yitgroup.com

YIT Green Finance Framework

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Panuntie 11, P.O. Box 36,
FI-00621 Helsinki, Finland
Phone +358 20 433 111
www.yitgroup.com

Contents

About YIT

YIT is a major project developer and construction company that strives to create better living environments sustainably. YIT designs, builds and develops housing, office and infrastructure solutions in cooperation with its customers. It creates homes and living environments in growing cities and towns and develops and builds commercial and public facilities and social properties. In addition, YIT builds, renovates and maintains schools, day-care centers and multipurpose facilities. The company builds railroads, bridges, tunnels and structural solutions in demanding environments to make it easier for people, the economy and society to live sustainably. YIT operates as an active developer and constructor to create better living environments while seeking to offer its customers low-emission solutions for a smooth and sustainable everyday life. As of 01.01.2025 YIT has four reporting segments: Residential Finland, Residential CEE, Building Construction and Infrastructure.

YIT employs around 3,900 professionals in eight countries: Finland, Sweden, Estonia, Latvia, Lithuania, the Czech Republic, Slovakia and Poland. YIT Corporation’s headquarters are in Helsinki, Finland, and its shares are listed on Nasdaq Helsinki.

The Residential Finland segment’s business primarily comprises the development and construction of apartments and entire residential areas in Finland. Residential construction projects are mainly residential development and turnkey projects which are mainly new development projects. In addition, the segment also carries out competitive contracting. The customers are private consumers and investors. Private consumers purchase an apartment in a residential development project to use as their own home or for investment purposes, while investors purchase multiple apartments, an entire residential building, or a residential project portfolio.

The Residential CEE segment's business primarily consists of project development and construction of residential buildings and areas in Poland, the Czech Republic, Slovakia, Lithuania, Latvia, and Estonia. The housing construction projects are primarily self-developed new builds, but some projects are carried out in cooperation with an investment partner using a joint venture model.

The Building Construction segment carries out new construction and renovation works on the premises and is responsible for the usability, energy efficiency, and maintenance of its lifecycle buildings. Building Construction segments projects include industrial buildings, data centers, logistics, retail, sports, hotel, business, and office projects as well as public buildings, such as hospitals, health and well-being centers, day care centers, schools, and multi-purpose buildings. The customers include investors, owner-occupiers, and public clients. Renovation constructing services range from the comprehensive refurbishment of entire buildings to pipe renovation projects and energy renovations for housing companies. Most of the projects are cooperative project management contracting, design and build projects, alliances, and PPP (Public Private Partnership) and life cycle projects. The Building Construction segment also develops and carries out hybrid projects. Most of the segment’s business is in Finland. In Slovakia, the segment operates as a property developer. In Estonia and Lithuania, it also operates as a contractor in both business

premises and infrastructure construction projects. In Lithuania, the segment also operates in the paving business.

The Infrastructure segment develops and builds transport infrastructure, industrial sites, and other infrastructure projects for our customers with a goal to promote clean transition. The segment's services include railway and traffic route construction and maintenance, energy data centers and industrial construction, bridge building and repairing, foundation construction and other earthworks, shoreline and water work construction, underground construction such as excavation and structural engineering, water supply construction and implementing sport and parking facilities. Most of the projects are alliances, project management contracting, design and build projects and road maintenance projects. Infrastructure services are provided both to public sector customers and wide range of businesses, such as industry. The segment operates in Finland and in Sweden.

As Oy Helsingin Taikalyhty, Finland

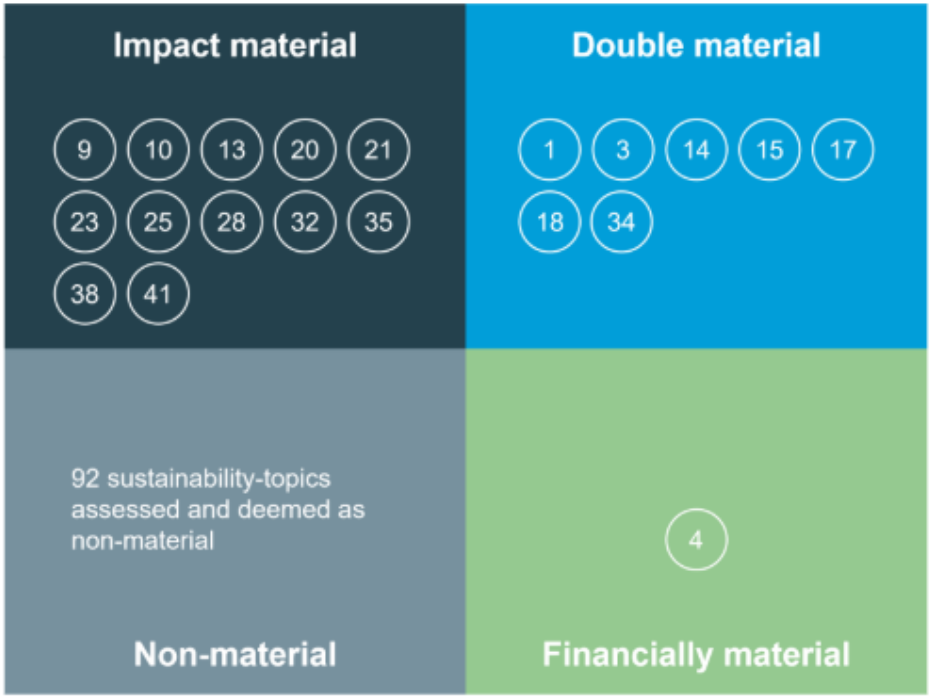
Sustainability at YIT

Urbanisation is one of the megatrends that have a major impact on today's society. Construction is one of the key industries related to urbanisation, and it has a lot to achieve in terms of sustainability: construction is one of the most emitting industries, it is heavy in manual labour and has recognized vulnerabilities to grey-economy practices. We want to address these industry challenges and have therefore incorporated sustainability into our entire value chain. Not only is sustainability one of the cornerstones of our strategy, but it is a key competitive advantage as well.

The most important sustainability themes were identified through our double materiality analysis, first carried out in July 2024 and updated in the spring 2025. The analysis has enabled us to identify and assess material impacts, risks and opportunities related to our operations and value chain in terms of environmental, social and governance dimensions. Stakeholder interviews were included in the analysis to understand matters pertaining to sustainability matters from different perspectives. The consulted stakeholders included e.g. customers, employees, investors and communities. The main themes that arose from these discussions were are climate change, biodiversity and ecosystems, own workforce, workers in the value chain, and as well as consumers and end-users.

Crown Bridges, Helsinki, Finland

The result of double materiality analysis



E1 Climate change
- 1 Climate change (GHG emissions)
- 3 Energy
- 4 Climate change adaptation

E4 Biodiversity and ecosystems
- 9 Direct impact drivers of biodiversity
- 10 Impacts on the state of species

Entity specific disclosures
- 13 Environmental accidents

E5 Circular economy
- 14 Resources inflows, including resource use (negative)
- 15 Resources inflows, including resource use (positive)
- 17 Resource outflows related to product use (waste)

S1 Own workforce
- 18 Training and skills development
- 20 Gender equality and equal pay for work of equal value
- 21 Measures against violence and harassment at the workplace
- 23 Working time and adequate wages
- 25 Health and safety

S2 Workers in the value chain
- 28 Secure employment
- 32 Working time and adequate wages
- 34 Health and safety
- 35 Child and forced labor

S4 Consumers and end-users
- 38 Product quality and safety

G1 Business conduct
- 41 Good governance, preventing grey economy

Environment

Our focus areas related to environmental sustainability include Climate change mitigation, safeguarding biodiversity, reducing material use and applying circular economy solutions.

YIT set Science Based Targets (SBTi) already in November 2021, making YIT the first Finnish construction company to commit to Science Based Targets. They were adopted in June 2023 and by committing to the targets we aim to reduce both our own and our customers' emissions. Our target is to reduce the absolute Scope 1 and Scope 2 emissions by 90% and Scope 3 emissions by 30% by 2030 from a 2019 base year. The target boundary includes biogenic emissions and removals from bioenergy feedstocks. The pathway is in line with limiting global warming to 1.5 °C.

PROGRESS IN THE ACTIONS OF THE CARBON ROADMAP

			Actions taken 2022–2025	Planned actions 2026–2030	Objective 2030
1	Sustainable living environments and products	The buildings we construct become more sustainable and increasingly energy efficient. We increase the EU taxonomy alignment in our project portfolio.	• Residential buildings in Finland: A energy class and often also low-carbon hollow-core slabs and geothermal heat • Biodiversity guidelines for yard design • Climate risk analyses by country and in self developed residential projects • Development of building processes to align more consistently with taxonomy requirements	• More detailed EU taxonomy objectives in infrastructure construction • Increasing the share of building projects that align with the taxonomy requirements • Further improving the energy efficiency of projects in CEE countries beyond the legal level	Product portfolio meeting customer expectations
2	Carbon neutrality in own operations	We purchase only certified green electricity,replace fossil fuels with renewable energy and transition gradually to fully electric equipment fleet. We improve on material and energy efficiency, and recycling in operations.	• Share of green electricity 92% (2025) • Share of renewable fuels 8% (2025) • Guidelines for the use of renewable fuels in the Infra segment • New company cars to be electric vehicles • Circular economy plans in self-developed housing construction projects in Finland	• Electrification of lighter production vehicles • Proactive assessment of opportunities to transition to lower-emission heavy machinery • Circular economy plans in CEE countries • Increasing the share of green electricity in CEE countries	Carbon neutral in own operations
3	Design management & supply chain engagement	We will gradually transition to low-carbon building materials, starting from concrete and steel categories. We collaborate with architects, designers and providers, and increase the weight of sustainability criteria in selecting partners.	• ESG card as a tool for design management • Decision on low-emission ready-mix concrete and reinforcing steel bars in the Infra segment • Pilot projects for low-carbon materials in the Residential CEE segment • Emission reduction and recycling rate targets for selected procurement categories	• Active dialogue with stakeholders to create markets for lower-carbon steel products • Setting more detailed product- and material-specific emission reduction targets for selected categories • Implementing new sustainability criteria in partner selections	Value chain emissions -30% vs. 2019
4	Sustainable ways of working	We develop our personnel's environmental competences and increase the weight of sustainability criteria in remuneration and project selection. We improve the quality of environmental data, reporting and tools.	• Environmental guidelines in the management system • Improving the accuracy and reporting of project LCA's • Environmental objectives as part of project remuneration	• More detailed calculation of Scope 3 emissions, road maintenance, and building systems emissions • More comprehensive use of product-specific data in emissions calculations • Trainings in design management and tendering activities	Sustainability integrated into business processes

Our operations have both immediate and decades-long environmental impacts. As part of the emissions reduction target we have a carbon roadmap that describes our path to carbon neutrality and guides our climate change mitigation work. The carbon roadmap consists of four sets of action:

- **Sustainable living environments and products** – focuses on downstream value chain and the opportunities related to the products manufactured by YIT
- **Carbon neutrality in own operations** – contains emissions reduction measures that have an impact especially on YIT's construction sites
- **Design management & supply chain engagement** - focuses on upstream value chain activities aimed at mitigating climate change, managing risks related to climate change, and exploiting opportunities associated with climate change
- **Sustainable ways of working** - aim to strengthen YIT's future capabilities to prevent impacts related to climate change and manage risks and opportunities associated with climate change

Each action has a timeframe when the action is to be implemented. Remaining key actions include circular economy solutions, optimized use of materials, and the use of low-carbon materials even in smaller procurement categories.

The environmental impacts of our own operations are mainly local impacts, such as noise, dust, odors, vibration, landscape changes and emissions. We aim to reduce these by improving energy efficiency of our operations, increasing recycling activities and materials in our production processes and investing in improving construction and demolition waste management and recycling. Through own actions we aim to safeguard biodiversity throughout our supply chain.

Urban development contributes to the impacts on biodiversity, the preservation of which requires practical action and the creation of green structures. Our operations take into account the prerequisites of sustainable environmental construction and we listen to the needs of our stakeholders in preserving biodiversity. During the construction process, the most efficient way to decrease environmental impacts is to take environmental impacts into consideration already at the planning stage. One example is the yard concept used in residential construction, which emphasizes the focus on biodiversity for example through prioritizing domestic, non-toxic and pollinator-friendly plant species. Additionally, for every residential and building construction project it is mandatory to complete a project-specific sustainability data collection form. The form is used to find out what measures are being planned and implemented to support biodiversity. YIT has calculated its nature footprint based on its own direct impacts and the environmental impacts caused through procurement in Finland. The aim of the nature footprint calculation was to obtain measurable and comparable information about which parts of the company's own operations and procurement cause the greatest environmental impacts.

YIT follows biodiversity principles which are based on the company's sustainability policy and environmental principles. They aim to reduce harmful impacts on biodiversity, promote value chain

and industry change, increase knowledge and skills on biodiversity related issues, and create positive impacts on nature.

In accordance with the mitigation hierarchy, YIT aims to avoid and reduce the adverse impacts of its activities on biodiversity. It also seeks to increase natural values through restorative and regenerative actions. YIT manages its biodiversity impacts through the five direct drivers of biodiversity loss: land use and land use change, resource use, climate change, pollution, and invasive species. YIT aims to:

- Avoid construction in ecologically valuable areas and preserving natural values
- Emphasize material efficiency, circularity, and sustainable materials
- Align actions with its carbon reduction goals to mitigate climate-related biodiversity loss
- Reduce waste and harmful compound use, while minimizing disturbances to nature
- Prevent the spread of invasive species in its activities.

YIT strives to promote industry change by encouraging biodiversity-friendly practices throughout the supply chain and fostering cooperation with stakeholders. YIT strives to enhance the knowledge and skills of its employees through improving understanding of biodiversity impacts and strives to introduce biodiversity-friendly innovations and provide solutions with positive effects on nature in its projects and procurement.

To understand better the climate risks related to our operations both in short and long term we have carried out a risk assessment that examined our ability to adapt to transition events and physical risks. Based on the risk assessment, the following table describes YIT's most significant risks and opportunities related to climate change:

Transition risks	Physical chronic risks	Physical acute risks	Opportunities
Increase in emission prices	Temperature changes (air, fresh water, seawater)	Heatwave	Utilization of low-emission energy sources
Increase in raw material costs	Temperature variations in CEE countries	Heavy rain (rain, hail, snow or freezing rain)	Circular economy solutions
Replacement of existing products	Thermal load		New technologies
Increase in mandatory certification and limits	Variation in precipitation		More energy-efficient buildings

Social

At YIT, social sustainability means respecting human rights, safeguarding the well-being and safety of our employees, providing fair working conditions, and supporting the professional development of our workforce. We want to be an attractive employer that prioritizes equal treatment and equal opportunities for all. In addition to these internal aspects, we actively consider and address the needs of the local communities in which we operate. We aim to provide a safe and healthy working and living environment for our personnel, partners, customers and other stakeholders. Our approach to social sustainability is structured around three focus areas: occupational safety, personnel competence development and human rights.

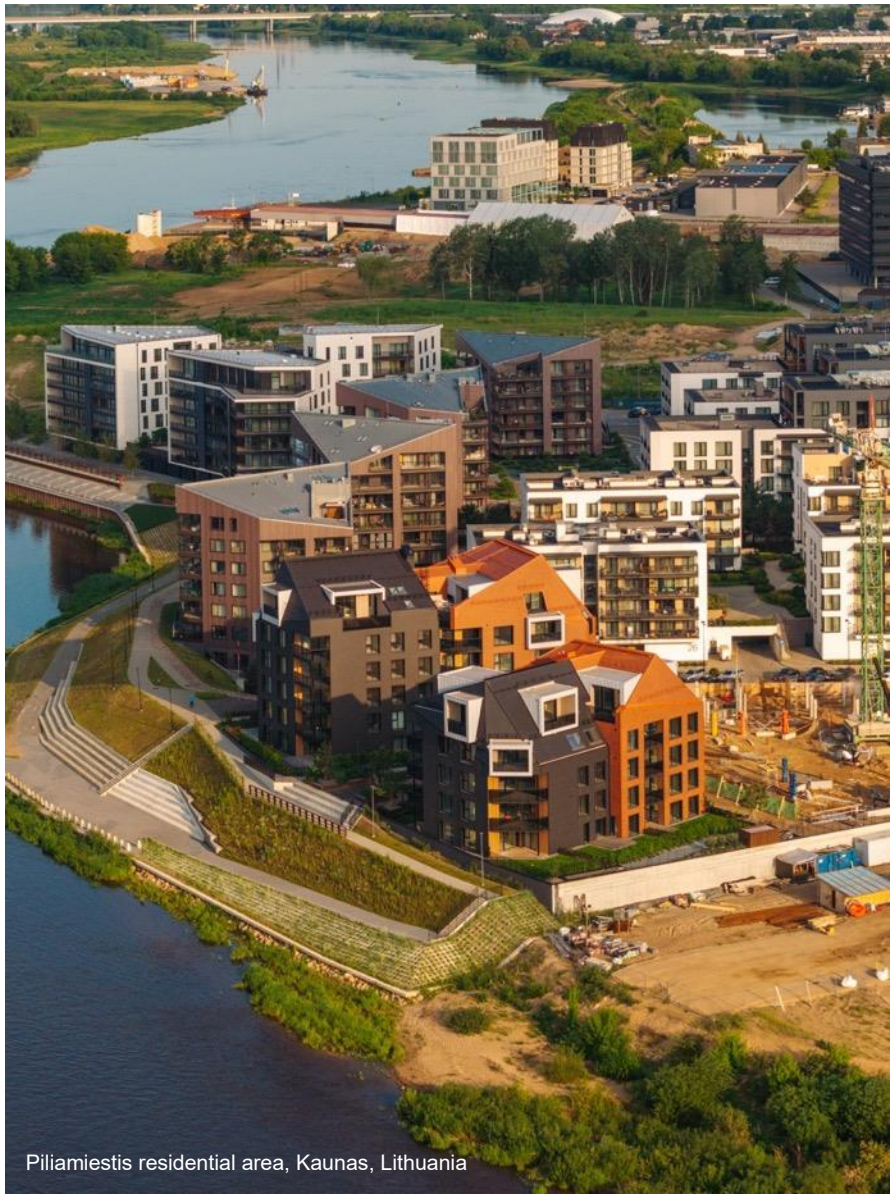
Healthy and competent employees are a key resource for us. We want to support and develop the expertise of our personnel at all organizational levels. Our operating environment changes constantly, and training and coaching are an integral component of our personnel development.

We systematically enhance our safety practices, and our management is committed to monitoring and improving occupational safety, for instance, by visiting construction sites on a regular basis. We also monitor compliance with our safety practices across our subcontractors and the entire supply chain with our occupational safety practices. On a practical level, we aim to zero accidents and have set a target to halve the workplace accidents during the strategy period 2024-2029. Additionally, we aim to enhance the overall wellbeing of our workers, including their personal growth for example through upskilling opportunities.

We are committed to respecting the Universal Declaration of Human Rights by the United Nations (UN) and the eight core conventions of the International Labour Organisation (ILO) which our partners are also required to respect. We are also committed to the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the UN Sustainable Development Goals.

Governance

We take the industry challenges seriously and fight against grey economy. We do not tolerate corruption, labour exploitation or discrimination.



Piliamiestis residential area, Kaunas, Lithuania

Our sustainability objectives are embedded in the whole supply chain, and we require the same standards from our suppliers as we have set for ourselves.

In accordance with the Supplier Code of Conduct, YIT's ethical guideline for suppliers and subcontractors, YIT commits to responsible business conduct in all its operations and requires the same from its partners. Supplier Code of Conduct covers, for example, legal compliance, ethical practices (anti-corruption and anti-bribery, conflicts of interest, fair competition, money laundering and compliance with sanctions), as well as provisions on data confidentiality and personal data protection. It describes the principles that our partners must follow, for example, in freedom of association, non-discrimination, working hours, wages and contractual requirements, prohibition of child and forced labour, and occupational health and safety.

YIT is committed to respecting the Universal Declaration of Human Rights and the fundamental rights confirmed in ILO’s eight core conventions. The partners are also required to respect the same rights. Partners must comply with the following principles: freedom of association, non-discrimination, requirements concerning working time, salary and employment contracts, child and forced labor, and occupational health and safety.

To prevent labor exploitation and the grey economy, we started enhanced verification of work and residence permits in 2022 for employees from countries outside the EU, EEA and Switzerland working in Finland. Additionally, we established a policy that no third-country nationals are allowed as posted workers on our Finnish construction sites, but instead, we always require a residence permit with work authorization issued by the Finnish Immigration Service (Migri).

YIT Green Finance Framework

This Green Finance Framework has been established to promote our transition towards a carbon-neutral circular economy. Our first Green Finance Framework was established in 2021 and ever since green finance has been part of our financing. The framework is aligned with the Green Bond Principles (GBPs) published in 2025 by the International Capital Market Association (ICMA) and the Green Loan Principles (GLPs) published in 2025 by the European Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA) and Loan Syndication Trading Association (LSTA).

The four core components of the principles along with the recommendation of External review form the basis of this Framework, including:

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

The Framework allows YIT to raise capital through green debt products such as bonds, loans, commercial papers and revolving credit facilities (Green Debt).

Approach to EU Taxonomy

The EU has set a target of carbon neutrality by 2050. This goal is supported by the classification system for sustainable economic activities, known as the EU taxonomy. It turns the EU's climate and environmental objectives into criteria for determining the sustainability of business. The current classification system for sustainable economic activities covers the sectors that are significant in regard to climate change in terms of representing over 80% of Europe's CO2 emissions and having the greatest potential to enable the EU's green transition towards carbon neutrality.

To align with the Taxonomy, eligible economic activities must make a substantial contribution to at least one of the six environmental objectives. In addition, the activity must comply with the criteria for not harming any of the other environmental objectives (the Do No Significant Harm criteria, DNSH) and be carried out in compliance with Minimum Safeguards (MS) related to respecting human rights and following good business conduct rules.

The Green Project Categories in this Framework are recognised as being aligned with the ICMA Green Bond Principles, and the eligibility criteria draw on the substantial contribution criteria set out in the EU Taxonomy Climate Delegated Act. Each Green Project Category has been mapped to the corresponding economic activity for transparency. For the Green Project Categories Clean transportation, Energy Efficiency, and Sustainable Water and Wastewater Management, YIT will utilise its annual EU Taxonomy reporting to identify projects. These categories include the EU Taxonomy activities 4.11, 5.3, 6.14 and 6.16.

For the Green Project Category Green Buildings, alignment with the EU Taxonomy may vary depending on data availability and project characteristics, and Taxonomy alignment is not required for inclusion.

Where relevant, any EU Taxonomy alignment may be reported in the Green Bond Report.

Use of Proceeds

Allocation of net proceeds

An amount equal to the net proceeds of the Green Debt issued by YIT will be used to finance and/or refinance, in whole or in part, Green Projects as defined by the eligibility criteria set out on the next pages.

Green Projects include assets on YIT's balance sheet as well as expenditures related to projects that meet or are expected to meet the eligibility criteria outlined below. Assets on the balance sheet shall qualify for refinancing without a specific look-back period, while expenditures related to projects have a look-back period of three years.

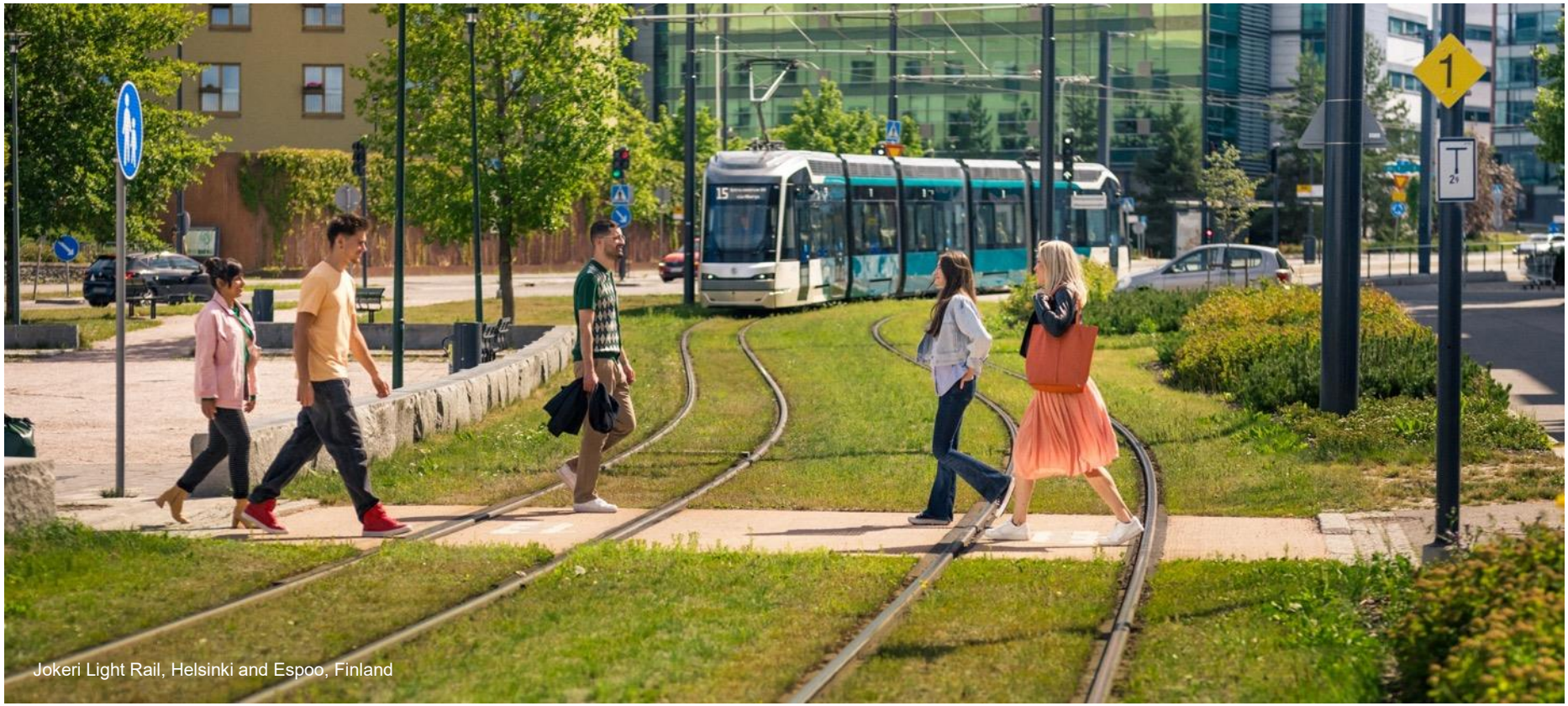
YIT intends to allocate the net proceeds of each Green Debt instrument to eligible Green Projects within 24 months of issuance, unless otherwise specified. Green Projects will form a portfolio eligible for financing and refinancing by Green Debt.

Financing and refinancing

The net proceeds from Green Debt can finance both existing and new Green Projects financed by YIT or its subsidiaries. New financing is defined as allocated amounts to Green Projects financed within or after the reporting year, and refinancing is defined as allocated amounts to Green Projects financed prior to the reporting year.

Exclusions

Green Debt net proceeds will not be allocated to projects involving fossil energy production, fossil fuel infrastructure, nuclear energy generation, weapons and defence, potentially environmentally harmful resource extraction (such as rare-earth elements or fossil fuels), mining, gambling or tobacco.



Jokeri Light Rail, Helsinki and Espoo, Finland

Green Projects Categories

Green Buildings

	Eligibility criteria
ICMA GBP categories Green Buildings **EU Taxonomy Objective** Climate Change mitigation **EU Taxonomy activity** 7.1, 7.7, 7.2,7.3, **UN SDG** 7,11	**New buildings** New buildings[1] (built after 31 December 2020) designed to achieve a Primary Energy Demand (PED) that is at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements[2]. **Existing buildings** Buildings (built before 31 December 2020) with an EPC of class A or determined to belong in the top 15 per cent of the national building stock in terms of PED demonstrated through e.g. a third-party specialist study. **Major renovations** Renovation of existing buildings that lead to an overall reduction in PED per square meter and year (kWh/m2/year) by at least 30 per cent compared to the pre-investment decision. **Building energy efficiency measures** Direct costs (e.g. material, installation and labour costs) for the installation, maintenance and repair of energy efficient technologies or other energy saving measures during the construction, maintenance and service phase of a building. These measures may include energy management systems, AI and data solutions (e.g. optimisation of HVAC systems for energy efficiency and smart monitoring of heating), extended or improved thermal insulation[3], heat exchangers, electric heat pumps (where the global warming potential (GWP) of refrigerants does not exceed 675) or costs for enabling renewable energy sources such as photovoltaic systems and charging stations for electric vehicles.

[1] May cover land held for development and its development costs, and development costs related to buildings under construction that will, once completed, reach the eligibility criteria.
[2] As defined by national building regulations
[3] Extended or improved thermal insulation refers to measures that enhance a building's thermal performance beyond standard practice in order to reduce energy demand for heating and cooling.

Clean Transportation

	Eligibility criteria
ICMA GBP categories Clean transportation **EU Taxonomy Objective** Climate Change mitigation **EU Taxonomy activity** 6.14, 6.16 **UN SDG** 11	**Infrastructure for rail transport** Construction, modernisation, operation and maintenance of railways, subways, bridges, tunnels, stations, terminals, rail service facilities, and safety and traffic management systems that enable low-carbon rail transport. Eligible rail-transport infrastructure must meet one of the following criteria: • Electrified rail infrastructure or associated subsystems; or • Rail infrastructure that will be fit for use by zero tailpipe CO_2-emission trains within 10 years of project start; or • Existing non-TEN-T rail infrastructure (until 2030) that meets the zero-emission train compatibility criteria above; or • Infrastructure and installations dedicated to modal shift, including passenger or freight terminals and transhipment facilities. **Infrastructure for enabling low-carbon water transport**[4] Construction, modernisation, operation and maintenance of infrastructure required for zero tailpipe CO_2-emission vessel operations or zero-emission port operations, including facilities that support a modal shift to waterborne transport. Eligible water-transport infrastructure must meet one of the following criteria: • Infrastructure dedicated to zero direct (tailpipe) CO_2-emission vessels, such as electricity charging or hydrogen-based refuelling; or • Infrastructure providing shore-side electricity to vessels at berth; or • Infrastructure dedicated to zero-emission port operations; or • Infrastructure or installations enabling modal shift, such as transhipment terminals; or • Modernisation of existing infrastructure to enable use by zero direct CO_2-emission vessels, with climate-proofing applied where relevant[5]

[4] The infrastructure is not dedicated to the transport or storage of fossil fuels
[5] Subject to a verified climate proofing assessment in accordance with Commission Notice — Technical guidance on the climate proofing of infrastructure in the period 2021-2027 (2021/C 373/01).

Energy Efficiency

	Eligibility Criteria
ICMA GBP categories Energy efficiency **EU Taxonomy Objective** Climate Change mitigation **EU Taxonomy activity** 4.11 **UN SDG** 11	**Storage of thermal energy** Construction and operation of facilities that store thermal energy and return it at a later time in the form of thermal energy or other energy vectors, where the facility stores thermal energy—including Underground Thermal Energy Storage (UTES) or Aquifer Thermal Energy Storage (ATES).

Sustainable water and wastewater management

	Eligibility Criteria
ICMA GBP categories Sustainable water and wastewater management **EU Taxonomy Objective** Climate Change mitigation **EU Taxonomy activity** 5.3 **UN SDG** 6	**Wastewater treatment** Construction, extension and operation of centralised waste water systems, including sewer networks and waste water treatment plants. Eligible waste water treatment infrastructure must meet one of the following criteria: • The net energy consumption of the waste water treatment plant is: ≤ 35 kWh/p.e./year for plants <10,000 p.e.; ≤ 25 kWh/p.e./year for plants 10,000–100,000 p.e.; or ≤ 20 kWh/p.e./year for plants >100,000 p.e., taking into account source-control measures and onsite energy generation; or • For new or extended plants replacing more GHG-intensive systems (e.g. septic tanks, anaerobic lagoons), a direct GHG emissions assessment is performed and disclosed to investors and clients on demand.

Green Project Evaluation & Selection Process

Green Projects shall comply with the eligibility criteria defined under the Green Project categories and YIT's stringent investment procedure that follows a gate model. The model builds on predefined tasks which need to be completed prior to advancing with the project to the next gate. This is ensured in YIT's process to evaluate, select, and allocate Green Debt proceeds to eligible Green Projects, comprising the following steps:

I. Sustainability experts and representatives within YIT evaluate potential Green Projects, their compliance with the Green Project categories, and their environmental benefits.
II. A list of the potential Green Projects is presented to YIT's Green Finance Committee ("GFC"). The GFC is solely responsible for the decision to acknowledge the project as green, in line with the Green Project Criteria. After the decision that a project is green, then they are included in a dedicated "Green Register". The amount equal to the net proceeds are allocated against the Green Register. GFC makes consensus decisions. The decisions made by the GFC will be documented and filed.

The Green Project evaluation and selection includes a risk management process. At YIT, project level social and environmental risks are identified as part of the company's standardized project risk management process, which follows ISO 31000 aligned principles and a mandatory gate model. Risk identification is carried out by project teams and project management at the start of each project and reassessed at every project gate, with social and environmental risks addressed alongside other project risks.

Identified risks are documented in standardized project risk management tools and reviewed regularly during project execution, with risk levels monitored and updated as part of monthly reporting. Where needed, the Group risk management and sustainability functions support projects by providing guidance, tools and facilitation, while ownership of risk identification and management remains at project level. Material changes in project risks are escalated in accordance with YIT's governance and reporting practices.

Green Finance Committee (GFC)

The GFC is chaired by the CEO and includes at least the following members:

- Chief Executive Officer
- Executive Vice President, Urban Development
- Chief Financial Officer
- Senior Vice President, Treasury
- Vice President, ESG.

The GFC will convene on a regular basis or when otherwise considered necessary. For the avoidance of doubt, the GFC holds the right to exclude any Green Project already funded by Green Debt net proceeds. If a Green Project is sold, or for other reasons loses its eligibility, funds will then follow the procedure under Management of Proceeds until reallocated to other eligible Green Projects.

Management of Proceeds

Tracking of Green Debt net proceeds

YIT will manage the net proceeds from Green Debt issued under the framework on a portfolio basis. YIT will use a Green Register to track that an amount equal to the Green Debt net proceeds is allocated to Green Projects. The purpose of the Green Register is to ensure that Green Debt net proceeds only support the financing of Green Projects or to repay Green Debt. A loan or a tranche of a loan will only be labelled as green if an amount equal to its net proceeds is allocated to Eligible Green Projects and tracked in YIT's Green Register. Any non-green tranche within the same facility will not be labelled as green, and allocation and tracking follow the processes set out in this Framework. The supervision and monitoring of the Green Register are undertaken through involvement from Group Business Control and Treasury in tracking eligible green projects and outstanding green debt. Overall oversights are provided by the Green Finance Committee. The management of proceeds will be reviewed by an independent verifier appointed by YIT.

Temporary holdings

Unallocated Green Debt net proceeds may temporarily be placed in the liquidity reserve and managed accordingly by YIT. Temporary holdings will not be placed in entities with a business plan focused on fossil energy production, fossil fuel infrastructure, nuclear energy generation, weapons and defence, potentially environmentally harmful resource extraction (such as rare-earth elements or fossil fuels), gambling or tobacco.

Reporting

YIT will annually, until full allocation and in the event of a significant change in allocations, provide investors with a report (Green Finance Framework Impact Report) describing the allocation of proceeds and the environmental impact of the Green Projects. The report will be made available on YIT's website together with this Green Finance Framework. In the event YIT would have other Green Debt than bonds outstanding the company may choose to report, in relation to these other financial instruments, directly and non-publicly, to the lenders or counterparts. For any Green revolving credit facility, YIT will provide allocation reporting annually until maturity of the facility.

Allocation reporting

Allocation reporting will include the following information:

i. Nominal amount of outstanding Green Debt
ii. The balance of the Green Projects in the Green Register
iii. The total aggregated proportion of Green Debt net proceeds used per Green Project Category
iv. Distribution between new financing and refinancing
v. The amount of unallocated proceeds, if any.

In addition, YIT may report on the EU Taxonomy alignment of the projects financed.

For any Green Commercial Paper issued under this Framework, YIT will report annually on an aggregated portfolio basis:

- the simple average amount of Green Commercial Paper outstanding during the reporting period,
- the highest amount of Green Commercial Paper outstanding during the reporting period.

Impact reporting

The impact reporting aims to disclose the environmental impact of the Green Projects financed under this Framework, based on YIT's financing share of each project. The impact report will cover all Green Debt instruments, including commercial papers. YIT will ensure that there is no double counting of the stipulated impact. As YIT can finance a large number of smaller Green Projects in the same Project Category, impact reporting will 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.

The impact assessment will, if applicable, be based on the following impact indicators:

- Project description and environmental benefit
- Annual calculated energy use avoided compared to the relevant building code[6] or pre-investment situation (KWh).
- Annual GHG emissions avoided (tonnes of CO2e emissions).

[6] Relevant building code refers to the national building code of the building category in question (e.g. residential, com mercial etc.) which was valid at the time the building was built.

Aleksanterinkatu 13 renovation, Helsinki, Finland

External review

Second party opinion

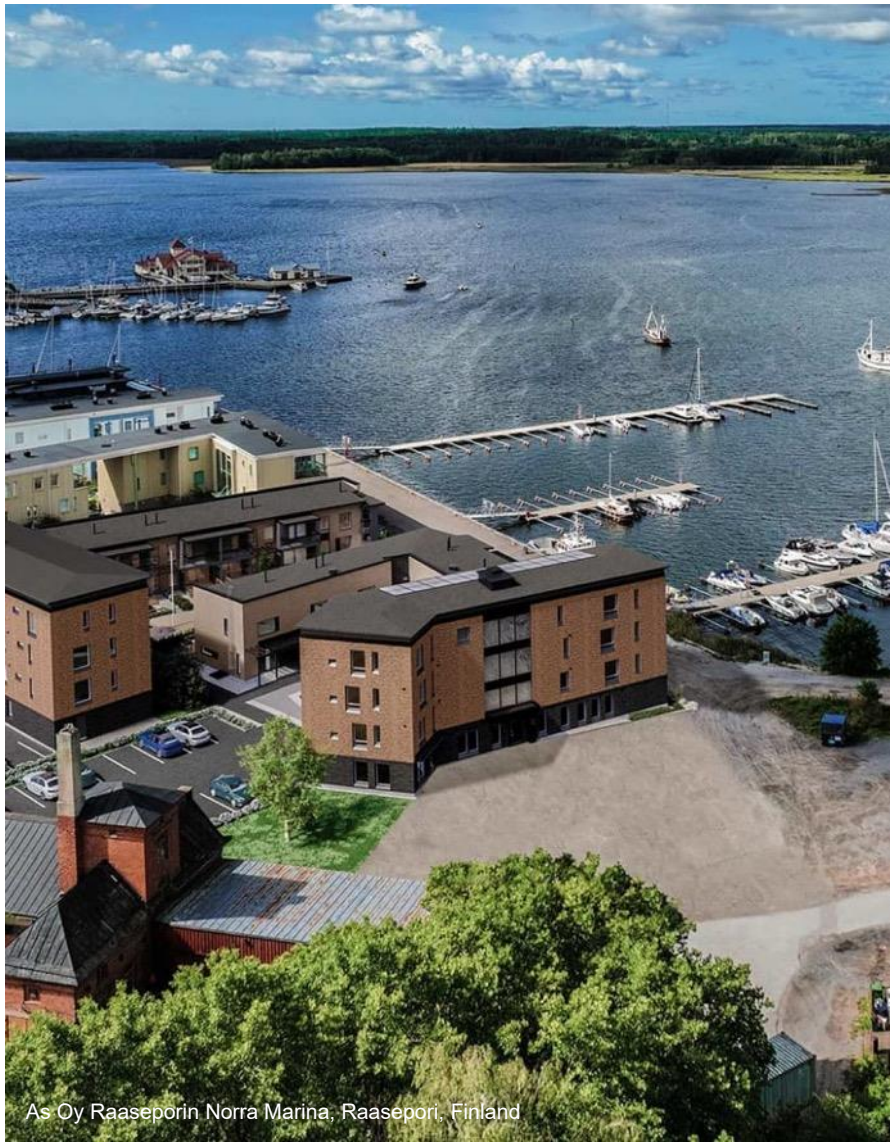
ISS-Corporate has provided a second party opinion to this Framework verifying its credibility, impact and alignment with the ICMA Green Bond Principles and the LMA/APLMA/LSTA Green Loan Principles.

Verification

An independent verifier appointed by YIT will provide, on an annual basis, a statement that an amount equal to the Green Debt net proceeds has been allocated to Green Projects or to temporary holdings.

Publicly available documents

The Green Finance Framework and the second party opinion will be publicly available on YIT's website together with the annual statement from the independent verifier and the annual Green Finance Framework Impact Report once those have been published.



As Oy Raaseporin Norra Marina, Raasepori, Finland