

Skanska CDE Environmental Policy

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Policy Holder: Andrei Ivan, Sustainovation Director
Primary Audience: Senior Leadership Team, Sustainovation team, Projects Units
Interest Holders: CDE employees

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1 CDE Policy statement

CDE has a strong commitment towards a more sustainable future, based on the belief that project development can make a major contribution to a more sustainable society. Through Skanska's experience and expertise, we can contribute and deliver sustainable solutions to help customers, communities and other stakeholders to fulfill their goals and need to build for resilience.

The purpose of the CDE Sustainability Policy is to define common principles to effectively manage and promote environmental sustainability awareness within Skanska, in line with our values.

2 Scope of application

The requirements of this CDE Environmental Policy applies to all Project Units, and all CDE employees. The Primary Audience of this group policy is SLT, the Sustainovation team and Projects Units.

3 Accountability

The Policy Holder, together with the Primary Audience, are responsible for ensuring that this CDE Policy is implemented throughout the BU.

Violations of this CDE Policy shall be reported to the Policy Holder, SLT or any other appropriate corporate body. Anyone reporting a violation shall, to the extent legally permissible, have the possibility to remain anonymous.

Employees who violate this CDE Policy or the local legal environmental requirements may be subject to disciplinary action, up to and including warning or dismissal, depending on the facts and circumstances.

4 Definitions

BU	Business Unit
BUP	Business Unit President
Business Functions	Comprise Project Management and Leasing & Sales functions, participating in business process, led by a respective CDE Executive Vice President, being members of SLT
CDE BU, CDE	Skanska Commercial Development Europe Business Unit, part of commercial property development stream (one of three business streams in Skanska, responsible for developing, leasing and divesting offices and other properties for rent) with business operations in Poland, Czech Republic, Hungary and Romania
CDP	CDP (formerly Carbon Disclosure Project) is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts

Corporate Functions	Comprise Finance, Marketing & Communications, Legal, HR & Administration, Centre of Excellence functions, supporting main business process and central corporate processes, led by a respective CDE Executive Vice President, being members of SLT or Head of Function reporting directly to BUP
Environmental management system	Environmental management system is a set of processes and practices that enable an organization to reduce its environmental impacts and increase its operating efficiency.
EVP	Executive Vice President
GRI Standards	Global Reporting Initiative Standards, an international reporting standard
Group	Skanska AB and all legal entities of which Skanska AB, directly or indirectly, controls 50% or more of the voting rights
GRI	The Global Reporting Initiative is an international independent standards organization that helps businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption.
Interest Holders	A specific function or group of people that can be assumed to have significant interests in the content of this Group Policy
ISO 14001	An international standard that specifies requirements for an environmental management system
Policy Approver	The persons or functions who approved the Group Policy
Policy Holder	The ultimate responsible holder at Group level of this Group Policy
Primary Audience	The persons or functions who, together with the Policy Holder, are responsible for implementing this CDE Policy
Project Unit, PU	a separate profit generating unit within CDE BU, developing projects in one of four geographically grouped locations. PU comprises project management and is serviced by relevant central functions, with use of relevant holding, service entities and special purpose vehicles (SPVs). A respective CDE Executive Vice President Operations holds Profit and Loss responsibility for each Project Unit
SDGs	The United Nations Sustainable Development Goals. Central to delivering on the 2030 Agenda, referred to as the Global Goals
Skanska	See Group above
Skanska Green Bond	Financial instrument issued by Skanska for external funding of the Group's development projects that are considered Green
SLT	Skanska CDE Senior Leadership Team
Sustainovation	Comprise of sustainability and innovation functions under Centre of Excellence, supporting main business process and central corporate
Sustainovation Director	The head of Sustainovation team

UN Global Compact Skanska is a signatory to the United Nations Global Compact universal principles on human right, labor, environment and anti-corruption

5 Requirements

5.1 General

Skanska shall ensure that the right procedures, mandates and resources are implemented to meet Skanska's values and targets. Skanska shall provide clear and visible leadership in environment throughout the organization. To achieve this, the SLT, the CDE EVPs and their management teams must demonstrate leadership and set an example of their commitment to environment.

Skanska supports and commits to international initiatives aimed at responsible corporate affairs such as the UN Global Compact Ten Principles, environment being one of the areas.

Furthermore, Skanska supports the UN Sustainable Development Goals and the UN Framework Convention on Climate Change (Paris Agreement). All business units should ensure coherence to the Skanska climate target of achieving net-zero greenhouse gas emissions by 2045.

Skanska shall ensure that the right procedures, mandates and resources are implemented to meet Skanska's values and targets. CDE shall have an appointed Head of the function reporting to the BUP or the SLT.

5.2 Standards and Compliance

Skanska aims to build a culture where employees act in line with the Skanska commitment to natural environment. CDE shall have the proper structures and systems to manage environmental related risks. Standards and processes shall be in place in CDE to ensure that people have the skills, knowledge, attitude and training in natural environment to fulfill their duties. Managers are responsible for implementation of BU standards and process and all workers are responsible to comply with the standards and processes.

Environment related requirements specified in the Skanska Code of Conduct should be followed by all employees. Skanska's commitment to the management of environmental risks includes business associates such as contractors and suppliers, as specified in the Skanska Supplier Code of Conduct. Each PU shall have an appointed environmental responsible person, part of the Sustainovation Team and reporting to the Sustainovation Director.

CDE is required to have third party certified management systems, for environment, which support management of risks, continuous improvements and compliance with legislation. Skanska aims to continually improve the environmental performance. Business unit environmental management systems must be externally certified to ISO 14001.

When working with potentially hazardous materials or chemicals the Skanska Group Restricted Substance Standard should be followed. The Skanska Group Color Palette™ standard identifies key areas in order to reduce the environmental footprint of the business. This means, from a lifecycle perspective, to work for efficient use of energy, carbon, materials, waste and water. CDE will follow the KPIs set by Skanska Group. Also, the mitigation of negative impact from the operations on ecosystems should be properly handled.

5.3 Measuring Performance and Reporting

CDE strives to improve our environmental management to fulfil future challenges. For performance measurement and continuous improvement Skanska CDE will annually establish set of targets and performance indicators that will be quarterly reviewed by SLT.

Skanska will engage with stakeholders in a transparent manner reporting on sustainability performance and impacts, using internationally acknowledged standards, such as the GRI and the CDP. Projects financed through the Skanska Green Bond shall report the environmental impact to investors in accordance with the Skanska Green Bond Framework.

Group Function Sustainability is responsible for group level Sustainability reporting including sustainability reporting for the Annual and Sustainability report according to the Swedish Annual Accounts Act. Each business unit head of the Sustainability functions is responsible for the reports provided to Group in accordance to the agreed timeline for the reporting year. Requirements are outlined in the Skanska Group Health and Safety Reporting Procedure and the Skanska Group Green Reporting Procedure. BU must inform Group Function Sustainability promptly in case of a reportable significant incident, such as fatalities or environmental incidents.

6 References

- Skanska Code of Conduct
 - Skanska Group Color Palette™ Standard
 - Skanska Group Community Investment and Sponsorship Standard
 - Skanska Group Green Reporting Procedure
 - Skanska Group Health and Safety Reporting Procedure
 - Skanska Group Health and Safety Road Map Standard
 - Skanska Group Health and Safety Standard
 - Skanska Group Restricted Substance Standard
 - Skanska Group Supplier Code of Conduct
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