



SUSTAINABILITY POLICY

Bonava AB (publ)
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1. Background and purpose

Bonava seeks to contribute to a sustainable society and therefore conducts its business with respect and care for environmental, social and governance (ESG) aspects. Thus, Bonava has integrated ESG in its business, described in Bonava's ESG agenda below.

Bonava aims to continually improve its ESG performance by focusing on progress for the material aspects forming Bonava's ESG agenda. Bonava includes ESG considerations as a natural part of all business activities. In addition, Bonava strive to meet and continuously improve disclosures based on its stakeholders' requirements.

2. Policy statement

2.1 Applied standards and frameworks

Targeting sound ESG practices, Bonava adheres to and promotes the following minimum standards in all its operations:

- The universal principles as stated by UN Global Compact on human rights, labour, environment and anti-corruption
- The OECD-guidelines for multinational enterprises
- ILO Declaration on Fundamental Principles and Rights at Work
- Greenhouse gas protocol and Science based targets for climate action as approved by Science Based Targets initiative
- On yearly basis review materiality and targets of the Bonava ESG agenda, working for constant improvements to contribute to UN Agenda 2030 for Global Sustainable Development
- Acting in line with the pre-cautionary approach
- These statements must be seen as an addition to and in compliance with Bonava's Code of Conduct, Supplier requirements and referred Group Procedures
- Publish the sustainability report, included in the annual report

2.2 Our ESG agenda

The purpose of Bonava is to deliver happy neighbourhoods for the many. Bonava contribute to society primarily by supporting development of sustainable cities and



communities, while promoting decent work and sustainable growth and taking urgent action to combat climate change.

Targeting the company's responsibility, Bonava adheres to and promotes the following minimum standards in all our operations:

2.2.1 Embedded environmental respect

- Committing, setting, and regularly aligning goals and creating climate actions to reduce the company's impact on global warming, by respecting the Paris Agreement, below 2.0-degree scenario and striving to keep global warming to not exceed 1.5 degree
- Striving for sustainable use of land by choosing land to develop by due diligence, including but not limited to climate risk and vulnerability assessment, soil investigation, remediation and protection and/or compensation of endangered ecological values
- Striving for a circular production model, by resource efficient design and production including managing waste in an efficient manner, seeking to reuse or recycle materials and select low carbon material when possible; with the purpose to reduce need for raw material and minimize greenhouse gas emissions
- Striving to develop energy efficient homes and neighbourhoods with renewable energy sources, when possible, in order to reduce customers' future energy use meanwhile lowering Bonava's climate impact

2.2.2 Social - People centric culture

- Striving to have an attractive and people centric culture with great leadership by having a bottom-up value-based people strategy as well as people processes based on best practice. Furthermore, having guiding leadership principles and continuously supporting and developing our leaders in how to attract, recruit, develop and retain our people in the best way possible.
- Striving to be a diverse and inclusive workplace reflecting our society and its population, as well as providing equal opportunities for all employees, regardless of gender, sexual orientation, ethical background, religious beliefs, disability, or age. We use people analytics to drive insights in our management teams and by applying our values and competency-based recruitment in talent acquisition and succession planning.



- Striving to create a healthy and safe workplace for everyone, everywhere and everyday by integrating health and safety in every part of our business. By building psychological safety in our teams with visible and felt leadership, we strive to foster a culture of care where everyone takes ownership. We are committed to learn from things done right as well as incidents to continuously improve.
- Striving to have an efficient organisation serving our purpose and targets by continuously and annually reviewing our organisational design and our competence. We continuously improve our processes and tools, to enable the best prerequisites to execute work in a sustainable way.
- Striving to achieve an empowering employee experience where our people have a high well-being, work-life balance and possibility for self-leadership and development. We use monthly performance and development dialogues between employee and manager, as well as employee surveys and team action planning, to follow up and continuously improve the employee experience.

2.2.3 Governance for high performance

- Complying with local regulation and promoting internationally recognised best practice standards on human rights, labour, health and safety, environment, anti-corruption as well as tax
- Establishing and applying to our compliance programme, called “Our Foundation”, by living our values and Code of Conduct.
- Implementing this policy for responsible supply chain management, by assessing compliance to Bonava’s Code of Conduct and responsiveness to Bonava’s mandatory supplier requirements including the principles of UN Global Compact, in assortment of suppliers
- Being transparent by disclosing and reporting on our activities and performance in accordance with the principles of the above standards.

3. Relevant Entity

This policy applies to all entities within the Bonava Group.



4. Roles and responsibilities

The Group Head of ESG Control and Reporting is the owner of this policy (as delegated by the CEO).

5. Exceptions

Any need for exceptions to this policy must be clearly defined and documented. All exceptions shall be approved by the CEO.

6. Monitoring of compliance

The Group Head of ESG Control and Reporting ensures that all Business Units and their employees are aware of the Sustainability Policy. Adherence to the policy is monitored continuously by each Business Unit and reported to Group level to disclose in line with applicable legal sustainability reporting framework. Project specific ESG performance is reported according to Bonava's ESG data collection framework. Results are compiled according to the Board of Directors decided Group objectives and by the Executive Management Group decided country specific detailed targets.

Health and safety as well as environmental hazard- and incident reporting, audits and inspections are managed through a common system for reporting and management of health and safety as well as environmental risks in our business. All internal and external stakeholders can at any time anonymously raise concerns regarding violations of the company's values and principles through Bonava's SpeakUp System. The policy is annually reviewed and modified as necessary.

7. References

- Code of Conduct
- Supplier requirements
- Group Human Resource Procedure
- Group Health and Safety Procedure
- Group Tax Procedure