

Green Bond Framework

November 2023

SKANSKA

This document (the "Green Bond Framework" or "Framework") contains information on Skanska AB, henceforth "Skanska" and its potential use of financing with added environmental criteria (the "Green Terms"). Any financing that includes the Green Terms in its associated financing documentation, by reference or inclusion, as detailed in this document or in future versions of this document will be designated as Green Financing ("Green Financing"). Depending on the language of the bond documentation the Green Terms in this Framework may be translated into other languages, as required or preferred in the local jurisdiction.

Furthermore, all parties are advised to review the risk factors and terms specific for the type of Green Financing used, for instance in the relevant financing documentation,

issuance prospectus, financing documentation or information memorandum. Any Green Financing will be subject to the version of the Green Terms in the associated financing documentation. Investors and third parties are advised to conduct an independent evaluation of the relevance and adequacy of the information in this Framework, and for making such other investigations considered necessary prior to entering into any of the types of transactions or arrangements where the Green Terms would be applicable, for instance regarding the adherence to current and future regulation, standards or market practices such as the Green Bond Principles, the EU Taxonomy and the forthcoming European Green Bond Standard. Any new Green Financing will include a reference to, or inclusion of, the most recently published Green Terms, which shall be publicly available in the Framework on Skanska's website.



Financing our net-zero transition

We see a world where sustainability is built into living. Together with our partners, we are building for a better society, creating innovative and sustainable solutions that support living beyond our lifetime. Sustainability is an enabler for our business strategy, a key component for success for Skanska and our customers.

Our sustainability strategy focuses on the areas of Responsibility, Climate and Resilience, where we know we can have the greatest impact.

A responsible business for people and planet

As a responsible business, we have a comprehensive approach to health and safety that protects lives and well-being. We are committed to acting fairly and ethically, exercising integrity in all decisions, and being a trusted business partner. We operate with care for local environments and communities and work for a sustainable supply chain. And we achieve our full potential by embracing diversity and creating inclusive environments.

Further, we are guided by the UN Sustainable Development Goals and Global Compact principles. We continuously follow up and drive improvements, are transparent about our sustainability direction and disclose our performance.

Transformative climate solutions

As we create and implement transformative climate solutions, we drive our business forward and empower our customers to succeed in meeting their sustainability goals. This is achieved through solutions that are low in carbon, circular, smart and sustainable. Achieving this involves knowledge, insight and learning. We partner to share knowledge and to develop and innovate transformative solutions. Our goal is to transition to low-carbon construction across all our projects and ultimately meet our target of net-zero carbon emissions by 2045. Scaling these solutions will be critical for a full industry transformation that will lead to net-zero living. To further integrate carbon emission reductions

into the business, an emission reduction target has been included in the Skanska Employee Ownership Program (Seop) starting from 2023. For the top 400 leaders, up to 15 percent of performance shares in the Seop program will be linked to how well the annual climate target of a 7 percent carbon emission reduction is achieved at Skanska Group level.

Healthy resilient places for all

Many of today's buildings and spaces were not designed for the challenges faced by modern society – such as extreme weather, air pollution, energy shortages and water scarcity. They also may not be designed for changes in social patterns, such as rising urban population density and changing living habits. We aim to shape healthy, inclusive and resilient places by forming partnerships with local communities to cultivate social value and address long-term needs. Through collaboration, we harness the benefits of our scale, insight and foresight, and create real advantages for our business, industry, the climate and society. We envision a world where sustainability is simply built into living, and a future filled with healthier, more sustainable, more resilient urban spaces – places shaped together, for all.

Sustainable finance

In 2014, we became one of the first corporations in the world to issue green bonds. Ever since then, we have continued to tie our sustainability ambitions to our funding strategy. As of 2023, 100 percent of our central financing is classed either as green or sustainability-linked. In this third green bond framework, we have included criteria from the EU Taxonomy for sustainable activities and broadened our scope to include additional categories that are needed in our journey towards our long-term climate targets.

Anders Danielsson
President and CEO,
Skanska Group

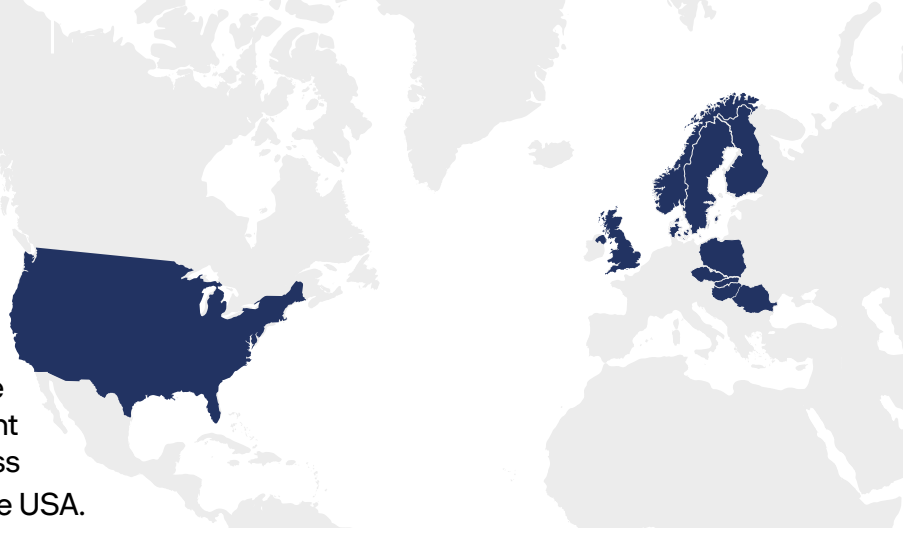
Lena Hök
EVP Sustainability and
Innovation, Skanska Group



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About Skanska



Who is Skanska?

From our foundation more than 135 years ago in the south of Sweden, we have become one of the world's largest project development and construction companies, operating across select markets in the Nordics, Europe and the USA.

We've achieved a lot over the years. From rescuing the 3,000-year-old Abu Simbel temple in Egypt, and building hydro and wind power plants in Europe, Asia, Africa and South America, to equipping global cities such as Stockholm and Boston to resist the effects of

climate change, we have been part of historic shifts and events. Together with our customers and the collective expertise of nearly 30,000 colleagues, we create innovative and sustainable solutions that support healthy living beyond our lifetime.

What we do

Our operations are focused on the business streams Construction, Residential Development, Commercial Property Development and Investment Properties. Each stream collaborates and shares resources with the others. And we apply our collective experience and ingenuity to everything we do.

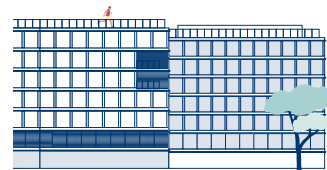
Construction



Residential Development



Commercial Property Development



Investment Properties



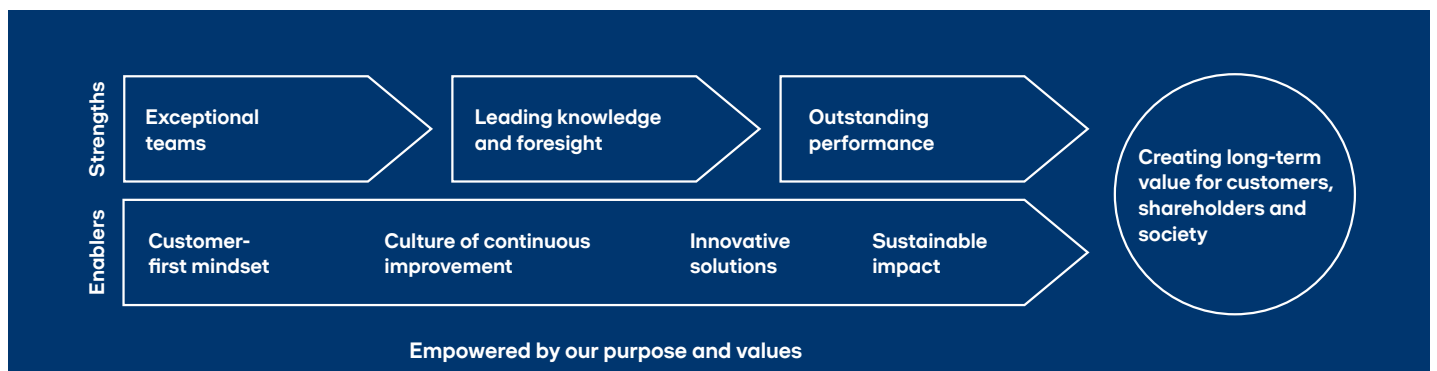
Our strategy and values

Our Group strategy, and the way we conduct business, remains firmly grounded in our values: Care for life, Act ethically and transparently, Be better together, and Commit to customers. We harness our strengths and assets into long-term, sustainable business opportunities that generate growth, customer success and value.

Our operations and planning are guided by the following principles to ensure we deliver on our strategic direction:

- **Selective bidding**
- **Strong commercial focus**
- **Improved profitability**
- **Responsible growth**

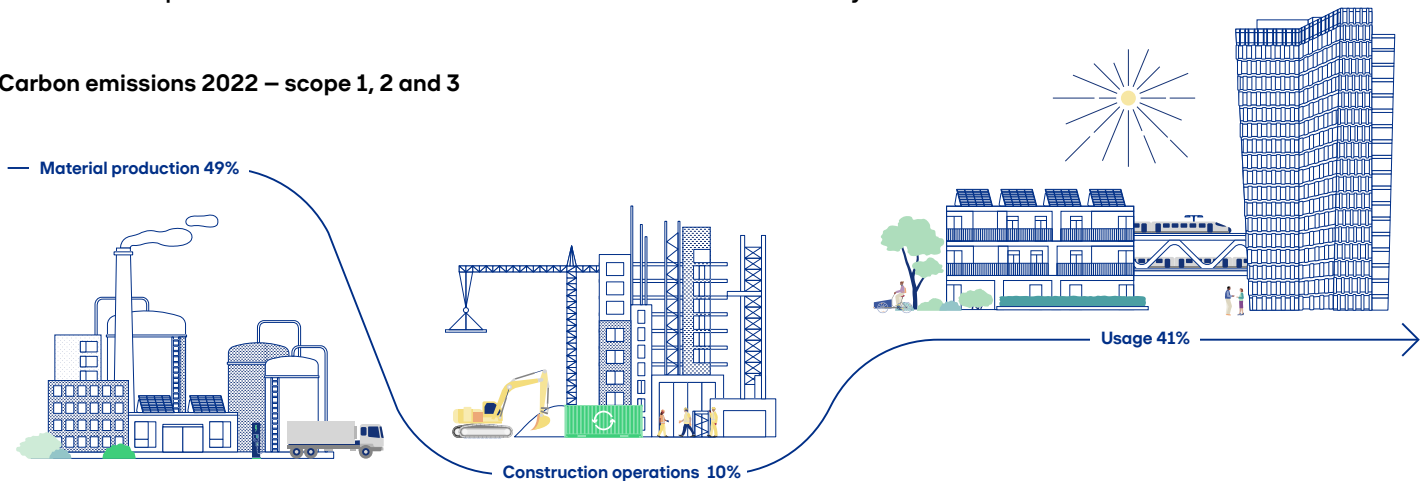
Knowledge and experience from integrating sustainability in our projects is a vital enabler of our business strategy.



Sustainability at Skanska

The built environment accounts for about 40 percent of global energy-related carbon emissions, and the operation of buildings accounts for 30 percent of global final energy consumption, according to the International Energy Agency (IEA). We already see the consequences of climate change around the world, including in Skanska's markets. As a development and construction company, we have the responsibility to reduce emissions from our operations. We also have the opportunity to develop more resource-efficient and low-carbon solutions for our customers, and to use our expertise and core business to build resilience in society.

Carbon emissions 2022 – scope 1, 2 and 3



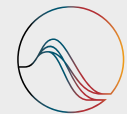
Our impact areas of Responsibility, Climate and Resilience are a foundation for our sustainability work. Within Climate there are interesting commercial opportunities for building customer value and shaping the future.

<p>Responsibility</p> <p>A responsible business for people and planet</p> <ul style="list-style-type: none"> Health and safety Fair and ethical Supply chain Environment Diversity & Inclusion 	<p>Climate</p> <p>Transformative solutions for a low-carbon built environment</p> <ul style="list-style-type: none"> Insights for action Net-zero innovations Low-carbon construction 	<p>Resilience</p> <p>Healthy, resilient places for all</p> <ul style="list-style-type: none"> Healthy and climate-resilient urban spaces Long-term community needs Partnering
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Our ambitious group climate targets

We established a Group climate target in 2019, to achieve net-zero emissions by 2045 both in our own operations (scope 1 and 2) and across the value chain (scope 3).

For our own emissions, the interim reduction target is 70 percent by 2030, from the base year of 2015. The interim target for development projects is to halve emissions in the value chain by 2030 (base year 2020). The targets are in line with the Paris Agreement, and the interim climate targets were approved as science-based targets for the 1.5°C alignment pathway in 2021.

<p>Skanska's own emissions</p> <table border="0"> <tr> <td>Target 2030</td> <td>Outcome 2022</td> </tr> <tr> <td>-70%</td> <td>-55%</td> </tr> </table> <p>Reduction of our own carbon emissions (scope 1 and 2) compared with 2015.</p>	Target 2030	Outcome 2022	-70%	-55%	<p>Skanska's value chain emissions</p> <table border="0"> <tr> <td>Target 2030</td> <td>Outcome 2022</td> </tr> <tr> <td>-50%</td> <td>-13%</td> </tr> </table> <p>Reduction of carbon emissions from our value chain (scope 3) compared with 2020.</p>	Target 2030	Outcome 2022	-50%	-13%	 <p>SCIENCE BASED TARGETS</p> <p>DRIVING AMBITIOUS CORPORATE CLIMATE ACTION</p> <p>Our climate target is approved as a science-based target on the 1.5°C alignment pathway.</p>
Target 2030	Outcome 2022									
-70%	-55%									
Target 2030	Outcome 2022									
-50%	-13%									

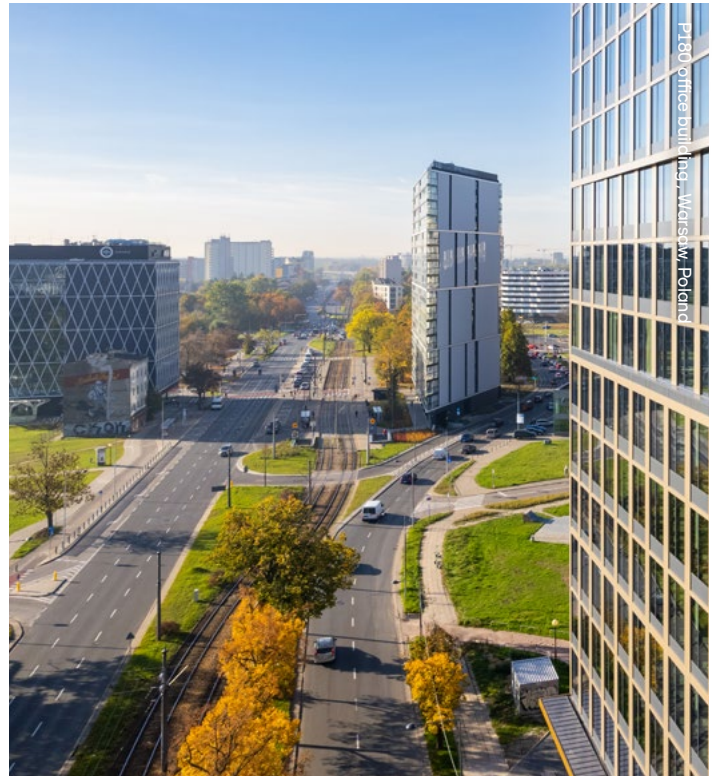
Climate plan for net-zero 2045

Reducing our climate impact is a responsibility as well as a business opportunity. At Skanska, we have developed ACT on Climate, a climate plan to guide our actions as a change-maker for a sustainable society. The plan also steers our path to net-zero by 2045. The climate plan is implemented in each market and updated annually by every business unit.

ACT has three building blocks, which connect actions and performance at all business levels:

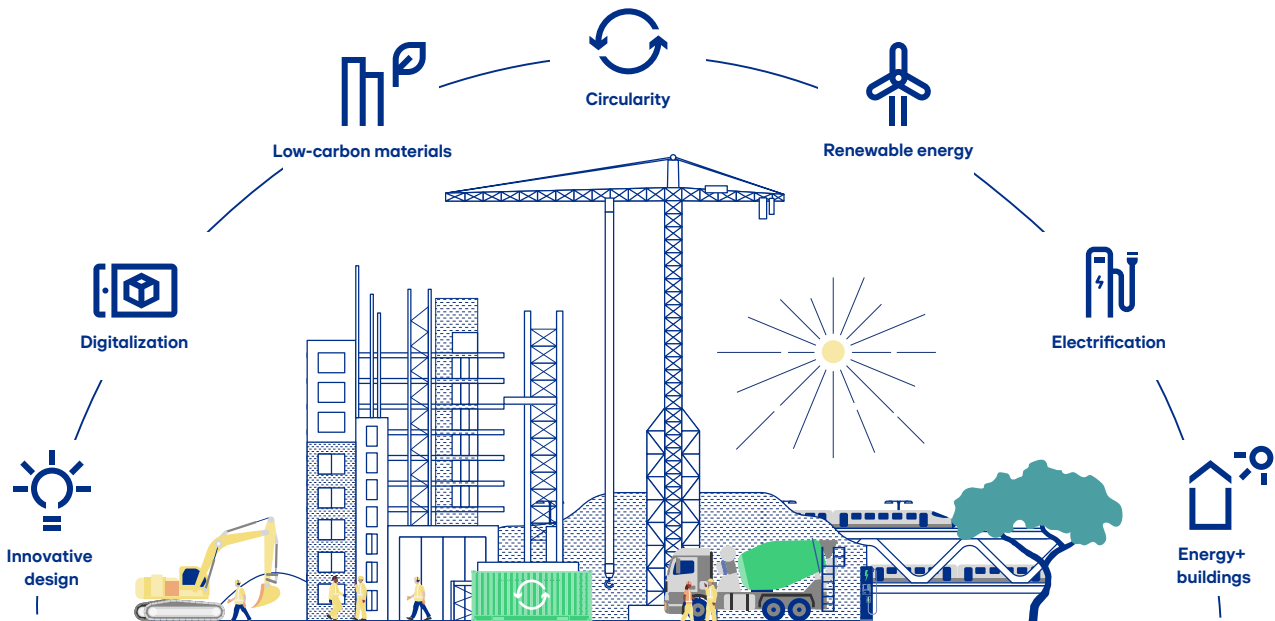
- **Awareness** of sustainable construction and development
- **Customer** solutions with low and zero carbon
- **Transformation** to climate efficient operations

Our climate plan is based on analysis of data, market-specific plans and targets to reduce emissions. We conduct scenario analysis and market outlooks to understand the needs of the societies and customers we serve. We leverage existing technologies to reduce emissions across our value chain – from the materials we use, to our own operations and the energy efficiency of our projects. We have an innovation portfolio through which we identify, test and scale the solutions of tomorrow.



P180 office building, Warszawa, Poland

Actions to reduce carbon emissions



ACT on Climate Skanska climate plan for net-zero 2045

Awareness

- Scenario analysis and market outlook
- Knowledge and culture
- Communication and partnering
- Measure performance and targets
- Data-driven decision making

Customer

- Innovation and smart solutions
- Resiliency
- Design, plan and operational efficiency
- Smart solutions and renewable energy
- Certifications

Transformation

- Refurbishment, circularity and low carbon materials
- Resource and energy efficiency
- Digitalization, electrification, automation and industrialization
- Logistics
- Renewable energy

Shifting to low-carbon construction

To succeed as a more sustainable industry, we need to rethink the way the industry builds and operates. Significantly cutting carbon emissions in the construction industry can be accomplished by reexamining energy, processes and materials. At Skanska we take a holistic approach to designing and building low-carbon projects, incorporating resource efficiency, recycling, renewable energy, electrification and digitalization.

Actions to reduce carbon emissions

The ways we reduce carbon emissions differ based on the project in question. Early contractor involvement on decisions – from design and planning to construction or renovation – has a major impact. We contribute with knowledge to improve the way we design and construct buildings and infrastructure.

We reduce embodied carbon emissions through our choice of materials, by striving for circular solutions and by optimizing the volume of materials used. We carry out climate calculations of embodied carbon on all projects that we develop. In our operations we are transitioning towards electrification and the use of renewable fuels, while constantly striving for greater efficiency on site. Finally, we focus on the energy-efficiency of our projects and greater use of renewable energy in order to minimize use-phase emissions.

Investment in product development and innovations such as low-carbon concrete and recycled asphalt help our customers deliver on their targets. Solutions such as the production of biochar can also help us on our journey by capturing carbon and providing further environmental benefits.

New asphalt plant halves emissions

During 2023, Skanska began operating one of the most modern asphalt production plants in the world. Located in Vällsta, just outside Stockholm, it has been designed primarily for recycling and can produce 100 percent recycled asphalt.

Sweden uses around 8 million tonnes of asphalt every year, which makes it one of the most commonly used materials. Asphalt has many advantages: it's cheap, waterproof, elastic and completely reusable - even after 50 years on a road. The disadvantage is that it requires a lot of energy to produce, and this generates substantial carbon dioxide emissions.

The Vällsta plant has an improved combustion chamber which provides a more even and gentle heat. In addition, the recirculation of air allows heat recovery: 75 percent of the exhaust fumes recirculate, lowering the energy consumption by around 25 percent.

Thanks to more efficient energy use, nearly doubling the use of biofuels for heating the combustion chamber and increasing the proportion of recycled asphalt in production, the Vällsta plant reduces carbon dioxide emissions per metric ton of asphalt by 50 percent compared to similar plants.



Vällsta Asfaltverk, Upplands Väsby, Sweden

Integrating climate into risk management

In line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we make use of climate-based scenario analysis to identify and address potential business risks and opportunities associated both with a transition to a low-carbon economy and with the physical consequences of climate change.

We have integrated climate risks into our Enterprise Risk Management and project scrutiny processes, detailing how projects contribute to our climate targets as well as mitigate any identified physical risks.

Our global commitments

We have been a signatory of the United Nations Global Compact since 2001 and continue to support its 10 principles, relating to human rights, labor, the environment and anti-corruption.



We actively support the United Nations Sustainable Development Goals (SDGs) and have identified sub-targets for seven relevant SDGs that our business contributes to. Goal 11: Sustainable cities and communities is where we as a company have the greatest level of impact.

We partner with industry peers in international organizations to influence policy and practice for the transition to a net-zero future. Examples include:

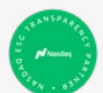
- Within the **World Business Council for Sustainable Development (WBCSD)**, our EVP Sustainability and Innovation is part of the Built Environment Pathway Board and the “Decarbonizing the built environment” project, producing policy, carbon accounting standards and industry guidance reports.
- As a member of the Expert Advisory Group within the **Science Based Targets initiative**, we support the SBTi in developing a pathway to net-zero for the construction industry. We have influence through our perspective on the industry as well as the knowledge gained in the process of developing our own approved science-based target.
- With the **World Green Building Council**, we influence policy development and certification schemes, including the value chain perspective.

- In partnership with other leading corporations and the governments of Sweden, the USA, the UK, Finland, Germany and India, we are part of the Leadership Group for Industry Transition (**LeadIT**) to net-zero emissions. This is an arena for public-private collaboration on innovation and the new technologies necessary for a successful industry transition.
- We are also part of the United Nations-led **Race to Zero** campaign and **Exponential Roadmap Initiative** with a wide range of corporations leading the way in line with the Paris Agreement’s 1.5°C target.

Alliance for the climate

To contribute to the climate transition through innovation and business ingenuity, our Group President and CEO Anders Danielsson joined the CEO Alliance for Europe’s Recovery, Reform and Resilience in 2022. This membership allows us to share industry knowledge and further drive the sustainability agenda. The CEO Alliance for Europe is a cross-sector “action tank” that gathers representatives from 13 leading European companies to partner on innovative climate solutions.

Partnerships within sustainability



Integrating EU Taxonomy into our business

Alignment with the taxonomy is important for Skanska and our stakeholders. We are implementing the criteria of the EU Taxonomy in our processes and are part of an industry committee within the World Green Building Council focused on the implementation and interpretation of the criteria. We have included a key indicator of the EU Taxonomy in our new Green Bond framework: a requirement that energy demand be 20 percent below the threshold for “near-zero energy buildings” (NZEB)¹.

Certification makes sustainability performance comparable

Investors and customers expect comparable disclosures on sustainability performance. We continue to offer our customers excellent certified projects using established certification schemes such as Living Building Challenge, LEED, BREEAM, BREEAM Infrastructure, DGNB and WELL as well as other national certifications.

Port7: modern offices aligning with the EU Taxonomy

Port7 is a 35,700 square meter (384,000 square feet) office development in the Holešovice district of the Czech capital Prague that will align with the EU Taxonomy. It also targets the latest LEED Platinum certification for Core & Shell. Compliance with both the taxonomy criteria and LEED certification requires us to collect significant amounts of data spanning water efficiency, heating and ventilation, lighting, waste management and more.

A life-cycle assessment stretching from construction through 60 years of operation ensures sustainable choices from the moment construction began. Flood-risk assessments were carried out before development began, and the building is on a former brownfield site, meaning no biologically valuable land has been used.

The energy demands of the completed buildings will be more than 20 percent below the threshold for “near-zero energy buildings” (NZEB). This is well below the EU Taxonomy’s threshold of 10 percent. Port7 makes that possible thanks to a high-performance façade, efficient heating and ventilation, and LED lighting and light sensors. Water is used optimally with the faucets having a maximum flow of 6 liters per minute.



Port 7, Prague, Czech Republic

¹ This is a sharpening of the EU Taxonomy’s technical screening criteria which require energy demand of at least 10 percent below NZEB.



Sustainability governance

The Board and Group Leadership Team set Skanska's Group policies, strategies and targets, and follow up on business unit performance and compliance. Our Group strategy has a strong focus on sustainability and climate change. The Group Sustainability Policy and other policies, standards and guidelines provide effective governance.

Our Executive Vice President Sustainability and Innovation is a member of the Group Leadership Team with a focus on climate-related risks and opportunities. The Group Leadership Team follows up on Skanska's climate performance quarterly,

including direct follow-up with all business units. In addition to the emission reduction target included in Skanska's Employee Ownership Program, the Group Leadership Team sets sustainability-related targets as part of the short-term incentive programs for Business Unit Presidents.

Finally, climate-related risks are addressed on a project level through Group-wide project scrutiny processes, through which project teams are required to assess and mitigate relevant climate risks as part of investment and tender processes.



Green Bond Framework

This Green Bond Framework is aligned with the 2021 ICMA Green Bond Principles² and will replace Skanska’s previous green bond framework released in 2018. Its purpose is to provide a structured and transparent framework for issuing bonds that fund climate-efficient investments and projects. It has been designed to adhere to a broader scope to better reflect Skanska’s operations. Where feasible, Skanska will take the EU Taxonomy’s Technical Screening Criteria into consideration, both in the process for project evaluation and selection as well as in the annual reporting. Skanska recognizes that the market for green financing will continue to develop, not least due to the pending standard for Green Bonds within the EU, the European Green Bond Standard, entering into force. In light of this, Skanska will actively monitor market developments and periodically enhance the Green Financing offering to align with best market practices and standards.

The structure of this Framework is built upon the four core components of the Green Bond Principles:

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

Skanska acknowledges the recommendation in the Green Bond Principles to appoint an external reviewer to assess the alignment of the Framework with the above-mentioned core components of the Green Bond Principles. S&P Global Rating has provided a second opinion on this Framework which is publicly available on Skanska’s website.

Use of proceeds

Allocation of proceeds

An amount equal to the net proceeds from green financing will be used by Skanska or its wholly owned subsidiaries, to in whole or in part finance or refinance capital expenditure investments³ that help transition to low-carbon, climate resilient and sustainable societies as well as environmental and ecosystem improvements. These investments, known as (“Eligible Green Projects and Assets” or “Green Projects and Assets”) must comply with the categories and criteria below, see table on pages 15-16.

The net proceeds will be used exclusively to finance or refinance investments in the markets where Skanska owns, manages and develops properties and where Skanska otherwise operates. The majority of the net proceeds are expected to be allocated to new assets (defined as projects and assets financed within 12 months from completion). The proportion of net proceeds allocated to new projects and assets will be disclosed in the annual reporting. The combined allocated amount to a specific Eligible Green Project or Asset, by one or several sources of financing with specified use of proceeds, may not exceed its value.




Exclusions

Green financing will not be used to finance investments linked to fossil energy generation, nuclear energy generation, the weapons and defense industries, potentially environmentally negative resource extraction (such as rare-earth elements or fossil fuels), gambling or tobacco.

² Green Bond Principles June 2021 (with June 2022 Appendix 1)

³ Both financing and refinancing of capital expenditure investments with no look-back period are eligible for financing under this Framework. No look-back period will apply since all investment under this Framework are capital expenditures that are still in use and assessed as making a meaningful impact at the time of issuance.












Eligible green projects and assets

Green Bond Principles (GBP) Categories	Eligible Green Activities	EU Taxonomy Environmental Objectives	UN Sustainable Development Goals (SDGs)
<p>Green buildings</p>	<p>Investments in environmentally accredited and energy-efficient buildings⁴, as defined below (all three criteria must be met):</p> <p>New buildings (built after 31 December 2020)</p> <p>Europe</p> <ul style="list-style-type: none"> Primary energy demand is, or will be, at least 20 percent lower than the threshold set for nearly zero-energy building (NZEB) requirements in national measures. For buildings larger than 5,000 sq m: <ul style="list-style-type: none"> Upon completion, the building undergoes testing for air-tightness and thermal integrity The life-cycle Global Warming Potential (GWP) of the building has been calculated Buildings have, or will receive one of the following certifications: <ul style="list-style-type: none"> LEED (minimum certification Gold) BREEAM International (minimum certification Excellent) DGNB (minimum certification Gold) Equivalent national certification standards All new buildings have or will receive a screening of material climate risks <p>USA</p> <ul style="list-style-type: none"> Primary energy demand is, or will be, at least 20 percent lower than the applicable national building regulation Buildings have, or will receive one of the following certifications: <ul style="list-style-type: none"> LEED (minimum certification Gold) BREEAM International (minimum certification Excellent) DGNB (minimum certification Gold) Equivalent national certification standards All new buildings have or will receive a screening of material climate risks <p>Existing buildings (built before 31 December 2020)</p> <ul style="list-style-type: none"> Buildings have an Energy Performance Certificate (EPC) demonstrating class A or are within the top 15 percent of the national or regional building stock, expressed as Primary Energy Demand (PED)⁵ Buildings have, or will receive one of the following certifications: <ul style="list-style-type: none"> LEED (minimum certification Gold) BREEAM International (minimum certification Excellent) DGNB (minimum certification Gold) Equivalent national certification standards Existing buildings have undergone a screening of material climate risks <p>Renovation of existing buildings</p> <ul style="list-style-type: none"> Renovation of existing buildings that either leads to a reduction of Primary Energy Demand (PED) of at least 30 percent, or where the building meets the applicable requirements for "major renovations" Buildings have, or will receive one of the following certifications: <ul style="list-style-type: none"> LEED (minimum certification Gold) BREEAM International (minimum certification Excellent) DGNB (minimum certification Gold) Equivalent national certification standards Renovated buildings have or will receive a screening of material climate risks 	<p>Climate change mitigation</p>	  

⁴ Buildings with direct fossil fuel heating are not eligible for financing under this Framework.

⁵ The top 15 percent PED applicable under this Framework will be updated continuously. Skanska will reference an external benchmark when determining the top 15 percent. Such a benchmark could be e.g. guidance by national governments or a specialist study.

Eligible green projects and assets

Green Bond Principles (GBP) Categories	Eligible Green Activities	EU Taxonomy Environmental Objectives	UN Sustainable Development Goals (SDGs)
Energy efficiency	<p>Investments that target lower overall energy use and an improved environmental footprint⁶. These include but are not limited to:</p> <ul style="list-style-type: none"> • Upgrade of plant equipment and machinery • Installation of on-site renewable energy generation • Smart building solutions (monitoring, efficiency management and remote operation) • Energy-efficient lighting, windows and/or ventilation • Installation of geothermal heating/cooling • Installation of energy storage systems <p>Only directly associated expenditure is eligible for financing. Skanska will ascertain the following:</p> <ul style="list-style-type: none"> • High estimated energy savings in the targeted area (minimum 20 percent) • Minimize long-term negative climate impact and potential rebound effects • Minimal negative climate impact from the technology used 	Climate change mitigation	 
Clean Transportation	<p>Investments in electrification, automation, AI and other digital solutions. For example, investments in electric vehicles and machinery and associated enabling infrastructure as well as installation of AI and automation systems.</p>	Climate change mitigation	  
Circular economy adapted products, production technologies and processes	<p>Investments to decrease emissions from construction processes through the reuse and recycling of materials, and to produce low-carbon building materials such as concrete and asphalt. This could also include capital expenditure investments in digital enablers.</p>	Climate change mitigation Transition to a circular economy	 
Pollution prevention and control	<p>Investments in nature-based solutions such as biochar to capture and store carbon and/or provide other environmental benefits.</p>	Climate change mitigation	 
Climate change adaptation	<p>Investments that mitigate the adverse effects of climate change and their impact on real estate and other assets. This includes the design and adaptation of buildings and surrounding areas to better withstand climate risks such as increased rainfall, sea level rise and flooding.</p>	Climate change adaptation	 

⁶ This does not include efficiency improvements in machinery and equipment that is run on fossil fuels.

Process for project evaluation and selection

Skanska has an established process ensuring that eligible green projects and assets are continuously included into Skanska's green asset pool. The Green Bond Committee (GBC), consisting of representatives from Skanska Financial Services, Sustainability and Innovation, and relevant business units, is responsible for evaluating and selecting assets eligible for green financing. The GBC is chaired by Executive Vice President Sustainability and Innovation.

The GBC reviews information about the assets and investments, and evaluates the compliance with the green terms, the overall environmental impact, which includes which includes life-cycle and embodied carbon considerations, potential rebound effects, resilience considerations and adherence to at least one of the EU Taxonomy Environmental Objectives. The projects and assets must also be compliant with applicable national laws and regulations, as well as policies and guidelines at Skanska. Further, the GBC ensures that environmental and social risks has been addressed through adherence to existing group-wide policies and procedures. The GBC can request additional information and consult with internal parties, but the mandate to make decisions is held by the committee. The GBC will meet at least twice a year and the decisions made by the GBC will be documented. Furthermore, the GBC is also responsible for signing off on the forthcoming reporting under the Framework as outlined under the section Reporting.

An updated record of all green assets and investments will be kept by the GBC. If a project or asset ceases to meet the green terms, it will be removed from the list (and the funds will be recycled). The list will also be used as a tool to determine if there is a current or expected capacity for additional green financing.

Management of proceeds

An amount equal to the net proceeds of any green financing will be credited to an earmarked account (the "**Green Account**") or otherwise tracked by Skanska. Deductions will be made from the Green Account by an amount corresponding to the financing or refinancing of eligible green projects and/or assets or at

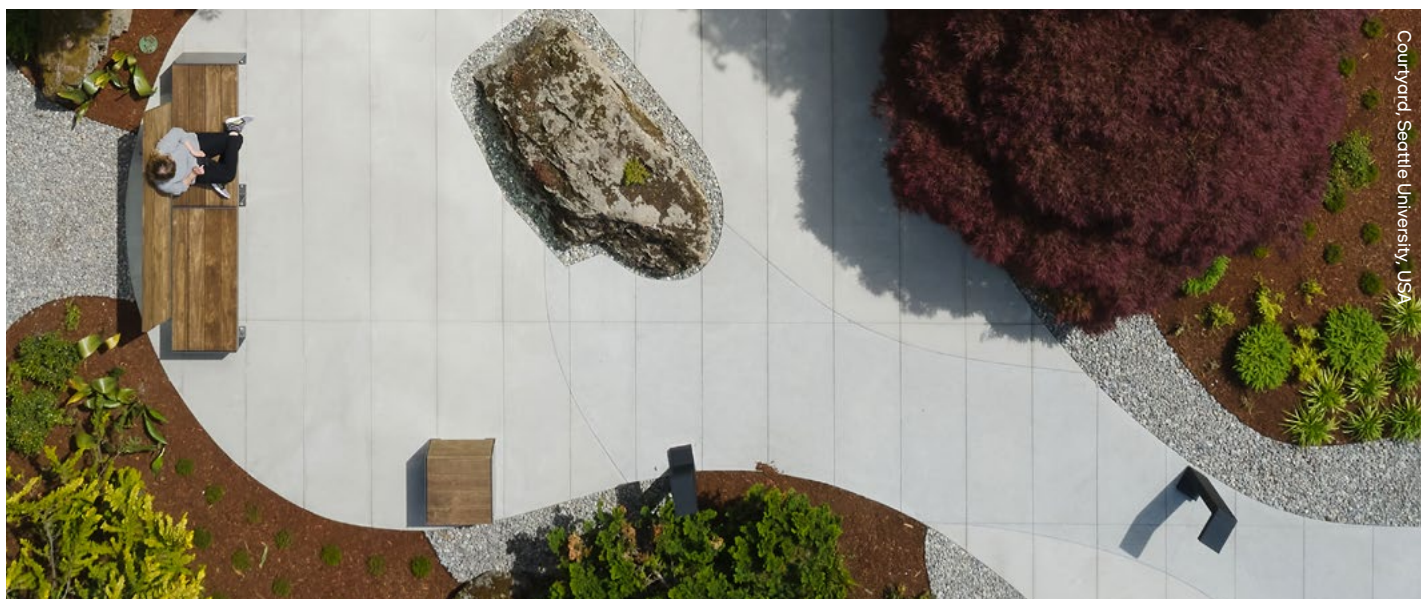
repayment of any green financing. If an eligible green project or asset financed by green financing no longer qualifies as eligible, the asset will be replaced by other assets or projects that meet the definitions set out in the Green Bond Framework and that are approved by the GBC. Funds may also be reallocated to other green assets and projects during the term of any green financing. Skanska Financial Services AB will keep a record of the purpose of any change in the green portfolio and ensure that the combined funds directed towards a specific asset or project, by one or several sources of green financing, do not exceed its value. If, at any time, the total amount of proceeds from green financing exceeds the total value of eligible green projects and assets, this will be placed in line with Skanska's handling of short-term excess liquidity and comply with Skanska's Finance Policy as well as the exclusion criteria of this Framework.

Reporting

Skanska will publish an annual impact report on its website (www.skanska.com) which will detail the allocation of funds and adherence to the green terms (the "Reporting"). The reporting will contain information on the eligible green projects and assets that have been financed with green financing, a summary of Skanska's activities in the preceding year as pertains to green financing as well as other information, including examples of the eligible green projects and asset's adherence to the relevant criteria. The Report, which will include details of allocation as well as impact, will be published annually on Skanska's website so long as Skanska has green financing outstanding.

Allocation disclosure

- Skanska will provide allocation reporting for each of the relevant Use of Proceeds categories in the Framework. Emphasis will be placed on providing examples and allocation reporting to single projects based on their size.
- The sum of outstanding green financing and the sum of the green portfolio balance, including any short-term investments or funds managed within Skanska's liquidity portfolio.
- The proportion of net proceeds allocated to new investments (see definition under Allocation of proceeds)
- All data is to be as of the end of the previous year.



Courtyard, Seattle University, USA

Impact reporting

The impact reporting aims to disclose the climate-related impact of the eligible green projects and assets financed under this Framework. The impact report will also disclose to what environmental objectives the eligible green projects contribute. Given that Skanska has a large number of eligible green projects and assets, impact reporting might, to some extent, be aggregated. The impact assessment is provided with the reservation that not all related data can be covered and that calculations therefore will be on a best effort basis. For projects and assets that are not

yet operational, Skanska will strive to provide estimates of future performance levels. Skanska intends to align the reporting, on a best effort basis, with the portfolio approach described in ICMA's "Handbook – Harmonized Framework for Impact Reporting (June 2023)".

Skanska will emphasize energy production/savings and greenhouse gas savings as the most relevant performance metrics for most project types. The metrics below are examples of indicators that are likely to be used by Skanska in the forthcoming reporting.

GBP Categories	Indicators and Metrics
Green buildings	<ul style="list-style-type: none"> Environmental certification Energy use disclosed by absolute use (kWh) and intensity (kWh per square meter) per year Calculated carbon footprint disclosed by absolute emissions (tonnes) and intensity (kg per square meter) per year.
Energy efficiency	<ul style="list-style-type: none"> Annual energy savings (aggregated, MWh/year) Installed energy storage capacity (MW)
Clean transportation	<ul style="list-style-type: none"> Annual absolute (gross) GHG emissions reduced/avoided in CO₂e
Circular economy adapted products, production technologies and processes	<ul style="list-style-type: none"> The share of recycled content in materials production at selected sites Annual volume and/or share of low-carbon materials (e.g. low-carbon concrete) produced within selected markets
Pollution prevention and control	<ul style="list-style-type: none"> Carbon captured (CO₂e tonnes) Description of other environmental benefits, where applicable
Climate change adaptation	<p>Each annual Green Bond report will include an example of an investment that has been financed with green net proceeds (if such a project has been financed). Given the number of project types that qualify under the category, the KPIs will not be disclosed beforehand in the Framework.</p> <p>Skanska will, where applicable, emphasize a description of the need for the investment. And if possible, the type of resilience the investment creates.</p>

External review

Skanska acknowledges the recommendation in the Green Bond Principles regarding transparency and verification of net proceeds allocation. The external auditor of Skanska, or a similar party appointed by Skanska with the relevant expertise and experience, will annually investigate and report whether an amount equal to the net proceeds has been allocated to the eligible green projects and assets that Skanska has communicated in the Reporting. The conclusions will be provided in a signed statement, which will be published on Skanska's website.

Dedicated website

Skanska has a dedicated page for Green Financing on its website (www.skanska.com) where investors can find information regarding Skanska's Green Financing, including:

- The Green Bond Framework
- The Second Opinion
- The Reporting
- The Annual Review
- Investor Presentations

Policy documents and international initiatives & commitments that govern Skanska's environmental and sustainability work

Policies

- Skanska's Annual and Sustainability Reports
(Annual reports Skanska - Global corporate website)
- Skanska Group Sustainability Policy
- Code of Conduct
- Supplier Code of Conduct
- Group Climate Plan: ACT
- Skanska Group Restricted Substance Standard
- Skanska Group Sustainability Reporting Procedure
- Skanska Group Innovation Policy

International initiatives & commitments

- UN Global Compact
- UN Sustainable Development Goals
- OECD Guidelines for multinational companies
- World Business Council for Sustainable Development.
- Science Based Targets Initiative
- Race to Zero
- Exponential Roadmap Initiative
- Taskforce on Climate-related Financial Disclosures
- Carbon Disclosure Project
- International Labour Organization



