

Corporate Social Responsibility Report 2011

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Swedish National Road Consulting AB

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Statement from the Managing Director

Sustainability issues have been given a central role in SWEROAD's activities not least since SWEROAD 2009 became a member of The Global Compact. SWEROAD continues to support the Global Compact principles and future work will be based on them. This work can be made visible through this sustainability report.

SWEROAD is actively working to increase awareness and skills of our employees on ethical issues such as corruption and human rights. In some of the countries where SWEROAD operates there is some economic and political instability. Through our activities we promote development in these countries.

Worldwide every year more than one million people die in traffic accidents. The United Nations has put focus on this fact and proclaimed the period 2011–2020 as the Decade of Action for Road Safety, with a goal to stabilize and then reduce the forecast level of road traffic fatalities around the world by increasing activities conducted at the national, regional and global levels. The problem has also been recognized by among others the World Bank, the Asian Development Bank and the EU. Since Sweden has carried out successful traffic safety activities and road safety is an important area for SWEROAD we have added extra power in this field.

The economic crisis has cast its shadow over many countries in the last couple of years. Some of the countries where SWEROAD has been in business have had payment problems. Great efforts have been made to reduce the number of unpaid debts. Meanwhile, Swedish aid for infrastructure has been channelled through institutions other than Sida itself, which has contributed to that SWEROAD's turnover has temporarily gone down. To address this, the number of project managers was increased in 2010 and this has resulted in more proposals and a higher turnover by the end of 2011.

SWEROAD's owner, the Ministry of Enterprise, Energy and Communications in Sweden, lifted 2010 the issue of SWEROAD's continued legal status. It is SWEROAD's view that proximity to traffic authorities is a prerequisite for SWEROAD to retain its unique position in the market and to gain access to the expertise that is in demand. This view is shared by the Swedish Transport Administration who informed the Ministry of its opinion.

One of the reasons for the institutional changes made in the traffic authorities in Sweden in recent years is that planning of all transport modes shall be integrated. This is also relevant for the international consulting and coordinating SWEROAD's work with LFV Aviation Consulting in Sweden is a step in this direction. SWEROAD has, with the Transport Administration's support, during the recent years also begun to explore opportunities to offer services in the railway sector. SWEROAD's activities in the environmental field have also increased.

Our vision is, as one of the leading consultants within the transport sector, to contribute with knowledge and experience to develop sustainable Transport Sector Management abroad. Through our services we focus on the needs of the client. Hence, projects are client driven and based on the client's full commitment providing results that support sustainable development. Our vision also includes sustainable operations at the head office in Sweden and project offices abroad.

Gunnar Tunkrans, Managing Director, SWEROAD

Operations

Organisational Profile

Swedish National Road Consulting AB (SWEROAD) is a limited company owned by the Swedish Ministry of Enterprise, Energy and Communications and governed by the Swedish Transport Administration.

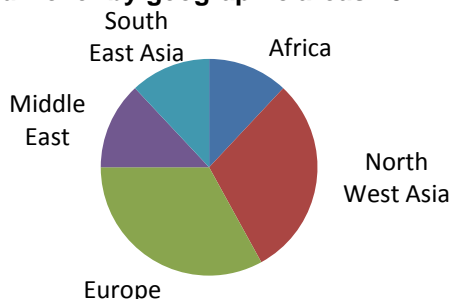
SWEROAD provides consulting services within the transport sectors especially road, road safety and railway to clients outside Sweden by utilising the knowledge available within the Swedish Transport Administration and other Swedish authorities, institutions and organisations in the transport sector. Projects run by SWEROAD usually include advisory services and technical assistance to government agencies and local authorities. Due to its close ties with Swedish authorities it is natural for SWEROAD to work in close co-operation with road, railway and transport authorities in other countries.

SWEROAD shall through its activities abroad do Swedish road and road safety skills at authority level accessible to the outside world. Most operations are carried out in close cooperation with The Swedish Transport Administration and will provide The Swedish Transport Administration's employees opportunities to work abroad and thus create self-development and stimulation. This makes The Swedish Transport Administration a more attractive employer.

SWEROAD's Head Office is situated in Solna, Sweden, where mainly sale and administrative work is done. During the year the company had seven project offices which have provided administrative services for the projects. The project offices have been situated in Albania, Azerbaijan, Bosnia and Herzegovina (Sarajevo and Banja Luka), Iran, Lesotho and Moldova.

The countries where SWEROAD operates vary from year to year. In 2011 SweRoad carried out 34 (31) projects in 25 (18) countries (Sweden, Albania, Azerbaijan, Bosnia and Herzegovina, Botswana, Cambodia, Chile, Cyprus, Denmark, Georgia, India, Iran, Iraq, Kenya, Lao, Lesotho, Moldova, Montenegro, Morocco, Namibia, Russia, Serbia, Sierra Leone, United Arab Emirates and Yemen).

Turnover by geographic areas 2011



SWEROAD has an advisory role towards its clients and has been active in most areas concerning roads and road traffic. As The Swedish Transport Administration's responsibility in addition to road also includes railway matters SWEROAD also offers services within this area.

In its advisory capacity SWEROAD mainly works with policy and organisation issues. Other assignments in-

clude an operational management role including e. g. development and maintenance plans.

Legislative issues, policy formulation, information search and statistics, overall and detailed organisational proposals, operational planning, establishment and development of systems, feasibility studies, sector planning, supervision, training and monitoring is included in various combinations in the majority of SWEROAD's projects.

Knowledge transfer is always included in the projects. In-house education in Sweden or in cooperation with other professional institutions and businesses are key elements of all projects.

The clients for SWEROAD's projects are usually the authorities responsible for infrastructure and transportation in the country. The client can also be an aid organisation wishing to utilize SWEROAD's and/or the traffic authorities' services.

The scale of SWEROAD is shown in the table below.

| | 2011 | 2010 | 2009 |
|--|---------|---------|--------|
| Average number of employees, including managing director | 20 | 18 | 31 |
| Net turnover, tSEK | 32 643 | 25 888 | 45 360 |
| Loss after taxes, tSEK | - 4 323 | - 7 972 | -5 905 |
| Total equity, tSEK | 18 358 | 22 681 | 30 752 |
| Total liabilities, tSEK | 10 849 | 10 812 | 7 570 |
| Total assets, tSEK | 29 207 | 33 493 | 38 322 |

No significant changes have accrued during 2011 regarding size, structure or ownership.

SWEROAD has not received any awards during the period.

Governance

SWEROAD employs the Swedish Code of Corporate Governance and the Government's Governance Policy for Governmental Owned Companies. The board is elected at the annual meeting. Suggestions for candidates to the board are provided by the Swedish Transport Administration after consultation with the Ministry of Enterprise, Energy and Communications. The board contains of a chairman (former Director General of the Swedish Road Administration) and three board members (two from the Swedish Transport Administration and one that represents the community). The board also includes two employee representatives, one member (from the Swedish Transport Administration) and one deputy member (from SWEROAD). The Board appoints the Managing Director who is not a member of the board. The top management of the company consists only of the managing director. No board member is included in the top management of the company.

Political representatives have the opportunity to present their opinions to the board at the annual meeting. A copy of the notice of the annual meeting is always sent to the Swedish Parliament. In addition to the annual meeting meetings have also been held with the owner, represented by the Swedish Road Administration, to discuss SWEROAD's operations. Employees can present their opinions to the board through the employee representatives. The public can send their opinions through an email address that are found on SWEROADS webpage.

Weekly meetings are held at the head office of SWEROAD where the daily operations are discussed. Internal matters are also discussed at the yearly employee conference. The conference for 2011 has been postponed to the beginning of 2012.

Examples of issues raised during the year are concerns regarding the fact that the company continues to generate losses, questions regarding the company's risk management and a new local union agreement.

CSR Report Report Profile

This report presents SWEROAD's sustainability with focus on the company's economic, environmental and social impact during the period January 1st to December 31st 2011. Comparative numbers from 2010 are shown within parenthesis. Indicators are also presented for 2009. The company makes yearly CSR Reports and the latest report was presented on the company's webpage in March 2011. The company's Managing Director is the contact point for questions regarding this report or its contents.

Report Scope and Boundary

SWEROAD's CSR Report contains information regarding the projects that SweRoad performed during 2011 and the company's business in Sweden and in the seven project offices abroad.

The CSR report mainly contains information regarding SWEROAD's impact on the environment and society. The financial information is mainly found in SWEROAD's annual report for 2011.

No significant changes have been made from the previous reporting periods in scope, boundary or measurement methods applied in the report.

Stakeholder engagement

The different stakeholder groups' opinions about social, economic and environmental aspects have been considered while making this CSR report. The main stakeholders of SWEROAD can be divided into the following groups:

- Clients/Financial institutions – EU, World Bank (WB), Swedish International Development Cooperation Agency (Sida), Asian Development Bank (ADB), Nordic Development Fund (NDF) and other development banks and foreign ministries and organisations.
- Resource base – transport authorities, Swedish traffic police, other Swedish authorities, universities and consulting companies.
- The Society – both the Swedish society and the societies abroad where SWEROAD performs projects.
- The owner – the Swedish Government.
- Employees

All stakeholders have an interest in the company's survival which requires economic profit and long term objectives. The clients and financial institutions expect services of high quality. The employees expect job satisfaction and personal development.

SWEROAD can among other things provide society with increased road safety in the countries where the company carries out such projects.

Report parameters

SWEROAD has chosen to define sustainable development according to the Brundtland commission's definition, *"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs"*.

Different stakeholder's opinions and views on social, economic and environmental aspects have been considered in the development of the sustainability report. Some of SWEROAD's main stakeholders are the World Bank, Sida, EU, the Swedish Transport Administration, the Swedish state and the employees. Their priority areas are employees, education, gender equality, environmental sustainability, road safety, human rights, anti-corruption and control of diseases, which are also relevant areas for SWEROAD's activities. The basis for the World Bank's global and political development is the UN Millennium Development Goals. The World Bank has developed strategies for different sectors to achieve the millennium goals and transport is one of the selected sectors. Moreover, the UN considers increased investments in infrastructure such as roads, essential for promoting the democratization in low income countries. The EU has entered into commitments on policy coherence for development in twelve areas, of which transport is one area.

In March 2010 the UN assembly proclaimed the period 2011–2020 as the Decade of Action for Road Safety, with a goal to stabilize and then reduce the forecast level of road traffic fatalities around the world by increasing activities conducted at the national, regional and global levels. This has been followed up with action plans of the major aid organisations such as EU, World Bank and Asian Development Bank. Sweden has internationally low death rates caused by traffic. SWEROAD has, through cooperation with the Swedish Transport Administration, been able to offer and receive projects in the field of road safety in several countries in recent years.

In 2008 a working group including project managers, the controller and the managing director selected a base including relevant indicators, stakeholders, vision, sustainability definition and boundaries for the reporting. These selected individuals represented different parts of SWEROAD's activities and had contact and dialogue with the company's internal and external stakeholders.

In 2010 a working group consisting of the controller, a project administrator and a project manager with experience from work at the head office and in projects abroad continued the work done in 2008 and supplemented it with additional indicators considered relevant for SWEROAD. A stakeholder dialogue was also carried out with the company's owner and the result were presented for and discussed by the company's board. During 2011 a plan has been prepared to identify future activities.

To collect the employees' opinions a survey is carried out each year among the employees at the head office.

Targets for some of the selected indicators can be found in the company's balanced score card.

Management Approach and Performance Indicators

Economic

The Swedish Transport Agency, SWEROAD's governor, yearly establishes economic goals for the company. With these goals in mind the board establishes a budget. In 2011 the goals were an operating margin of two per cent and a positive cash flow but the company have not reached these goals.

More information regarding SWEROAD's financial performance can be found in the annual report for 2011.

EC1 Direct economic value generated and distributed

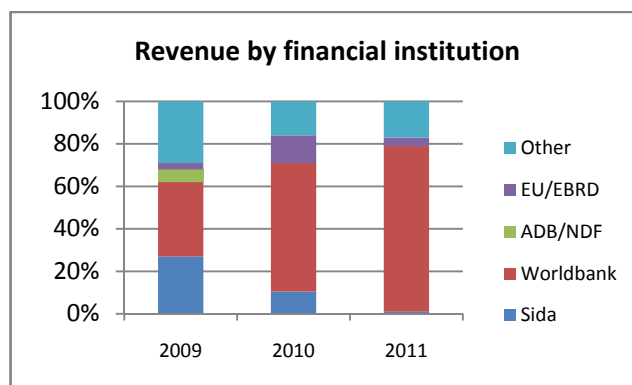
| tSEK | 2011 | 2010 | 2009 |
|--|---------------|---------------|----------------|
| Direct economic value generated | | | |
| a) Revenues | 32 781 | 26 060 | 34 086 |
| Economic value distributed | | | |
| b) Operating costs | -14 153 | -14 031 | -25 819 |
| c) Employee wages and benefits | -21 233 | -19 953 | -19 439 |
| d) Payments to providers of capital | -0 | -31 | -6 |
| e) Payments to government | -- | -- | '597 |
| f) Community investments | -- | -- | -- |
| Economic value retained | -2 605 | -7 955 | -10 581 |

The last three years SWEROAD has generated losses. The company have made investments in marketing and promotion activities but they have not yet fully paid off. Therefore the board has decided to reduce the fixed costs for administration at the head office extensively during 2012.

EC4 Significant financial assistance received from government

The services that SWEROAD provide are mainly financed through the client country's budget. In many cases the client country's budget is dependent on loans from international financial institutions and in some cases aid. This means that the availability of projects varies strongly depending on the budget situation of the international financial institutions. Since SWEROAD's market depends on the supply of projects it will change from year to year.

Although SWEROAD is a governmental owned company it receives no grants or other financial assistance from the government. The graph below shows how the revenue is split between the main financial institutions.¹



SWEROAD have had problems with receiving payments in projects that are not financed by the financial institutions. The company therefore have decreased the ratio of those projects and have thereby lowered the risk for bad debt losses.

EC6 Proportion of spending on locally-based suppliers

One of the purposes with aid projects is to support the local economy in the project countries, local economy defined as the country where the project is carried out. SWEROAD endeavours to use local consultants and to spend as much as possible of the projects costs, for instance accommodation, transports and printing, locally. In 2011 26 (19) per cent of the costs of the projects were spent locally. In some projects the client demands that a part of the contract price shall be spent locally. In the end, the selection of a product/service is decided by the availability and the price. The table below shows the proportion of spending on locally based suppliers for each project country.

| Country | 2011 | 2010 | 2009 |
|--------------------|-------------|-------------|-------------|
| Albania | 85 % | 45 % | 42 % |
| Azerbaijan | 44 % | 26 % | -- |
| Bosnia-Herzegovina | 14 % | 3 % | -- |
| Cambodia | 25 % | -- | -- |
| Ethiopia | -- | 12 % | -- |
| Georgia | 6 % | 5 % | 0 % |
| Iran | 32 % | 38 % | 21 % |
| Kenya | 6 % | -- | -- |
| Lao | 64 % | -- | 69 % |
| Lesotho | 10 % | 5 % | 10 % |
| Moldova | 10 % | 21 % | 16 % |
| Namibia | 95 % | 44 % | 15 % |
| Serbia | 31 % | -- | -- |
| Total | 26 % | 19 % | 26 % |

In some projects there are no local costs since the client pays these costs directly. Only projects where there are a local co-operation or a local project office are included. Costs for allowances and single hotel nights, taxis etc are not considered as local costs if they are paid by the employees and reimbursed by travel expense sheets.

¹ Other is projects that are financed directly by a country's government or by a private company.

Environment

Environmental issues have generated larger and larger interest during the last decade. SWEROAD has initiated a number of projects that can reduce the effect of global warming in developing countries.

SWEROAD's main purpose is to carry out and administrate consulting services for international customers all around the world. The company therefore does not transport goods or materials. SWEROAD's main environmental impact arises from travelling by air to and from projects abroad. At the head office in Solna, and in the offices abroad, the main environmental impact is considered to arise from the employees travel to and from the office and from office waste.

EN22 Total weight of waste by type and disposal method

During 2011 3 983 (2 113) kg garbage were generated at the company's head office. In 2011 the head office moved to new smaller premises. During the move a lot of old material was thrown away and therefore the numbers for 2011 are not comparable with the numbers for earlier years.

| Types of waste | Quantity ² during 2011 (kg) | Quantity ² during 2010 (kg) | Quantity ² during 2009 (kg) | Disposal method ³ |
|------------------------|--|--|--|---|
| Paper | 2 700 | 900 | 900 | Waste left to the house disposal plant for recycling. |
| Soft plastic | 100 | 30 | 30 | |
| Wrapping/carton | 350 | 350 | 200 | |
| Styrofoam | 15 | 15 | 15 | |
| Toner ⁴ | 15 | 15 | 15 | |
| Batteries ⁴ | 3 | 3 | 3 | |
| Garbage | 300 | 300 | 300 | Waste left to the house disposal plant for burning |
| Secrecy paper | 500 | 500 | 500 | Collected by HA for recycling |
| Total | 3 983 | 2 113 | 1 963 | |

EN29 Significant environmental impacts of transporting members of the workforce

Travel made within the projects generated about 83 000 (88 000) kg CO₂ during 2011. This corresponds to about 2,5 (3,4) g CO₂/SEK related to SWEROAD's turnover 2011. The reduction is mainly due to the fact that the company's projects are situated in countries closer to Sweden.

² Data only includes waste from the head office.

³ Disposal of waste left to the house disposal plant is managed by the house owner. SWEROAD has decided that secrecy paper shall be recycled.

⁴ Dangerous waste.

| Travel by plane project | 2011 | 2010 | 2009 |
|-------------------------|--------|--------|---------|
| kg CO ₂ | 83 000 | 88 000 | 119 000 |
| g CO ₂ /SEK | 2,5 | 3,4 | 3,5 |

During 2011 the employees at the SWEROAD head office generated about 7 000 (6 500) kg CO₂ by travelling to and from work⁵. This corresponds to about 773 (652) kg CO₂/employee. It is mainly travel by car that has increased.

| Travel head office | 2011 | 2010 | 2009 |
|-----------------------------|-------|-------|--------|
| kg CO ₂ | 7 000 | 6 500 | 22 000 |
| g CO ₂ /employee | 773 | 652 | 1 965 |

Data used in converting km to CO₂ is based on Nätverket för Transporter och Miljö (NTM) and adjusted by Conlogic AB.

Social Performance

SWEROAD's social impact is accounted for within the areas of labour practices and decent work, human rights, society and product responsibility.

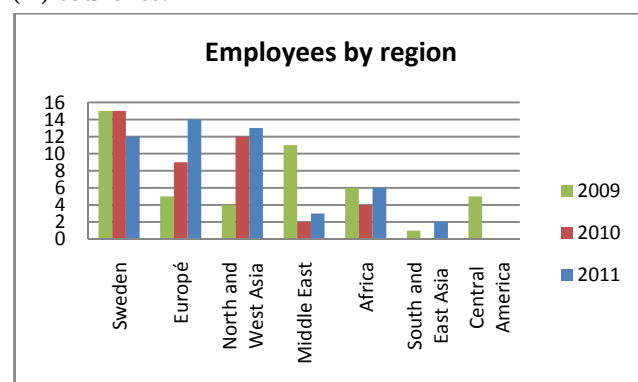
Labour Practices and Decent Work

Since SWEROAD's main purpose is to deliver knowledge the employees are crucial for its business. This ambition is shared with The Swedish Transport Administration.

Most of SWEROAD's employees are members in the trade unions that are represented in the company's board. SWEROAD has signed collective agreements with the trade unions and considering the international business extra insurance have been taken out for the employees. SWEROAD also is a member of Trygghetsrådet TRR.

LA1 Total workforce by employment type, employment contract and region

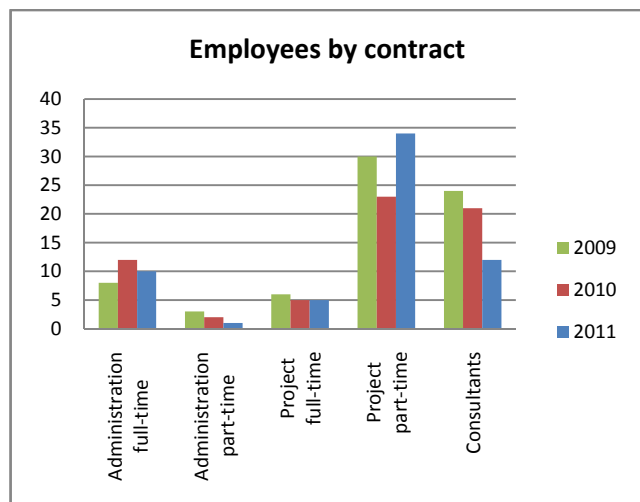
The number of employees varies during the year depending on how many projects that are carried out at that particular moment. By the end of 2011 35 (34) persons were employed and of those 5 (7) had permanent contracts. During 2011 SWEROAD has had 50 (42) employees in 12 (11) countries.



In 2011 11 (11) employees (including the managing director) have been employed to do mainly administrative work at the head office in Solna. In addition 39 (28) employees have worked in projects all around the world.

⁵ Only employees at the end of the year have been included in travel to and from the head office. Employees in projects in Sweden have not been included since they do not work at the head office.

Employees in the projects are only employed by SWEROAD during the project. Normally they are employed by The Swedish Transport Administration, other Swedish authorities/organisations or are retired. In addition services have been bought from 12 (21) consultants.



LA2 Employee turnover

In 2011 11 (11) persons (including the managing director) were employed to do mainly administrative work. During 2011 1 (2) of these employees retired. The result is an employee turnover among administrative personnel of 9 (14) %.

SWEROAD's business changes from year to year depending on the contents of the projects carried out. The company therefore hires employees on a project basis depending on what expertise is needed in current projects. The result is a relatively high employee turnover. In 2010 28 (36) persons were employed in SWEROAD projects. In 2011 20 (22) of these employees were still working for the company. The result is an employee turnover of 29 (36) %.

LA8 Education etc in place to assist workforce members and their families regarding serious diseases.

SWEROAD's projects are situated in countries where the exposure for diseases normally are bigger than in Sweden. SWEROAD have no general policy on how to handle diseases during the project since the project countries varies. To minimize the risk of disease all employees must undergo a medical examination (at SWEROAD's expense) and be approved by the insurance company before they start working abroad. If an employee is accompanied by his family the whole family must undergo the medical examination. Immunization and medical examinations are made by a fully qualified doctor at the location where the employee lives. In connection with the doctor's appointment the employee receives special health counselling about the geographical area where the project shall be carried out. During 2011 1 (0) employee working in project have been on sick leave. The workforce at the head office is entitled to free medical care.

The table below shows programs related to assisting workforce members and their families regarding serious diseases.

| Program recipients | Education/Training | | Counselling | | Prevention/Risk Control | | Treatment | |
|------------------------------|--------------------|----|-------------|----|-------------------------|----|-----------|----|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| Administrative personnel | | x | x | | x | | x | |
| Project personnel | | x | x | | x | | x | |
| Project personnel's families | | x | x | | x | | x | |

LA10 Average hours of training per year per employee

During 2011 administrative personnel received 49 (286) hours of training. This corresponds to 4 (20) hours per employee. 72 (46) % of the training were an external training within controlling and taxation. Remaining training 28 (54) % were internal training in new tasks due to retirement. Project employees have not received either external or internal education from SWEROAD.

| | 2011 | 2010 | 2009 |
|--|------|------|------|
| Administrative personnel including managing director | 11 | 14 | 11 |
| Hours of training | 49 | 286 | 121 |
| Hours of training per employee | 4 | 20 | 11 |

LA11 Program for skills management and lifelong learning

To be a successful company SWEROAD must have employees with good knowledge and social ability. Many clients wishes that the experts have experience from the region in question.

Most of the experts that SWEROAD engage have long experience and many of them from international work. Many of the experts are retired or will soon reach retirement age. To be able to engage new experts SWEROAD ambition is to give younger employees at the Swedish Transport Administration the opportunity to get international experience, to build their CV. This is one reason why SWEROAD offers the Swedish Transport Administration's trainees to spend a few month of their trainee period abroad. During 2011 nine trainees participated in SWEROAD's project in Sarajevo.

LA12 Percentage of employees receiving regular performance and career development reviews

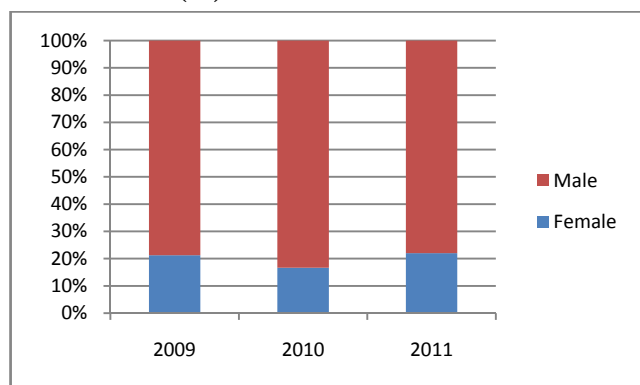
All personnel (100 %) at the head office have staff performance reviews with the managing director. Mainly questions related to personal development and the work situation are discussed. SWEROAD have the main employer responsibility for project managers based in Sweden and full time employed team leaders abroad. For project employees who only works part time for SWEROAD the main employer has the primarily responsibility for personnel development. The company has close contact with the project personnel during, before and after the employment.

LA13 Composition of governance bodies and breakdown of employees per employee category

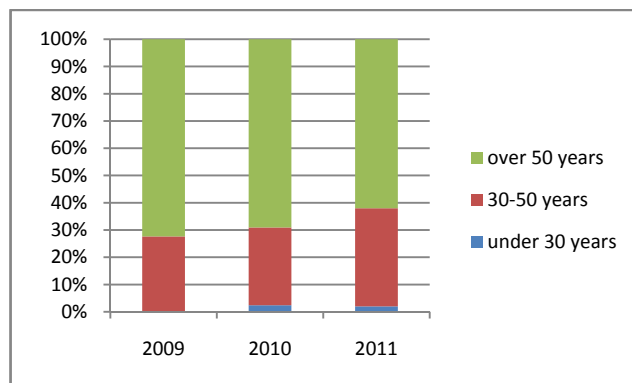
SWEROAD works all over the world and the experts in the different projects are expected to have both experience of international work and good knowledge in foreign languages. Therefore it is natural for the company to search for people with varied backgrounds when the different positions in a project shall be filled. SWEROAD do not register the employees by minority groups.

| Number of employees | 2011 | 2010 | 2009 |
|--|------|------|------|
| Board including deputy | 6 | 7 | 7 |
| Managing director, top management | 1 | 1 | 1 |
| Administrative personnel excluding managing director | 10 | 13 | 10 |
| Project personnel | 39 | 28 | 36 |

During 2011 SWEROAD employed 50 (42) persons, 11 (7) women and 39 (35) men.



1 (1) employee was under 30 years, 18 (12) employees were between 30-50 years and 31 (29) employees were older than 50 years.



From April 2011 SWEROAD's board of directors includes five men and one woman. The woman and the deputy employee representative are between 30-50 years old and the remaining four is over 50 years old.

Human Rights

SWEROAD operates in countries where there may be political instability, and it is therefore important that all employees are aware that all business relationships under the company's name follow an ethos that guarantees the company's seriousness and credibility. 2008 SWEROAD adopted the Swedish code of corporate governance. The company has had a business ethic policy since 2005 and a code of conduct since 1986. These documents emphasize that human rights violations must not occur within SWEROAD's activities. SWEROAD's employees are informed of the company ethos by reading the business ethics policy and code of conduct which is attached with the contract of employment. SWEROAD have developed a routine which states that SWEROAD's global responsibilities are discussed when a project is started. During this meeting, country specific risks and cultural clashes for each project are discussed.

HR3 Training on policies and procedures concerning aspects of human rights

Employees have not received any special training in human rights. They have not received any specific information on how human rights are affected by SWEROAD's activity. However, to illustrate how important these topics are to SWEROAD a routine in which these topics are discussed when a project is started has been implemented. A routine has also been developed to ensure that employees are taking note of information regarding SWEROAD's ethos and to check whether employees have received additional information/training in human rights from their main employer.

HR4 Total numbers of incidents of discrimination and corrective actions taken

There is no (1) reported incidents concerning discrimination.

Society

To emphasize the importance of sustainability, SWEROAD has included sustainability in the company's management system. Sustainability work should be performed on the basis of UN Global Compact's ten principles and the OECD Guidelines for Multinational Enterprises.

SO2 Business units analysed for risks related to corruption

SWEROAD has decided to implement an anti-corruption policy. After this policy has been implemented the company are planning to analyse business units for risks related to corruption.

SO3 Training in organisations anti-corruption policies and procedures

These topics are important and SWEROAD has a routine in which these topics are discussed when a project is started. A routine has also been developed to ensure that employees are taking note of information regarding SWEROAD's opinion about corruption and to check whether employees have received additional information/training in anti-corruption from their main employer.

SWEROAD are developing an anti-corruption policy. When the policy is finalized the company will ensure that all employees take note of the information in the policy.

During 2011 the Managing Director received training in anti-corruption from the Swedish Transport Administration. Other employees have not yet received any training in anti-corruption or specific information on how SWEROAD's business is affected by corruption.

SO4 Actions taken in response to incidents of corruption

There are no known incidents where any of SWEROAD's employees have been involved in or has been prosecuted for corruption. SWEROAD has not stopped any contracts due to alleged corruption by the opposing party.

SO7 Legal actions for anticompetitive behaviour

SWEROAD discourages collusion partnerships that provide a competitive advantage in the bidding process and has never been prosecuted for such a matter.

Product Responsibility

Since SWEROAD's activities are financed by different external sources, it is important that clients are satisfied with the work SWEROAD perform.

PR5 Customer satisfaction

SWEROAD have decided to measure customer satisfaction but the company has trouble to find a practise on how to measure. A couple of standard surveys have been tested but no decision has yet been made on which one to use. The goal is to ask all customers about SWEROAD's performance at least when a project is finalized.

GRI Content Index

SWEROAD has established the sustainability report according to GRI's guidelines G3 application level C+. These aims to ensure that information on the business aspects of sustainability are included as well as to that the quality of the information provided meets the given criteria.

| Indicator | Description of indicator | Page |
|-----------|--|------|
| 1.1 | Statement from the most senior decision maker about the relevance of sustainability to the organisation and its strategy | 1 |
| 2.1 | Name of the organisation | 2 |
| 2.2 | Primary brands, products, and/or services | 2 |
| 2.3 | Operational structure of the organisation | 2 |
| 2.4 | Location of organisation's headquarters | 2 |
| 2.5 | Number of countries where the organisation operates, and names of countries | 2 |
| 2.6 | Nature of ownership and legal form | 2 |
| 2.7 | Markets served including geographic breakdown, sectors served, and types of customers/beneficiaries | 2 |
| 2.8 | Scale of the reporting organisation | 2 |
| 2.9 | Significant changes during the reporting period | 2 |
| 2.10 | Awards received in the reporting period | 2 |
| 3.1 | Reporting period for information provided | 3 |
| 3.2 | Date of most recent previous report | 3 |
| 3.3 | Reporting cycle | 3 |
| 3.4 | Contact point for questions regarding the report or its contents | 3 |
| 3.5 | Process for defining report content | 3 |
| 3.6 | Boundary of the report | 3 |
| 3.7 | State any specific limitations on the scope or boundary of the report | 3 |
| 3.10 | Explanation of the effect of any re-statements of information provided in earlier reports, and reasons | 3 |
| 3.11 | Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied | 3 |
| 3.12 | Table identifying the location of the standard disclosures report | 8 |
| 3.13 | Policy and current practices with regard to external assurance | 8 |
| 4.1 | Governance structure of the organisation | 2 |
| 4.2 | Indicate whether the Chair of the highest governance body is also an executive officer | 2 |
| 4.3 | State the number of members of the highest governance body that are | 2 |

| | | |
|------|---|---|
| | independent, and/or non-executive | |
| 4.4 | Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body | 2 |
| 4.14 | List of stakeholder groups engaged by the organisation | 3 |
| 4.15 | Basis for identification and selection of stakeholders | 3 |
| EC1 | Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments. | 4 |
| EC4 | Significant financial assistance received from government. | 4 |
| EC6 | Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation. | 4 |
| EN22 | Total weight of waste by type and disposal method. | 5 |
| EN29 | Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce. | 5 |
| LA1 | Total workforce by employment contract, and region. | 5 |
| LA2 | Total number and rate of employee by age group, gender, and region. | 6 |
| LA8 | Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases. | 6 |
| LA10 | Average hours of training per year per employee by employee category. | 6 |
| LA11 | Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings. | 6 |
| LA12 | Percentage of employees receiving regular performance and career development reviews. | 7 |
| LA13 | Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity. | 7 |
| HR3 | Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. | 7 |
| HR4 | Total number of incidents of discrimination and actions taken. | 7 |
| SO2 | Percentage and total number of business units analyzed for risks related to corruption. | 8 |
| SO3 | Percentage of employees trained in organization's anti-corruption policies and procedures. | 8 |
| SO4 | Actions taken in response to incidents | 8 |

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|-----|--|---|
| | of corruption. | |
| SO7 | Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes. | 8 |
| PR5 | Practices related to customer satisfaction, including results of surveys measuring customer satisfaction. | 8 |

Assurance

Auditor's Review Report on the SWEROAD CSR Report 2011

We have been engaged by Swedish National Road Consulting AB (SWEROAD), to review the SWEROAD CSR Report 2011. Our responsibility is to express a conclusion on the CSR Report based on our review.

Scope of review

We have performed our review in accordance with RevR 6 Assurance of sustainability reports issued by Far (the institute for the accountancy profession in Sweden). A review consists of making inquiries, primarily of persons responsible for CSR matters and for preparing the CSR Report, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with IAASB's Standards on Auditing and Quality Control and other generally accepted auditing standards in Sweden. The procedures performed consequently do not enable us to obtain an assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. The criteria on which our review are based are the parts of the "Sustainability Reporting Guidelines" published by the Global Reporting Initiative (GRI), which are applicable to the CSR Report. We consider these criteria suitable for the preparation of the CSR Report.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that SWEROAD's CSR Report 2011 has not, in all material aspects, been prepared in accordance with the above stated criteria.

Stockholm February 3 2012

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