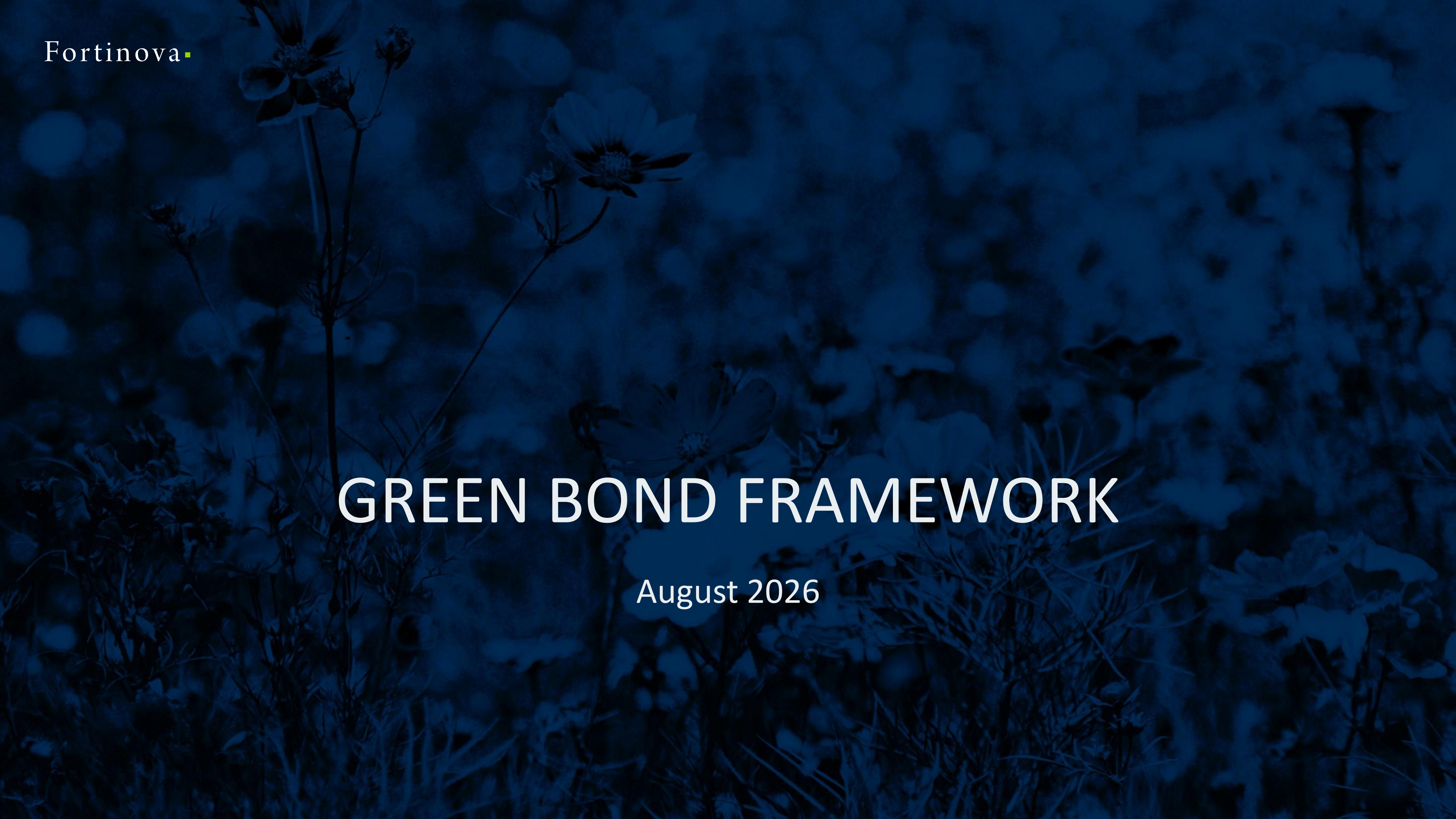

Fortinova

GREEN BOND FRAMEWORK

August 2026

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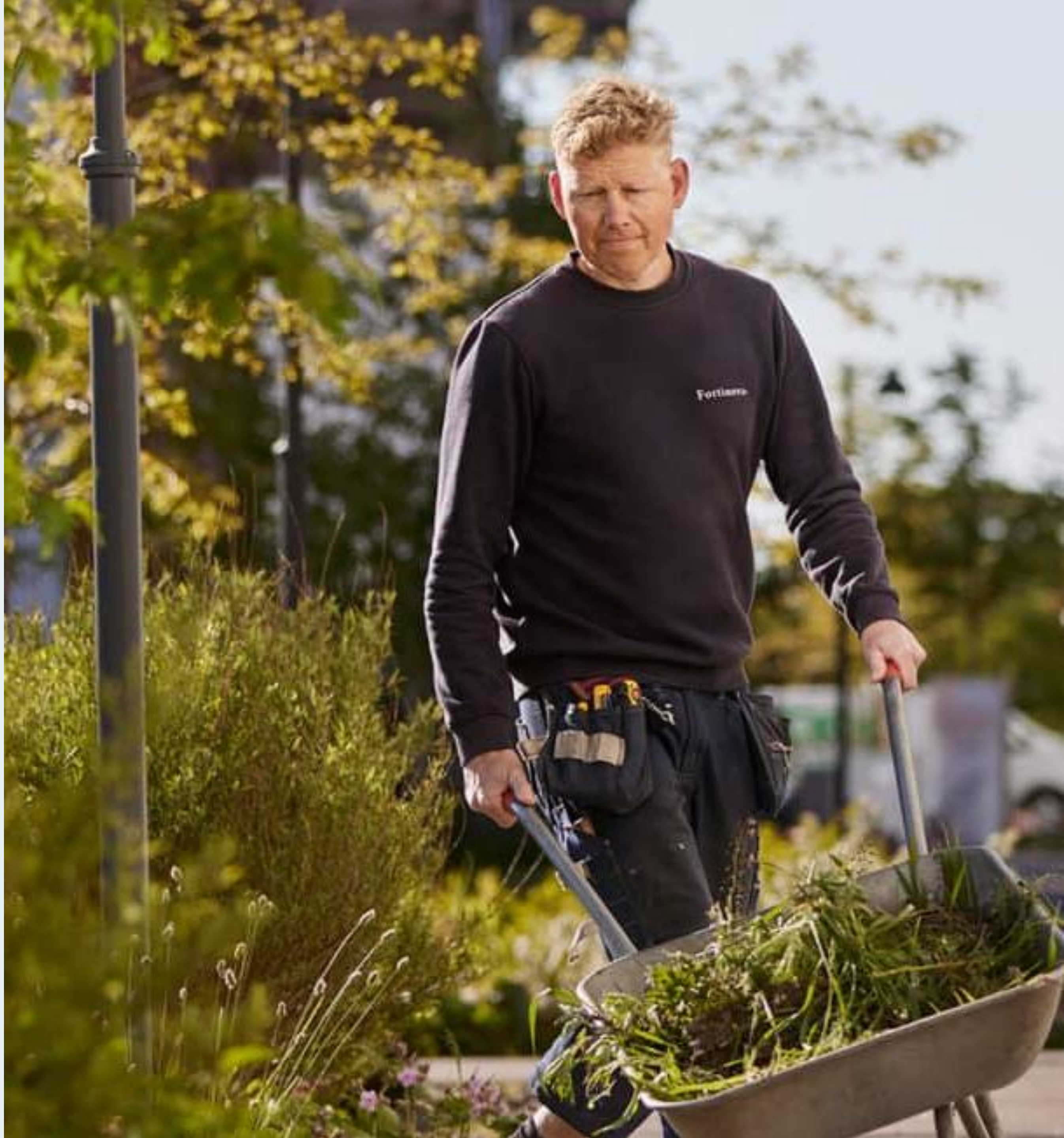

1 INTRODUCTION

Fortinova ("we", the "Company") is a residential real estate company headquartered in Varberg, focused on acquiring, developing, and long-term managing rental properties in high-growth regions. Fortinova's portfolio primarily consists of residential properties, complemented by commercial and community buildings.

Company's strategy revolves around four pillars: acquisitions, development, project development, and self-managed property operations. Fortinova prioritize properties with proven positive cash flows and aim for a 60% share of residential assets over time. The company's local presence is a key competitive advantage - Fortinova's employees work closely with tenants and municipalities, allowing early detection of risks and opportunities and strengthening customer satisfaction.

The geographic footprint includes major cities (e.g., Gothenburg, Borås, Uddevalla) and growing smaller towns. Fortinova is as a long-term societal stakeholder, providing attractive and secure housing solutions in these expanding regions.

Fortinovas environmental sustainability targets focus on reducing climate impact, improving energy efficiency and strengthening the quality of the property portfolio.

- Reduce Scope 1 CO_2 emissions by 50% by 2030
- 2% annual energy savings
- 2% annual water savings
- Maximum 5% of the property portfolio will have F-G energy performance
- Achieve an average energy consumtion level of 65 kWh/sqm/year

1.1 SUSTAINABILITY AT FORTINOVA

Sustainability is integrated throughout Fortinova's business model, combining environmental, social, and economic responsibility. The company aims to offer healthy homes at fair rental levels while ensuring responsible resource use. Annual climate accounts have been produced since 2022 to track emissions and guide reduction strategies. Ongoing work in 2024 focused on adapting operations to CSRD requirements, including refining the double materiality assessment.

Environmental work emphasizes energy efficiency, responsible material choices, and climate-smart property management. Fortinova is systematically mapping its property portfolio to identify both short- and long-term sustainability actions. Measures include energy-optimizing systems, installation of smart monitoring technologies, and close collaboration with tenants.

On the social side, Fortinova strives to be an attractive employer for both existing and potential employees, while also wanting to be a long-term choice for customers and suppliers. Dialogue with both customers and employees forms an important foundation in the work to create long-term added value. Through customer and employee dialogues, needs and priorities are identified that strengthen security, development and belonging. Through conversations and surveys with tenants, efforts during the year have been directed toward measures that contribute to loyalty and a desire to remain and develop their living environment.

For its own organization, Fortinova has during the year invested in education and wellness initiatives aimed at promoting self-leadership and strengthening employees' opportunities to take responsibility for their own situation and development. Fortinova sees a sustainable working life as a balance between work and leisure, healthy lifestyle choices as well as freedom under responsibility to influence one's work situation.

The company also supports diversity and inclusion through the Fortinova Foundation, which backs local associations and community initiatives, enabling youth participation in sports activities and cultural events in local communities.

Environmental sustainability

- CO2 emissions
- Energy, water and waste
- Resources and materials
- Environmental and climate risks

Social sustainability

- Sustainable rent and access to housing
- Equality and diversity
- Supplier monitoring
- Work environment
- Security and safety

Economic sustainability

- Long-term profitability and sustainability in investments
- Business ethics and anti-corruption
- Good governance practices and commitment to sustainability

1.2 ENVIRONMENTAL SUSTAINABILITY AT FORTINOVA

Fortinova's environmental work is based on the ambition to long-term reduce the business's climate footprint and negative environmental impact. Fortinova has defined five central environmental targets to guide its work on sustainability for 2026-2028:

- Reduce Scope 1 CO2 emissions by 50% by 2030 (kgCO2/sqm/year)
- Achieve an average of 65 kWh/sqm/year energy consumption level for electricity and heting
- 2% annual water savings
- 2% annual energy savings
- Maximum of 5% of the property portfolio will have F-G energy performance rating

Fortinova is focusing on reducing climate impact through systematic energy optimization

Fortinova conducts its operations with a long-term sustainability perspective where climate impact is integrated in both acquisitions and development as well as in the daily management of the property portfolio. Recognizing that the real estate sector accounts for a significant part of society's energy use and climate impact, and that Fortinova's own climate impact is closely linked to energy use in its property portfolio, Fortinova sees energy efficiency as a central part of the company's long-term value creation.

The work with energy efficiency is conducted continuously through investments in the properties, optimization of daily operations as well as improved monitoring of energy use. Through systematic measures within, among other things, ventilation, building envelope and technical installations, energy use in the property portfolio has been successively reduced. With the help of connected properties and digital system support, energy consumption is monitored continuously, which enables data-driven analyses and prioritizations of both short-term and long-term measures. In parallel, investments have been made in renewable energy with the aim of further strengthening the properties' sustainability performance.

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To track progress and guide these efforts, Fortinova has been preparing annual climate accounting since 2022 to quantify and map emissions, creating opportunities to identify areas of greatest climate impact. These systematic approaches have delivered significant results: Scope 1 emissions have been more than halved in two years through conversions from pellet boilers to heat pumps and more efficient heating systems, while all electricity consumption is sourced entirely from renewable energy, accounting for only 0.2 percent of total emissions. District heating remains the largest emission source, but continuous energy efficiency measures are driving overall consumption reductions. As a result, we are following our plan to reduce our energy consumption 2 percent per year.

In 2024, Fortinova expanded its climate accounting to include residents' waste and water consumption for the first time, recognizing the importance of influencing tenants' everyday behaviors through dialogue and communication to further reduce the overall climate footprint.

1.3 SUSTAINABILITY MANAGEMENT

Fortinova's sustainability governance is anchored at the Board of Directors, which holds overall responsibility for Fortinova's sustainability agenda. Material issues are identified through the double materiality analysis, which informs priorities, risk management, and strategy. The CEO and management team are responsible for implementation, reporting, and ensuring that sustainability considerations shape daily operations, in line with Fortinova's Sustainability Policy.

Internal governance tools include a Code of Conduct, policies on financing, ethics, anti-corruption, and risk management frameworks. Fortinova's risk management system recognizes environmental, climate, social, and governance risks as core operational risks. Digitalization initiatives also enhance governance: energy-monitoring systems, customer-facing platforms, and automated controls support transparency and efficient operations.

Stakeholder engagement is central to governance. Employees are involved through leadership forums such as Chefens Hörna, and tenants are engaged through communication, surveys, and shared sustainability actions (e.g., consumption tracking). The Fortinova Foundation further extends governance into community development. Overall, sustainability governance aims to ensure long-term value creation, compliance with relevant reporting and disclosure requirements, and responsible corporate conduct across all operations.

The 2030 Agenda with 17 global goals for sustainable development aims to eradicate poverty and hunger, realize human rights for all and ensure lasting protection for the planet and its natural resources. Fortinova has prioritized the below global goals. Within these, Fortinova works in various ways to contribute to achieving the goals.

2 GREEN BOND FRAMEWORK

This Green Bond Framework (“Framework”) is aligned with the 2025 version of Green Bond Principles.

The four core components of the Green Bond Principles are:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

Furthermore, recognising the importance of a common definition of sustainable economic activities and enhanced transparency, Fortinova is committed to ensure external review on allocation of proceeds.

The Framework is applicable, but not limited to, for issuance of debt instruments where an amount equal to the net proceeds will be applied to finance or re-finance, in part or in full, new and/or existing, expenditures and assets with clear environmental benefits, as defined in this Framework (“Green Finance”). The Green Bond Framework may be further updated and expanded as the principles and market practices evolve.

The Green Bond Principles (“GBP”) are published by the International Capital Markets Association (“ICMA”)

2.1 USE OF PROCEEDS

An amount equal to the net proceeds of Green Finance issued by Fortinova will be used to finance or re-finance, in part or in full, assets and expenditures that have been evaluated and selected with distinct sustainable benefits by Fortinova in accordance with this Green Bond Framework (“Eligible Assets and Expenditures”).

Financing and refinancing of tangible assets (with no specific age restriction) and operational expenditures (with up to 3-year lookback period before the issuance of any Green Finance), such as maintenance costs related to Eligible Assets that increase the life-time of the asset, can qualify.

ICMA GBP category	Eligible Assets and Expenditures	Primary EU Environmental Objective	UN SDGs
Green Buildings	Green Buildings are buildings that meet one of the below requirements: 1. Buildings built after 31.12.2020, that I. already have or will have either an Energy Performance Certificate (EPC) level “A” or energy consumption at least 20% below the applicable national building regulation, demonstrated by an EPC. 2. Buildings built before 1.1.2021 that I. fulfill requirements under section 1 above; or II. are within the top 15% of the national building stock in terms of primary energy demand, where top 15% is defined according to local regulation(s) or best practice when such regulation is not in place 3. Major renovations resulting in primary energy demand savings of at least 30% compared to the pre-renovation level.	Climate Change Mitigation	13 CLIMATE ACTION 11 SUSTAINABLE CITIES AND COMMUNITIES
Energy Efficiency	Investments in buildings providing an improvement of energy efficiency by at least 30% either for the whole building or individually as a result of the undertaken improvement measure. This includes, but is not limited to, performance improvement to the insulation, ventilation, light systems and windows as well installation of solar panels.	Climate Change Mitigation	7 AFFORDABLE AND CLEAN ENERGY

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2.2 SELECTION AND EVALUATION OF ASSETS AND EXPENDITURES

The evaluation and selection process for Eligible Assets and Expenditures is a key process in ensuring that an amount equal to the net proceeds from Green Finance is allocated to eligible assets and expenditures that meet the criteria in this Framework.

The selection of Eligible Assets and Expenditures is managed on an annual basis by Fortinova's Management Team. Members of the Management Team consist of the CEO, CFO, Chief of Transactions, HR, and Head of Operations. Fortinova will make sure that sustainability expertise always resides within the Management Team when decision regarding eligible assets is made. All decisions are made in consensus, and that applies to the selection process of Eligible Assets and Expenditures as well.

A list of Eligible Assets and Expenditures is kept by the finance function.

The evaluation and approval of Eligible Assets and Expenditures is integrated into Fortinova's existing management structures and decision-making processes. The aforementioned body follows the below process when selecting and evaluating Eligible Assets and Expenditures:

1. Finance unit will propose potential green assets and expenditures
2. The Management Team, together with relevant sustainability experts where needed, evaluate eligibility of proposals according to eligibility criteria in above table and removes items that do not meet the criteria.
3. The Management Team verifies the eligibility of remaining items and presents the potential green assets and expenditures for final approval.
4. The Management Team documents final decisions taken.

ESG risks are mitigated through integrated approach relying on the internal guidelines stipulating the process, governance, risk management, and monitoring procedures for strategic/large projects.

Exclusions

The eligibility criteria outlined in this Framework aims to support and enhance transparency, e.g. by ensuring that all eligible green expenditures are evaluated according to relevant objective criteria.

The proceeds of Fortinova's Green Bond will not be used to (re-)finance investments that breach the Paris Aligned Benchmark* exclusion criteria.

*Article 12(1) of the Commission Delegated Regulation (EU) 2020/2018 of 17 July 2020

2.3 MANAGEMENT OF PROCEEDS

Tracking of net proceeds

The amount equal to net proceeds from Fortinova's Green Finance will be tracked through the use of a register where all issued amounts of green debt instruments will be monitored (the "Green Finance Register") The purpose of the Green Finance Register is to ensure that an amount equal to the Green Finance net proceeds only support the financing or re-financing of Eligible Assets and Expenditures.

The Green Finance Register will contain the list of Eligible Assets and Expenditures mentioned in Section 2.1. Information available in the Green Finance Register will in turn serve as basis for reporting described in Section 2.4.

The list of Eligible Assets and Expenditures is monitored on a regular basis during the term of any outstanding Green Finance to ensure that the proceeds are sufficiently allocated to Eligible Assets and Expenditures.

The Green Finance Register will form the basis for the impact and allocation reporting.

Temporary holdings

There may be periods when the total outstanding net proceeds of Green Finance exceed the value of the Eligible Assets and Expenditures in the Green Finance Register. Any such portion will be held in accordance with Fortinova's normal liquidity management policy, while adhering to the exclusions under section 2.2.

2.4 REPORTING

To enable investors and other stakeholders to follow the development of the assets and expenditure funded by Green Finance, Fortinova will report on outstanding Green Finance annually until full allocation of net proceeds (“Green Finance Reporting"). The reporting will be made available on the Company’s website. The Green Finance Reporting will include an allocation report and an impact report. In case Fortinova has Green Finance outstanding in form of bank loans, Fortinova may report necessary annual details related to such bank loans directly to its lenders, as may be described in respective loan documentation.

Allocation Reporting

The allocation report will, to the extent feasible, include the following components:

• Total amount of Green Finance outstanding

• Share of proceeds used for financing and re-financing as well as share of proceeds used for categories described in Section 2.1

• Share of unallocated proceeds (if any)

• Allocation of proceeds for each Eligible Asset and Expenditure category

• Types of temporary unallocated funds placements (if any)

• Examples and case studies of the relevant Eligible Assets and Expenditures

Impact Reporting

The impact report includes the environmental impact of the Eligible Assets and Expenditures financed under this Framework. The impact report may, to some extent, be aggregated due to large number of Eligible Assets and Expenditures, and depending on data availability, calculations will be made on a best effort basis. The impact report will include the below listed metrics.

The impact indicators may vary with investment categories, as defined in this Green Bond Framework.

• Environmental impacts (such as energy savings, CO_2 savings/avoidance, energy efficiency of assets) financed through Green Finance instruments

• Other relevant environmental impacts

3 EXTERNAL REVIEW

Pre-Issuance Review

To confirm the transparency and robustness of this Framework, Fortinova has engaged Sustainable Fitch to act as an external reviewer of this Green Bond Framework. Amongst other things, it confirms the alignment of this Framework with the 2025 versions of Green Bond Principles.

This Framework and the Second Party Opinion will both be publicly available on Fortinova's website.

Post-Issuance Review

For any Green Finance, Fortinova will ensure an external post-issuance review, in a form of at least limited assurance, on the allocation of net proceeds. This post-issuance review will be made available on Fortinova's website.

For any Green Finance in a form of bank facilities, Fortinova will adhere to the external review requirements and details that are agreed between the parties of such bank facilities.

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