



# Sustainability Report 2006

## GRI Sustainability Reporting

GRI's Sustainability Reporting Guidelines, version 3, stipulates that the SAS Group must determine which entities' performance will be reported in the Sustainability Report. In the introduction of the accounting principles the entities included in the SAS Group's Sustainability Report 2006 is disclosed. The reporting boundary has been made in accordance with the accounting principles for the SAS Group's Annual Report 2006. Sometimes, for sustainability related information, data and indicators are only disclosed for parts of an entity's operations. In these cases, a notation will be made directly in the Sustainability Report. Furthermore, a few entities are reported under the headline "Results for the year" without being consolidated in the Group's Annual Report.

GRI's Sustainability Reporting Guidelines, version 3, prescribes disclosure of GRI Application Level Criteria for organizations using the Guidelines.

	C	C+	B	B+	A	A+
Self Declaration						
Third Party Checked						

In the SAS Group's opinion, the SAS Group's Annual Report & Sustainability Report 2006 fulfills the requirements stipulated by GRI's Sustainability Reporting guidelines, version 3, for a sustainability report on level A+. Regarding disclosure on management approach, which is demanded by GRI, the SAS Group has chosen to report the management approach integrated in the SAS Group's Annual Report & Sustainability Report 2006.

### Guideline on Management Approach

A general description of the SAS Group's approach on responsibility for sustainable development can be found on page 95 to 99. There it is possible to clearly see how the SAS Group defines social, environmental, and economical responsibility and the SAS Group's comprehensive objective governing the Group's operations and its approach to social responsibility. It is also possible to find strategies, core values, and extract from policies guiding the operations of the SAS Group (complete policies is to be found on the SAS Group's homepage, [www.sasgroup.net](http://www.sasgroup.net)). On page 103 the organization and management of the SAS Group's sustainability work can be found. Relevant information concerning both positive and negative aspects of the SAS Group's performance is disclosed

throughout the report, by subsidiary or by business segment. The most significant aspects are commented on in the Board of Directors' Report on page 56 to 58. Risks and opportunities are commented on both in the Annual Report on page 25, and in the Sustainability Report on page 112.

### **Economic responsibility**

Information regarding financial results is to be found on page 4, and on page 56 and onward. Information concerning the SAS Group's economic responsibility is to be found on page 109-112, where the SAS Group's indirect economic impact is described. Information regarding market shares etc is located on page 14 and 15.

### **Environmental responsibility**

The SAS Group's main environmental impact is consumption of non-renewable fuels. Thus, the major disclosures regarding environmental aspects are consumption of non-renewable fuels, emissions of CO<sub>2</sub> and NOX, and noise. This information is to be found on page 95, and 114 to 115. Targets and results from the SAS Group's environmental work are disclosed subsidiary by subsidiary. On page 103 the organization and management of the SAS Group's sustainability work can be found together with processes for feedback and reporting of environmental data.

### **Social responsibility**

Labor practices and decent work: Relevant information regarding the SAS Group's approach to labor practices and decent work is presented both in the Board of Directors' Report on page 57 to 58 and in the Sustainability Report on page 97, 99 and 104 to 106. The process for handling questions regarding labor practices and handling feedback and reporting of labor data is described on page 103.

**Human rights:** Relevant information regarding the SAS Group's approach to human right is to be found on page 97 and in this GRI Cross-reference list.

**Society:** Relevant information regarding the SAS Group's approach to communities, corruption, public policy anti-competitive behavior, and compliance is to be found on page 99 and in the SAS Group's Code of Conduct available on the SAS Group's webpage. In cases of non-compliance during 2006 information will be disclosed in the Board of Director's Report on page 56-58 or under the headline "Results for the year" on page 104-117.

**Product responsibility:** The SAS Group mainly offers services. When relevant, information regarding service responsibility is disclosed as a part of the SAS Group's social responsibility. Other matters are commented in this GRI Cross-reference list.

# GRI cross reference list

Reported
Partially reported
Not reported
N/A = Not applicable

Core Indicator	Page reference	Reported	Comments
<b>Profile</b>			
<b>Strategy &amp; Analysis</b>			
<b>1.1</b> Statement from the most senior decisionmaker of the organization about the relevance of sustainability to the organization and its strategy	6-7, 91		The statement from the CEO can be found on pages 6-7 and the statement from the Chairman can be found on page 94
<b>1.2</b> Description of key impacts, risks, and opportunities.	96-97, 104-112		Impact on sustainable development is described on pages 96-97. Results of these impacts are described on page 104 and onwards. Description of major risks identified and corresponding business opportunities are to be found on page 112.
<b>Organizational Profile</b>			
<b>2.1</b> Name of reporting organization	Inside back cover		
<b>2.2</b> Primary brands, products, and/or services.	13		
<b>2.3</b> Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	9, 16, 33-55		Operative structure on page 9, Joint Ventures and Partners on page 16, Divisions and operating companies on pages 33-55
<b>2.4</b> Location of organization's headquarters.	Inside back cover		SAS koncenren Frösundaviks Allé Stockholm, Sweden
<b>2.5</b> Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	13, 36-55		The main markets for the SAS Group is described on page 13. Each subsidiary provide a map describing all locations covered by their operations
<b>2.6</b> Nature of ownership and legal form.	23, 94		Largest shareholders on page 23 and legal form on page 94.
<b>2.7</b> Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	10-15		
<b>2.8</b> Scale of the reporting organization, including: • Number of employees; • Net sales (for private sector organizations) or net revenues (for public sector organizations); • Total capitalization broken down in terms of debt and equity (for private sector organizations); and • Quantity of products or services provided."	2, 59, 61, 68		Number of employees on page 68 (Note 3) • Net sales on page 59 • Total capitalization broken down in terms of debt and equity on page 61 • Passengers served on page 2

Core Indicator	Page reference	Reported	Comments
<b>2.9</b> Significant changes during the reporting period regarding size, structure, or ownership including: • The location of, or changes in operations, including facility openings, closings, and expansions; and • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations)	56, 104		
<b>2.10</b> Awards received in the reporting period.	22, 104		
<b>Report Parameter</b>			
<b>Report Profile</b>			
<b>3.1</b> Reporting period (e.g., fiscal/calendar year) for information provided.	Front cover		
<b>3.2</b> Date of most recent previous report (if any).	Inside front cover		
<b>3.3</b> Reporting cycle (annual, biennial, etc.)	Inside front cover		
<b>3.4</b> Contact point for questions regarding the report or its contents.	Inside front cover, 95		Inquiries regarding the Annual Report are handled by Investor Relations and inquiries regarding the Sustainability Report are handled by the Environmental Director.
<b>Report Scope and Boundary</b>			
<b>3.5</b> Process for defining report content, including: • Determining materiality; • Prioritizing topics within the report; and • Identifying stakeholders the organization expects to use the report."	Accounting Principles for Sustainability Reporting 2006, Sustainability Report - GRI Content Index		Both the Accounting Principles for Sustainability Reporting 2006 and Sustainability Report - GRI Content Index are available on the SAS Group webpage <a href="http://www.sasgroup.net">www.sasgroup.net</a> under the headline "Sustainability"
<b>3.6</b> Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	2, Accounting Principles for Sustainability Reporting 2006		
<b>3.7</b> State any specific limitations on the scope or boundary of the report.	Accounting Principles for Sustainability Reporting 2006		
<b>3.8</b> Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	64-67, Accounting Principles for Sustainability Reporting 2006		The accounting principles of the SAS Group's Annual Report is described on page 64-67. If the Sustainability Report deviates from these principles that will be described in the Accounting Principles for Sustainability Reporting 2006.
<b>3.9</b> Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	64-67, Accounting Principles for Sustainability Reporting 2006		
<b>3.10</b> Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	56-58, 68-82, Accounting Principles for Sustainability Reporting 2006		Any re-statements regarding the financial report is disclosed in the Board of Directors Report on pages 56-58 and in the notes on pages 68-82. Re-statements regarding the Sustainability Report is disclosed in Accounting Principles for Sustainability Reporting 2006.

Core Indicator	Page reference	Reported	Comments
<b>3.11</b> Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	See Accounting Principles for Sustainability Reporting 2006		
<b>GRI Content Index</b>			
<b>3.12</b> Table identifying the location of the Standard Disclosures in the report. Identify the page numbers or web links where the following can be found: <ul style="list-style-type: none"> <li>• Strategy and Analysis 1.1 – 1.2;</li> <li>• Organizational Profile 2.1 – 2.10;</li> <li>• Report Parameters 3.1 – 3.13;</li> <li>• Governance, Commitments, and Engagement 4.1 – 4.17;</li> <li>• Disclosure of Management Approach, per category;</li> <li>• Core Performance Indicators;</li> <li>• Any GRI Additional Indicators that were included; and</li> <li>• Any GRI Sector Supplement Indicators included in the report.”</li> </ul>	This report "Sustainability Report – GRI Content Index"		
<b>Assurance</b>			
<b>3.13</b> Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	85, 117		The Auditors Report of the Annual Report can be found on page 85. The auditors Assurance Report of the Sustainability Report can be found on page 117.
<b>Governance</b>			
<b>4.1</b> Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	9, 86-90, 103		The SAS Group Management Model is to be found on page 9. The Corporate Governance report on pages 86-90 discloses more detailed information on governance structure. On page 103 it is possible to find the Sustainable Development organization and management structure.
<b>4.2</b> Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	92		Egil Myklebust, the SAS Group Chairman, does not hold any executive position in the SAS Group.
<b>4.3</b> For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	92		A majority of the members of the Board of Directors are defined as independent from major shareholders as described on page 94. All of the members of the Board of Directors are non-executive except for the union representatives whom are elected through the trade unions own process.
<b>4.4</b> Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	87-92, 105		The annual meeting is the main mechanism for primarily shareholders to provide recommendations or direction to the board of directors which is described on pages 87-92. The SAS Group have union representatives on the Board of Directors as described on page 105.
<b>4.5</b> Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	69-70		As stated on page 69, the executive compensation consists of a fixed part and a part which is linked to results that are based on individual targets as well as company targets and their fulfillment. These targets relate to economic, environmental and social aspects.

Core Indicator	Page reference	Reported	Comments
<b>4.6</b> Processes in place for the highest governance body to ensure conflicts of interest are avoided.	87, 92		A majority of the members of the Board of Directors are defined as independent from major shareholders as described on page 92. The Nomination Committee evaluates the work, competence and composition of the Board of Directors on an ongoing basis as described on page 87.
<b>4.7</b> Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	87, 92		The Nomination Committee evaluates the work, competence and composition of the Board of Directors on an ongoing basis as described on page 87. The Board of Directors prior and current engagements are disclosed on page 92. It can be noted that the SAS Group's Chairman, Egil Myklebust, is a member of the Executive Committee of the World Business Council for Sustainable Development (WBCSD).
<b>4.8</b> Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	8-9, 98-99		
<b>4.9</b> Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	88, 91, 103		The Board of Directors have sustainable development on their agenda as described both on page 88 and 91. The operative part of sustainable development is described on page 103.
<b>4.10</b> Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	87		The Nomination Committee evaluates the work, competence and composition of the Board of Directors on an ongoing basis as described on page 87. The Annual Meeting is the main forum for all shareholders evaluation of the board of directors as described on page 87.
<b>Commitments to External Initiatives</b>			
<b>4.11</b> Explanation of whether and how the precautionary approach or principle is addressed by the organization.	97		The SAS Group has joined the UN Global Compact, which prescribes the precautionary approach as one of their ten principles. The precautionary approach is also a principle of the Rio Declaration which is a part of both the SAS Group's Code of Conduct and the SAS Group's Purchasing Policy. The SAS Group's commitment to the UN Global Compact is described on page 97.
<b>4.12</b> Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	96, Accounting Principles for Sustainability Reporting 2006		
<b>4.13</b> Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: • Has positions in governance bodies; • Participates in projects or committees; • Provides substantive funding beyond routine membership dues; or • Views membership as strategic.	102,111		The SAS Group and its subsidiaries are members of several industry and business organizations. The memberships stated in the report are considered the most important ones.  More detailed information on the SAS Group's dialogue with stakeholders can be found on <a href="http://www.sasgroup.net">www.sasgroup.net</a> under "Sustainability".
<b>Stakeholder Engagement</b>			
<b>4.14</b> List of stakeholder groups engaged by the organization.	97		More detailed information on the SAS Group's dialogue with stakeholders can be found on <a href="http://www.sasgroup.net">www.sasgroup.net</a> under "Sustainability".
<b>4.15</b> Basis for identification and selection of stakeholders with whom to engage.	96-97		General selection criterions are not used due to the fact that the SAS Group never denies a stakeholder an opportunity for dialogue.

Core Indicator	Page reference	Reported	Comments
<b>4.16</b> Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	96-97		The approach to stakeholder engagement is described on pages 96-97. In the table on page 97 specific dialogues with stakeholders are described where the frequency varies depending on the nature of the dialogue. More detailed information on the SAS Group's dialogue with stakeholders can be found on <a href="http://www.sasgroup.net">www.sasgroup.net</a> under "Sustainability".
<b>4.17</b> Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	96-97		
<b>Performance Indicators</b>			
<b>Economic</b>			
<b>Economic Performance</b>			
<b>EC1.</b> 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.	59, 68-84, 109-117		Sustainability specific values are disclosed on pages 109-117 and indirect economic value generated and distributed is disclosed on page 109.
<b>EC2.</b> Financial implications and other risks and opportunities for the organization's activities due to climate change.	17, 95, 100-101		
<b>EC3.</b> Coverage of the organization's defined benefit plan obligations.	76		The SAS Group's defined benefit pensions are disclosed in note 20 on page 76 in accordance with IAS 19. No other defined benefit plan obligations are relevant for the SAS Group.
<b>EC4.</b> Significant financial assistance received from government.		N/A	The SAS Group receives no significant subsidies. Within the airline industry, all operators can be eligible to a discount during the first months of operation on a new flight connection.
<b>Market Presence</b>			
<b>EC5.</b> Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.		N/A	National minimum wages are not applicable to the SAS Group's conditions since all SAS Group employees are covered by collective bargaining agreements. However, benchmarking performed in 2004 and 2006 concluded that average SAS Group wages were in line with the average for the airline industry in Scandinavia as described on pages 109.
<b>EC6.</b> Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.			The SAS Group promotes the consideration of locally based suppliers. Fuel is for example never sourced from only one supplier since the SAS Group's Purchasing Policy promotes using multiple suppliers for significant purchases. Catering and waste disposal is for example usually provided by locally-based suppliers. However, the SAS Group does not collect data on group level on this indicator.
<b>EC7.</b> Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.			The SAS Group seek to attain as high as possible level of locally hired management due to both better knowledge of local markets and lower cost compared to expatriates. However, the SAS Group does not collect data on group level on this indicator.
<b>Indirect Economic Impacts</b>			
<b>EC8.</b> Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.			The SAS Group's airline operations are an important part of the transportation infrastructure in all countries where it operates. All pro-bono engagement regarding infrastructure, e.g. free or subsidized airline tickets, is performed by each subsidiary by themselves since they are the ones best suited to decide what engagements to support.
<b>EC9.</b> Understanding and describing significant indirect economic impacts, including the extent of impacts.	109-112		

Core Indicator	Page reference	Reported	Comments
<b>Environmental</b>			
<b>Materials</b>			
<b>EN1.</b> Materials used by weight or volume.	112-117		The SAS Group reports, on group level, on the materials use that has a substantial environmental impact. Hence, the only material reported is fuel. In the case of the subsidiaries, they may also report on other materials if they are considered material in their operations. This is exemplified by the hotels, which report on energy consumption.
<b>EN2.</b> Percentage of materials used that are recycled input materials.		N/A	Since the main input for the SAS Group is fuel this indicator is not considered material. However, SAS Media uses recycled paper wherever possible for the Group's publications. Also, all waste rendered by the Group's operations is handled according to national laws and regulations, ensuring that all recyclable waste is taken care of.
<b>Energy</b>			
<b>EN3.</b> Direct energy consumption by primary energy source.	95, 112-117		The SAS group reports energy use in kWh or GWh, as applicable. The SAS Group does not convert these figures into joule. Reporting this indicator by primary source is considered not relevant due to the fact that fuel is the completely dominant source of energy for the SAS Group.
<b>EN4.</b> Indirect energy consumption by primary source.		N/A	Indirect energy consumption is not considered material in comparison to direct energy consumption.
<b>EN5.</b> Energy saved due to conservation and efficiency improvements.	112-117		The SAS Group's airlines reports on fuel consumption relative to RPK on pages 112-115 The Rezidor Group and SAS Facility Management reports on energy consumption per m2 on pages 116-117. All of which are directly related to conservation and efficiency improvements.
<b>EN6.</b> Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	5, 17, 20, 101		The possibility for the customer to offset the CO <sub>2</sub> emissions from their flight is described on page 5 and 17. The research for a jet-fuel partly based on renewable resources is described on page 20 and 101.
<b>EN7.</b> Initiatives to reduce indirect energy consumption and reductions achieved.		N/A	Indirect energy consumption is not considered material in comparison to direct energy consumption. Hence, the SAS Group does not disclose any achieved reductions in indirect energy consumption.
<b>Water</b>			
<b>EN8.</b> Total water withdrawal by source.	95, 115, 117		Since the SAS Group's water withdrawal is not considered to be material it is only disclosed as a total figure and not by source
<b>EN9.</b> Water sources significantly affected by withdrawal of water.		N/A	The impact of water withdrawal is not considered material by the SAS Group.
<b>EN10.</b> Percentage and total volume of water recycled and reused.		N/A	The impact of water withdrawal is not considered material by the SAS Group. Thus, recycled water is not considered material to report on.
<b>Biodiversity</b>			
<b>EN11.</b> Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.		N/A	The SAS Group does not report on this indicator since it normally does not own land.
<b>EN12.</b> Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Stakeholder Dialogues		The SAS Group does in general not own land. On locations where the SAS Group's operations can have an indirect significant impact on biodiversity the Group involves in dialogues with the airport operators as described in "Stakeholder Dialogues" that can be found on <a href="http://www.sasgroup.net">www.sasgroup.net</a> under "Sustainability". For example, when the SAS Group's facilities at Gardemoen was planned consideration was taken to impact on biodiversity.
<b>EN13.</b> Habitats protected or restored.	Stakeholder Dialogues, 102		The SAS Group does in general not own land. On locations where the SAS Group's operations can have an indirect significant impact on biodiversity the Group involves in dialogues with the airport operators as described in "Stakeholder Dialogues" that can be found on <a href="http://www.sasgroup.net">www.sasgroup.net</a> under "Sustainability". The SAS Group, through Star Alliance, cooperates with UNESCO on conservation and wise use of wetlands through the Ramsar Convention as described on page 102.



Core Indicator	Page reference	Reported	Comments
<b>EN14.</b> Strategies, current actions, and future plans for managing impacts on biodiversity.	Stakeholder Dialogues, 102		The SAS Group does in general not own land. On locations where the SAS Group's operations can have an indirect significant impact on biodiversity the Group involves in dialogues with the airport operators as described in "Stakeholder Dialogues" that can be found on <a href="http://www.sasgroup.net">www.sasgroup.net</a> under "Sustainability". The SAS Group, through Star Alliance, cooperates with UNESCO on conservation and wise use of wetlands through the Ramsar Convention as described on page 102.
<b>EN15.</b> Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.		N/A	The SAS Group does in general not own land. Thus, the SAS Group does not list IUCN Red List Species. On locations where the SAS Group's operations can have an indirect significant impact on biodiversity the Group involves in dialogues with the airport operators as described in "Stakeholder Dialogues" that can be found on <a href="http://www.sasgroup.net">www.sasgroup.net</a> under "Sustainability".
<b>Emissions, Effluents, and Waste</b>			
<b>EN16.</b> Total direct and indirect greenhouse gas emissions by weight.	95, 112-117		The SAS Group does not consider other indirect greenhouse gas emissions to be material in comparison to the direct emissions which is the most significant environmental impact of the SAS Group's operations.
<b>EN17.</b> Other relevant indirect greenhouse gas emissions by weight.		N/A	The SAS Group does not consider other indirect greenhouse gas emissions to be material in comparison to the direct emissions which is the most significant environmental impact of the SAS Group's operations.
<b>EN18.</b> Initiatives to reduce greenhouse gas emissions and reductions achieved.	17, 100-101, 110		
<b>EN19.</b> Emissions of ozone-depleting substances by weight.	107		SAS Airline operations have an exemption to use halons and submit annual reports to the authorities. The reason for the exemption is that there are no safe alternatives to halons as a fire extinguishant. The amount of halons in use is disclosed on page 107. Any emissions of halons will be disclosed in the Sustainability Report.
<b>EN20.</b> NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type and weight.	95, 112-115		The SAS Group reports on CO <sub>2</sub> and NO <sub>x</sub> . Other types of emissions are not considered as material in relation to the emissions of CO <sub>2</sub> and NO <sub>x</sub> .
<b>EN21.</b> Total water discharge by quality and destination.		N/A	The SAS Group does not report on discharges to water due to the fact that their operations does not cause any material discharges compared to the emissions to air.
<b>EN22.</b> Total weight of waste by type and disposal method.	95, 112-115		All waste is disposed in accordance with national laws and regulations.
<b>EN23.</b> Total number and volume of significant spills.	107		
<b>EN24.</b> Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.		N/A	Indicator not relevant to SAS Group operations since international regulations prohibits transport of hazardous waste.
<b>EN25.</b> Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.		N/A	The SAS Group does not report on discharges to water due to the fact that their operations does not cause any material discharges.
<b>Products and Services</b>			
<b>EN26.</b> Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	5, 17, 109-111		The purpose of the SAS Group's environmental efforts are all focused on reducing the environmental impact of the services provided.

Core Indicator	Page reference	Reported	Comments
<b>EN27.</b> Percentage of products sold and their packaging materials that are reclaimed by category.		N/A	The products sold by the SAS Group are not considered material in comparison to the services provided.
<b>Compliance</b>			
<b>EN28.</b> Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	56-58, 112-117		The SAS Group discloses significant fines subsidiary by subsidiary and in the Report by the Board of Directors.
<b>Transport</b>			
<b>EN29.</b> Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	115-116		The fuel consumption of SAS Aviation Services vehicles contains transportation of all goods on the airports where SAS Ground Services operates. The transportation of workforce members is included in the figures for the environmental impact of the SAS Group.
<b>Overall</b>			
<b>EN30.</b> Total environmental protection expenditures and investments by type.	109-111		
<b>Social Performance: Labor Practices &amp; Decent Work</b>			
<b>Employment</b>			
<b>LA1.</b> Total workforce by employment type, employment contract, and region.	68, 109		The workforce, in terms of number of employees, are reported in accordance with the SAS Group's Accounting Principles for Sustainability Reporting 2006. The SAS Group does only disclose total workforce by region, not by employment type and contract.
<b>LA2.</b> Total number and rate of employee turnover by age group, gender, and region.	68		Net figures by region are disclosed in note no. 3 on page 68. The SAS Group does not provide gross turnover figures but plan to do so in 2007.
<b>LA3.</b> Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.		N/A	The SAS Group does not have any material differences between benefits provided for full-time and part-time employees.
<b>Labor/Management Relations</b>			
<b>LA4.</b> Percentage of employees covered by collective bargaining agreements.		N/A	In general, all SAS Group employees are covered by collective bargaining agreements. The only exceptions are top management on SAS Group level.
<b>LA5.</b> Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	105-106		Information, consultation and negotiation procedures with employees over significant operational issues are regulated by national laws and regulations. Specific examples of negotiations are specified on page 105-106
<b>Occupational Health and Safety</b>			
<b>LA6.</b> Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	103		The joint management-worker health and safety committees covers all employees in the SAS Group.
<b>LA7.</b> Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	68, 113		
<b>LA8.</b> Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	103		The HMS-department described on page 103 assists all SAS Group personnel regarding health issues, for example stress or HIV/AIDS.
<b>LA9.</b> Health and safety topics covered in formal agreements with trade unions.		N/A	In general, all health and safety topics are covered by national laws and regulations, not by agreements with trade unions.
<b>Training and Education</b>			
<b>LA10.</b> Average hours of training per year per employee by employee category.	109		The SAS Group only disclose average training expenditures, not average hours of training.

Core Indicator	Page reference	Reported	Comments
<b>LA11.</b> Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	105		The SAS Group's efforts on skills management is described on page 105. Programs to support employees in career transitions is available through both the SAS Group's own effort and programs provided by local/regional/national governments. Sabbatical periods and severance pay is regulated through national laws and regulations. Since the Scandinavian countries have a long history of close cooperation between businesses, trade unions and government the solutions regarding restructuring etc is handled in a dialogue with the parties concerned.
<b>LA12.</b> Percentage of employees receiving regular performance and career development reviews.	97		All employees have the right to get annual performance and career development reviews.
<b>Diversity and Equal Opportunity</b>			
<b>LA13.</b> Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	57, 68, 92-93, 105		The board of directors and management is presented on pages 92-93. Age and gender breakdown is presented on page 105.
<b>LA14.</b> Ratio of basic salary of men to women by employee category.			For the Swedish operations, the SAS Group have disclosed figures regarding salary ratios due to national regulations of equal opportunity plans. No figures are collected on Group level, even though all subsidiaries have programs for equal opportunities as described on page 57.
<b>Social Performance: Human Rights</b>			
<b>Investment and Procurement Practices</b>			
<b>HR1.</b> Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	99		All supplier contracts exceeding 5 MSEK has to be processed through the SAS Group's central purchasing department that performs screening of human rights on all contracts. Hence, all significant contracts have undergone human rights screening as described on page 99.
<b>HR2.</b> Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	99		All supplier contracts exceeding 5 MSEK has to be processed through the SAS Group's central purchasing department that performs screening of human rights on all contracts. Hence, all significant contracts have undergone human rights screening as described on page 99.
<b>HR3.</b> 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.			No data on hours of employee training on policies and procedures are available since employee training is the responsibility of the subsidiaries.
<b>Non-Discrimination</b>			
<b>HR4.</b> Total number of incidents of discrimination and actions taken.			The SAS Group has not had any incident of discrimination during 2006.
<b>Freedom of Association and Collective Bargaining</b>			
<b>HR5.</b> Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.			The SAS Group endorses the UN Global Compact, whose ten principles are based on the UN Declaration on Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Rio Declaration on Environment and Development and the UN Convention against Corruption. The SAS Group endeavors to act responsibly in the countries and contexts where the Group operates. This means, among other things, that the Group is always to be associated with respect for human rights, acceptable labor standards, social considerations and sustained environmental work. A self assessment regarding the Global Compact principles (among them human rights) is done by each subsidiary every year.

Core Indicator	Page reference	Reported	Comments
<b>Child Labor</b>			
<b>HR6.</b> Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.			The SAS Group endorses the UN Global Compact, whose ten principles are based on the UN Declaration on Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Rio Declaration on Environment and Development and the UN Convention against Corruption. The SAS Group endeavors to act responsibly in the countries and contexts where the Group operates. This means, among other things, that the Group is always to be associated with respect for human rights, acceptable labor standards, social considerations and sustained environmental work. A self assessment regarding the Global Compact principles (among them human rights) is done by each subsidiary every year.
<b>Forced and Compulsory Labor</b>			
<b>HR7.</b> Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.			The SAS Group endorses the UN Global Compact, whose ten principles are based on the UN Declaration on Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Rio Declaration on Environment and Development and the UN Convention against Corruption. The SAS Group endeavors to act responsibly in the countries and contexts where the Group operates. This means, among other things, that the Group is always to be associated with respect for human rights, acceptable labor standards, social considerations and sustained environmental work. A self assessment regarding the Global Compact principles (among them human rights) is done by each subsidiary every year.
<b>Security Practices</b>			
<b>HR8.</b> Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.		N/A	The SAS Group does not in its operations employ security personnel since it is the responsibility of the airport operators. However, the personnel at central security department at the SAS Group, that are responsible for group-wide security, are, as all SAS Group employees, educated in the SAS Group's Code of Conduct.
<b>Indigenous Rights</b>			
<b>HR9.</b> Total number of incidents of violations involving rights of indigenous people and actions taken.			No incident of violations involving rights of indigenous people has occurred during 2006.
<b>Social Performance: Society Community</b>			
<b>SO1.</b> Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	96-97		The SAS Group is constantly involved in stakeholder dialogues to be able to assess and manage the impact on communities which is described on pages 96-97. The nature of airline operations makes it irrelevant to discuss outsourcing and related issues since it is not possible to perform the services that the SAS Group provides in a remote location.
<b>Corruption</b>			
<b>SO2.</b> Percentage and total number of business units analyzed for risks related to corruption.	99		The SAS Group considers all business where valuable resources are handled to be at risk related to corruption. Thus, all employees are covered by the Group's Code of Conduct. Moreover, comprehensive guidelines are available for all employees regarding situations where risks related to corruption and other issues of unethical behavior is present. Hence, all business units are continuously analyzed for risks related to corruption.
<b>SO3.</b> Percentage of employees trained in organization's anti-corruption policies and procedures.	99		All employees have been introduced to SAS Group's Code of Conduct and all key personnel have been educated in SAS Competition Law Compliance Programme
<b>SO4.</b> Actions taken in response to incidents of corruption.			The SAS Group have not had any incidents regarding corruption causing legal actions. However, the SAS Group takes substantial measures to ensure that ethical behavior is a core value in all business relationships through the Code of Conduct and SAS Competition Law Programme.

Core Indicator	Page reference	Reported	Comments
<b>Public Policy</b>			
<b>SO5.</b> Public policy positions and participation in public policy development and lobbying.	99, 104, SAS Group's Code of Conduct		<p>The SAS Group's Code of Conduct states that "communication work is to be conducted on a high, professional level and follow the laws and regulations that apply to listed companies. Internal and external communication is used to create insight, understanding, motivation, strength, willingness to change, sound labor standards and a good reputation. The main principle is that central Group functions are responsible for all communication affecting overarching issues in the SAS Group". Moreover, the public relations department manage all communication activities with authorities and politicians. Many of the organizations in which SAS Group is a member (AEA and IATA) carry out lobby activities. However, the SAS Group does not make any contributions or give other support, direct or indirect, to political parties or individual politicians. Nor are you allowed to make contributions at the Group's expense or provide assistance in the form of funds or resources from the Group.</p> <p>For more information, see also the SAS Group's Code of Conduct available at <a href="http://www.sasgroup.net">www.sasgroup.net</a> under the heading "Sustainability."</p>
<b>SO6.</b> Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	SAS Group's Code of Conduct	N/A	<p>Many of the organizations in which SAS Group is a member (AEA and IATA) carry out lobby activities. However, the SAS Group does not make any contributions or give other support, direct or indirect, to political parties or individual politicians. Nor are you allowed to make contributions at the Group's expense or provide assistance in the form of funds or resources from the Group.</p> <p>The SAS Group's Code of Conduct is available at <a href="http://www.sasgroup.net">www.sasgroup.net</a> under the heading "Sustainability."</p>
<b>Anti-Competitive Behavior</b>			
<b>SO7.</b> Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	5, 57		<p>The SAS Group has an extensive programme, "SAS Law Compliance Programme", to ensure that professional business relations are conformed to in the SAS Group. The SAS Group discloses all legal actions concerning anti-competitive behavior, anti-trust, and monopoly practices. During the first quarter of 2006 SAS Cargo, together with several other international airlines, was examined by the European Commission and American authorities for accusations of anti-competitive behavior. The SAS Group is co-operating with the authorities to resolve the issue.</p>
<b>Compliance</b>			
<b>SO8.</b> Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	56-58, 112-117		<p>The SAS Group discloses significant fines subsidiary by subsidiary and in the Report by the Board of Directors.</p>
<b>Social Performance: Product Responsibility</b>			
<b>Customer Health and Safety</b>			
<b>PR1.</b> Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	18, 101, 106		<p>The SAS Group's environmental impact chiefly compromises air emissions from the airline operations, see page 106 for further details. To reduce the environmental impact the SAS Group is, among other things, involved in the development of jet fuel based on renewable resources, as described on page 101. Regarding health issues, the SAS Group is focused on reducing the noise levels at take-off and landing, for example by using Green Approach as mentioned on page 101. Flight safety is a main concern of the SAS Group, where all SAS Group airlines are certified in accordance to IOASA (IATA Operational Safety Audit). Further details about the SAS Group's approach to customer safety can be found on page 18.</p>
<b>PR2.</b> Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.			<p>The SAS Group has a well-developed department treating all customer inquiries regarding all relevant issues in an individual manner. The SAS Group follows up on all issues regarding response time and related information but this is however not publicly disclosed.</p>

Core Indicator	Page reference	Reported	Comments
<b>Products and Service Labeling</b>			
<b>PR3.</b> Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.			All airline travel have substantial information requirements. The SAS Group comply to all laws and regulations regarding service information.
<b>PR4.</b> Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.			The SAS Group has a well-developed department treating all customer inquiries regarding all relevant issues in an individual manner. The SAS Group follows up on all issues regarding response time and related information but this is however not publicly disclosed.
<b>PR5.</b> Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	10-12, 96-97, 110		
<b>Marketing Communications</b>			
<b>PR6.</b> Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	99		
<b>PR7.</b> Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.			The SAS Group has a well-developed department treating all customer inquiries regarding all relevant issues in an individual manner. The SAS Group follows up on all issues regarding response time and related information but this is however not publicly disclosed.
<b>Customer Privacy</b>			
<b>PR8.</b> Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.			For the protection of consumer privacy, the SAS Group's Eurobonus program and the information it contains as well as other customer data is carefully protected in accordance with national laws and regulations. However, data on customer privacy issues are not publicly disclosed.
<b>Compliance</b>			
<b>PR9.</b> Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.			No significant fines for non-compliance concerning the provision and use of services have been incurred during 2006.