxonomy metrics 	<ul style="list-style-type: none"> • Sick leave • Work-related injuries (LTIFR, TRIFR) • Work-related ill health • Employment metrics • Learning and education • Engagement • Collective bargaining agreements • Diversity and equal opportunities, including pay 	<ul style="list-style-type: none"> • Anti-corruption and anti-competitive behaviour • Reports of misconduct • Sustainability supplier requirements • Transparent sustainability reporting
Major initiatives and activities (incl. other commitments)	<ul style="list-style-type: none"> • Decentralization of Happy Neighbourhood program to business units to stay close to the customers • The analysis and action of customer-related issues based on CSRD 	<ul style="list-style-type: none"> • Decisions on emissions reduction plans for all business units by 2026 at the latest. In 2025, insights and opportunities for emissions reduction are to be developed, which is also linked to the bonus programme • Preparations for new baseline and updated climate targets in 2025 • Preparation for updating Bonava's Green Financing Framework ahead of 2025 	<ul style="list-style-type: none"> • Implementation, execution and follow up on our health and safety strategy – Everyone Plan • Launch of the "Committed to Growth" leadership programme, which runs over 12 months and includes 75 managers 	<ul style="list-style-type: none"> • Development and start of implementation plans for third-party risks • Analysis and actions related to business conduct issues based on CSRD

Bonava conducts regular dialogues with the company's key stakeholders. This dialogue continued during the year. The importance of the various stakeholders relates to how they are impacted by Bonava's operation, and how Bonava is impacted by the key stakeholder and its needs.

A summary of the dialogue with our key stakeholders is presented below. For a further description of how governance and methods are developed in order to utilise insights from the stakeholder dialogues, refer to the information for the respective focus areas.

Key stakeholders	How the stakeholder dialogue is organised	Purpose of the stakeholder dialogue	Examples of outcomes from the stakeholder dialogue
Customers	<ul style="list-style-type: none"> Public events for potential customers. Customer access to Bonava's customer portal. Bonava customer service. Customer satisfaction is monitored through Net Promoter Score (NPS) and NPS Consistency. 	<ul style="list-style-type: none"> Deliver on our customer promise. Measure customer satisfaction. Keep the customer informed and involved throughout the process. Build confidence. 	<ul style="list-style-type: none"> Product improvement. Process improvement.
Employees	<ul style="list-style-type: none"> Annual Passionate Workplace survey at the team and organisational level. Performance and development process at individual level. Monitoring on half-year and full-year basis. Recurring 1-on-1 meetings with manager at least once a month. Off-boarding surveys followed up on a quarterly basis. Worker protection representation. Annual "Health and Safety Awareness Week". 	<ul style="list-style-type: none"> Safeguard well-being, high levels of engagement, motivation; individual, team and organisational performance and development. Insights into what Bonava is doing well, and could improve regarding the employee journey. Create engagement and awareness around health and safety. 	<ul style="list-style-type: none"> Individual goals and development plans. Action plans at team level to address material areas of development based on the outcomes of Passionate Workplace surveys. Employee scorecards that are monitored on a quarterly basis. Health and safety scorecards that are monitored on a monthly basis.
Investors, financiers, owners	<ul style="list-style-type: none"> Investor meetings, e-mails and questionnaires. ESG rankings. Capital Market Days. Meetings, networking events, e-mails with banks and bond owners including dialogue on green financing. 	<ul style="list-style-type: none"> Understand and meet expectations of ESG data from investors, financiers and owners. 	<ul style="list-style-type: none"> ESG rating. Updates to Green Financing Framework.
Suppliers	<ul style="list-style-type: none"> As a developer, provide clarity in requirements in the procurement process to ensure the right expertise and abilities. Our supplier requirements set demands for human rights, labour rights, environmental protection and anti-corruption. In projects, Bonava works with introduction, coordination, monitoring and evaluation of contractors. 	<ul style="list-style-type: none"> Compliance with our Code of Conduct and supplier requirements. Protect human rights and employee rights throughout the value chain. Ensure that goods and services purchased support our environmental and climate ambitions. 	<ul style="list-style-type: none"> Confidence and partnership. Increase awareness and transparency around supplier requirements. Knowledge building for meeting project needs. Risk management.
Public authorities, municipalities	<ul style="list-style-type: none"> Throughout the planning and construction process there are many points of contact, coordination issues and dialogues between Bonava and municipalities, and in many cases representatives from the local community. This concerns issues at an early stage, planning and monitoring. 	<ul style="list-style-type: none"> Understand and integrate municipalities' visions, for development of a given area, in the project development plan. Coordination and involvement of stakeholders in a given area. Identify, reduce, alleviate and address potential negative impacts on the environment. Technical coordination and setting requirements. 	<ul style="list-style-type: none"> Construction permits. Various assessments, reports, measures to ensure the ecological, cultural and social values of a specific site.

Results, scopes as defined for Bonava's Science-Based Targets in line with the 1.5 °C scenario, base year 2018.

	2024			2023			2022		
	GHG emissions (tCO ₂ e)	Economic intensity, per sale (tCO ₂ e/SEK M)	Physical intensity, per production start (tCO ₂ e)	GHG emissions (tCO ₂ e)	Economic intensity, per sale (tCO ₂ e/SEK M)	Physical intensity, per production start (tCO ₂ e)	GHG emissions (tCO ₂ e)	Economic intensity, per sale (tCO ₂ e/SEK M)	Physical intensity, per production start (tCO ₂ e)
Scope 1 ¹⁾	2,228	0.27	N/A	3,245	0.24	N/A	3,569	0.22	N/A
Scope 2 ²⁾	2,900 (3,619)	0.35	N/A	3,570 (5,860)	0.20	N/A	5,052 (6,809)	0.31	N/A
Scope 3	199,642	24.36	128.0	355,402	24.79	286.0	477,171	29.4	187.0
	2021			2020			2019		
	GHG emissions (tCO ₂ e)	Economic intensity, per sale (tCO ₂ e/SEK M)	Physical intensity, per production start (tCO ₂ e)	GHG emissions (tCO ₂ e)	Economic intensity, per sale (tCO ₂ e/SEK M)	Physical intensity, per production start (tCO ₂ e)	GHG emissions (tCO ₂ e)	Economic intensity, per sale (tCO ₂ e/SEK M)	Physical intensity, per production start (tCO ₂ e)
Scope 1 ¹⁾	3,086	0.20	N/A	3,209	0.19	N/A	4,114	0.27	N/A
Scope 2 ²⁾	6,801 (7,372)	0.44	N/A	6,830 (7,154)	0.40	N/A	6,961 (6,555)	0.45	N/A
Scope 3	731,520	47.2	147.6	711,930	41.9	124.7	729,019	47.1	163.8

¹⁾ Biogenic emissions, tCO₂e, for Scope 1 = 71 (95 for 2023; 113 for 2022; 123 for 2021; 129 for 2020; 72 for 2019; 69 for 2018).

²⁾ Market-based (location-based).

N/A = Not Applicable

COMMENTS ON THE RESULTS

Own operational control (Scope 1–2):

Scope 1 emissions decreased by 31 per cent. This decrease was driven by a significant decrease in greenfield developments in the German and Swedish markets, a reduction in the number of company vehicles and growing proportion of electric cars, and the construction schedule in the Baltics, which facilitated a transition from fuel-based heating to district heating during winter work.

Scope 2 emissions decreased by 19 per cent, due primarily to a decrease in the number of construction worksites and a higher proportion of fossil-free energy in Finland as well as an increased proportion of renewable energy in Germany. All together, emissions decreased in Scope 1 and 2 by 25 per cent from the preceding year, and by 61 per cent from 2018.

Value chain, absolute figures (Scope 3)

Emissions in Scope 3, absolute figures, decreased by 44 per cent from the preceding year and have decreased by 75 per cent since 2018. The decrease from preceding years is due primarily to a reduction in emissions from goods and services purchased, owing to lower purchasing volumes and the timing of project cycles (i.e. when purchase occurs). Moreover, the decrease in completed units led to lower emissions in the “use of sold products” category (the second-largest Scope 3 category) and “end-of-life treatment”.

Value chain per housing unit started (Scope 3)

Emissions intensity per production start decreased by 55 per cent from the preceding year and has increased by 5 per cent in total since 2018.

The expense-based model that is used to calculate Bonava's Scope 3 emissions was best practice when Bonava set its science-based climate targets as validated by the SBTi. Over time, however, the model has proven to be less reliable and has resulted in major fluctuations for several reasons:

- The emissions are based on costs and not specific emissions data. When the price of materials rises, emissions thus rise. For the same reason, emissions tend to increase in conjunction with purchases of materials with a lower climate impact, since these materials are often subject to premium pricing.
- The emissions are impacted by the production and purchase cycles. When production starts late in the year, the costs for the year – which the emissions are based on – are low, but arise instead in the following year. This is the main reason for the reduction of the intensity measurement in 2024.
- The emissions vary substantially depending on whether they are multi-family or single-family residences. Measuring emissions per housing start and not per m² thus yields poor precision, mathematically speaking.

In 2025, we will update our baseline and climate targets in line with the new SBTi guidelines for the sector. Our emissions will then be based on emissions from life cycle assessments. At the same time, we will switch form measuring emissions per housing unit to emissions per m².

ADDITIONAL DISCLOSURES ON GREENHOUSE GASES

Emissions from waste are estimated on the basis of gross area completed in the preceding year. Even though relevant activity data for 2024 was collected, it could not be completely processed within the reporting timeframe. This effort will continue in order to improve data processing capacity, thus ensuring accuracy in future reporting cycles. Bonava complies with the GHG Protocol Corporate Accounting and Reporting Standard as well as the Corporate Value Chain (Scope 3) Accounting and Reporting Standard for measuring and reporting greenhouse gas emissions. We have chosen to apply the operational control consolidation approach. The climate impact inventory is based on carbon dioxide equivalents (CO₂e) and includes all greenhouse gases.

The report is based on invoices, surveyed data, fuel and vehicle registers, and supplier reports. Where the supplier-specific emissions factors were unavailable, emissions factors from such databases as DEFRA, Exiobase 3.2.8, IEA, and others were used in which the global warming potential (GWP) for one hundred years is based on the Fourth Assessment Report of the Intergovernmental Panel on Climate Change (AR4 IPCC), which is the latest assessment report for climate impact potential.

For Bonava, the methodology of the Task Force on Climate-Related Financial Disclosures (TCFD) is an important part of the effort to produce relevant climate targets for our operations. We present an overview of this analysis below.

TCFD index

Governance		Strategy		Risk management		Metrics and targets	
Recommended disclosures	Page	Recommended disclosures	Page	Recommended disclosures	Page	Recommended disclosures	Page
A. The Board's oversight of climate-related risks and opportunities.	16-17, 25, 42, 55-57, 104	A. Climate-related risks and opportunities that the organisation has identified.	25, 105-108, 119, 122-123	A. The organisation's processes for identifying climate-related risks.	55-57, 103-104, 118-119	A. The metrics used by the organisation to assess climate-related risks and opportunities.	16-17, 102, 106-108, 121, 124-130
B. Management's role in assessing and managing climate-related risks and opportunities.	16-17, 42, 103-14, 106, 108	B. Impact of risks and opportunities on the organisation's business, strategy and financial planning.	11, 25, 55-57, 104, 122-123	B. The organisation's processes for managing climate-related risks.	61, 103-104, 112-115, 126, 131	B. Scope 1, 2 and 3 under the Greenhouse Gas Protocol.	16-17, 107, 121
		C. Resilience of the organisation's strategy taking into consideration different climate-related scenarios.	112-113, 122-123	C. Integration of the above processes into the organisation's overall risk management.	55-57, 103-104	C. Targets for managing climate-related risks and opportunities.	16-17, 102, 106-108

Additional TCFD disclosures

Balance

Financial category	Climate-related category	Metric	2024	2023
			Closing balance (SEK M)	Closing balance (SEK M)
Green assets	Adaptation and limitation	Total volume of green assets under Bonava's Green Financing Framework ¹⁾	6,163	4,600
Green assets used for external financing	Adaptation and limitation	Green loans	-1,038	-1,689
		Green bonds	-960	-1,200
		Project-specific financing, Nordic Swan ecolabelled TOA projects, Sweden	-174	-71
Green assets available	Adaptation and limitation	Remaining volume of green assets under Bonava's Green Financing Framework, category Nordic Swan ecolabelled projects and energy efficiency class A or B	3,990	1,640

Profit

Financial category	Climate-related category	Metric	Income/expenses (SEK M)	Income/expenses (SEK M)
Revenue	Adaptation and limitation	Sales of 204 (2023: 887) ecolabelled housing units (share of total sales)	1,073 (13%)	2,685 (20%)
Expenses	Energy	Cost of energy purchased (electricity, heating, district cooling): 16,305 MWh, of which 7,057 MWh renewable (2023: 25,217 MWh, of which 10,596 MWh renewable)	35	47
Expenses	Fuels	Cost of fuel purchased: 593 (2023: 801) m ³ diesel and 70 (2023: 87) m ³ petrol	13	17
Expenses	Goods and services purchased	Cost of goods and services purchased with high GHG emission factor ²⁾	2,954	4,256

¹⁾ Category properties for future development projects and related capitalised costs, ongoing construction projects, unsold completed housing units, sold completed housing units in line with Nordic Swan ecolabelling, or energy efficiency class A or B.

²⁾ High GHG emission factor, defined by Bonava as emissions factors belonging to the highest quartile of GHG emission factors in connection with input/output analysis of all completed transactions in the respective business units during Bonava's science-based targets base year (2018).

RCP = Representative greenhouse gas concentration pathways that show future paths for development according to the latest UN Intergovernmental Panel on Climate Change (IPCC) evaluation report (AR5). Climate impact by 2100 according to AR5, the IPCC's special report on 1.5°C global warming; EEA; Gistemp/NASA and KNMI Climate Explorer.

Climate scenarios

RCP 8.5

Risks

- Challenging technical requirements for new production of housing units to withstand changed external stresses.
- Conflicts in the wake of extreme weather conditions could impact, for example, conditions for global trade and access to construction materials.
- Health and well-being of customers and employees are impacted in extreme weather situations.
- Access to land for residential development is complicated by physical effects of climate change locally and potential conflicts of interest due to a global shortage of arable land.

Opportunities

Developing homes and neighbourhoods that are adapted to manage the effects of climate change, protecting residents' health and well-being.

Financial impact

Increased costs for more technologically advanced building construction, price increases for construction material, greater guarantee costs and higher investment costs for land as well as the risk of wasteful expenditures if land that has already been invested in becomes no longer suitable for housing construction.

RCP 8.5

Greenhouse gases continue to increase at current pace

No major action

Without major climate action, global warming is predicted to be **4.9 °C¹⁾**, but for land areas in the northern part of the world up to **11 °C¹⁾**. With this scenario, large parts of the world will have annual average temperatures of **>29 °C**.

RCP 4.5

Greenhouse gases halved²⁾ and stabilised by 2080

Moderate actions

Relatively ambitious climate actions that do not reach the targets of the Paris Agreement. In this scenario, global warming of up to **2.6 °C¹⁾** is predicted; the warming will be greater over land and close to the North Pole.

RCP 2.6

The greenhouse gases culminate around 2020, and subsequently decrease to become net negative before 2100

Aggressive actions

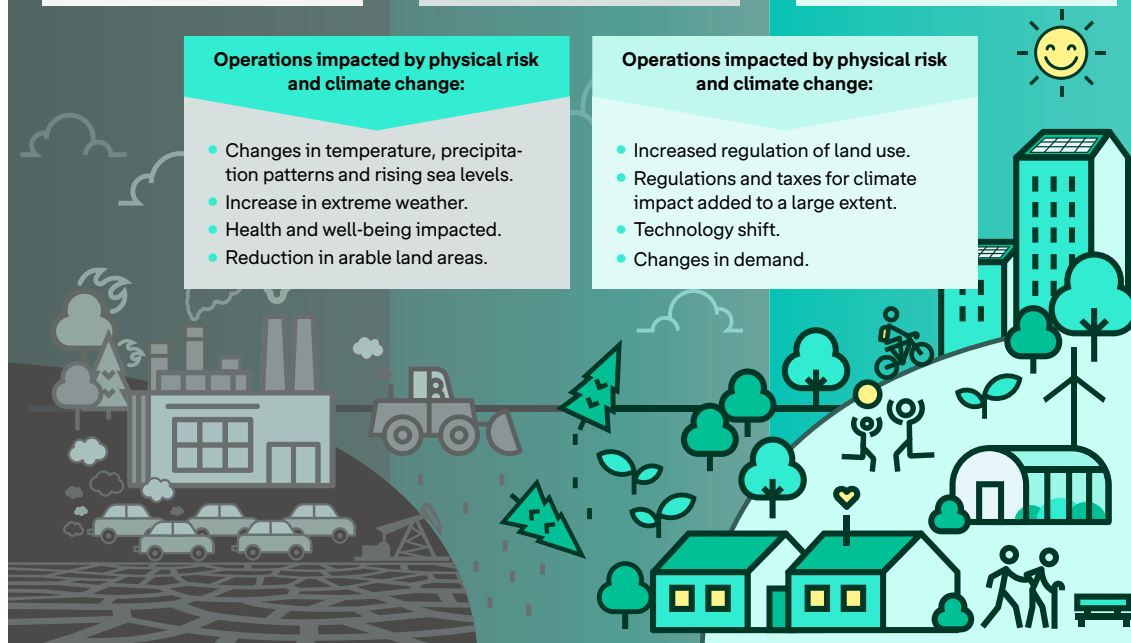
Extremely ambitious climate actions. This is the only scenario in which the goal of the Paris Agreement to limit global warming to **1.5 °C¹⁾** is within reach. At **2 °C¹⁾**, the number of species that loses more than half of their habitats doubles compared with **1.5 °C¹⁾**.

Operations impacted by physical risk and climate change:

- Changes in temperature, precipitation patterns and rising sea levels.
- Increase in extreme weather.
- Health and well-being impacted.
- Reduction in arable land areas.

Operations impacted by physical risk and climate change:

- Increased regulation of land use.
- Regulations and taxes for climate impact added to a large extent.
- Technology shift.
- Changes in demand.



RCP 2.6

Risks

- Potential conflict of interest between housing construction and the carbon-capturing capacity of the land or production of, for example, biofuels.
- Taxes and laws that provide incentives and regulate to ensure a reduced climate impact change the conditions for housing production.
- Technology to help drastically reduce climate change needs to be developed promptly, since the built environment has a significant climate impact during both production and operation.
- Customer and investor demands, and increased requirements for reduced climate impact

Opportunities

Developing housing units that are climate-smart from a life-cycle perspective, in neighbourhoods with a strong capacity for capturing carbon and local cooling effects. Bonava's science-based climate targets support this scenario.

Financial impact

Access to external financing can be ensured and customer demand for housing units can be met by ensuring the operations are in line with Bonava's climate targets. Investments in the development of efficient production methods and materials can reduce future direct or indirect costs related to climate impact.

RCP 4.5: between RCP 2.6 and RCP 8.5, the scenario arises with risks from both of these development tracks being realised simultaneously.

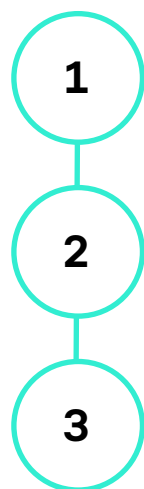
¹⁾ Compared with pre-industrial temperatures (1880–1899).

²⁾ From 2010 levels.

Sustainable in accordance with the EU Taxonomy Regulation

The EU taxonomy is a green classification system that translates the EU's climate and environmental objectives into specific criteria for economic activities to meet for investment purposes. The taxonomy highlights green, or environmentally sustainable, economic activities based on how well each activity significantly contributes to at least one of the EU's six set environmental objectives, while not causing significant harm to any of the other objectives and meeting minimum social safeguards.

A sustainable activity as defined by the Taxonomy



1 Makes a substantial contribution to at least one of the six environmental objectives

2 Does no significant harm to any of the other environmental objectives

3 Complies with minimum social safeguards in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

The EU's six environmental objectives

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

Economic activities eligible to the EU taxonomy

An eligible economic activity, as described in the taxonomy, has technical screening criteria. When an economic activity is assessed eligible, all turnover, capex and opex must be reported for the economic activity.

Bonava's main activities are mostly included in the economic activity New construction of buildings (CCM7.1, CE3.1) but also to a lesser extent in the economic activity Acquisition and ownership of buildings (CCM7.7).

Economic activities aligned with the EU taxonomy

An eligible economic activity that also contributes significantly to at least one of the EU's environmental objectives, does not cause significant harm to any of the other environmental objectives and meets minimum social safeguards is classified as a taxonomy-aligned activity. All turnover, capex and opex must be reported for projects deemed taxonomy-aligned.

In 2024, Bonava completed a taxonomy-aligned project in Finland for a property investor. The assessment of alignment with the technical screening criteria was made using the Green Building Council Finland, an internal group-wide guidance document, and the experience from the comprehensive review, by auditors, of our two taxonomy-aligned projects in 2023.

The taxonomy's criteria for minimum safeguards were interpreted in 2023 with the help of experts and assured by auditors. A mapping was made based on the OECD Due Diligence Guidance for Responsible Business Conduct and its six steps for integrating aspects of human rights, environment, labor conditions and anti-corruption, tax and competition law into routines and processes. These six steps briefly include integrating the above aspects into policies, risk analysis, prevention and reducing impact, monitoring, communication and finally remediation measures.

Bonava's continued work with the EU Taxonomy

The 2023 gap analysis of technical screening criteria for CCM7.1 showed that type projects in each market are not automatically aligned for either substantial contribution criteria nor DNSH. However, both strategic decisions internally as well as CSRD requirements contribute to meet more technical criteria being or will be met in the future. For example, every completed project, from 2024, will perform life cycle assessments (LCA) according to a 2023 decision. From 2025, we will start to perform climate risk analyses at investment level or project level.

In 2024, a gap analysis of the technical screening criteria for the economic activity New construction of buildings (CE3.1) and Acquisition and ownership of buildings CCM7.7 was conducted. The analysis of CE3.1 revealed the challenge of meeting the technical screening criterion that focuses on minimizing the use of primary raw materials (criterion 4 for significant contribution to a circular economy). For CCM 7.7 regarding Acquisition and ownership of buildings, concerning buildings constructed after December 31, 2020, technical screening criteria

need to meet 7.1 New construction of buildings. Bonava projects do not automatically comply with all technical screening criteria.

Bonava Finland has decided that new business-to-business projects from 2024 onwards shall be aligned with the economic activity New construction of buildings (CCM7.1). In addition, Bonava Sweden undertakes that new projects, in the design phase, shall be certified with the Swan version 4.0 which is aligned with the EU taxonomy. In addition, the proportion of projects that comply with the substantial contribution criteria, within (CCM7.1), that newly constructed buildings must have a primary energy demand that is at least 10 percent lower than NZEB or national building legislation. For 2024, 76 percent of all completed projects in our markets fulfilled the above criterion.

Total sales (turnover)

Bonava's net sales are reported in accordance with IFRS 15 Revenue from Contracts with Customers and IFRS 16 Leases, and mainly include four revenue streams in the form of sales of housing units to consumers, sales of housing projects to investors, rental income from consumers and, to a lesser extent, sales of land.

Eligible turnover

Bonava has established that its net sales, relating to sales of housing units to consumers and sales of housing projects to investors, as taxonomy eligible activities. Sales of land that occur when the land is not subject to project development are not classified as taxonomy eligible sales since they do not relate to new construction of buildings. Sales are defined as sales of housing units to consumers and sales of housing projects to investors, see the Group's Note 2, rows Net sales, consumers and Net sales, investors.

Total capex

Bonava's fixed assets are recognized in accordance with IAS 16 Property, Plant and Equipment, IAS 38 Intangible Assets, IAS 40 Investment Properties and IFRS 16 Leases. Intangible assets refer to capitalized development costs of IT systems. Operating properties are held for use in the company's own operations such as production, provision of services or administration. Leased fixed assets refer to premises where Bonava conducts its operations, as well as machinery and equipment (mainly cars and office machinery).

Eligible capex

Bonava has established that investments related to operating properties, right-of-use assets (buildings), machinery and equipment and right-of-use assets (machinery and equipment) pertain to eligible activities. All investments are critical components of Bonava's operations and are assessed as eligible for CCM7.1 and CE3.1.

During the year, Bonava has invested further in investment properties and buildings, which are rented out during the year, which under the taxonomy fall under CCM7.7 Acquisition and ownership of buildings.

Bonava does not report the gross change in right-of-use assets in the financial reporting. No right-of-use assets relating to buildings, machinery and equipment were added during the year.

Applicable capital expenditure during the year:

- Investment properties SEK 37 M
- Right-of-use assets, Buildings SEK 18 M
- Machinery and equipment SEK 4 M
- Right-of-use assets, Machinery and equipment SEK 21 M
- Other SEK 3 M

Refer to the Group Note 10 Investment properties, row Investments and Note 11 Property, plant and equipment, row Investments for Operating properties and Machinery and equipment.

Total opex

Total opex according to the taxonomy consists of research and development expenses expensed during the period, renovation of buildings (owned or leased), expenses for repair and maintenance of tangible fixed assets (owned or leased), other direct expenses such as services related to ongoing maintenance of tangible fixed assets required to ensure the ongoing function of these assets.

Bonava does not conduct research and development and has no short-term leases that are expensed. Bonava has defined opex as maintenance costs attributable to owned and leased buildings. Examples of these costs are building renovation, maintenance and repair and other direct costs required for the efficient day-to-day operation of Bonava's tangible fixed assets.

Eligible opex

Bonava assesses that all opex costs are attributable to the operations conducted through economic activities CCM7.1 and CE3.1.

Changes since the previous year

For 2024, Bonava will report not only on eligibility with the economic activity New construction of buildings CE3.1 but also on alignment. For further information, see the heading "Bonava's continued work with the EU taxonomy".

Voluntary additional disclosures

Bonava's main investment pertains to housing and property projects. The majority of Bonava's property holdings are classified as housing projects and are recognized as current assets as the intention is to sell the properties and hand them over to the customer after completion. Housing projects within Bonava are divided into development properties, ongoing housing projects and completed housing units and all are considered to meet the criteria for eligible activities according to CCM7.1, CE3.1. Investments in property held for future development, ongoing housing projects and completed housing units are reported under IFRS as current assets and are therefore not included in the taxonomy's definition of Capex. According to the taxonomy's definition of Capex, only intangible assets (excl. goodwill) and tangible fixed assets are included. However, if current assets (Bonava's real estate projects in the balance sheet) were counted as capex, 100 percent of these investments would, in accordance with the following table, fall within the taxonomy.

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosures for 2024

Financial year 2024	2024			Substantial contribution criteria						Does Not Significantly Harm criteria (DNSH)										Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible turnover (A.2.), 2023	Category (enabling activity)	Category (transitional activity)						
	Code(s)	Turnover	Proportion of Turnover 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity														
Economic activities		SEK M	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; 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)																													
Construction of new buildings	CCM7.1, CE7.1	165	2%	Y	N/EL	N/EL	N/EL	N	N/EL	-	Y	Y	Y	Y	Y	Y	3%	-	-										
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		165	2%	2%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	3%												
Of which, enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-										
Of which, transitional		-	-	-						-	-	-	-	-	-	-	-		-										
A2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																													
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL																				
Construction of new buildings	CCM7.1, CE3.1	7,522	92%	EL	N/EL	N/EL	N/EL	EL	N/EL																		99%		
Existing buildings	CCM7.7			EL	N/EL	N/EL	N/EL	N/EL	N/EL																		-		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		7,522	92%	92%	-	-	-	-	-																		99%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		7,687	94%	94%	-	-	-	-	-																		99%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																													
Turnover of taxonomy-non-eligible activities (B)		507	6%																										
Total		8,194	100%																										

Proportion of turnover/ Total turnover	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	2%	94%
CCA	-	-
WTR	-	-
CE	0%	92%
PPC	-	-
BIO	-	-

Proportion of capital expenditure from products or services associated with Taxonomy-aligned economic activities – disclosures for 2024

Financial year 2024	2024			Substantial contribution criteria						Does Not Significantly Harm criteria (DNSH)												
	Code(s)	Capital expenditure	Proportion of capital expenditure 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible capital expenditure (A.2.), 2023	Category (enabling activity)	Category (transitional activity)			
Economic activities		SEK M	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; 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)																						
Capital expenditure of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%					
Of which, enabling		-	-	-						-	-	-	-	-	-	-	-	-				
Of which, transitional		-	-	-						-	-	-	-	-	-	-	-		-			
A2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL													
Construction of new buildings	CCM7.1; CE3.1	37	44%	EL	N/EL	N/EL	N/EL	EL	N/EL											30%		
Acquisition and ownership of buildings	CCM7.7	46	55%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											69%		
Capital expenditure of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		83	99%	99%	-	-	-	-	-											100%		
A. Capital expenditure for Taxonomy-eligible activities (A.1+A.2)		83	99%	99%	-	-	-	-	-											100%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
Capital expenditure of Taxonomy-non-eligible activities		1	1%																			
Total		84	100%																			

Proportion of capital expenditure/ Total capital expenditure	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	99%
CCA	-	-
WTR	-	-
CE	0%	45%
PPC	-	-
BIO	-	-

Proportion of operating expenditure from products or services associated with Taxonomy-aligned economic activities – disclosures for 2024

Financial year 2024	2024			Substantial contribution criteria							Does Not Significantly Harm criteria (DNSH)										
	Code(s)	Capital expenditure	Proportion of capital expenditure 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible capital expenditure (A.2.), 2023	Category (enabling activity)	Category (transitional activity)		
Economic activities		SEK M	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; 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)																					
Operating expenditure for environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%				
Of which, enabling		-	-	-						-	-	-	-	-	-	-	-	-			
Of which, transitional		-	-	-						-	-	-	-	-	-	-	-				
A2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL												
Construction of new buildings	CCM7.1; CE3.1	8	100%	EL	N/EL	N/EL	N/EL	EL	N/EL												
Acquisition and ownership of buildings	CCM7.7			EL	N/EL	N/EL	N/EL	N/EL	N/EL												
Operating expenditure of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		8	100%	100%	-	-	-	-	-												
A. Operating expenditure for Taxonomy-eligible activities (A.1+A.2)		8	100%	100%	-	-	-	-	-												
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Operating expenditure of Taxonomy-non-eligible activities (B)		0	0%																		
Total		8	100%																		

Proportion of operating expenditure/Total operating expenditure	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	100%
CCA	-	-
WTR	-	-
CE	0%	100%
PPC	-	-
BIO	-	-

S9 Sustainable use of land

Selection of indicators for sustainable use of land

Key performance indicators	2024	2023	2022
Of which, previously developed, %	64	56	47
Of which, previously undeveloped, %	36	44	47
Land remediation (of total), ha	3 (28)	13 (74)	8 (36)
Proportion of projects with significant initiatives aimed at preserving ecological values, %	32	44	29
Number of protected species affected	14	6	10

COMMENTS ON THE RESULTS

The disclosure on land remediation pertains to land remediation carried out for all projects completed during the year. The corresponding area pertaining to total land developed is shown in brackets.

There are 14 protected species that are impacted by projects for which Bonava was granted permission to start construction during the year. Of these 14 species, only one – *Barbastella barbastellus* – is classified as belonging to the second-lowest threat category, Near Threatened. The other species are classified in the lowest threat category (Least Concern) according to the IUCN. These species are: Pygmy bat (*Batis perkeo*), house sparrow (*Passer domesticus*), European green toad (*Bufo viridis*), pool frog (*Pelophylax lessonae*), sand lizard (*Lacerta agilis*), European fire-bellied toad (*Bombina orientalis*), common noctule (*Nyctalus noctula*), brown long-eared bat (*Plecotus auritus*), serotine bat (*Eptesicus serotinus*), western barbastelle (*Barbastella*

barbastellus), soprano pipistrelle (*Pipistrellus pygmaeus*), common pipistrelle (*Pipistrellus pipistrellus*), and English oak (*Quercus robur*). All these species, apart from the oak, have been observed in projects in Germany, while the oak was found in a project in Lithuania. One of the German projects identified ten species that could potentially be found in the area. However, only one of these species was found when the project was surveyed. Since the other nine species could potentially be found, all ten species were included in the report.

Examples of preservation efforts for these and other ecological values entail primarily the creation of breeding sites, moving species to neighbouring suitable habitats, collection of dead wood to create habitats, planting forests and removal of the invasive species Asian knotweed. These measures were taken primarily in Germany, but also in the Baltics and Sweden.

S10 Use of materials

COMMENTS ON THE RESULTS

The table presents a breakdown of the materials that were used for all of Bonava's completed housing units in 2024. The switch from tracking materials for projects started to projects completed improves the granularity of the data and tallies with our emissions calculations.

A direct comparison between the volumes of 2023 and 2024 is not entirely correct, since the data from the former year encompassed units started, but this year reflects completed projects. Moreover, the calculation method has evolved, and the use of materials estimations for all projects are now life cycle assessment (LCA)-based.

Insulation and gypsum-based products have been eliminated owing to their low material impact. Instead, we have introduced tracking of secondary re-used and recycled components, as well as sustainably produced wood. Even though the proportion of these materials is expected to be higher, ongoing improvements in reporting mean that complete data for 2024 is not yet available. We will continue to refine our collection of data to increase granularity and transparency.

Materials used by weight or volume

Materials	2024				2023		2022	
	Total amount	Amount per 100 m ² completed gross area	Recycled, %	Sustainably sourced, %	Total amount	Amount per 100 m ² housing starts, gross area	Total amount	Amount per 100 m ² housing starts, gross area
Concrete (m ³)	132,363	44.8	0.0	N/A	54,200	24.9	99,639	34.7
Prefabricated concrete elements (m ³)	17,133	5.8	0.0	N/A	52,894	24.3	37,507	13.1
Construction blocks (m ³)	97,455	32.9	0.0	N/A	23,324	10.7	55,076	19.2
Plaster (m ³)	215	0.1	0.0	N/A	3,812	1.7	19,317	6.7
Insulation (m ³)	N/A	N/A	N/A	N/A	25,836	11.8	65,425	22.8
Steel (metric tonnes)	12,850	4.3	18.1	N/A	7,246	3.3	14,244	5.0
Wood, high-value applications (metric tons)	480	0.2	0.0	17.8	975	0.4	2,351	0.8
Wood, medium-value applications (metric tons)	1,479	0.5	0.0	17.5	N/A	N/A	N/A	N/A

N/A = Not Applicable

Refer to the results for energy intensity as energy requirements per area heated, in accordance with the respective countries' definitions in the building regulations, in the table below.

Housing starts

	Bonava's energy performance, kWh/m ²			Energy performance requirement, kWh/m ²			Better than requirement, %		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Germany	26	29	37	44	44	41	42	35	10
Sweden	65	61	57	89	76	79	27	19	29
Finland	73	65	68	90	90	79	19	28	14
Denmark	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Estonia	114	119	115	115	125	121	1	5	5
Latvia	36	44	38	40	64	43	10	31	13
Lithuania	128	102	102	175	191	191	27	46	46

N/A = Not Applicable; Denmark did not have any operations in 2024.

Completed housing units

	Proportion of housing units with energy performance more than 10 per cent lower than requirements, %	Bonava's energy performance, kWh/m ²			Energy performance requirement, kWh/m ²			Better than requirement, %		
	2024	2024	2023	2022	2024	2023	2022	2024	2023	2022
Germany	72	37	38	41	48	50	44	24	24	7
Sweden	100	59	58	69	75	82	83	15	28	17
Finland	100	68	81	81	90	92	90	25	12	10
Denmark	N/A	N/A	N/A	26	N/A	N/A	33	N/A	N/A	10
Estonia	0	113	118	114	115	121	122	2	3	8
Latvia	100	29	30	38	40	42	48	27	29	19
Lithuania	100	132	N/A	99	191	N/A	164	31	N/A	40

N/A = Not Applicable; Denmark did not have any operations in 2024.

COMMENTS ON THE RESULTS

Bonava follows up on energy calculations per housing starts and completed housing units. Using the follow-up on housing starts, we can identify green assets linked to our Green Financial Framework. Follow-up of completed housing units signals how our projects meet the substantial contribution criteria of the EU Taxonomy, under which the primary energy value must be at least 10 per cent lower than NZEB or national construction legislation for new production. The average result for 2024 shows that 76 per cent of all completed housing units in Bonava have an energy performance more than 10 per cent lower than the requirement.

Comparing Bonava's energy performance by country year-to-year does not need to be comparable, since it depends on the mix of building types and sizes that combine to yield the value of the energy performance.

Work-related injuries

	Number of work-related injuries ¹⁾						Work-related injuries, frequency, time lost ²⁾						Work-related injuries, frequency, total ³⁾			Number of severe incidents ⁶⁾		Frequency of severe incidents ⁶⁾	
	2024 ⁴⁾	2024 ⁵⁾	2023 ⁴⁾	2023 ⁵⁾	2022 ⁴⁾	2022 ⁵⁾	2024 ⁴⁾	2024 ⁵⁾	2023 ⁴⁾	2023 ⁵⁾	2022 ⁴⁾	2022 ⁵⁾	2024 ⁴⁾	2023 ⁴⁾	2022 ⁴⁾	2024 ⁴⁾	2023 ⁴⁾	2024 ⁴⁾	2023 ⁴⁾
Germany	15	5	27	9	30	10	4.7	4.2	6.8	5.8	7.2	5.6	5.0	7.4	7.2	13	23	4.1	5.8
Sweden ⁷⁾	0 (1)	0	4	0	5	0	0.0 (3.9)	0.0	5.4	0.0	5.1	0.0	0.0 (3.9)	8.1	8.2	0	3	0.0	4.1
Finland	1	0	10	0	17	1	3.2	0.0	14.4	0.0	16.9	2.6	9.5	17.3	24.9	4	10	12.6	14.4
Denmark	0	0	0	0	7	0	0.0	0.0	0.0	0.0	37.1	0.0	0.0	28.6	37.1	0	0	0.0	N/A
Baltics	1	1	2	1	2	1	1.1	2.9	1.6	2.3	1.4	1.9	2.3	3.2	4.2	2	14	2.3	11.2
Total⁸⁾	17 (18)	6	44	10	64	14	3.7 (3.9)	3.0	6.2	3.4	6.8	3.6	4.5 (4.7)	7.4	8.6	19	51	4.1	7.5

¹⁾ Number of work-related injuries leading to sick leave (LTI).

²⁾ Number of work-related injuries leading to sick leave, per million hours worked (LTIFR).

³⁾ Total number of work-related injuries requiring visits to health care or adjustment of work tasks (without working days lost) and those leading to sick leave, per million hours worked (TRIFR).

⁴⁾ Employees and contractors under Bonava's site management. (Employees in projects with external site management. Monitored starting in 2024; not included in 2023).

⁵⁾ Bonava's employees.

⁶⁾ Severe incidents according to Bonava's definition, which includes all types of injuries as well as near misses with either more than 3 days of sick leave and/or potential consequence 4 or 5 and/or a risk score of 10 or above.

⁷⁾ The Group function has been included in the data for Sweden.

⁸⁾ The total values pertain to the data reported in for the respective years. The data for 2023 pertains to the period up until the date of divestment of the business units. Norway was divested on 30 June 2023 and St. Petersburg was divested on 2 November 2023.

N/A = Not Applicable

COMMENTS ON THE RESULTS

No work-related fatalities have occurred during the period in which Bonava has existed as an independent company, meaning since its listing in 2016. The number of work-related injuries (LTI) decreased from 64 in 2022 to 17 in 2024. In Sweden, an injury occurred on a project with external site management. In 2024, projects with external site management were monitored in parallel and will be integrated into reporting in 2025. To some extent, the decrease is attributable to a general fall in the number of projects, primarily in Sweden and Finland. Apart from this, increased awareness and transparency has meant that many risks have been mitigated before injuries could occur. The most common type of workplace injuries are sprains/dislocations/strains, cuts, and crushing or other soft tissue injuries. The most frequent causes of injuries are same-level falls (stumbling, slipping), contact with sharp objects and injuries caused by hand-held tools.

The frequency of the total number of work-related injuries (TRIFR) reported is higher than the frequency of injuries resulting in sick leave (LTIFR), which is a positive development. This means, on the one hand,

that injuries were tended to in a way that enabled sick leave to be avoided, and on the other hand, that the routines for reporting and categorising different types of injuries are effective. TRIFR consists largely of LTI. Efforts to increase reporting of injuries that do not result in sick leave are continuing.

Since 2022, Bonava has been measuring severe incidents that include injuries (with or without sick leave) and near misses. Bonava's definition is based on injuries leading to 4 or more days of sick leave and/or link to actual or potential risk with consequence (4 or 5) and/or risk score of over 10. Bonava uses a 5-by-5 risk matrix to estimate the potential consequences and likelihood that an identified type of incident will occur again. The risk figure is estimated as a potential consequence multiplied by the likelihood. The risk classification is more or less subjective, but are used to prioritize efforts and focus on the most serious risks.

The outcome in 2022 of the frequency of severe incidents was 14.3 (excluding St. Petersburg and Denmark) and 4.1 for 2024 (excluding Denmark). The frequency of severe incidents is estimated as the number

of severe incidents as defined by Bonava per million hours worked. The number of severe incidents has been monitored for all operations, even discontinued operations, and we have noted a drastic reduction from 155 in 2022 to 19 in 2024. To some extent, the decrease is attributable to a general fall in the number of projects, primarily in Sweden and Finland. There was also a decrease in reported near misses. The efforts with the measurements have enabled a sharper focus and quality in the investigation and management of incidents based on the degree of severity. This has enabled better assessments, action plans and more effective measures as well as prioritisation of Bonava's efforts. The most frequent causes of severe incidents are linked to work at height, contact with sharp objects and same-level falls (stumbling, slipping).

Work-related ill health

	Sick leave, % ¹⁾			Work-related ill health, cases ²⁾			Work-related ill health, frequency ³⁾		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Germany	7.6	8.3	8.4	N/I	N/I	N/I	N/I	N/I	N/I
Sweden ⁴⁾	1.7	2.6	2.8	5	7	11	23.1	19.9	22.9
Finland	2.3	3.2	3.3	N/I	N/I	N/I	N/I	N/I	N/I
Denmark	3.4	1.2	1.7	0	0	0	N/I	0	0
Baltics	3.0	3.2	3.5	N/I	0	0	N/I	0	0
Total⁵⁾	5.5	5.8	5.6	5	7	19	2.5	2.4	4.9

¹⁾ Number of hours of sick leave, both work-related and non-work related, in relation to total hours worked, Bonava employees.

²⁾ Number of cases of wholly or partially work-related ill health, Bonava employees.

³⁾ Number of wholly or partially work-related ill-health reported per million hours worked (LTILFR), Bonava employees.

⁴⁾ The Group function has been included in the data for Sweden.

⁵⁾ The total values pertain to the data reported in for the respective years. The data for 2023 pertains to the period up until the date of divestment of the business units. Norway was divested on 30 June 2023 and St. Petersburg was divested on 2 November 2023.

N/I = No Information

COMMENTS ON THE RESULTS

The figures for sick leave show greater levels of sick leave in countries where Bonava has its own skilled workers, meaning in Germany and Latvia, where the work is performed physically on site. Germany has had no employed skilled workers since October 2024; they have been replaced entirely by contractors. The proportion of hours of sick leave owing to work-related illness is measured and monitored in Sweden. There were five cases reported in 2024, of which three were cases that were reported in 2023 but continued into the year. The cases reported were primarily symptoms of burnout and cases linked to stress that to some extent was work-related.

A proactive health initiative was started in Sweden in 2024 to monitor, together with an external partner, our current status and improve proactive health initiatives through, for example, personal health coaching. There have been active efforts in both Estonia and Finland to promote mental health through such measures as inclusion, support and communication.

Bonava does not report work-related ill health in Germany and Finland, since information on the causes of sick leave cannot be recorded there. Nor do we have access to data related to sick leave for contractor employees.

The greatest risks for work-related illnesses, identified through Bonava's Group-wide anonymous Passionate Workplace surveys as well

as the occupational health and safety risk assessments conducted in Sweden, are having a heavy workload and lack of clarity on responsibilities and authority. Strengthening the performance and development process for employees remained the most important measure during the year to reduce workload and increase clarity on work tasks.

The Passionate Workplace survey shows that Bonava has a high level of engagement despite reorganisations and the challenging market that characterised 2024. In 2024, we noted particularly good results as regards team efficiency, which we believe is a result of slightly smaller teams and the fact that we have worked on clear communication within the teams. Our leadership continues to be regarded as good, and the atmosphere continues to be regarded as highly inclusive.

In 2024, it was decided to complement the business units' efforts with a Group-wide leadership program, Committed to Growth, which runs over 12 months and includes 75 managers. The program consists of a total of approximately 60 hours of facilitated reviews and exercises, mainly conducted through digital meetings. The core of the program is self-reflection, experience sharing and practical exercises based on each manager's everyday work and challenges. The program is organised by Group HR in collaboration with three external partners.

Everyone Plan fulfilment, and reported hazards and near misses

	% Everyone Plan fulfilment		Number of reported hazards ²⁾		Number of reported near misses		Frequency of reported hazards ³⁾		Frequency of reported near misses ³⁾		Number of reported audits and inspections		Frequency of reported audits and inspections ³⁾	
	2024	2023	2024 ⁴⁾	2023	2024 ⁴⁾	2023	2024 ⁴⁾	2023	2024 ⁴⁾	2023	2024	2023	2024	2023
Germany	87	92	307	17	2	0	97	4	1	0	1,455	1,798	459	456
Sweden ¹⁾	100 / 100	93 / 72	17 (23)	71	1 (2)	2	66 (90)	96	4 (8)	3	20	94	78	127
Finland ⁵⁾	90	93	48	23	3	9	151	33	10	13	180	591	567	854
Denmark	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0
Baltics	100	100	2197	2,200	4	17	2,502	1,762	5	14	843	846	960	678
Total⁶⁾	95	90	2,569 (2,575)	2,447	10 (11)	29	554 (555)	344	2 (2)	4	2,498	3,342	539	470

¹⁾ The Group function has been included in the data for Sweden, with the exception of "% Everyone Plan fulfilment 2023", since the Sweden business unit and Group function are reported separately.

²⁾ Reported in Bonava's Group-wide reporting system

³⁾ Number of reports per million hours worked

⁴⁾ Employees and contractors under Bonava's site management. (Employees in projects with external site management. Monitored starting in 2024; not included in 2023).

⁵⁾ The number of hazards was adjusted for 2023; refer to comments on the results below.

⁶⁾ The total values pertain to the data reported in for the respective years. The data for 2023 pertains to the period up until the date of divestment of the business units. Norway was divested on 30 June 2023 and St. Petersburg was divested on 2 November 2023.

N/A = Not Applicable

COMMENTS ON THE RESULTS

As part of Bonava's health and safety strategy, we are working on proactive indicators. Our primary proactive figure, and one of Bonava's key figures, is Everyone Plan fulfilment. The outcome for Everyone Plan 2024 was 94.5 per cent fulfilment of improvement activities in the respective business unit plans. Much of the emphasis in the plans for 2024 was linked to increased focus on health and safety in planning new production starts.

Examples of improvement activities that took place during the year:

- Leadership training of key individuals in production and project managers in Germany, with focus on such issues as risk assessment and prioritizing.
- Implementation of approaches to compiling lessons learned from concluded projects for competence feedback into new projects as part of the decision-making process in the Baltics.
- Improvement activities linked to proactive health and wellness in Finland and the Group function.
- Improved approach linked to integration of health and safety in procurement of contractors at early stages in Sweden.

In 2024, the hazard frequency figure reached 555, which is the highest figure reported. This hazard figure comes from the Group-wide reporting

system. The majority of hazards come from the Baltics, which has been working to create local ownership in the projects and at the construction sites. They have engaged the organisation through monitoring, rapid action and communication. There are also production bonuses linked to entering observations into the system, and not just addressing them without documentation. Finland's low level is linked to only the most severe hazards being reported into the system. In previous years, other hazards were also included. For comparable figures with the other markets, this has now been adjusted. The decrease of hazards in Sweden is attributable to the drastic fall in projects, and the majority of hazards comes from the Group function. Germany increased its reporting in 2024 as part of its new focus and its working method in the health and safety organisation, which accounts for the majority of the reports. Efforts to implement hazard reporting locally in the organisation as part of systematic daily health and safety initiatives and in overall strategic activities will continue.

Near miss reporting continued to decrease during the year. To some extent, this decrease can be explained by the reduction in the number of projects in some markets, and also to an increased need for training to understand the difference between hazard and near miss. The near misses that are reported are of high quality, and most often are severe

near misses. The increased focus on severe incidents in recent years has resulted in higher quality of reports, and the creation of confidence locally in reporting both hazards and, above all, near misses.

There was no production remaining in Denmark in 2023. To a great extent, all business areas, especially in the Finland, Germany and Baltics business units, are continuing to monitor their health and safety initiatives through various types of inspections such as TR audits and manager safety audits. In 2024, several Manager Talks – the replacement for Manager Audits – were held, focusing on dialogue and building relationships instead of checking off boxes on lists and inspections. This has been most successful in the Baltics and Finland.

Number of employees by occupational category at year end

	Occupational category	Salaried employees						Skilled workers			
		Total		Women		Men		Women		Men	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Germany	Permanent, full time	490	762	132	231	262	392	0	0	15	139
	Permanent, part time	49	65	43	55	6	10	0	0	0	0
	Line consultants, full time	0	0	0	0	0	0	0	0	0	0
	Line consultants, part time	0	0	0	0	0	0	0	0	0	0
	Temporary, full time	30	48	7	15	23	30	0	0	0	3
	Temporary, part time	1	2	1	1	0	1	0	0	0	0
Sweden	Permanent, full time	123	148	70	80	53	68	0	0	0	0
	Permanent, part time	2	2	2	2	0	0	0	0	0	0
	Line consultants, full time	12	13	6	6	6	7	0	0	0	0
	Line consultants, part time	8	8	6	5	2	3	0	0	0	0
	Temporary, full time	2	1	1	1	1	0	0	0	0	0
	Temporary, part time	1	0	1	0	0	0	0	0	0	0
Finland	Permanent, full time	97	124	40	43	57	81	0	0	0	0
	Permanent, part time	1	3	0	1	1	2	0	0	0	0
	Line consultants, full time	0	0	0	0	0	0	0	0	0	0
	Line consultants, part time	0	1	0	1	0	0	0	0	0	0
	Temporary, full time	1	3	0	2	1	1	0	0	0	0
	Temporary, part time	0	0	0	0	0	0	0	0	0	0

ADDITIONAL DISCLOSURES REGARDING NUMBER OF EMPLOYEES

Due to market conditions remaining difficult, all business units have needed to review their organisations and reduce the numbers of employees. The majority of our employees fall under the category of full-time permanent, which for salaried employees has fallen in total from 1,078 to 787, and for skilled workers the total has decreased from 181 to 43. Other employee categories have also decreased. The data comes from our Group-wide HR system. Students and internships are excluded.

	Occupational category	Salaried employees						Skilled workers			
		Total		Women		Men		Women		Men	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Denmark	Permanent, full time	4	7	1	4	3	3	0	0	0	0
	Permanent, part time	2	1	2	1	0	0	0	0	0	0
	Line consultants, full time	0	0	0	0	0	0	0	0	0	0
	Line consultants, part time	0	0	0	0	0	0	0	0	0	0
	Temporary, full time	0	0	0	0	0	0	0	0	0	0
	Temporary, part time	1	1	0	0	1	1	0	0	0	0
Baltics	Permanent, full time	197	218	72	74	97	102	4	4	24	38
	Permanent, part time	6	7	5	5	1	2	0	0	0	0
	Line consultants, full time	0	0	0	0	0	0	0	0	0	0
	Line consultants, part time	0	0	0	0	0	0	0	0	0	0
	Temporary, full time	0	3	0	0	0	0	0	1	0	2
	Temporary, part time	2	0	0	0	0	0	0	0	2	0
Total	Permanent, full time	830	1,259	315	432	472	646	4	4	39	177
	Permanent, part time	60	78	52	64	8	14	0	0	0	0
	Line consultants, full time	12	13	6	6	6	7	0	0	0	0
	Line consultants, part time	8	9	6	6	2	3	0	0	0	0
	Temporary, full time	33	55	8	18	25	31	0	1	0	5
	Temporary, part time	5	3	2	1	1	2	0	0	2	0

COMMENTS ON THE RESULTS

Bonava has reduced the number of hours worked for own employees in all markets, compared to 2023. Even the number of working hours for contractors has decreased. The decrease in the number of hours worked is attributable largely to reorganisations, divested business units and a general decrease in the number of projects. There was no production remaining in Denmark from 2023. Hours worked for contractors under Bonava's site management come from systems for recording workplace attendance except Germany, where the hours are based on invoices. Hours worked for own employees are based on information from the salary management systems.

Bonava has reduced the number of employees in all markets compared to 2023, the majority of which in Germany, which is the company's largest market. The prevailing difficult market conditions are the reason. 40 new employees started with the company in 2024.

Millions of hours worked

	Contractors under Bonava's site management		Own employees	
	2024	2023	2024	2023
Germany	1.98	2.40	1.19	1.54
Sweden ¹⁾	0.04	0.39	0.22	0.35
Finland	0.12	0.39	0.20	0.30
Denmark	0	0	0.02	0.03
Baltics	0.53	0.81	0.35	0.44
Total²⁾	2.67	4.14	1.97	2.98

¹⁾ The Group function has been included in the data for Sweden

²⁾ The total values pertain to the data reported in for the respective years. The data for 2023 pertains to the period up until the date of divestment of the business units. Norway was divested on 30 June 2023 and St. Petersburg was divested on 2 November 2023.

New employee hires and employee turnover, summary¹⁾

	Number in 2024	Proportion of entire staff, %	Number in 2023	Proportion of entire staff, %
New employees	40	4	43	3
Terminations	488	52	447	33

¹⁾ Does not include fixed-term employment (line consultants and temporary employment).

New employee hires and employee turnover, by age group and gender¹⁾

		<30 years						30–50 years						>50 years					
		Total		Women		Men		Women		Men		Women		Men		Women		Men	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Germany	New employees	10	1	1	0	2	0	3	0	3	1	1	0	0	0				
	Terminations	353	147	5	7	16	6	68	32	105	53	31	11	128	38				
Sweden	New employees	9	10	1	1	0	0	3	6	2	2	1	1	2	0				
	Terminations	63	114	0	1	0	1	20	36	22	43	10	13	11	20				
Finland	New employees	2	4	1	0	0	0	0	3	0	1	1	0	0	0				
	Terminations	23	81	0	8	1	3	6	18	7	28	4	6	5	18				
Denmark	New employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
	Terminations	1	19	0	0	0	0	1	0	0	9	0	5	0	5				
Baltics	New employees	19	28	5	12	3	3	2	3	7	13	1	0	1	5				
	Terminations	46	86	5	3	2	12	17	20	18	33	0	2	4	13				

¹⁾ Does not include fixed-term employment (line consultants and temporary employment). Employee data is intended to reflect how the organisation looked at the end of the year.

S14 Diversity

Diversity on the Board of Directors and Executive Management Group, and among employees

	<30 years				30–50 years				>50 years			
	Women		Men		Women		Men		Women		Men	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Board of Directors	0	0	0	0	0	0	2	2	2	4	3	4
Executive Management Group ¹⁾	0	0	0	0	0	0	0	0	3	3	3	4
Salaried employees	46	58	58	72	237	326	292	397	91	129	154	220
Skilled workers	0	0	2	12	1	1	24	65	3	4	15	105
Line consultants	0	1	0	0	9	8	6	8	3	3	1	2

¹⁾ The CFO is part of the management team but was not included in the statistics for 2023, since he was a consultant at the time.

COMMENTS ON THE RESULTS

Bonava's objective is to be a workplace that reflects society, achieving a gender distribution of at least 40 per cent women and men. As regards age distribution, this is being monitored but there is no explicit target. Bonava has an equal distribution between men and women in terms of salaried employees, which comprises 94% of the company's population, and at the Executive Management Group level as well. The distribution between men and women among skilled workers is uneven. The majority are men, which is a challenge that we – as well as the industry as a whole – need to work more to change. As regards age distribution among salaried employees, the majority (60 per cent) are in the 30 to 50 age range; 30 per cent are over 50 and approximately 10% are under 30. Neither the gender distribution nor the age distribution have been appreciably impacted by the reduction in the number of employees over the past year.

S15 Employees covered by collective bargaining agreements

Proportion of employees covered by collective bargaining agreements, %	2024	2023
Germany	96	94
Sweden	100	100
Finland	52	54
Denmark	0	0
Baltics	0	0

ADDITIONAL DISCLOSURES

As an employer in Sweden, Bonava is bound by collective bargaining agreements with trade unions, which includes everyone but the CEO. In Germany and Finland, the salaried employees have collective bargaining agreements. Upper-level salaried employees in Finland are not covered by collective bargaining agreements. In Germany, students are not covered by collective bargaining agreements either. In Estonia, Latvia, Lithuania and Denmark, no collective bargaining agreements have been signed.

S16 Compliance

Reported deviations	2024		2023		2022	
	Number	Comment consequence	Number	Comment consequence	Number	Comment consequence
Bonava SpeakUp	6		4		8	
Other channels	1		1		5	
Total no. of reports	7		5		13	
Of which, significant deviations:	1	One employee was terminated	0		5	Three employees terminated, three formal warnings
Of which, deemed groundless or not significant enough for formal consequences following investigation:	6		5		8	
Of which, legal action against competition-restricting practices or significant sanctions for breaches of current laws and regulations:	0		0		0	

COMMENTS ON THE RESULTS

7 (5) deviations were reported in 2024, of which 1 (0) was a significant deviation.

ADDITIONAL DISCLOSURES

Apart from the results linked to reporting of deviations, Bonava monitors the proportion of employees who have undergone basic training linked to the Code of Conduct, including guidelines for anti-corruption. At the end of 2024, 89 per cent (94) of all employees had undergone

the training. New employees who have not undergone training are reminded both by the system itself and by their respective managers.

In 2024, 4 environmental incidents (32) were reported through Bonava's Group-wide system support for risk management and reporting of incidents concerning the environment as well as health and safety in the operations. All reports encompassed minor deviations from procedures or incidents without lasting damage that resulted in corrective measures and communications measures.

S17 Responsible supply chain management

New and renewed agreements in 2024 with Bonava's Supplier Requirements included

	2024		2023	
	Number of new and renewed project-related contracts with Supplier Requirements included	Proportion of new and renewed project-related contracts with Supplier Requirements included, %	Number of new and renewed project-related contracts with Supplier Requirements included	Proportion of new and renewed project-related contracts with Supplier Requirements included, %
Germany	1,253	100	919	100
Sweden	26	100	53	100
Finland	83	100	163	100
Denmark ¹⁾	N/A	N/A	N/A	N/A
Estonia	58	98	71	99
Latvia	120	92	112	90
Lithuania	78	93	50	90

¹⁾ Denmark did not have any project operations in 2023 or 2024.

N/A = Not Applicable

S18 Ratio, annual total compensation

Ratio, annual total compensation for the organisation's highest-paid individual against the median wage for all employees (excluding the highest-paid individual)

	Title of highest-paid individual	2024	2023	Change compared to preceding year, %
Germany	BU President	6.4	6.6	-0.2
Sweden	CEO	10.0	10.7	-0.7
Finland	BU President	3.4	3.5	-0.1
Denmark	Managing Director	2.2	1.8	0.4
Estonia, Latvia & Lithuania	Country Manager	3.9	4.0	-0.1

COMMENTS ON THE RESULTS

Bonava sets requirements on suppliers through the company's Supplier Requirements. These requirements contain criteria linked to the environment and the climate, health and safety, human rights and anti-corruption. For 2024, the average number of new and renewed project-related contracts with included Supplier Requirements was 97 per cent.

The greatest risk of third-party risks and impact on the environment and people is found among contractors and subcontractors in projects as well as materials suppliers, according to the comprehensive third-party risk assessment that was conducted in 2022, where all business units contributed to the assessment. The risk assessment forms the basis for a third-party strategy whose implementation plan was launched starting in 2024.

ADDITIONAL DISCLOSURES

Due to the redefinition of the metric, no data for 2022 is reported.

COMMENTS ON THE RESULTS

The ratio for annual total compensation between the organisation's highest-paid individual and the median wage for all employees (excluding the highest-paid individual) showed a certain amount of change in 2024 compared with 2023. The largest decrease in the ratio was observed in Sweden, whereas the compensation ratio in Denmark changed, due primarily to small population effects in staff turnover.

In the calculations, the fixed salary for highest paid individual is compared to median fixed salary for all employees excluding the highest paid individual. All permanent employees as of 31 December in their respective countries are included in the analysis. For part-time employees, salaries were adjusted to full-time salaries to ensure comparability.

To facilitate a more relevant comparison, the calculations were performed per market as this better reflects local market conditions. We are aware that this ratio does not reflect the total compensation for our employees, since only fixed salaries have been included in the calculations.

The remuneration report in Bonava's annual report provides a detailed account of remuneration in absolute figures for the CEO and the management team.

S19 Transparency

In addition to our statutory sustainability report, Bonava annually reports its progress under the GRI Universal Standards 2021 and the UN Global Compact. By using the systematic methods described in the principles of the GRI Standards, Bonava works continuously with follow-up and transparency in its reporting. Bonava will be encompassed by the CSRD in 2025 financial year, subject to any potential consequences of the European Commission's proposed changes regarding, among other things, the CSRD, in the so-called Omnibus proposals.

ADDITIONAL DISCLOSURES, BONAVA INDICATOR

The indicator is intended to provide an account of Bonava's presentation of its Sustainability Report. The definition for the indicator comprises current legal requirements for sustainability reporting, the GRI Universal Standards 2021 for the relevant indicators and reporting requirements for the UN Global Compact.

S20 SDG mapping against Bonava's targets

Strategic targets	Global SDGs that Bonava contributes most to	Relevant targets for the main goal	Other enabling and/or overlapping targets
Profitability			3.9, 4.4, 4.7, 5.1, 5.5, 6.4, 6.6,
Capital efficiency			7.2, 7.3, 9.5, 10.2, 12.2, 12.4, 12.5, 12.8,
Healthy and safe workplace	8,	8.2, 8.4, 8.5, 8.6, 8.7, 8.8,	14.1, 15.5,
Employee engagement	11,	11.1, 11.3, 11.6, 11.7,	16.5, 16.7,
Customer satisfaction	13	13.1, 13.2, 13.3	17.1, 17.16, 17.17, 17.19
Combat climate change			

Above is a summary of how Bonava promotes the UN Sustainable Development Goals. For more information, read the Sustainability Report in its entirety.

Relevant targets for the main goals:		How Bonava contributes:
Decent work and economic growth	8.2	Promote economic productivity through diversification, technological innovation and upgrades
	8.4	Improve resource efficiency in consumption and production
	8.5	Employment and decent work, and equal pay for all women and men
	8.6	Promote employment, education or training for youth
	8.7	Eradicate modern slavery, human trafficking and child labour
	8.8	Protect labour rights and promote safe and secure working environments for all workers
Sustainable cities and communities	11.1	Ensure affordable housing
	11.3	Enhance inclusive and sustainable urbanisation
	11.6	Reduce the environmental impact of cities
	11.7	Provide access to safe and inclusive green and public spaces
Combat climate change	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters
	13.2	Integrate climate change measures into national policies, strategies and planning
	13.3	Improve education, awareness and capacity on climate change mitigation and adaptation

Other enabling and/or overlapping relevant targets:

Good health and well-being	3.9	Reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
Quality education	4.4	Increase the number of individuals with relevant skills for employment and decent jobs
	4.7	Education that ensures that all learners acquire the knowledge and skills needed to promote sustainable development
Gender equality	5.1	Eradicate discrimination against women and girls
	5.5	Ensure women's full participation and equal opportunities for leadership and decision-making
Clean water and sanitation	6.4	Increase water-use efficiency and safe water supply
	6.6	Protect and restore water-related ecosystems
Affordable and clean energy	7.2	Increase the proportion of renewable energy
	7.3	Double the increase in energy efficiency
Industry, innovation and infrastructure	9.5	Enhance scientific research and upgrade the technological capabilities of industrial sectors
Reduce inequality	10.2	Promote social, economic and political inclusion
Responsible consumption and production	12.2	Sustainable management and use of natural resources
	12.4	Sound management of chemicals and wastes
	12.5	Reduce waste generation through prevention, reduction, recycling and reuse
	12.8	Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles
Life below water	14.1	Reduce marine pollution
Life on land	15.5	Take action to reduce the degradation of natural habitats and halt biodiversity loss
Peace, justice and strong institutions	16.5	Combat corruption and bribery
	16.7	Ensure responsive, inclusive, and representative decision-making
	17.1	Strengthen domestic capacity for tax and other revenue collection
Partnerships for the goals	17.16	Enhance the global partnership for sustainable development with multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources
	17.17	Encourage effective partnerships
	17.19	Develop measurements of progress towards sustainable development

For more information about Bonava's sustainability initiatives and reporting, contact:

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Group Head of ESG Control and Reporting
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GRI content index

Statement on use	Bonava hereby submits its report in accordance with GRI Universal Standards 2021 for the period 1 January–31 December 2024.
GRI 1 Standard	GRI 1: Foundation 2021
GRI Sector Standard	As yet, no sector standards are available for Bonava's industry.

GRI STANDARD	Disclosure	Name of disclosure	Page reference	Departures and comments
GRI 2: General Disclosures 2021	2-1	Organizational details	48	A greyed-out cell indicates that departures are not permitted.
	2-2	Entities included in the organization's sustainability reporting	118	
	2-3	Reporting period, frequency and contact point	118, 139	
	2-4	Restatements of information	118	
	2-5	External assurance	144	
	2-6	Activities, value chain and other business relationships	3–5, 14, 103, 116	
	2-7	Employees	134–135	
	2-8	Workers who are not employees	134–135	
	2-9	Governance structure and composition	37–44	Deviation for under-represented social groups
	2-10	Nomination and selection of the highest governance body	37–38	
	2-11	Chair of the highest governance body	38, 43	
	2-12	Role of the highest governance body in overseeing the management of impacts	42, 104	
	2-13	Delegation of responsibility for managing impacts	42, 104	
	2-14	Role of the highest governance body in sustainability reporting	42, 104	
	2-15	Conflicts of interest	42, 104, 114	
	2-16	Communication of critical concerns	38, 42, 104	
	2-17	Collective knowledge of the highest governance body	43, 104	
	2-18	Evaluation of the performance of the highest governance body	39, 104	
	2-19	Remuneration policies	39–40	
	2-20	Process to determine remuneration	39–40	
	2-21	Annual total compensation ratio	137	Deviation: The calculation model deviates in 2023 and 2024.
	2-22	Statement on sustainable development strategy	11, 13, 15	
	2-23	Policy commitments	39–40, 114–116, 124	
	2-24	Embedding policy commitments	104, 114–116	
	2-25	Process to remediate negative impacts	124	
	2-26	Mechanisms for seeking advice and raising concerns	114–116	
	2-27	Compliance with laws and regulations	136	
	2-28	Membership of associations	118	
	2-29	Approach to stakeholder engagement	103, 120	
	2-30	Collective bargaining agreements	136	

GRI STANDARD	Disclosure	Name of disclosure	Page reference	Departures and comments
GRI 3: Material Topics 2021	3-1	Process to determine material topics	125	A greyed-out cell indicates that departures are not permitted.
	3-2	List of material topics	106	
Material Matters				
Happy neighbourhoods for the many				
GRI 3: Material Topics 2021	3-3	Management of material topics	11, 17, 18, 111, 126, 127	
Happy neighbourhoods	Part of 102-43/44	Routines for customer satisfaction, including results of customer satisfaction surveys	18, 111, 126	
Embedded environmental respect				
Sustainable use of land				
GRI 3: Material Topics 2021	3-3	Management of material topics	102-103, 105-108, 119	
GRI 304: Biodiversity 2016	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	129	
Land degradation, contamination and remediation	G4-CRE5	Land remediation	107, 129	
Circular production and sound materials				
GRI 3: Material Topics 2021	3-3	Management of material topics	11, 105, 107, 119	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	129	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labelling	102, 104, 108	
Efficient buildings				
GRI 3: Material Topics 2021	3-3	Management of material topics	11, 105, 108, 119	
Energy	G4CRE1	Building energy intensity	130	
Greenhouse gas emissions				
GRI 3: Material Topics 2021	3-3	Management of material topics	11, 16-17, 105-107, 119	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	106, 121	
	305-2	Energy indirect (Scope 2) GHG emissions	106, 121	
	305-3	Other indirect (Scope 3) GHG emissions	106-107, 121	
	305-4	GHG emissions intensity	106, 121	

GRI STANDARD	Disclosure	Name of disclosure	Page reference	Departures and comments
People-centric culture				
Health and safety				
GRI 3: Material Topics 2021	3-3	Management of material topics	16-17, 109-113, 119	
GRI 403: Occupational Health and Safety 2018	403-1 – 7	All mandatory disclosures	109-111	
	403-8	Workers covered by an occupational health and safety management system	109-111, 131-135	
	403-9, 10	Work-related injuries and ill health	131-133	Deviation: For reasons of confidentiality, data for contractors and employees in Germany and Finland pertaining to work-related ill health is not available.
Value-driven workplace				
GRI 3: Material Topics 2021	3-3	Management of material topics	16-17, 109, 112-113, 119	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	135	
GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	112-113	
Passionate Workplace	Own	Commitment and loyalty	112-113	
Diversity and equal opportunity				
GRI 3: Material Topics 2021	3-3	Management of material topics	109, 113, 119	Deviation: The issue of diversity is governed from an internal perspective; information for the entire value chain is absent.
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	113, 136	
Governance for high performance				
Compliance				
GRI 3: Material Topics 2021	3-3	Management of material topics	114-116, 119, 136	
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	104, 115, 136	Information, but not mandatory training for board members.
	205-3	Confirmed incidents of corruption and actions taken	136	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	136	
Responsible supply chain management				
GRI 3: Material Topics 2021	3-3	Management of material topics	116, 119	
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	116	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	116	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	116	
Transparency				
GRI 3: Material Topics 2021	3-3	Management of material topics	116, 119	
	Own	Transparent sustainability reporting	138	

UN Global Compact

Mapping against UN Global Compact		Page
Human Rights		
<i>Principle 1</i>	Businesses should support and respect the protection of internationally proclaimed human rights; and	114–116
<i>Principle 2</i>	make sure they are not complicit in human rights abuses.	103, 114–116
Labour		
<i>Principle 3</i>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	136
<i>Principle 4</i>	the elimination of all forms of forced and compulsory labour;	114–116
<i>Principle 5</i>	the effective abolition of child labour; and	114–116
<i>Principle 6</i>	the elimination of discrimination in respect of employment and occupation.	113, 114–116
Environment		
<i>Principle 7</i>	Businesses should support a precautionary approach to environmental challenges;	105
<i>Principle 8</i>	undertake initiatives to promote greater environmental responsibility; and	105–108
<i>Principle 9</i>	encourage the development and diffusion of environmentally friendly technologies.	105–108
Anti-corruption		
<i>Principle 10</i>	Businesses should work against corruption in all its forms, including extortion and bribery.	114–116

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Bonava AB (publ.) (publ)
corporate identity number 556928-0380

This is a literal translation of the Swedish original report

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2024 on pages 6, 14–26, 41–42, 55–57, 100–143 as outlined below and that it has been prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

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 report. This means that our examination of the statutory sustainability report is substantially different and 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 opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm, 18 March 2025
Öhrlings PricewaterhouseCoopers AB

Patrik Adolfson Authorised Public Accountant Auditor in charge	Linda Andersson Authorised Public Accountant
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Information for the statutory Sustainability Report	Pages
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Other information

Capital structure and financing

Residential development is a capital-intensive business, and in Bonava's balance sheet there are assets in the form of on-going housing projects that require financing. In several of Bonava's markets, most payments are not received until the homes are delivered to customers. This imposes requirements on how we manage the Group's liquidity, financing and financial risks. Bonava's operations are financed in local currency with internal loans from Bonava's Treasury Department as well as project financing in local currency. Bonava's main source of liquidity is cash flow from operating activities and borrowing from external creditors.

The Group's financial risks are regulated by a Finance Policy and are managed centrally. More information about financial risk management can be found in Note 24 for the Group.

Green financing

Bonava has a green financing framework since 2020, which is a further building block in Bonava's ambitious sustainability agenda. Through the framework, Bonava can issue bonds and raise loans using the proceeds to fund sustainable residential development with the aim of promoting positive environmental effects. The green assets have comprised land and projects in Sweden, Finland, the Baltics and Germany to be certified under the Nordic Swan Ecolabel or with a certain energy classification. More information concerning the Green Financing Framework can be found on bonava.com and in the in-depth sustainability information on page 104.

Long-term debt financing

In 2024, all of Bonava's previous loan facilities and bilateral loans were replaced. The new secured loan package consists of a revolving credit facility (RCF) of EUR 265 M, which can be drawn in EUR, SEK and NOK, and two loans of EUR 64 M and EUR 69 M, totalling EUR 398 M. The participating banks are AB Svensk Exportkredit, Danske Bank, Nordea Bank, OP Bank, Skandinaviska Enskilda Banken, Svenska Handelsbanken and Swedbank. The financing package extends until March 2027. The RCF and loans are repaid quarterly, with the first repayment in December 2024.

Corporate bonds

Bonava has a secured green corporate bond outstanding in the amount of SEK 960 M, with a maturity date in March 2027. The nominal amount of the bond was SEK 1,200 M, two repayments were made in 2024. During February 2025, Bonava issued a SEK 960 M secured green bond, which was significantly oversubscribed. The coupon of the new bond is STIBOR +475 bp, and the tenor is 3.5 years. The previous bond, which was more expensive due to a step-up structure, was tendered and called at a price of 102 per cent of the nominal value. The bond is listed on the Nasdaq Sustainable Bond List and initially funds projects under the Nordic Swan Ecolabel.

Project financing

In Sweden and Finland, Bonava sells housing units in the form of tenant-owner associations and housing companies respectively, which are established when the housing projects start. The funding of these projects during the construction period is partly from Bonava and partly in the form of construction loans from banks, wherein the loans are paid out in pace with project development. The tenant-owner associations or housing companies act as borrowers. These loans are consolidated in Bonava's consolidated balance sheet, since Bonava considers itself to have controlling influence over tenant-owner associations and housing companies during the production period. Accordingly, Bonava reports a higher net debt than if these loans were not consolidated. In the Baltics, Bonava owns two self-developed investment properties that are financed with external debt, one of which was financed as of the balance sheet date and the other in January 2025.

Guarantees

Bonava's customers pay advances and for this they demand collateral for the completion of their home, for example, in the form of a bank guarantee. In Germany, for example, customers pay advances for their home in seven instalments. Advance payments provide an advantage for Bonava as some of the construction can be financed with these cash flows.

Apart from surety requirements for advance payments, some markets also require collateral for completion, meaning

Financing as of 31 December 2024

Loan type	Currency	Limit	Maturity date	Interest base	Utilised amount	Unutilised amount
Revolving credit facility (RCF)	EUR M	265	March 2027	Floating	132	133
Loan	EUR M	69	March 2027	Floating	69	0
Loan	EUR M	46	September 2025	Floating	46	0
Corporate bonds	SEK M	960	March 2027	Floating	960	0

The table details Bonava AB's financing framework. In addition to these, there are unutilised contractual credit facilities for projects in Swedish tenant-owner associations and Finnish housing companies.

a guarantee that Bonava will complete the housing projects started. This collateral is provided in the form of a guarantee by banks or credit insurers, thereby creating high demand for credit limits with these counterparties. Collateral can, in certain cases, also take the form of guarantees issued by a Group company.

Seasonal variations affect net debt

Bonava's operations exhibit significant seasonal variations, which is also reflected in its net debt. In the first three quarters of the year, borrowing usually increases due to investments in projects started and many housing units in production. Net debt is normally highest in the third quarter, when homes nearing completion tie up the most capital. In the fourth quarter, many housing units are handed over to customers, which generates cash inflows that are used to reduce net debt. In addition to starting projects and housing units being delivered to customers, Bonava's net debt is also impacted by land acquisitions and divestments. These transactions are not affected by seasonal variations.

The diagrams below illustrate how assets, cash flow and net debt trend between quarters, and the proportion of borrowing comprising project financing.

Specification of net debt	2024	2023
Non-current interest-bearing receivables ¹⁾	591	582
Current interest-bearing receivables ¹⁾	57	108
Cash and cash equivalents ²⁾	575	167
Interest-bearing receivables	1,224	857
Non-current interest-bearing liabilities	2,719	0
Current interest-bearing liabilities	1,021	4,994
Interest-bearing liabilities³⁾	3,739	4,994
Net debt in project financing	393	654
Net debt excl. leases	2,908	4,791
Lease liabilities	160	160
Net debt	3,068	4,951

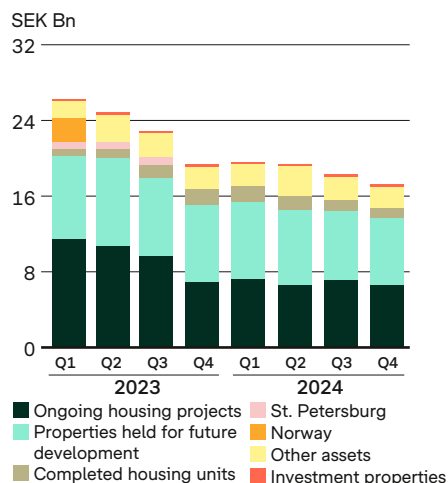
¹⁾ Vendor notes that have been issued to the buyer of the Norwegian operations are included in long-term and current interest-bearing receivables. See further Note 13.

²⁾ Excluding cash on hand for project financing.

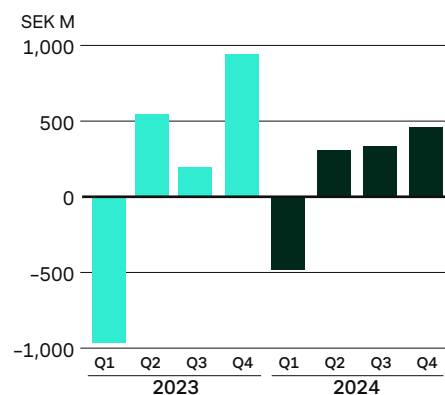
³⁾ Of which SEK 1,998 M (2,889) in green debt. The green asset base pledged consisted of assets in Sweden that are or will be Nordic Swan Eco labelled, as well as specific projects in Finland, the Baltics and Germany with energy efficiency class A or B.

Share of net debt pertaining to project financing	2024	2023
Cash and cash equivalents	18	13
Gross debt	411	667
Net debt in project financing	393	654

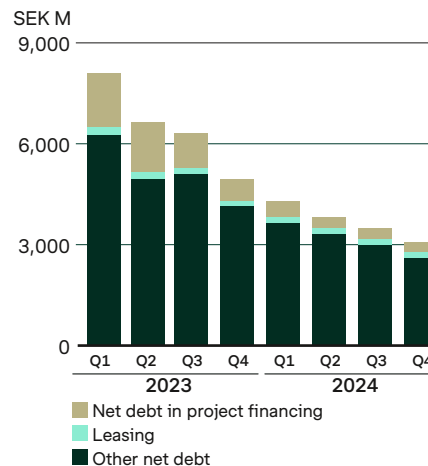
Allocation of assets in the balance sheet



Cash flow before financing activities



Net debt



Strong cash flow from early customer payments in Germany

The point in time when Bonava receives payment for a home differs greatly between our markets. The payment structure when Bonava sells to investors is negotiated between the parties on a transaction-by-transaction basis in all markets.

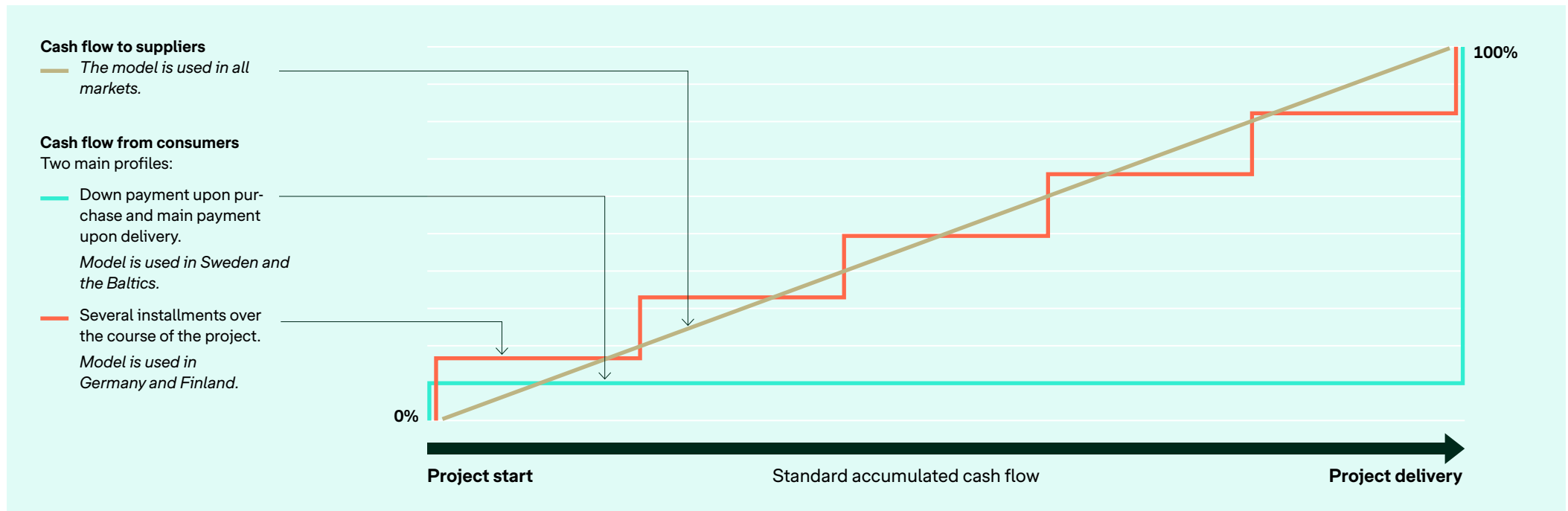
Regulations and traditions vary among Bonava's markets and thus the consumer pays for their home at various points in the process. In Germany, customers make seven instalments under the current regulations, with more than half of the price of the house paid at an early stage.

This means that Bonava's capital employed in projects is low during ongoing production. Finland has a similar payment model, but is adapted to market conditions. In Sweden and the Baltics, customers make a small down payment at the start of the project while

the main payment is made on delivery of the home. This requires a considerably higher level of capital employed during production for operations in Sweden and the Baltics.

Some payments to suppliers are made prior to the start of production, for example for land and architectural services. Payments for material and contractors are made on an ongoing basis during the construction period and may occasionally also continue after delivery to the customer, for example, for putting the finishing touches to outdoor spaces in the neighbourhood.

Cash flow profile for consumer transactions in Bonava's markets



The Bonava share and shareholders

The Bonava share has been listed on Nasdaq Stockholm since 9 June 2016. Since January 2021, the share is included in the Mid Cap segment. Bonava has two share classes, Class A and Class B, which both trade on Nasdaq Stockholm. Each Class A share carries ten votes and each Class B share one vote. Bonava's share capital was SEK 538 M on 31 December 2024, divided among 322,816,756 shares and 594,241,762 votes. Bonava had 30,158,334 Class A shares and 292,658,422 Class B shares. Read more about the share capital performance at bonava.com/en/investor-relations/share.

Owners and ownership structure

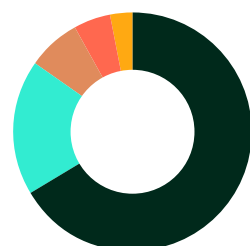
Bonava had approximately 28,260 known shareholders at the end of the year. The largest shareholder, Nordstjernan AB, controlled 49.8 per cent of the votes and 24.7 per cent of the capital. No other

shareholder, directly or indirectly, holds more than 10 per cent of the shares in Bonava (votes or capital). At the end of the year, Swedish institutions and companies owned 50.3 per cent of the capital and 66.6 per cent of the votes. The equivalent figure for foreign owners was 22.7 per cent and 13.2 per cent, respectively.

Progress during the year

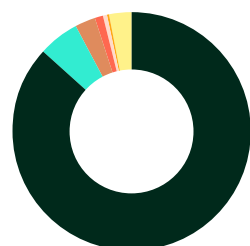
During the year, Bonava's Class B share increased 6.08 per cent, while OMXSPI rose 5.73 per cent during the same period. The closing price on 30 December 2024 was SEK 10.50 per Class A share and SEK 7.94 per Class B share, corresponding to a market capitalisation of SEK 2.6 Bn.

Ownership categories



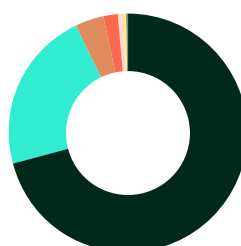
- Swedish institutional owners, 66.6%
- Swedish private individuals, 18.2%
- Foreign institutional owners, 7.2%
- Other, 5.1%
- Anonymous ownership, 2.9%

Ownership by country



- Sweden, 86.8%
- UK, 5.6%
- Norway, 2.6%
- USA, 1.3%
- Finland, 0.6%
- Other countries, 0.2%
- Anonymous ownership, 2.9%

Market share (trading)



- Nasdaq, 71.0%
- Cboe Global Markets, 22.1%
- London Stock Exchange, 3.9%
- Aquis Stock Exchange, 1.9%
- Liquidnet EU Limited Equity MTF, 0.7%
- Boerse Berlin Equiduct Trading, 0.2%
- ITG Posit, 0.1%
- Sigma-X, 0.1%

Largest owners as of 31 December 2024

Largest shareholders	No. of Class A shares	No. of Class B shares	Capital, %	Votes, %
Nordstjernan	24,000,000	55,731,795	24.7	49.8
Fourth Swedish National Pension Fund (Fjärde AP-fonden)	394,386	29,173,822	9.2	5.6
Schroders		22,471,725	7.0	3.8
Nordea Liv & Pension	144	17,583,992	5.5	3.0
Swedbank Robur Fonder		14,737,158	4.6	2.5
Frederik W. Mohn		13,804,849	4.3	2.3
Avanza Pension	89,234	12,074,359	3.8	2.2
Janus Henderson Investors		10,221,405	3.2	1.7
Nordnet Pensionsförsäkring	56,250	6,768,533	2.1	1.2
Dimensional Fund Advisors		4,107,006	1.3	0.7
Subtotal, ten largest shareholders	24,540,014	186,674,644	65.4	72.7
Other	5,618,320	105,983,778	34.6	27.3
Total number of shares	30,158,334	292,658,422	100.0	100.0

Breakdown of owner size as of 31 December 2024

Size range	Owner, number	Owner, %	No. of shares	Capital, %	Votes, %
1-500	16,892	59.8	2,572,741	0.8	1.1
501-1,000	3,919	13.9	2,919,133	0.9	1.1
1,001-10,000	6,312	22.3	19,747,226	6.1	5.7
10,001-1,000,000	1,116	4.0	50,683,086	16.0	13.0
1,000,001-5,000,000	13	0.0	25,395,233	7.9	4.4
5,000,001-	9	0.0	207,107,652	64.2	72.0
Unknown size of holding			14,391,685	4.1	2.9
Total	28,261	100	322,816,756	100	100.0

Share turnover and trading

The average daily turnover for the Class B share for the year was 406,170 shares. Bonava's Class B shares were traded on multiple marketplaces, of which Nasdaq Stockholm represented 71.0 per cent of turnover.

Average daily turnover (no. of shares)	2024
Class A shares	3,984
Class B shares	406,170
Trading in Class B shares	2024
Share turnover, million	101.9
Value of share turnover, as of 31 December	SEK 894.7 M
Average daily turnover	SEK 3.6 M

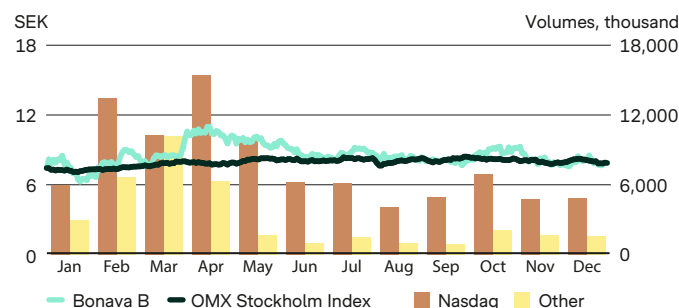
Dividend and dividend policy

Bonava's dividend policy is to annually distribute 40 per cent of profit after tax for the year over time. As part of the new financing package, the possibility of distributing dividends over the next three years will be limited. The Board proposes that no dividend be paid for the 2024 financial year.

Repurchase of own shares

The 2024 AGM resolved that the company will have the right to repurchase Class B shares in the company. During 2024, no Class B shares were repurchased. As of 31 December 2024, there were 1,245,355 Class B shares in treasury.

Bonava B share price and trading volume, 2024



Conversion of shares

Under Bonava's Articles of Association, owners of Class A shares are entitled to conversion to Class B shares. In 2024, a total of 3,136,254 Class A shares were converted to 3,136,254 Class B shares.

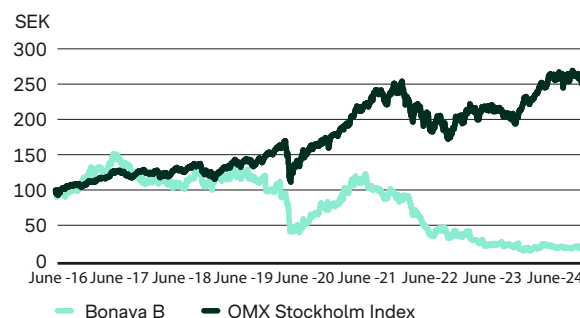
Long-term incentive programmes

During the year, Bonava had three share-based incentive programmes, each of which covers approximately 45 employees. The Board of Directors decided not to introduce a share-based incentive programme for the Executive Management Group and certain key executives for 2024, but intends to propose long-term incentive programmes once again in 2025. The share-based incentive programme adopted at the AGM in 2021 was concluded in 2024. For more information, refer to Note 4 for the Group.

Rights issue

In February 2024, Bonava completed a fully underwritten rights issue which provided approximately SEK 1,050 M before deduction of issuing costs. The issue was oversubscribed by 169.7 per cent. As a result of the rights issue, Bonava's share capital increased by SEK 104,580,931 to SEK 538,324,219. The total number of shares increased by 22,139,706 Class A shares and 192,241,228 Class B shares, to a total of 322,816,756 shares, of which 30,158,334 as Class A shares and 292,658,422 as Class B shares.

Bonava B share price trend 2016–2024



Per share data as of 31 December	2024	2023
Share price, Class A, SEK	10.50	13.25 ¹⁾
Share price, Class B, SEK	7.94	13.13 ¹⁾
High, Class B, SEK	11.00	34.20
Low, Class B, SEK	6.33	10.91
Share price performance, %	6.08 ¹⁾	-55.37
Shareholders' equity per share, SEK	22.36	61.58
Dividend, SEK	0 ²⁾	0
Total return, %	6.08	-55.37
Earnings per share ³⁾ , SEK	-1.85	-10.66
Cash flow from operating activities per share, SEK	2.02	-3.15
P/E ratio	-4.3	-1.23
Weighted average no. of shares	281,131,574	108,435,822
No. of shares on balance sheet date	322,816,756	108,435,822
No. of shareholders	28,261	30,385

¹⁾ The price as of 31 December 2023 when calculating the share price development was adjusted using the conversion factor of 1.7542 to take into account the completed new share issue during the year. The market prices of Class A and B shares on 31 December 2023 were not restated.

²⁾ Based on proposed dividend.

³⁾ Before and after dilution.

Analysts who cover Bonava	Name
ABG Sundal Collier	Fredrik Stensved, Markus Henriksson
Carnegie	Erik Granström, Fredrik Cyon
DNB Markets	Simen Mortensen
Handelsbanken Capital Markets	Johan Edberg, Oscar Lindquist
Nordea Markets	David Flemmich
SEB Equities	Keivan Shirvanpour
Kepler Cheuvreux	Jan Ihrfelt

Quick facts

Marketplace	Nasdaq Stockholm
Segment/sector	Financials/Real estate
Share class	Class A and Class B
No. of shares	322,816,756
Market cap. as of 31 Dec 2024:	SEK 2.6 Bn
ISIN code, Class B share	SE0008091581
ISIN code, Class A share	SE0008091573

Ticker symbols

Nasdaq	BONAV B
Bloomberg	BONAVA:SS
Reuters	BONAVb.ST

Source pages 149–150: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

The Bonava share and shareholders

Five-year overview

Sector related key performance indicators¹⁾

No. of unless otherwise stated	2024	2023	2022	2021	2020
Building rights	25,900	28,900	29,400	28,000	25,800
Of which, building rights off the balance sheet	6,300	8,200	11,350	13,500	10,100
Housing development for consumers					
Housing units sold	1,727	1,242	1,682	3,438	3,086
Sales value of housing units sold, SEK M	6,329	4,795	6,096	11,239	10,805
Housing units started	1,462	1,082	1,428	3,297	3,164
Housing units in ongoing production	2,167	2,153	3,871	5,271	4,615
Sales rate for housing units in ongoing production, %	40	36	51	58	55
Reservation rate for ongoing production, %	5	3	1	4	4
Completion rate for ongoing production, %	53	61	56	43	49
Housing units for sale (ongoing and completed)	1,610	1,875	2,042	2,295	2,434
Housing units recognised in profit	1,630	2,419	2,744	3,002	3,463
Value of sold housing units, not yet recognised in profit, SEK M	4,314	4,363	8,220	11,828	10,419
Housing development for investors					
Housing units sold	573	251	854	1,028	1,678
Sales value of housing units sold, SEK M	1,743	802	2,162	2,863	4,221
Housing units started	573	251	1,085	1,223	1,481
of which investment properties			231	195	
Housing units in ongoing production	1,010	902	2,627	3,363	3,421
of which investment properties			426	195	
Sales rate for housing units in ongoing production, % ²⁾	100	100	100	94	100
Completion rate for ongoing production, % ²⁾	43	45	47	41	37
Housing units recognised in profit	465	1,550	1,625	1,476	1,494
Value of sold housing units, not yet recognised in profit, SEK M	3,242	2,766	5,746	6,510	7,525

¹⁾ Continuing operations. 2022–2020 have been restated.

²⁾ Excluding investment properties.

Financial key performance indicators³⁾

SEK M unless otherwise stated	2024	2023	2022	2021	2020
Return on capital employed, % ^{4) 5)}	-0.3	4.3	6.9	9.6	7.9
Interest coverage ratio, multiple ⁵⁾	0.1	-1.1	4.4	7.7	8.3
Equity/assets ratio, %	41.7	34.6	31.2	35.1	34.6
Interest-bearing liabilities/total assets, %	25.0	30.5	29.6	18.9	20.6
Net debt	3,068	4,951	7,259	3,313	3,311
Net debt excl. project financing	2,675	4,297	5,802	2,121	2,061
Net debt/equity ratio, multiple	0.4	0.8	0.9	0.4	0.4
Capital employed at end of period	11,499	12,422	15,568	12,794	12,641
Capital employed, average	12,394	14,707	14,816	12,677	13,953
Capital turnover rate, multiple ⁵⁾	0.7	0.9	1.1	1.3	1.2
Share of risk-bearing capital, %	41.9	34.7	31.4	35.6	35.2
Average interest rate at end of period, % ⁶⁾	7.58	7.07	4.03	2.38	2.18
Average fixed-rate term, years ⁶⁾	0.2	0.1	0.2	0.2	0.1
Average interest rate at end of period, % ⁷⁾	4.41	5.58	3.70	1.65	1.50
Average fixed-rate term, years ⁷⁾	0.5	0.4	0.3	0.2	0.3
Per share data					
Profit/loss after tax, SEK ⁸⁾	-1.85	-10.66	4.10	6.64	4.92
Cash flow from operating activities, SEK	2.02	-3.15	-30.25	6.71	35.30
Dividend, SEK ⁹⁾				3.50	5.25
Shareholders' equity, SEK	22.36	61.58	74.49	77.64	73.77
Average number of shares, million	279.9	107.2	107.2	107.2	107.4
No. of shares at end of period, million	321.6	107.2	107.2	107.2	107.4

³⁾ Including discontinued operations up until divestment. 2022–2020 have been restated.

⁴⁾ Before items affecting comparability. For a description of items affecting comparability, refer to Notes 1 and 25.

⁵⁾ Calculations are made on the basis of a 12-month average.

⁶⁾ Excluding loans for project financing and leases. For more information, refer to "Construction finance for tenant-owner associations and housing companies" under "Capital structure and financing".

⁷⁾ Pertains to loans for project financing. For more information, refer to "Construction finance for tenant-owner associations and housing companies" under "Capital structure and financing".

⁸⁾ Excluding discontinued operations.

⁹⁾ Dividend 2024 refers to the Board's proposal to the AGM.

Definitions

Bonava uses measurements including the following alternative performance indicators: return on capital employed, net debt and equity/assets ratio. The Group considers that these key performance indicators provide complementary information to readers of its financial reports that contributes to assessing the Group's capacity to pay dividends, make strategic investments, meet its financial commitments and to evaluate its profitability.

Financial key performance indicators

Share of risk-bearing capital

Total shareholders' equity and deferred tax liabilities as a percentage of total assets.

Return on shareholders' equity

Profit after tax as a percentage of average shareholders' equity.

Return on capital employed

Profit after financial items (excluding items affecting comparability) on a rolling 12-month basis following the reversal of interest expense as a percentage of average capital employed.

Total assets

Total assets or liabilities and shareholders' equity.

Gross margin

Gross profit as a percentage of net sales.

Dividend yield

The dividend as a percentage of the market price at year-end.

EBITDA

EBIT before net financial items, tax and depreciation.

Average interest rate

Nominal interest rate weighted by interest-bearing liabilities outstanding on the balance sheet date.

Average fixed-rate term

The remaining fixed-rate term weighted by interest-bearing liabilities outstanding.

Average shareholders' equity

Average reported shareholders' equity as of the last five quarters.

Average capital employed

Average capital employed as of the five last quarters.

Items affecting comparability

Material one-off items in operating profit, the profit effect of which is important to note when the financial performance for the period is compared with earlier periods.

Capital turnover rate

Net sales on a rolling 12-month basis divided by average capital employed.

Production costs

Costs incurred for land, development expenses for architects and other contractor-related costs, utility connection fees and building construction.

Net project asset value

The carrying amount of ongoing housing projects, completed housing units and investment properties less customer advances.

Net project asset value in relation to Net debt

Current period relation between Net project asset value versus Net debt excluding leasing.

Net debt

Interest-bearing liabilities, lease liabilities and provisions less interest-bearing assets including cash and cash equivalents.

Net debt/equity ratio

Net debt divided by shareholders' equity.

Operating gross profit and operating EBIT

The earnings that form the basis of the monitoring of each segment in the Group. The operating EBIT corresponds to EBIT before items affecting comparability adjusted for impairment, sales of land, items related to restructuring and cost for M&A.

Operating gross margin and operating EBIT margin

Operating gross profit and operating EBIT as a percentage of net sales.

Operating cash flow

EBITDA adjusted for net investments in fixed assets, properties held for future development, ongoing housing projects and completed housing units as well as changes in working capital, excluding corrections for non-cash items.

Project financing

Loans raised in Swedish tenant-owner associations and Finnish housing companies, as well as debt that directly finances investment properties.

Earnings per share

Net profit/loss for the period divided by the weighted average number of shares in the year.

Earnings per share adjusted for items affecting comparability

Net profit/loss for the period before items affecting comparability divided by the weighted average number of shares in the year.

Interest-bearing liabilities/Total assets

Interest-bearing liabilities divided by total assets.

Interest coverage ratio

Profit/loss after financial items plus financial expenses divided by financial expenses, calculated on a rolling 12-month basis.

EBIT margin

EBIT as a percentage of net sales.

Equity/assets ratio

Shareholders' equity as a percentage of total assets.

Capital employed

Total assets less non-interest bearing liabilities including deferred tax liabilities.

Total return

Total of the change in the share price during the year and paid dividends in relation to the share price at the beginning of the year.

Sector-related definitions

Housing units in ongoing production

Refers to the period from production start to completion of a building. A housing unit is considered complete on receipt of inspection documentation.

Housing units for sale

Refers to the number of units, in ongoing production or completed, that are available for sale.

Production start

The time when Bonava starts production of a building. At this time, capitalised expenditure for

land and development expenses is transferred to ongoing housing projects.

Properties held for future development

Refers to Bonava's holdings of land and building rights for future residential development and capitalised property development costs.

Completion rate

Recognised expenses in relation to the calculated total costs of ongoing housing projects.

Completed housing units

Refers to housing units for which inspection documents have been received, but the unit has not yet been sold, or units that have been sold but not handed over to the customer.

Sales rate for housing units in ongoing production

Number of housing units sold in production in relation to the total number of housing units in production.

Sales value of housing units sold

Sales value of housing units sold for which binding sales agreements have been signed with the customer and production of the housing unit has commenced.

Number of housing units recognised in profit

Number of housing units sold that have been occupied by the purchaser. Once the purchaser has taken over occupancy, the purchase consideration is recognised as net sales, and expenses incurred for the housing unit are recognised as production costs.

Reservation rate

Number of reserved housing units in production in relation to the total number of housing units in production.

Housing units sold

Number of housing units for which binding sales agreements have been signed with the customer and production of the housing unit has started.

Information to shareholders

2025 Annual General Meeting

The Annual General Meeting (AGM) of Bonava AB (publ) will be held on Wednesday, 9 April 2025 in Stockholm, Sweden. All meeting documentation is available at bonava.com/en/general-meeting/annual-general-meeting-2025

Participation

Shareholders wishing to participate in the AGM must:

- be included in the share register kept by Euroclear Sweden AB by no later than Tuesday, 1 April 2025,
- notify the company of their intention to participate by no later than Thursday, 3 April 2025.

Registration

Registration can be completed:

On Bonava's website,
bonava.com/en/general-meeting/annual-general-meeting-2025

By telephone to Euroclear:
+46 (0)8 402 92 26 on weekdays between 9:00 a.m. and 4:00 p.m.

By post to the following address:
Bonava AB, c/o Euroclear Sweden AB
Box 191, SE-101 23 Stockholm, Sweden

Nominee-registered holdings

Shareholders whose shares are nominee-registered must temporarily re-register their shares in their own name with Euroclear Sweden AB in order to be entitled to participate in the Meeting. The shareholders' register as of the record date on 1 April 2025 will include voting registrations made no later than 3 April 2025. Therefore, shareholders should inform their nominees well in advance of this date.

Proposed dividend

The Board of Directors proposes that no dividend be paid for 2024 financial year.

Financial calendar

2025 Annual General Meeting	9 April 2025
Interim Report Q1 Jan–Mar 2025	9 May 2025
Interim Report Q2 Jan–Jun 2025	18 July 2025
Interim Report Q3 Jan–Sep 2025	24 October 2025
Year-end Report Jan–Dec 2025	29 January 2026

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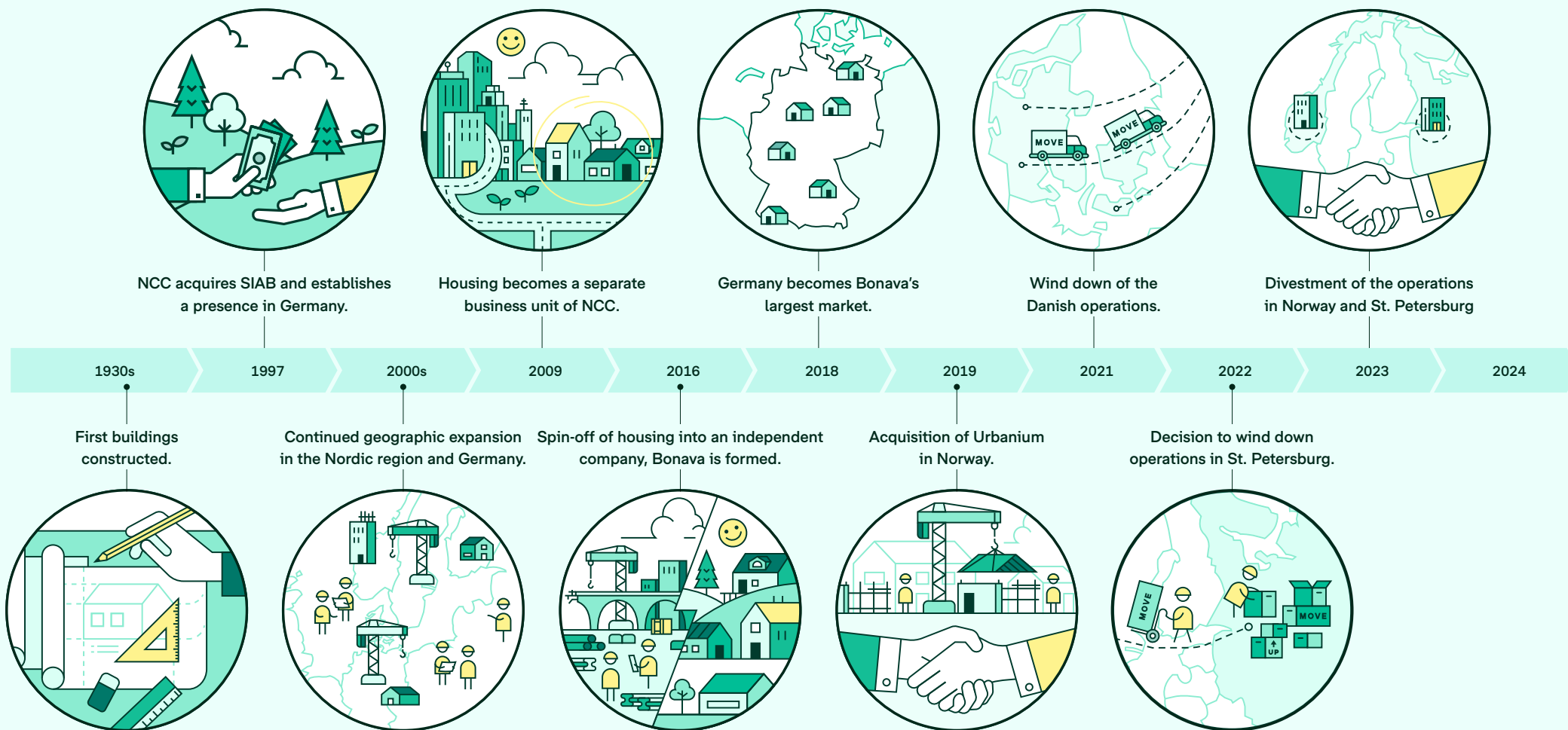
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We have a long history of creating homes and neighbourhoods



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