

NYFOSA

Green Finance Framework

Investor Report

Jan 1, 2024 – Mar 31, 2025

1. Introduction

About Nyfosa

Nyfosa is a transaction-intensive real estate company that creates value by building sustainable cash flows and constantly evaluating new business opportunities. With our opportunistic strategy, we invest in properties in different geographies and categories. We are currently active on the Swedish, Finnish and Norwegian markets with a focus on commercial properties in high-growth municipalities. We manage and develop our properties in close collaboration with tenants and the surrounding community, with the perspective that sustainability and profitability go hand in hand.



Office properties Mattilanniemi 6–8 in Jyväskylä.



Sustainability

Through its sustainability efforts, Nyfosa is to drive the transition to a sustainable society. This means building resilient operations with a lower climate impact and reinforcing Nyfosa's position as a responsible and attractive employer and partner. The company thus helps create value for its stakeholders, society and the environment.

Even with a constantly changing property portfolio, it is possible to engage in long-term sustainability efforts. With clear targets and great dedication, Nyfosa assumes responsibility for contributing both to a sustainable future and to sustained profitability.

Reducing the adverse climate impact of operations and the value chain requires taking a long-term perspective that can be used in the transaction-based operations. The properties are managed based on such a perspective. The company and its employees shoulder responsibility as landlord, employer,

business partner, lender and manager of our shareholders' assets by taking a range of measures, which include following the Ten Principles of the UN Global Compact for corporate sustainability. Since it started operating in 2018, Nyfosa has maintained a strong focus on growth. In view of the company's relatively short history, important steps have been taken to establish sustainability efforts that work well in the growth-focused business.

The work continues on building operations to reduce climate impact and strengthen Nyfosa's position as a responsible and attractive employer and partner. This lays the foundations for strong, healthy growth and profitability as the company advances further toward achieving its set goals.

The point of contact for the company's Sustainability Report is Ann-Sofie Lindroth, CFO.

Transition strategy

Nyfosa's transition strategy aims to achieve the transition required to reduce adverse environmental impacts and create value both for society and for the company's stakeholders. The strategy includes steering the operations, processes and systems toward more environmentally friendly and resource-efficient options for running the properties, to ensure fairness and equality throughout the value chain and to offer all employees the chance to develop, as well as ensuring their well-being. The strategy contributes toward achieving the UN Sustainable Development Goals.

Properties

Energy efficiency

Reduce energy consumption and optimize energy efficiency, supported by technical systems and installations. Implement and prioritize renewable energy sources where possible.

Sustainable investments

Encourage initiatives to reuse materials and installations wherever possible. Use environmentally friendly and sustainable materials with a low carbon footprint in modifications and renovations.

Waste management and circular economy

Promote a circular economy by working with tenants and contractors to reduce waste and increase reuse, for example, by enabling fixtures and fittings and building materials to be reused,

and making efficient waste management solutions available in the buildings.

Transportation and accessibility

Support sustainable transportation options for employees and visitors by providing bicycle parking areas and electric vehicle charging stations. Work to reduce carbon emissions from transportation linked to the operations.

Biodiversity

Support the preservation of existing areas of grassland and the development of new such areas on properties to make space for pollinators. Provide rooftop or ground space for beekeeping.



Business conduct

Fair and responsible business

Ensure transparency and accountability in all business transactions. Work to counteract corruption and unethical business practices, as well as promoting fair and equal business relationships throughout the value chain.

Employees

An attractive, gender-equal workplace

Establish a safe and healthy work environment that prioritizes employee well-being, equality and development opportunities, and encourage a good work-life balance.



Contribution to achieving the UN SDGs



Above: industrial property Danmarks Kumla 8:13 in Uppsala.
Below: Office property Ohjelmakaari 2 in Jyväskylä.

Property management

– With sustainability add value to the portfolio

Nyfosa's property management creates value by developing and adding value to a property portfolio, both big and small. The starting point is to optimize every property, satisfy the needs of the tenants and reduce the operation's climate impact.

Property management is conducted in cooperation between Nyfosa's local organization, the central functions, and in close dialogue with tenants, society and other stakeholders. Property management focuses on ensuring tenant satisfaction, creating resource-efficient buildings and making informed choices in the buildings.

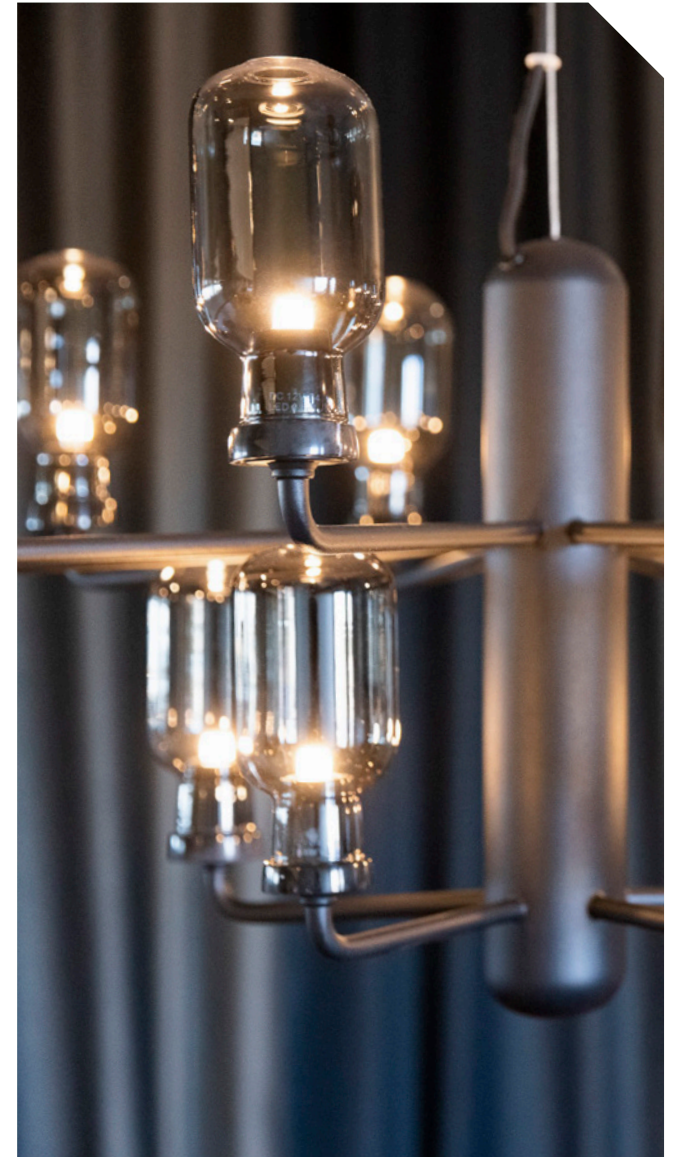
Technical management

Nyfosa works actively to integrate more sustainable solutions in and around the buildings based on the sustainability targets. These measures optimize the energy consumption of the buildings and successively improve their standard and surroundings. This can be achieved by investing in digital control systems that allow monitoring of heating, cooling and ventilation. Through the installation of new technical solutions and active control of existing installations, energy use decreases, which leads to lower operating expenses and reduced climate impact. Furthermore, the installation of solar panel facilities and geothermal heating can help ensure more efficient and sustainable operations.

Value-creating investments

The property portfolio offers many different development opportunities that are evaluated continuously, from minor investments to developing zoning plans. It is usually a matter of creating more modern and functional areas in conjunction with tenants moving in, or modifying the premises to meet their needs. An investment often generates a lease with a longer lease term and higher rent levels.

Each building is analyzed to identify how it can be developed through conversion and extensions or change of use. The transaction-based business model does not influence an investment decision in management of the portfolio. All property management decisions are made from a long-term perspective, regardless of whether the property may be divested. When investments take place, an evaluation is made of the choice of materials and the possibility of reusing materials no longer required in the premises, such as building materials, and fixtures and fittings.



Sustainability targets and outcome

Since 2020, the company has been working towards two external sustainability targets: sustainability certifications and streamlined consumption. In addition, the company has worked to minimize carbon emissions from its operations. The targets and aspirations aim to ensure a concerted effort is made to reduce the climate footprint, as well as to guide stakeholders in the company's key focus areas. The Board has revised the targets for 2025, replacing

sustainability certification of buildings with efforts focusing on drafting an action plan to improve the energy performance of the portfolio. In addition, the ambition to minimize carbon emissions from operations evolved into conducting a Scope 3 screening in 2025 to establish a base year for carbon emissions. The energy efficiency target remains unchanged. The outcome for the new targets is reported from 2025 onwards.

Sustainability certification target

By 2025, properties corresponding to 50 percent of the property value will have sustainability certification and 100 percent by 2030.



Outcome 2024

96 properties with a value of SEK 15.5 billion had sustainability certification, corresponding to 39 percent of the total property value.

Target streamlined consumption

By 2025, energy consumption per sqm will be reduced by 10 percent compared with 2020.



Outcome 2024

The outcome at Nyfosa Sweden amounted to 107.1 kWh per sqm, which is a reduction of 9 percent compared with the baseline established in 2020. The outcome at Kielo amounted to 172.0 kWh per sqm, which is a reduction of 4 percent compared with the baseline of 180 kWh per sqm established in 2023. For Bratsberg, the outcome in 2024 of 71.5 kWh per sqm is the baseline.

Target carbon emissions

Nyfosa will act to minimize the operation's carbon emissions.

In 2025, Scope 3 screening will be conducted to establish a base year for carbon emissions.



Outcome 2024

Carbon emissions for 2024 at Nyfosa Sweden and Kielo amounted to 9,799 tons CO₂, corresponding to a 9-percent decrease compared with 2023. Bratsberg's carbon emissions are reported from 2025 onwards.

Base year for Scope 3 carbon emissions is reported from 2025 onwards.

Target energy performance

In 2025, an action plan will be produced to improve the energy performance, according to the energy declaration, of the property portfolio.



The action plan is reported from 2025 onwards.

Environmental initiative

Grassland areas promoting bio diversity



During the year, meadows were planted at a number of the company's properties, the aim being to promote biodiversity. The grassland areas create a natural flora in which species already established there can continue to live and develop in their natural environment. Creating grassland areas means, for example, that the grass is not cut regularly as before; instead, the vegetation growing there is cut once per season.

At the Regnvinden 14 property in Karlstad, situated next to Lake Vänern, several grassland areas were planted, hoping that they will have a positive impact on the area's flora and fauna.

Identifying and creating additional suitable areas will continue to form part of regular property management procedures when new properties are acquired, or when existing properties in the portfolio are reviewed as a result of remodeling or other modifications.

Environmental initiative

Renewable energy in Kielo and greater percentage in Nyfosa Sweden



During the year, renewable district heating was procured for Kielo's entire property portfolio, which is expected to have a major impact on the Finnish portfolio's carbon emissions, with an estimated reduction of 55 percent per the current level.

In the Swedish property portfolio, the percentage of renewable district heating procured increased. Of the total energy purchased by Nyfosa Sweden and Kielo in 2024, 68 percent came from renewable energy sources.

The renewable district heating has an EPD (Environmental Product Declaration), which describes the environmental impact of heat production throughout the lifecycle, or the Bra Miljöval (Good Environmental Choice) label in accordance with the Swedish Society for Nature Conservation's environmental requirements.

ENERGY CONSUMPTION, GWh	Sweden ¹⁾		Kielo ¹⁾		Nyfosa ²⁾				
	2024	2023	2024	2023	2024	2023	2022	2021	2020
Electricity	80	82	35	34	115	117	118	52	48
District heating	113	127	50	56	163	182	158	81	82
District cooling	5	5	-	-	5	5	6	3.3	3
Gas	-	-	-	-	-	-	-	-	-
Total energy consumption, GWh	198	214	85	90	283	304	281	137	133
Energy consumption per sqm, kWh	107.1	107.6	172.0	180.0	121.0	122.8	110.9	115.5	117.6
Solar panels, installed output on balance-sheet date, MW	4	2	0	-	4	3	2	2	N/A.
CARBON EMISSIONS, tons CO ₂	Sweden		Kielo		Nyfosa ²⁾				
	2024	2023	2024	2023	2024	2023	2022	2021	2020
Scope 1									
Passenger transportation	19	40	-	-	19	40	43	29	112
Fossil fuels	0	75	362	320	362	395	258	0	5
Coolants	172	169	224	241	396	410	221	118	-
Total	191	284	586	561	777	845	522	118	117
Scope 2									
Heating	5,875	4,160	267	4,503	6,142	8,663	7,912	6,573	4,700
Cooling	100	108	-	-	100	108	1,165	161	50
Electricity	-	-	-	-	-	-	-	1,596	-
Total	5,975	4,268	267	4,503	6,242	8,771	9,077	8,330	4,750
Scope 3									
Electricity	650	649	381	540	1,031	1,189	4,004	712	538
Business travel	6	8	-	-	6	8	5	3	3
Heating	-	-	1,743	-	1,743	-	-	-	-
Total	656	657	2,124	540	2,780	1,197	4,009	715	541
Total	6,822	5,209	2,977	5,604	9,799	10,813	13,608	9,163	5,408
ENERGY PERFORMANCE, Dec 31	Sweden		Kielo		Nyfosa ¹⁾				
	2024	2023	2024	2023	2024	2023	2022	2021	2020
Energy class A or top 15 percent most energy-efficient buildings of the national stock, MSEK	6,909	6,824	250	198	7,159	7,021	N/A.	N/A.	N/A.
Percentage of total property value with energy declaration requirements, %	24	23	3	3	19	18	N/A.	N/A.	N/A.

1) The reduction is calculated on the like-for-like property portfolio, which are properties that each segment managed for the last 12 months.

2) Energy and water consumption, energy performance and carbon emissions in Bratsberg are included in key figures as of January 1, 2025.

Source, energy consumption: Mestro

2. Green Finance Framework

Nyfosa adopted its original Green Finance Framework in April 2021 in order to enable Nyfosa access to sustainable funding sources, align investments with environmental objectives, and demonstrate an approach to managing and reporting on eligible projects. The current version of the Framework, updated in April 2024, aligns with prevailing market best practices. It continues to support Nyfosa's sustainability strategy by enabling ongoing investments in green and energy-efficient buildings. The Framework consists of the core components of the Green Loan Principles and the Green Bond Principles: Use of proceeds, Process for project selection and evaluation, Management of proceeds and Reporting. The Framework is available on

Nyfosa's website: <https://nyfosa.se/en/about-nyfosa/sustainability/framework-for-green-financing/>.

This report aims to disclose the environmental impact of the Eligible Projects financed under Nyfosa's Green Finance Framework, as well as Nyfosa's financing share of each project. As Nyfosa can finance large and small Eligible Projects in the same project category, investor reporting will, to some extent, be aggregated.

Second Party Opinion

To confirm the robustness and alignment of Nyfosa's Green Finance Framework with ICMA GBP and LMA/LSTA/ APLMA

GLP, it has been verified and approved by an external second party opinion provider. The second party opinion by ISS Corporate Solutions is available on Nyfosa's website: <https://nyfosa.se/en/about-nyfosa/sustainability/framework-for-green-financing/>.

External Review

An external independent assurance provider has reviewed Nyfosa's selection process for the financing of Eligible Projects and the allocation of the proceeds of any Green Financing raised and that such processes and allocations are in accordance with the Nyfosa Green Financing Framework.



Office properties Mattilanniemi 6–8 in Jyväskylä.

3. Reporting

Any net proceeds from Nyfosa's Green Finance Instruments shall be used to finance or re-finance, in whole or in part, a portfolio of assets ("Eligible Projects"). The proceeds raised under the Framework can be applied to financing new assets, acquisitions, projects and to refinance existing projects.

Green capital issued under the Framework consists of MSEK 1,350 green senior unsecured bonds maturing in April 2026 and in April 2028. They are admitted to trading on Nasdaq Stockholm. The majority of these, MSEK 850, was issued in April 2023. The remaining MSEK 500 was issued in September 2024. As of March 2025, the entire amount has been allocated in accordance with the Framework. Nyfosa commits to, on a best-effort basis, allocate the net proceeds from the Green Finance Instruments to Eligible Projects within 18 months from the arrangement date of the instruments.

Allocation to eligible assets

This investor report is based on the most recently established valuation of the company's properties as they were reported in

the balance sheet as of March 31, 2025. Changes in property value and allocated amount from the first allocation opportunity can have effect both up and down, based on the most recently established value. It does not necessarily have to be linked to an improvement or deterioration of the property's fulfillment of the conditions for green financing.

In the event that energy certificates are issued on one or more, but not all, buildings on a property, the property value is weighted on the basis of the buildings' share of the total A-temp area¹⁾.

On March 31, 2025, a bond payment of MSEK 1,350 had been allocated to six properties with an aggregated market value of MSEK 1,487. The allocation compared to the previous Investor Report has decreased from MSEK 1,600, i.e. by MSEK 250. The reduction is solely due to a lower outstanding amount in the bond market. All allocations have been made in the category of Green Buildings. Consequently, as of the reporting date, Nyfosa has no additional dedicated funds to allocate.

1) A-temp refers to heated area in the buildings.

Allocation	%	MSEK
March 31, 2025		
Aggregated amount of green financing instruments issued ¹⁾	-	1,350
Proceeds used for re-financing	100	-
Unallocated proceeds	0	-

1) All allocations have been made in the category of Green Buildings.

Impact reporting

Eligible Projects aim to enable climate change mitigation as well as provide distinct environmental benefits and comply with criteria outlined in Nyfosas Green Financial Framework. The table on page 10 presents impact indicators according to the criteria outlined in the Framework.

Allocation report

Property	Property category	Region	Financing or refinancing	Completed	MSEK ¹⁾		
					Market value	Allocation of Green bond	Change in allocation
Nedre Gruvriset 33:278	Logistics/Warehouse	Falun, Sweden	Refinancing	2024	339	339	-33
Riksdalern 3	Retail	Karlstad, Sweden	Refinancing	2024	107	107	107
Mattilanniemi 6&8	Office	Jyväskylä, Finland	Refinancing	2019	473	473	-69
Ohjelmakaari 2&10	Office	Jyväskylä, Finland	Refinancing	2019	266	266	-40
Rydaslätt 1	Logistics/Warehouse	Borås, Sweden	Refinancing	2024	140	140	140
Barkassen 9	Office	Karlstad, Sweden	Refinancing	2024	162	25	-85
Björnen 7	Retail	Karlstad, Sweden	N/A	N/A	N/A	0	-76
Gjutformen 1 ³⁾	Logistics/Warehouse	Huddinge, Sweden	N/A	N/A	N/A	0	-83
Bladbaggen 1 ³⁾	Retail	Västerås, Sweden	N/A	N/A	N/A	0	-111
Subtotal²⁾, allocated					1,487	1,350	-250
Dedicated account, unallocated funds						0	
Total						1,350	

1) EUR/SEK March 31, 2025: 10.849.

2) All allocations have been made in the category of Green Buildings.

3) Properties divested since report 2022.

Impact report

Property	Property category	Region	Certification	Level	Energy Classification	Primary energy use (KWh) ¹⁾	Energy saved per sqm (kWh/sqm)	Annual greenhouse gas emissions reduced (CO2e kg/sqm)
Nedre Gruvriset 33:278	Logistics/Warehouse	Falun, Sweden	BREEAM	Good	A	24	12	0
Riksdalern 3	Retail	Karlstad, Sweden	BREEAM	Pass	E	102	74	2,4
Mattilanniemi 6&8	Office	Jyväskylä, Finland	BREEAM	Very good	B, C	120, 134	N/A	N/A
Ohjelmakaari 2&10	Office	Jyväskylä, Finland	BREEAM	Very good	B	120	N/A	N/A
Rydaslätt 1	Logistics/Warehouse	Borås, Sweden	BREEAM	N/A	C	53	18	1,4
Barkassen 9	Office	Karlstad, Sweden	BREEAM	Very good	A	59	N/A	2,3

1) Primary energy value: Refers to primary energy value in kWh/sq.m/year, weighted by Atemp in cases where the property includes buildings with different energy performance certificates.

Sustainable energy upgrade at Riksdalern 3

In the Riksdalern 3 property in Karlstad, Nyfosa has carried out a major energy efficiency project between 2022–2024 that has generated annual energy savings of approximately 500,000 kWh – equivalent to around 40 percent.

A key component of the project was the installation of a rooftop solar panel facility with a capacity of 317 kWp, now operational and supplying renewable energy directly to the building with an estimated energy production of 250,000 kWh per year. In addition, the ventilation system was optimized and equipped with updated control and regulation technology to increase operational efficiency and comfort levels.

In total, the project has generated savings of about 16 tonnes CO₂ emissions annually, corresponding to a reduction of approximately 80 percent.



Retail property Riksdalern 3 in Karlstad

Circular use of materials at Barkassen 9

In preparation for a recent conversion and modification of the Barkassen 9 property in Karlstad, Nyfosa, in close collaboration with Region Värmland, conducted a reuse inventory aimed at identifying opportunities to retain and repurpose as much existing building material and installations as possible.

A substantial amount of material was successfully reused within the premises being upgraded and technical installations were salvaged for use in other parts of the property that underwent renovation at the same time.

The reuse efforts resulted in estimated carbon emission savings of approximately 3,700 kg of CO₂, contributing to the project's reduced environmental footprint.

As part of the ongoing green transition, the property was also equipped with electric vehicle chargers, supporting more sustainable transport solutions and improved accessibility for tenants and visitors with electric vehicles.

The project, which involves converting Barkassen 9 into a new healthcare center, is progressing toward completion, with occupancy scheduled for summer 2025 under a 15-year lease agreement.



Office property Barkassen 9 in Karlstad

Auditor's limited assurance report on Nyfosa's Investor Report

To Nyfosa AB, corp. ID 559131-0833

Introduction

We have been engaged by the Management of Nyfosa AB ("Nyfosa") to undertake a limited assurance engagement of Nyfosa's Investor Report for the period 2024-01-01—2025-03-31.

The scope of our work was limited to assurance on the total amount of green bonds issued by Nyfosa until March 31, 2025, as well as information regarding eligible assets and projects and their respective allocation of investments presented on pages 9-10 of the report.

Responsibilities of the Management for the Investor Report

The Management are responsible for the preparation of the Investor Report in accordance with the applicable criteria, which are the parts of Nyfosa's Green Finance Framework (version April 2024) applicable to the Investor Report. This responsibility also includes the internal control relevant to the preparation of a Investor Report that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the Investor Report based on the limited assurance procedures we have performed. Our assignment is limited to the historical information that is presented and does not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information.

A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Investor Report and applying analytical and other limited assurance procedures. A limited assurance engagement 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.

The firm applies ISQM 1 (International Standard on Quality Management) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. We are independent of Nyfosa in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Management as described above. We consider these criteria suitable for the preparation of the Investor Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusions below.

Conclusion

Based on the limited assurance procedures performed of the total amount of green bonds issued by Nyfosa until March 31, 2025, as well as information regarding eligible assets and projects and their respective allocation of investments, nothing has come to our attention that causes us to believe that the Investor Report is not prepared, in all material respects, in accordance with the criteria defined by the Management.

Stockholm, date according to the electronic signature

KPMG AB

Marc Karlsson
*Authorized Public
Accountant*

Torbjörn Westman
Expert Member of FAR

A dark, textured background consisting of a brick wall. The bricks are dark brown and arranged in a traditional pattern. The lighting is slightly brighter in the center, creating a subtle gradient.

NYFOSA

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