

Sustainability Report 2013



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ABOUT THE SUSTAINABILITY REPORT

This is Peab's third Sustainability Report. It describes Peab's work on issues of sustainability and covers the calendar year 2013, unless stated otherwise in the text. Our two previous sustainability reports, which were published in April 2012 and 2011 respectively, were written in accordance with the GRI (Global Reporting Initiative) version G3.1. This year's report follows the latest version of the GRI's framework, G4, and it is our assessment that it satisfies the criteria for the base level core. The report has not been examined by external auditors. Peab intends to continue to publish an annual sustainability report in connection with the publication of our annual report. Since Peab signed the UN Global Compact 2012, our Sustainability Report also serves as our COP report (Communication on Progress), as we describe our work on the ten principles of the Global Compact in the report.

Unless otherwise specified in the text, the report is valid for the whole of Peab's business in Sweden, Norway and Finland. Suppliers with operations outside of the Nordic countries are also considered in the report. The majority of our international purchases are made in Estonia, Lithuania, Czech Republic and Poland. Hired businesses, part-owned subsidiaries and leased facilities such as some of our office premises where other companies are responsible for operations are not included in the report. The reason for this is that we have decided to focus the report on our core business. In accordance with the new version of the GRI, we have focused our report on the areas identified as most important in the materiality analysis for the year. This means that there are some new indicators for us this year, while some of the areas we described in the past are not given as much coverage.

More information about Peab is available on our website: www.peab.com. If you have any questions about the report or about Peab's sustainability work, please contact Kristina Gabriell, Sustainability Manager at Peab, by email: kristina.gabriell@peab.se or on tel. +46 (0) 733 375690.

Important events during 2013

- Peab's 2013 customer surveys revealed an increased SCI (Satisfied Customer Index) for both business customers and residential customers (page 26-27).
- The project "Brf Compagniet" at Västra Eriksberg in Gothenburg was Peab's first in-house project to achieve Miljöbyggnad certification (page 21).
- An extended, in-depth stakeholder dialogue took place in the autumn of 2013 with a focus on sustainability (page 10-13).
- During the year, the Peab School was involved in the rebuilding of Utøya in Norway (page 15).
- A focus week on the subject working environment was held throughout the whole Group, with management groups visiting approximately 450 workplaces (page 16).
- Peab appointed a Sustainability Manager and created the Group function "CSR – Social Responsibility" (page 8-9).
- During Almedalen Week, Peab organised two well-attended seminars on housing, education and jobs for young people.
- During 2013, Peab developed an employee profile and a managerial profile, involving 600 employees in the process. These profiles are easy to relate to and provide a clear view of how we work (page 17).
- During the spring, Peab took over the baton in the "Responsibility Relay", an initiative launched in 2011 by HSB Göteborg in order to promote sustainability and social responsibility in the housing sector.
- Peab Oy received two new system certificates - OHSAS 18001 for occupational health and safety and ISO 14001 for environment. The quality system received an ISO 9001 certificate in 2009. These three certified systems together represent the business management system in Finland (page 14).
- There was a major focus on online telephony during the year with the facility to hold web conferences, and this reduced traveling and benefited the environment, finances and the working environment for employees (page 23).
- Peab's skills development programme has been revised and will be implemented in 2014 (page 16).
- Peab set up a new crisis organisation in Norway to deal with serious accidents.
- A new, competence-based recruitment process was launched, representing one step in our work to achieve greater diversity in Peab (page 17).
- As of 2013 we issue safety warnings when serious incidents or accidents occur. These safety warnings are disseminated through the organisation and contain information about what has happened and how similar events can be prevented at other workplaces (page 14).



A journey of change towards a sustainable business



Jesper Göransson, President and CEO

Intensive and challenging – that is how I would describe the past year at Peab.

Following the change of CEO in spring 2013, the new management team put forward a powerful package of measures to transform the Group's unsatisfactory financial result into a sustainable profit. It is clear that Peab must deliver value and a return for its shareholders, in both the short term and the long term. This is why we carried out a major reorganisation of the Construction business, alongside wide-ranging efficiency improvements and savings.

Shareholders and the Board were expecting decisive, rapid action, and now that the year has ended I can confirm that the planned measures have been implemented, one by one. Peab starts 2014 with an organisation and a structure that support its core business and benefit future competitiveness and profitability.

SUSTAINABLE BUSINESS OBJECTIVES

We are striving to integrate sustainability into all areas of the business and have decided to develop sustainable business objectives instead of separate sustainability objectives. Through this, it also becomes clear that sustainability in Peab is directly connected to our business and our profitability. This will be a clear undertaking for the

organisation. The objectives will be more relevant and measurable when the business areas assume greater responsibility for defining objectives for 2015-2017 for their own specific activities.

During the process of change we reviewed the sustainability work at Peab. In order to put a greater focus on the issue, a Sustainability Manager was appointed and we created a Group function, CSR – Social Responsibility, which reports directly to the executive management. It is our ambition to raise the minimum level within all areas that contribute to a sustainable business.

Peab signed the UN Global Compact in 2012. This has contributed to enhanced awareness and competence, for example through the methodical follow-up that we have committed to pursue.

COMMUNITY BUILDER ASSUMES RESPONSIBILITY

Peab influences society and the environment for the people who live with what we build and install, both now and in the future. Peab is also a major employer. We want to assume a holistic responsibility and contribute to society by adding value financially, environmentally and socially in what we do. Peab's vision is to be the Nordic Community Builder.

Society at large makes demands of trade and industry to assume greater responsibility for sustainable enterprise. Investors and analysts define sustainability as an increasingly important parameter in their valuations, and customers demand sustainable homes, premises and installations. Through our work, we can help them to achieve their own sustainability objectives. We have a shared responsibility for the future.

PRIORITISED AREAS

In order to better understand the expectations placed on us, we deepened and extended the dialogue with Peab's stakeholders in 2013. The results of these dialogues were used as a basis for strategic sustainability work, and it will also be valuable input to the development of our sustainable business objectives. Eight

important areas of sustainability will be prioritised for the next strategy period. They have been chosen on the basis of what is most relevant for our stakeholders and for Peab's business. I can confirm that we face challenges in many of these areas.

We have made major investments and achieved success in **health and working environment**, but this is an area in which we must never ease up. Safety is a challenge for the whole industry. We want everyone at our workplaces to be safe, feel secure and be healthy. We have a zero vision for accidents at the workplace. Peab had no fatal accidents in 2013, but there was an increase in the number of accidents at the workplace.

“Intensive and challenging – that is how I would describe the past year at Peab”

Ethics and anti-corruption is one area where we are continuing to train our employees. In 2013 our internal audit discovered irregularities, which is unacceptable. Peab must stand for good business ethics and transparency. To achieve this, every single person must assume personal responsibility for their behaviour.

One major challenge is **equal opportunity and diversity**, where Peab has much work to do before our employees reflect society from a diversity perspective. During the year we revised the recruitment process and managerial development programme, which I consider to be important starting points, although more measures will be needed to bring about a change.

We have developed new methodology and a new range of offers in the field of **skills and career development** in order to satisfy our future competence requirements. In connection with this, an employee profile and a managerial profile were launched, specifying expectations of employees and managers. The profiles were based on our core values, which form the very foundation of Peab: down-to-



earth, developing, personal and reliable.

In the environmental area, the phasing out of **substances that are hazardous to health or the environment** is a task that we will drive and develop closer to the production. Of equal importance is work on greater **energy efficiency**, an area with strong links to profitability, efficiency and reduced environmental impact. We work with various kinds of certifications, and during the year we had our very first in-house project to be certified under the Miljöbyggnad scheme. I believe in making efficient use of our resources and carrying out environmental work where it makes a difference – close to production.

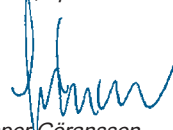
We depend on good relations. One of

Peab's strengths is the local entrepreneurship and our roots in the local communities where we operate. In our **customer relations** we need to be receptive to the preferences and expectations that exist, and to look after our customers in the best possible way. The results of the SCI (Satisfied Customer Index) improved for both business and residential customers in the 2013 surveys. Another high-priority area is our **supplier relations**. We need to develop work on follow-up and documentation, where we have large potential for improvement. There is a trend towards companies assuming greater responsibility for sustainability work in the supply chain.

I am convinced that if we focus on

these areas, we can take the business to the next level. Our employees and their competence are crucial for Peab's continued success, and sustainability is becoming increasingly important in our being the attractive employer we want to be. Peab has both challenges and ambitions to deal with as the journey towards being a sustainable business continues.

Förslöv, April 2014



*Jesper Göransson
President and CEO*

Peab in brief

Peab AB is one of the Nordic region's biggest construction and civil engineering companies, with operations in Sweden, Norway and Finland. Peab is publicly listed and has its head office in Förslöv, on the Bjäre Peninsula in Southern Sweden, where Peab was founded in 1959 as a family firm. Together with other players in the community-building sector, Peab develops and builds the sustainable communities of the future.

OPERATIONAL BUSINESS

Peab has business operations in Sweden, Norway and Finland. The business is divided into four Nordic business areas: Construction, Civil Engineering, Industry and Project Development. On 31 December 2013 there were 280 (287) wholly owned

companies and 82 (94) part-owned companies in the Peab Group. For a list of all companies in the Peab Group, see note 42 in the financial report. Turnover from operations in 2013 was SEK 42,933 (45,997) million. About 2,200 (2,000) new projects started in the Construction and Civil Engineering business during 2012, about 2,500 (3,400) projects were completed and as of 31 December 2013 approximately 6,200 (6,400) projects were in progress.

Wide-ranging programme of measures

In 2013, a wide-ranging programme of measures was carried out by the Nordic construction business with a view to creating a cost-efficient organisation based on local entrepreneurship. The change meant that the previous eight divisions and 30 regions were replaced by 12 regions in Sweden, two in Norway and two in Finland.

This means a local organisation with a focus on customers, employees and production.

All residential development is now run in the Project Development business area. The Project Development business area thus includes all Peab's development of homes and properties.

Construction

The Construction business area covers the Group's resources with regard to construction-related services. Construction carries out contract works for external customers and also for internal customers. The business is run through 12 regions in Sweden, two in Norway and two in Finland. Of the Swedish regions, three specialise in residential production in Stockholm/Mälardalen, Gothenburg and in the Öresund region. Construction service activities are run in a national region with a primary focus

Business concept

"Peab is a construction and civil engineering company that puts total quality in every step of the construction process first. Through innovation combined with solid professional skills we make the customer's interest our own and thereby build for the future.

Core values

- Down-to-earth
- Developing
- Personal
- Reliable

Vision – The Nordic Community Builder

Peab builds the sustainable communities of the future

We are the obvious partner for community building in the Nordic region. We come up with ideas, take initiative and break new ground. We conserve resources and our climate smart solutions have spearheaded developments. Our work is sustainable throughout its entire life cycle.

Peab is the Nordic company

Our entire organization works together to exceed our customers' expectations. Peab is always close to our customers no matter whether they operate locally, nationally or globally. Satisfied customers contribute to our success in the entire Nordic region.

Peab is a magnet for highly skilled people

We are the number one Nordic employer. Our values are simple and clear. Our personnel is deeply engaged and our leaders committed to helping people develop. When our employees grow, Peab grows.

Sustainable Building of Communities – Peab's definition

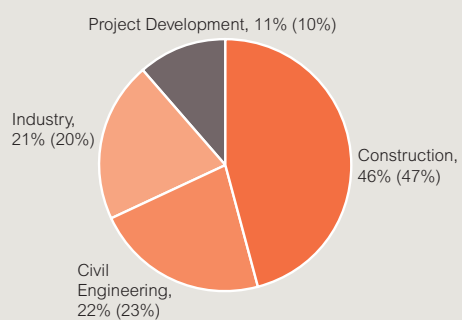
Everything we plan and implement will be fully in line with our ethical guidelines and be designed responsibly and for the long term. In this way we will satisfy environmental, economic and social aspects.

Group strategies

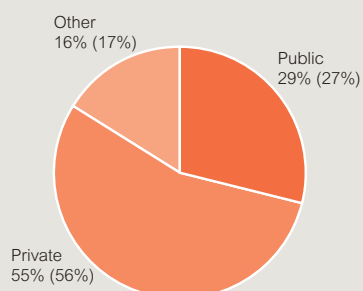
- Cost-efficient business
- Long-term profitable operation
- To be seen and heard
- Sustainability integrated in Peab's operations
- Strengthen and develop Peab's customer relations
- Best workplace



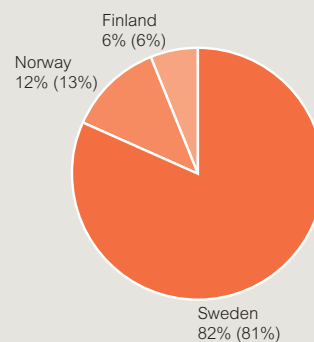
Operating turnover by business area, 2013



Operating turnover by customer type, 2013



Operating turnover by geographical market, 2013



on the metropolitan areas. Other regions carry out all kinds of construction works within their geographical area.

Civil Engineering

The Civil Engineering business area undertakes assignments such as the construction of major infrastructure projects and civil engineering works, as well as smaller projects in local markets. Civil Engineering also carries out operations and maintenance of roads and municipal installations. The business is run through geographically-based regions in Sweden, Norway and Finland. Clients are Transport Administrations, municipalities and local businesses.

Industry

Business activities in the Industry business area are run through the following seven product segments: Asphalt, Concrete, Gravel and Rock, Transport and Machinery, Foundations, Leasing and Industrial Construction. All product segments focus on the Nordic construction and civil engineering market. Customers comprise primarily Nordic construction and civil engineering companies. Most of the turnover is generated by the Swedish market. The business is run in a larger number of companies and under a number of different brands. The biggest brands are Swerock, Clifton, Lambertsson, Skandinaviska Byggelement, Peab Asfalt and Peab Grundläggning.

Project Development

The Project Development business area includes all Peab's development of homes and properties. The business is run in two sections, Residential Development and Property Development. A joint approach to all project development gives Peab a good overview over the process of acquisition and disposal. Project Development is also responsible for Peab's various holdings in associated companies in the field of property development, for example Tornet and Catena.

SUSTAINABILITY GOVERNANCE

Sustainability is integrated into Peab's vision and business strategies; we strive to integrate sustainability into all areas of the business. Responsibilities and mandates are delegated to the business areas, and support is provided by specialist expertise in the areas of the environment, ethics and social issues at various levels in the organisation, as well as a number of steering and supporting documents. In 2013, the position of Sustainability Manager at Peab was filled, and the Group function CSR – Social Responsibility was created at Group level. The CSR function reports to the executive management. This function's undertaking is to coordinate and develop the Group's message, processes and strategies in two areas of responsibility: sustainability and ethics. This work is carried out in collaboration with Peab's four business areas and other Group functions in a way that promotes responsible enterprise.

Policies

A number of policies constitute steering documents in the field of sustainability. Peab's Code of Conduct, which is a general policy based on the ten principles in the UN Global Compact, covers environmental, social and anti-corruption issues. According to the Code of Conduct, we do not accept any form of crime against human rights, discrimination, child labour or corruption. Products and services that Peab buys must be manufactured or provided by people who have chosen freely to work, who have the right to work in a working environment that is in accordance with national working environment legislation and to form unions and organise themselves as they wish. The Code of Conduct is rooted in the general company policy, which is an integrated environment, quality and working environment policy. The Code of Conduct is translated into a number of languages to be

accessible for all suppliers. It is supplemented by a number of underlying policies and guidelines such as Peab's ethical guidelines. All employees sign an employment contract that includes a commitment to apply by Peab's Code of Conduct and ethical guidelines. An introduction training is given to all new employees, it covers among other things the ethical guidelines and Peab's sustainability work.

SHAREHOLDER STRUCTURE

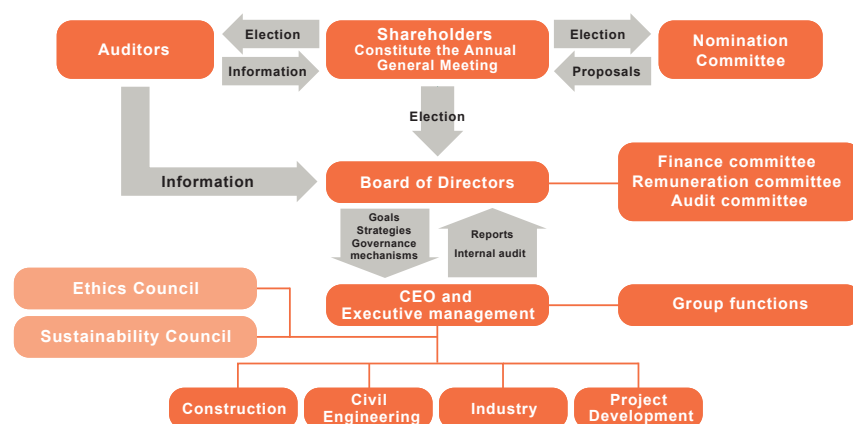
Peab AB is a publicly listed company, with the share listed on the NASDAQ OMX Stockholm Stock Exchange, in the Large Cap list. As of 31 December 2013 there were approximately 32,000 shareholders in Peab. Mats Paulsson and his companies constituted the biggest single shareholder with 15.9 per cent of capital and 22.3 per cent of votes. At the year-end, the total shareholding associated with the company's founders, Mats and Erik Paulsson with their families and companies, totalled 29 per cent of capital and 65 per cent of votes.

Financial summary

	Jan-Dec 2013	Jan-Dec 2012	Jan-Dec 2011
Net turnover from operations, SEK million	42,733	45,997	44,015
Net turnover, SEK million	43,095	46,840	43,539
Operating profit from operations, SEK million	593	1,002	1,483
Operating margin, %	1.4	2.2	3.4
Operating profit, MSEK	614	1,055	1,505
Operating margin, %	1.4	2.3	3.5
Profit before taxes, SEK million	383	813	1,195
Earnings per share before dilution, SEK	1.01	2.47	3.26
Dividend per share, SEK ¹⁾	1.80	1.60	2.10
Return on equity, %	3.8	9.2	12.1
Equity/assets ratio, %	24.1	24.9	25.4
Cash flow before financing, SEK million	602	974	-1,071
Net debt, SEK million	5,944	6,470	6,626

¹⁾ For 2013, dividend proposed by the Board.

CORPORATE GOVERNANCE IN PEAB

**Shareholders**

All shareholders, including minority interests, can influence the company by exercising their voting rights at the Annual General Meeting, Peab's ultimate decision-making body. The Annual General Meeting provides a forum for shareholders to ask questions and submit comments on the company's sustainability work. Questions asked at the AGM in 2013 included how we guarantee sustainability in the supply chain. Our work in the supply chain is described in more detail in the section entitled "Suppliers and customers" on page 24-27.

Nomination committee

The nomination committee consists of four members: the Chairman of the Board and three members representing Peab's large and small shareholders. One of the nomination committee's main tasks is to nominate candidates for election to the Board of Directors at the AGM.

Auditors

The AGM selects the auditors. The auditors examine Peab's financial statements.

Board of Directors

Peab's Board of Directors is ultimately responsible for the business, and thus also for work on sustainability. The Board of Directors comprises a total of eleven

members and two deputies. Eight of the members are elected by the AGM and three permanent members and two deputies are appointed by employees' organisations. Of the eight members elected by the AGM, five are considered to be independent and three dependent in relation to the company and company management and in relation to the company's major shareholders. Employees have an opportunity to influence Peab's business via their employees' representatives.

Finance committee

The finance committee, which consists of three Board members, handles and makes decisions on financial matters in accordance with the adopted Finance Policy.

Remuneration committee

The remuneration committee, which consists of three Board members, draws up guidelines and frameworks for senior executives in respect of salaries and other remuneration, in accordance with the Remuneration Policy adopted by the AGM.

Audit committee

The audit committee consists of the eight Board members elected by the AGM. The committee prepares the work of the Board of Directors to quality-assure the company's financial reporting and define guidelines for

the procurement of services from the auditors other than the audit. The audit committee maintains ongoing contact with the company's auditors, evaluates the audit assignment and represents the nomination committee in the preparation of proposals for and payment of fees to the auditors.

Executive Management

The President, who is also the CEO, manages the business in accordance with the framework adopted by the Board of Directors and is responsible for the ongoing administration and control of the Group. Peab's executive management team in 2013 consisted of six people, none of them a member of the Board.

Group functions

Peab has a number of Group-wide functions. The Group function "CSR – Social Responsibility" was created in 2013, with an undertaking to coordinate and develop the Group's message, processes and strategies in the areas of responsibility of sustainability and ethics.

Business areas

The business area managers are responsible for integrating work on sustainability into the organisation by delegating responsibilities and mandates, thus making sustainability issues an integral part of daily operations.

The Sustainability Council and the Ethical Council

Peab's Sustainability Council and Ethical Council support executive management. The Sustainability Council includes a representative of executive management in the form of the HR Director. The chair of the Council is the Sustainability Manager, and the other members are the Group Legal Advisor, the Purchasing Manager, the Assistant Head of Business Area Construction and the Sustainability Coordinator. The Group functions for HR, safety and legal affairs make up the Ethical Council, which deals with any breaches of Peab's ethical guidelines.

Age and gender distribution 2013 (2012)

	Number of members	Percentage of women (%)	Percentage of men (%)	Percentage of people aged < 30 (%)	Percentage of people aged 30-50 (%)	Percentage of people aged > 50 (%)
Board of Directors (incl. deputies)	13 (13)	23 (23)	77 (77)	0 (0)	38 (31)	62 (69)
Executive Management	6 (8)	17 (12)	83 (88)	0 (0)	67 (50)	33 (50)
Finance and remuneration committees	3 (3)	0 (0)	100 (100)	0 (0)	0 (0)	100 (100)
Audit committee	8 (8)	25 (25)	75 (75)	0 (0)	25 (25)	75 (75)
Auditors (incl. deputies)	4 (4)	0 (0)	100 (100)	0 (0)	0 (25)	100 (75)
Nomination committee	4 (4)	0 (0)	100 (100)	0 (0)	25 (25)	75 (75)

Stakeholder dialogue and focus areas

We strive to achieve long-term relationships and good collaboration with our stakeholders. In order to achieve a better understanding of what is expected of our work, we deepened and extended our sustainability-oriented stakeholder dialogues in 2013. The results of these dialogues have been used as a basis for our strategic sustainability work and in order to identify focus areas for this report.

STAKEHOLDER IDENTIFICATION

Ahead of our first sustainability-oriented stakeholder dialogues in 2012, we conducted a wide-ranging process to identify Peab's stakeholders in a workshop involving executive management and the heads of Group functions. The groups of stakeholders were then weighted according to their level of interest in and influence on Peab. In selecting the stakeholder groups ahead of the dialogues in 2013, we started with the groups identified during the 2012 workshop, with some modification of the division into groups. This year, for example, we divided the former group "Current and potential employees" into "Students" and "Employees", and we also divided the

former "Customers" group into "Business customers" and "Residential customers".

EXTENDED, DEEPER STAKEHOLDER DIALOGUE

Peab interacts with stakeholders regularly through a number of different forums in order to enhance relations and to be receptive to preferences and expectations of us as a player in the community-building sector. This takes place in the form of, for example, customer meetings and customer surveys, participation in networks, information meetings in residential areas and dialogues with authorities and administrators. Our local connections also mean that we conduct an ongoing dialogue with stakeholders at a local level, and at the same time we have regular contacts at a regional and national level.

2012 was the first time that Peab conducted sustainability-oriented stakeholder dialogues. At that time, we asked four stakeholder groups to state which areas of sustainability they feel we should focus on in particular by means of a web-based questionnaire, which resulted in a total of 70 responses. Ahead of the sustainability-oriented stakeholder dialogues in 2013, our

objective was to double the number of stakeholder groups and the number of responses, and also to employ both interviews and questionnaires. We chose to deepen the dialogue by interviewing representatives of those groups that had responded by questionnaire the year before, and a total of 23 interviews were conducted. A web-based questionnaire was sent to representatives of another five stakeholder groups, which we felt have a major influence on us and a major interest in our business. We received a total of 157 responses to the questionnaire.

Interviews and questionnaires were based on the same base data and questions. However, the opportunity provided during the interviews to conduct a dialogue on the various issues does provide a greater insight into stakeholders' views. The dialogues dealt with areas such as how stakeholders perceive our sustainability work at present, whether they feel that we are performing well or inadequately in a few areas and what they believe we should prioritise and focus on more in the future. The results from the stakeholder dialogues have provided valuable base data for Peab's strategic work and at the same time have

Identification of stakeholders and form of dialogue 2013





formed a basis of the focus of this sustainability report. We intend to continue to hold annual stakeholder dialogues, and also plan to further develop the methods.

MATERIALITY ANALYSIS

Peab's materiality analysis is a combination of the results from the stakeholder dialogues and an internal prioritisation conducted by Peab's Sustainability Council in 2013. According to Peab and most of our stakeholders, sustainability is largely about a holistic perspective and about maintaining a high base level in all areas. Many stakeholders commented on the difficulty of simply choosing a small number of areas that should be prioritised. We want to

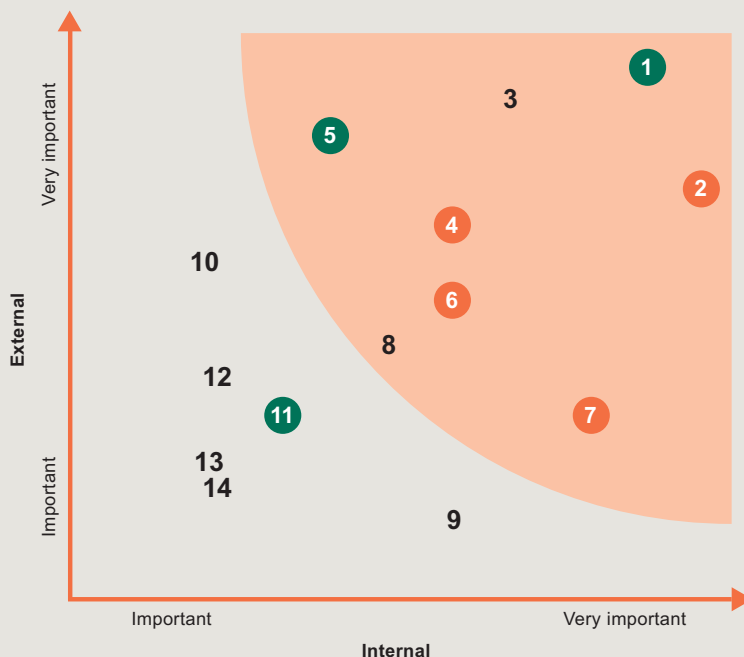
emphasise that all areas are important to Peab; our ambition is to continue to develop as a sustainable company with a high base level in all areas. Prioritisation serves to identify where we need to put in extra work in order to satisfy the requirements and expectations of our stakeholders.

FOCUS AREAS

The materiality analysis shows the eight work areas that are considered most important, internally and externally, for Peab to prioritise over the next strategy period. Health and working environment, ethics and anti-corruption, equal opportunity and diversity, substances hazardous to the environment and health, customer relations,

supplier relations and skills and career development. These eight areas, which all are relevant to all our business areas, will be integrated into the business strategy work that Peab will undertake in 2014. On the basis of the business strategy, each business area will then develop business objectives for their own businesses. Integrating sustainability throughout the whole business was one of the eight general focus areas that we presented in last year's sustainability report. This year's work on the focus areas has resulted in our choosing consciously to shift away from the notion of having separate sustainability objectives, we want instead to develop sustainable business objectives.

Materiality analysis – Internal and external perspective



This chart depicts a summary of our materiality analysis. The internal perspective is based on prioritisations made by members of the Sustainability Council. The external perspective consists of the nine stakeholder groups with which we conducted a stakeholder dialogue, through interviews or questionnaires. The ranking within each stakeholder group has been summarised, with equal weighting applied to the opinions from each group.

- Areas in which Peab performs well according to our stakeholders .
- Areas in which Peab has potential for improvements according to our stakeholders.
- Highlight the areas that are most important according to external and internal stakeholders, also the areas in focus of this sustainability report.

All 14 categories

1. *Health and working environment*
2. *Ethics and anti-corruption*
3. *Energy efficiency*
4. *Equal opportunity and diversity*
5. *Substances hazardous to the environment and health*
6. *Customer relations*
7. *Supplier relations*
8. *Skills and career development*
9. Efficiency improvement methods
10. Resource utilisation and waste
11. Social engagement
12. Innovation and development
13. Transport & carbon dioxide
14. Certified building

Key areas according to the stakeholder groups				
Stakeholder group	Selection	Dialogue method	Number of dialogues (of approached)	Key areas
Business customers	Biggest customers in the Civil Engineering, Construction and Industry business areas.	Interview	10 (14)	<ul style="list-style-type: none"> • Ethics and anti-corruption • Innovation and development • Substances hazardous to the environment and health • Supplier relations • Energy efficiency • Resource utilisation and waste
Residential customers	Private customers who have bought, or are considering buying, homes from Peab.	Questionnaire	34 (58)	<ul style="list-style-type: none"> • Substances hazardous to the environment and health • Energy efficiency • Customer relations • Resource utilisation and waste • Health and working environment
Employees	Random selection distributed in accordance with number of employees per business area.	Questionnaire	42 (60)	<ul style="list-style-type: none"> • Health and working environment • Energy efficiency • Customer relations • Efficiency improvement methods • Social engagement
Students	The Peab School together with road and water engineers from the Royal Institute of Technology, Luleå University of Technology and Chalmers University of Technology.	Questionnaire	30 (60)	<ul style="list-style-type: none"> • Equal opportunity and diversity • Health and working environment • Skills and career development • Substances hazardous to the environment and health • Social engagement
Employee organisations	The most common trade unions for employees at Peab.	Interview	4 (5)	<ul style="list-style-type: none"> • Equal opportunity and diversity • Skills and career development • Health and working environment • Ethics and anti-corruption • Supplier relations
Industry and employers' organisations	Organisations in the fields of construction, civil engineering and industry.	Questionnaire	13 (14)	<ul style="list-style-type: none"> • Energy efficiency • Equal opportunity and diversity • Substances hazardous to the environment and health • Ethics and anti-corruption • Health and working environment
Suppliers	Biggest suppliers based on purchasing volume, all business areas.	Questionnaire	38 (60)	<ul style="list-style-type: none"> • Health and working environment • Energy efficiency • Substances hazardous to the environment and health • Supplier relations • Resource utilisation
Peab's Board of Directors	Random selection.	Interview	5 (5)	<ul style="list-style-type: none"> • Skills and career development • Supplier relations • Ethics and anti-corruption • Customer relations • Health and working environment • Energy efficiency
Fund managers and analysts	Random selection.	Interview	4 (5)	<ul style="list-style-type: none"> • Ethics and anti-corruption • Health and working environment • Substances hazardous to the environment and health • Energy efficiency • Resource utilisation and waste



ÄLVSJÖ RESECENTRUM
Älvsjö



Employees

Peab is continuing to develop thanks to the partnerships and synergies that emerge when thousands of committed employees work together with responsible managers. We want to offer a secure, inspiring working environment in which everyone can grow and develop. This year's materiality analysis identified three prioritised areas relating to employees. This section focuses on them: health and working environment, skills and career development, and equal opportunity and diversity.

HEALTH AND WORKING ENVIRONMENT

For us, health and the working environment have been a high priority for a long time, as we want to be able to offer secure, developmental working environments that attract committed people and make them content and stay with the company for a long time. The industry has traditionally been physically demanding and dangerous. To be able to create a safe and secure working environment is becoming a crucial parameter when we select projects. We work preventively with communication and clear dissemination of information about the rules in force at our workplaces in order to avoid misunderstandings and risks that can result in accidents. 100 per cent of our

employees in Sweden, Norway and Finland are hired under collective bargaining agreements.

Working environment organisation

Work on the working environment at Peab is organised under the HR function. There is a high degree of competence in this field at all levels in the organisation. Strategic work is run at Group and business area level. Responsibilities and mandates for issues relating to the working environment have been delegated to the organisation and are an integral element of daily operations. In addition to the 73 employees who work on working environment issues in various parts of the organisation, there are also health and safety officers appointed by employees who represent employees on working environment issues in every single project. The number of health and safety officers has risen during the year in all countries. We have about 580 (575) health and safety officers in the Swedish business, 100 (44) in Norway and 45 (40) in Finland. Together, the health and safety officers and those who work on working environment issues on a daily basis make up approximately six per cent of all employees at Peab.

Systematic work on the working environment

Peab's working environment policy, which is integrated into the company policy, forms

the basis of our work on the working environment. Peab has long been working systematically on health and working environment issues, fully in accordance with the requirements of the regulations in current legislation in the countries where we operate. In Sweden we follow the requirements of AFS 2001:1 and in Norway we work in accordance with the Working Environment Act and the current regulations for the construction and civil engineering industry. In Finland we achieved certification for the working environment during the year in accordance with OHSAS 18001.

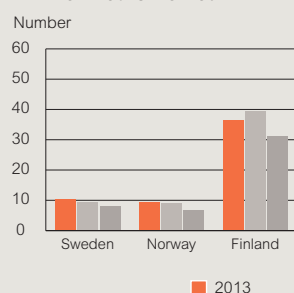
Preventive work on the working environment

Peab has a zero vision for accidents at the workplace. We want to offer safe, secure workplaces for both our own employees and hired staff and subcontractors. Peab works preventively to avert accidents by providing safe equipment, quality-assured work methods and training in this field. When employees and subcontractors arrive at a new workplace, they are given an introduction to and a review of risks at the workplace. We also offer targeted information packages that describe how we at Peab work to create safe, secure workplaces. A new initiative for 2013 is that we also issue safety warnings when serious incidents or accidents have occurred. These consist of brief information about what has happened

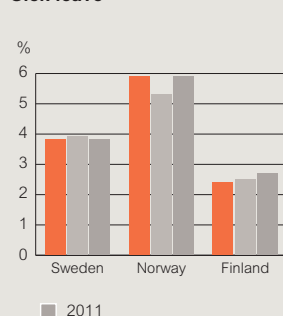
Number of employees by country, gender and employee category – 13,290 in total, of whom 10.7 per cent are women

	Sweden		Norway		Finland		Peab in total	
	Men	Women	Men	Women	Men	Women	Men	Women
Salaried employees in managerial positions	1,475	112	247	23	53	6	1,775	141
Other salaried employees	2,109	934	179	77	166	25	2,454	1,036
Skilled workers	6,555	211	830	12	260	16	7,645	239
Total	10,139	1,257	1,256	112	479	47	11,874	1,416

Workplace accidents per 1 million hours worked



Sick leave



Contracts of employment for all employees

	Men	Women
Permanent employees	9,857	1,171
Project/temporary employees	761	133

Type of employment for permanent employees

	Men	Women
Full-time employees	9,779	1,065
Part-time employees	78	106

As of 2012, the statistics from Finland for workplace accidents include all business areas. For 2011, the statistics from Finland only covered construction.

Statistics for contracts and types of employment include the Swedish and Finnish businesses. As a consequence of the large reorganisation, these number have not been possible to compile in Norway.

An emotional work placement

STUDENTS FROM THE PEAB SCHOOL TAKE PART IN THE REBUILDING OF UTØYA

In July 2011, 69 people, most of them youngsters, were killed in the attack on the AUF's (Workers' Youth League) summer camp on Utøya. Work is now under way to make it possible eventually to resume activities on the island. Buildings are to be demolished or renovated, and new ones built. Peab has assumed responsibility as construction manager in partnership with the AUF.

One of the buildings being renovated is "Skolestua", where students from the Peab School did an unusual work placement over four weeks in autumn 2013.

"I felt deep down that this was something we wanted to do. The students can do an important construction work placement, while at the same time we can of course discuss issues of democracy and tolerance," says Fredrik Samuelsson, Head of Peab School Ängelholm.

A total of 20 third-year students studying Construction lived and worked on Utøya in Norway, one week at a time.

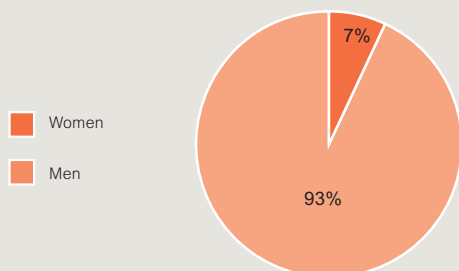
"I like the idea of preserving and renovating this building in particular, where so many actually survived. You've read and heard about what happened, but when we came here it was suddenly all so real. It generated thoughts and emotions. I think it's amazing to be involved in renovating the Skolestua building and making a contribution to this island," explains Tommy Troedsson, one of the students.

Construction teacher Jojje Levin is proud of what the students have managed to achieve. They have replaced corner boards and parts of the panelling, and the whole building has been painted and drained. A new kitchen has been fitted, alongside new doors, casings and skirting boards.

"It's great to do teaching out on the job. Being here means a lot," says Jojje Levin. "The students grow as people, while at the same time they can use their professional skills."

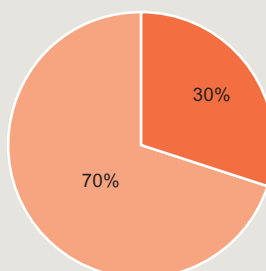


Salaried employees in managerial positions by gender



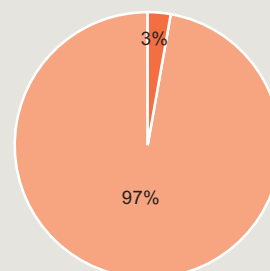
1,916 people in total

Other salaried employees by gender



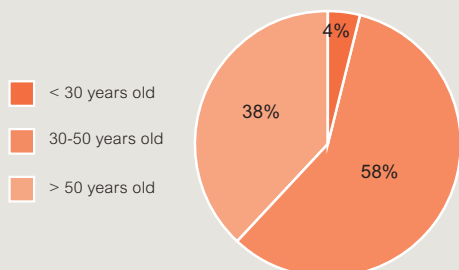
3,490 people in total

Skilled workers by gender

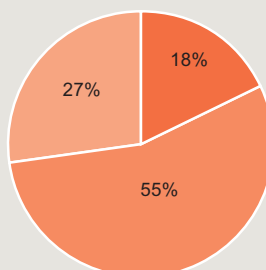


7,884 people in total

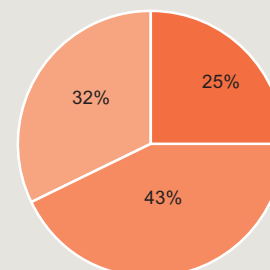
Salaried employees in managerial positions by age



Other salaried employees by age



Skilled workers by age



and recommendations on how to prevent similar occurrences.

Statistics on accidents at the workplace are based on accidents that have caused an absence of at least eight hours. During 2013, the ratio of accidents at the workplace per million hours worked rose slightly in Sweden and Norway, while it fell in Finland. The Finnish way of applying rules on sick leave to accidents at the workplace differs from the practice in Norway and Sweden, hence the higher figures for Finland. We did not have any fatal accidents at our workplaces during 2013. When there are serious accidents, Peab's crisis organisation becomes involved. The crisis organisation is trained by MSB, the Swedish Civil Contingencies Agency. All accidents are investigated meticulously and appropriate action is taken to avoid any recurrence.

Follow-up and improvement work

All incidents and accidents must be reported and followed up. In Sweden this takes place via a web-based system for the reporting and registration of accidents (OTR - Accident and Incident Reporting), in Norway they use a similar web-based system known as RUH (Registration of Undesired Events) and in Finland reporting takes place directly to the Working Environment Manager. A number of workplace audits are also conducted every year in all countries where we operate. Peab analyses the results annually and identifies causal relationships from employee statistics, employee surveys, employee appraisal meetings, workplace audits and occupational healthcare services. This then forms the basis of decisions on prioritised areas of action, objectives and measures.

The working environment is a highly prioritised area at Peab. During 2013 we continued our work to further improve the working environment in the company by means of communication initiatives for increased awareness in the form of newsletters and safety warnings, training courses, follow-up on our Order and Safety Rules and participation in research projects on the safety climate. A focus week saw around 450 visits being made by representatives of management teams at various levels.

Work to promote health

At Peab there is ongoing work to make it possible to attract, develop and retain skilled employees. This means that a work method that promotes health is an important strategic issue for Peab, and we work systematically on promotional, preventive and rehabilitative health work. A balance between work and leisure is a precondition for good health and the ability to do a good job. We offer our employees a broad range of activities in the areas of exercise and culture, as well as keep-fit subsidies and other benefits. Sick leave fell slightly during the year.

Unfortunately, the number of occupational illnesses registered in the company rose during 2013, from 59 to 71. Our current system does not allow us to see what kind of occupational illness has caused sick leave. However, the Swedish Work Environment Authority has conducted an investigation into occupational illnesses in the industry and identified loading factors as the biggest cause (65 per cent) of occupational illnesses in the industry. At Peab, we have for a number of years been training site managers and health and safety officers together in ergonomics. This training is provided by our partner company for occupational healthcare. The training includes theory, team work and ergonomic reviews of the participants workplaces.

SKILLS AND CAREER DEVELOPMENT

The competence of its employees is crucial for Peab's success, and at the same time their opportunities for development are vital for their being content and wanting to stay with the company. Prioritising skills and career development is therefore closely linked to commercial benefit as well as building the brand for Peab. There is high demand in the industry for skilled engineers and skilled workers, and we want to be able to offer a developmental, attractive workplace.

Skills development

At the end of 2012, executive management decided to put large parts of our internal training courses on hold, in order to adopt a totally new approach to how we at Peab

should work on skills development. Of course, we continued to develop our employees in 2013, but the main focus during the year was on analysing our development need, developing a methodology that suits our culture and our future challenges, and creating the right range of development options.

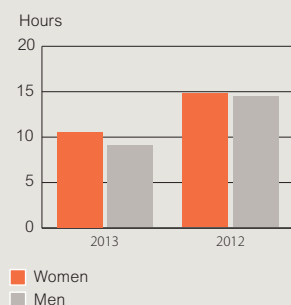
Analytical work started in the business – in all, more than 1,000 employees took part in the dialogue, based on the questions: How do we best develop in our work? What kind of leadership do we need to develop to be the best workplace? In parallel with the employee dialogue, we listened to a lot of other companies, within and beyond our industry, and conducted a continuous dialogue with researchers in this field. The picture that emerged was clear – at Peab, we develop through being involved, through real challenges, through collaboration and dialogue. This is why the new programme, which is being launched in 2014, is based on the well-established 70-20-10 model. Peab is striving to ensure that 70 per cent of the skills development takes place in day-to-day work, 20 per cent through networks and 10 per cent through formal training. Formal training and courses are important for framework skills and specialist knowledge, but we develop and embed skills and abilities best when learning is a part of our work. The consequence of this is that the number of hours spent on courses is reduced, while the number of development hours increases.

Employee appraisals

The employee appraisal is an important element of Peab's business development process and one of the most important management tools. All employees must be offered an employee appraisal every year. This is an opportunity to discuss the employee's potential skills development needs in order to be able to achieve the objectives set out in the business plan. Successful appraisals lead to continuous development of the company, the workplace, managers and employees.

At Peab we usually conduct a wide-ranging employee survey every year involving all employees. One of the questions we

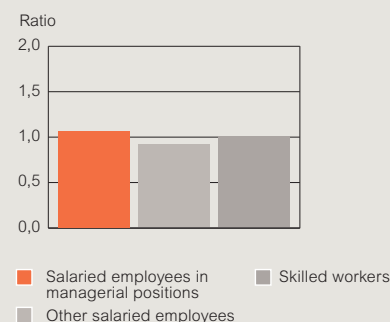
Average number of training hours per employee and gender



Average number of training hours per employee and employee category



Correlation between average pay of women and men per employee category (women's pay/men's pay)



During 2013, large parts of our internal training programmes were put on hold in order that we could adopt a totally new approach to how we should work on skills development, hence the lower number of training hours in 2013 than in 2012. The statistics are based on our business in Sweden and Norway. A follow-up system for training hours in Finland will be implemented in 2014.

The chart shows the average pay of women in relation to the average pay of men per employee category. The average pay of women is divided by the average pay of men, meaning that the ratio is 1 when the average pay levels are equal. The statistics are based on our Swedish business and the investigation into pay at Peab that was conducted in 2013.

It is popular to encourage school students

EMPLOYEES TALK ABOUT THEIR PROFESSIONAL LIFE THROUGH MENTOR

The opportunity to volunteer to be a job mentor generates engagement at Peab. In 2013, 25 or so employees chose to visit schools and talk to students in the 13-16 age group and to inspire and encourage young people with reference to their own experiences.

Mentor Sweden is a non-profit-making organisation that works with mentoring in order to help young people aged 13-17 to have faith in the future and to turn away from violence and drugs. Peab has been supporting Mentor since 2009 in a partnership that involves mentoring, presentations and various social projects.

"It's fun talking about my choice of profession, which I'm really proud of, and I hope to be able to attract some of the young people to join the industry," says Fredrik Lundgren, craftsman and Job Mentor.

The world of work might seem distant to a student in year eight or nine, but their upper secondary school choices are not far away. Through Job Mentor, students can be visited by working adults who describe life outside school.

"It's our aim that more employees will become involved as Job Mentors. You spend about three hours each time at a school for students in the 13-16 age group," says Tina Hermansson Berg, HR Director, who believes that a small effort makes a big difference.

ask is whether the person has had an employee appraisal with his/her manager during the past year. Our last employee survey was conducted in 2011, but as 2013 was a year characterised by reorganisation and reviews at Peab, it was decided that the employee survey should be developed and postponed until 2014. In order to fill the statistical gap regarding employee appraisals, we conducted a short questionnaire survey by email with a random selection of employees. 420 people responded to the questionnaire, revealing that 80 per cent of men and 82 per cent of women had had employee appraisals during 2013. If we break this down by personnel category instead, 85 per cent of salaried employees in managerial positions, 85 per cent of other salaried employees and 55 per cent of skilled workers had employee appraisals during 2013. We would, however, point out that the base data were limited, especially in the category of skilled workers, where only 68 people responded, meaning that the statistics are uncertain. We will continue to follow up on the number of employee appraisals held in the future employee surveys.

Employee and managerial profile

For us, it is important that everyone in Peab is united when it comes to our core values Down-to-Earth, Developing, Personal and Reliable, both internally and when dealing with customers, suppliers and other stakeholders. One way of achieving this is the employee and managerial profiles launched in autumn 2013. The employee profile applies to all employees in Peab, while the managerial profile is for those who manage people, projects or processes. Around 600 employees, young people and trade union

representatives were interviewed in the development phase. There were high levels of engagement and interest, and perceptions were unanimous: we must base the profiles on our core values, and we want to know what applies in Peab.

These profiles steer Peab's ongoing work on skills development. They will also form the basis of employee appraisals, when we define goals and when we recruit. Work to embed the profiles in the organisation was started by the HR function in autumn 2013, and this work will continue in collaboration with managers during 2014. At the end of 2013 a decision was also made to include the threshold values, based on the managerial profile, in the bonus system. The aim is that the 450 or so employees at Peab with bonus entitlement shall work actively on the managerial profile on the basis of goals and action plans that they define together with their manager.

EQUAL OPPORTUNITY AND DIVERSITY

There are major opportunities and development potential throughout the whole industry in the area of diversity. Women are traditionally less represented than men in the industry, but we are convinced that greater diversity would create developmental working environments that benefit all employees and the company as a whole. During 2013 we updated our recruitment process and are working actively to develop leadership at Peab in accordance with our new managerial profile. This is one element of a new, holistic approach to equal opportunity and diversity at Peab, through which we hope to be able to attract a greater diversity.

Holistic approach ahead

Equal opportunity and diversity has been identified as a focus area for Peab. In 2013 we identified the need for action, and in 2014 we will be launching a Group-wide project to develop a strategy for equal opportunity and diversity at Peab. This strategy will contain, among other things, definitions of what the terms equal opportunity and diversity mean at Peab, goals and expected results, as well as concrete measures and methods of follow-up.

Equal pay

Every other year there is an investigation into pay at Peab in order to make sure that salaries are competitive and that they are equal for equivalent duties, experiences and responsibilities. The chart depicting the differences between average salaries for men and women in our employee categories shows us that there is complete equality for skilled workers. In the "other salaried employees" category, the average salary for men is slightly higher than for women, while the average salary for women is slightly higher in the "salaried employees in managerial positions" category. This variation may be due to, among other things, the fact that our rough breakdown of employee categories, with three general groups, actually includes a number of different positions and titles with very different responsibilities and requirements for experience. Bonus pay is based on the basic salary and is governed by collective agreements, the Group's policies and/or position. There are no differences made between men and women within the same professional group.

Ethics and anti-corruption

At Peab, ethics is about our actions in relation to one another and our stakeholders. By means of good ethics and transparency, we create trust and strengthen our relationships. We work with training and information on ethics and anti-corruption, which was identified as being one of our focus areas in this year's materiality analysis.

ETHICS AND ANTI-CORRUPTION – AN IMPORTANT FOCUS

Peab's preventive work against corruption and breaches of our ethical guidelines was intensified through the "Ethics Round" training programme that started in 2009. We can now see the result of this work. Among other things, it has made the culture in Peab more transparent, and there is an openness to discuss ethical issues at the workplace. Awareness of potentially inappropriate relationships is being highlighted, which may be viewed as a risk but for us it has been an opportunity. Through an open dialogue with, and engagement from, our employees, we are making our workplaces transparent and more attractive, which is in turn attracting new employees. It is our employees who, on the basis of Peab's ethical guidelines, create long-term value for the customer, the company and society. We are now happy to see our employees demanding and taking forward the process of our work on ethics.

OUR ETHICAL GUIDELINES

Peab's ethical guidelines summarise how we will conduct ourselves in the company, in society and in our business dealings. The steering document containing our ethical guidelines is updated regularly and adopted by executive management in order to guarantee a current, modern document to which everyone can relate.

We are convinced that good business ethics and transparency strengthen our customer relations and contribute to a safe working environment. The level of ambition for our business ethics is therefore high, and the ethical guidelines go well beyond what is required under legislation and international declarations. Supplementary documents, such as the manual for entertainment and procedures for the attestation of invoices, contain rules on how we at Peab behave in specific matters. If anyone is unsure about how to behave in a given situation, help is available from their manager, from administrative functions or from the Ethical Council.

PREVENTIVE TRAINING ON ETHICS

As an element of preventive work against corruption and breaches of Peab's ethical guidelines, the wide-ranging training programme known as the Ethics Round was started in 2009. Since then, about 3,700 salaried employees in Sweden, Norway and Finland have completed the course. The course has been customised to meet Peab's needs, and contains situations that illustrate various ethical dilemmas that can arise in the business. The intention behind the course is to provide participants with an opportunity to calibrate their ethical compass against the standards and rules that apply within Peab and to provide a method of identifying and finding solutions to various kinds of ethical dilemmas. Everyone who has completed the Ethics Round signs an undertaking to the effect that in their work they will always observe the values on which the ethical guidelines and the Code of Conduct are based. Peab will continue to train its employees in these issues during the years ahead. All senior managers also attend a one-day course on competition law.

THE ETHICAL COUNCIL

Peab has an Ethical Council that consists of one representative of executive management, three from Group functions and, where applicable, the senior manager (business area manager or Group function manager) under whose business area the area in question belongs. The Ethical Council reports directly to executive management. The Ethical Council's undertaking is to answer questions of an ethical nature from the business and employees, to communicate Peab's approach to ethical issues, both internally and externally, and to prepare and make decisions on issues when the ethical guidelines are breached. Action that can be taken in connection with breaches can be anything from a verbal warning and information about what applies at the workplace to a written warning, the serving of notice, dismissal and reporting to the police. The Ethical Council makes sure that incidents that occur in the Group are handled in the same way, regardless of within which part of the business they occur and the position of the person who committed the breach.

ETHICS ARE EVERYONE'S RESPONSIBILITY

Peab must stand for good business ethics and transparency. To achieve this, everyone is encouraged to assume personal responsibility for their behaviour. Peab's managers have a major responsibility to inform and communicate awareness among employees of the content and importance of the guidelines. It is also the job of managers to follow up and make sure that employees have become acquainted with and accepted the guidelines and that they act accordingly. All of Peab's managers must act as role models in the organisation and practise what they preach. The principle

Number of employees trained in ethics and anti-corruption



There was a major initiative on training in ethics in 2011, which is why more people were trained than in 2012. During 2013 we reviewed and developed our internal skills development programme, which will be launched in 2014. This is why there was also a fall in the number of courses on ethics and anti-corruption in 2013.

The Ethics Round training programme has primarily been directed towards managers and leaders in Peab, as they should be role models of good ethics. Ethics will be included in the introduction programme from now on, which is an education for all new employees. We are also going to carry out ethics education for our skilled workers.



RÅCK 16
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in Peab is that if an employee is unwilling or unable to raise an issue with his or her immediate manager, they can always contact their manager's manager. There is also an opportunity to contact the Ethical Council via a form on which comments can be put forward either anonymously or openly. Peab has chosen to work with the Ethical Council as a whistle-blowing function instead of using an external party, as long experience has taught us that handling ethical issues internally builds up trust between the company and its employees,

which promotes transparency and honesty in these issues and combats defamation and the spreading of rumours. The Ethical Council guarantees the anonymity of anyone submitting a report if they wish.

EVENTS DURING THE YEAR

During 2013 one case of suspected corruption or other financial irregularity was discovered. A project manager arranged for subcontractors to sponsor the project manager's private projects. The project manager was dismissed and the police

were notified. An investigation is under way and legal proceedings will start in spring 2014 in respect of a suspected case of serious bribery.

No cases of anti-competitive activities, breaches of competition law or monopolistic behaviour leading to legal action occurred during the year. Nor were there any cases of corruption incidents that resulted in the termination of contracts with suppliers or business partners during the year.

Environment and energy

Strategic environmental work is an integral part of Peab's business. Last year's reorganisation resulted in environmental work now being carried out and developed close to production within the various business areas. In accordance with last year's materiality analysis, this section focuses on the areas of substances hazardous to environment and health, and energy efficiency.

ENVIRONMENTAL ORGANISATION

Peab's environmental and energy work takes place at all levels of the organisation and is an integral part of the business. In connection with the reorganisation carried out in 2013, development work in the field of environment and energy was focused at business area level. The business areas now have a greater responsibility to manage and develop energy and environmental work within their businesses. Development work takes place in line with Group-wide strategies and focus areas. Within each business area there are also resources at regional or company level that support ongoing work on energy and the environ-

ment in day-to-day activities. Environmental work in the operational business is passed on to subcontractors and suppliers when we sign agreements, by means of project plans and day-to-day work.

SYSTEMATIC ENVIRONMENTAL WORK

Peab's environmental management system is integrated into the business management system. Our environmental policy forms the basis of strategic environmental and energy work. The policy is integrated into Peab's company policy and is in harmony with the Code of Conduct, which is based on the principles of the UN Global Compact. The environmental policy also satisfies all of the requirements of ISO 14001:2004. Peab works systematically on environmental issues in accordance with the precautionary principle. We are aware that our industry traditionally has, and has had, a significant impact on the environment, and we are working to reduce Peab's negative impact.

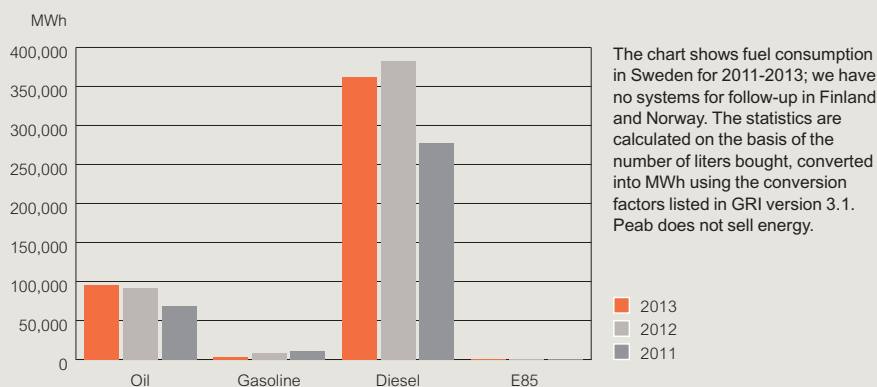
During 2013, development work was undertaken to create a level-oriented business management system for the whole

Group. The fundamental principle for the system and our work method is that everything shall be based on and governed by the business's needs. Implementation is planned to commence during 2014. Large parts of our business are currently certified in accordance with ISO or other national certification systems.

SUBSTANCES HAZARDOUS TO THE ENVIRONMENT AND HEALTH

Historically, our industry has used a number of substances that have recently proven to be hazardous to people and the environment. There is now greater knowledge, and the industry in general has a more proactive approach to substances that are hazardous to the environment and health. Peab operates according to the precautionary principle, as we strive to phase out substances and groups of substances that are still permitted, but that represent a potential risk to health or the environment. The ambition is to be able to offer products and services that have a minimal negative impact on people and the environment, during both production and user phases.

Fuel consumption, total 461,628 (482,978) MWh

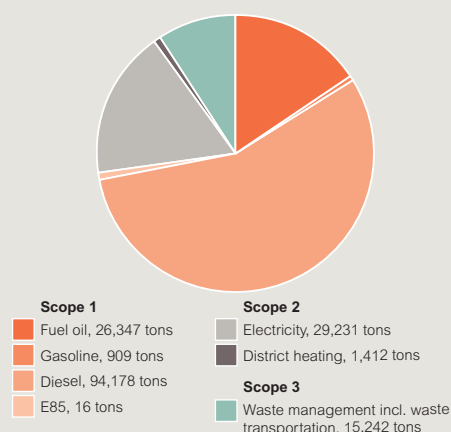


Electricity and district heating consumption, total 250,814 (158,584) MWh



Carbon dioxide emissions

Carbon dioxide emissions, total 167,335 (148,416) tons



The diagram above shows Peab's CO₂ emissions in our Swedish operations. The emissions are calculated through the Greenhouse Gas Protocol. We have reported our CO₂ emissions ever since our first sustainability report in 2011 but this is the first year we have included Scope 3 emissions.

Silver to Compagniet

COOPERATIVE APARTMENTS BECAME FIRST AS MILJÖBYGGNAD

Peab's ambition is that all in-house residential projects in Sweden should be certified according to the Miljöbyggnad scheme. We have also noticed that more and more often, customers are demanding environmental certification in order to obtain an objective assessment of the building's environmental performance.

Miljöbyggnad is a system based on Swedish conditions. At the end of 2013 there were around 100 certified and around 1,000 registered projects in the system.

The very first of Peab's in-house residential projects to achieve Miljöbyggnad certification was "Brf Compagniet" at Eriksberg in Gothenburg in autumn 2013. Compagniet reaches silver level out of the three assessment levels gold, silver and bronze.

An assessments according to the Miljöbyggnad certification scheme considers healthy material selection, quiet indoor environment, high degree of moisture control, good ventilation and efficient energy utilisation. The energy use in Compagniet's 120 cooperative apartments is estimated to be 40 per cent lower than the requirement for these apartments, which is max. 110 kWh/m² a year.

The precondition for a successful certification is that environmental issues are involved at an early stage.

"The criteria were defined early on in the planning stage and were well integrated into the project. During the production period we took great care at all times with changes, to make sure that they didn't compromise the certification. Excellent planning and good work in accordance with Peab's procedures resulted in Miljöbyggnad Silver," says Johan Lorentzon, contracting engineer in the project.



Phasing out of hazardous substances

In Sweden, Peab primarily uses two systems for the environmental assessment of products: BASTA and Byggvarubedömningen. BASTA is an industry-wide system that aims to phase out hazardous substances in building products. Suppliers are offered the opportunity to sign agreements to register their products in BASTA. Byggvarubedömningen assesses building products from a life cycle perspective and publishes these assessments in a database. Both systems define chemical composition criteria for the phasing out of substances hazardous to the environment and health. Peab is involved in work to develop both systems. We are represented in the science council of BASTA and hold one position on the Board. We also have a position on the Board for Byggvarubedömningen and are responsible for the system's criteria group.

In Finland we use TUKES (Finnish Safety and Chemicals Agency) safety sheets in order to make sure that we are using approved products in production and in connection with subcontractors. TUKES monitors products, services and production systems in areas such as building products, consumer safety and the energy efficiency and ecological efficiency of products, and implements legislation in these areas. In Norway we use an electronic system called CoBuilder/BASS. All suppliers must register goods supplied in the database in which Peab has established an automatic filter based on State criteria on hazardous substances as well as criteria defined in-house.

During the year, Peab's purchasing and environmental organisations in Sweden collaborated with a number of suppliers to develop a function in Peab's web-based purchasing system. This function allows someone wanting to buy a product to see at once whether the product satisfies Peab's environmental requirements in respect of the content of hazardous substances. This first stage focused on chemical products.

Peab has taken part in a development project to produce a tool to prioritise product groups for environmental assessment. The purpose of the project was to focus on those product groups with the highest occurrences of hazardous substances. The project manager was the IVL Swedish Environmental Research Institute.

Peab has purchasing procedures for the application of systems and various initiatives to reduce the occurrence of substances hazardous to the environment and health. One example is Peab's subsidiary company Drift & Underhåll in Malmö, which has taken the initiative to replace all sand-pits and park benches made of pressure-treated timber with oak, which has more natural resistance to decay. However,

we have no KPIs in this area, nor do we believe that any of the GRI indicators relate to the area.

ENERGY EFFICIENCY

We operate in an energy-intensive industry, which makes it important that we do as much as possible to reduce energy consumption and minimise the environmental and climate impact we cause. There is also an obvious correlation between energy efficiency and financial savings. By offering energy-efficient solutions, we see opportunities to create competitive advantages at lower production costs. Proactive work on energy means we are better equipped for future regulation, stricter project requirements and developments in the industry.

Energy efficiency in the business

At Peab we focus on finding energy-efficient solutions in our production, and also for the products we hand over to the customer upon completion. Peab strives to build homes with energy consumption levels that are lower than the standard requirements. We control the energy balance in projects by performing an energy calculation at an early stage and following up on it throughout the whole project. The process is based on Sveby's "industry standard for energy", a programme that includes information about user data and aids for agreements on energy consumption. We develop the competence of our employees on energy issues and have expert competence available in projects. Together with certain clients we have started to apply Energy Agreement 12, an industry standard for energy consumption in line with Sveby, in a number of our projects. We also work with environmental certification for buildings within many of our projects, both at the client's request and in our in-house projects. Working in accordance with environmental certification systems means that we achieve better control over energy use in our projects.

Our business activities involve the use of large volumes of vehicle fuel for transport operations and contracting machinery. By means of a number of different initiatives, we are seeking energy-efficient solutions with less environmental and climate impact. As an example of this, we are conducting trials with alternative fuels in the form of non-fossil fuel oil and diesel with different kinds of ingredients, such as pine oil or diesel produced from slaughterhouse waste. However, making the transition to alternative fuels is not entirely uncomplicated. We have noticed an increased risk of bacterial growth, and at low temperatures also a risk of crystal formation in tanks associated to some blends of non-fossil fuels. To some degree, supplies are also

limited. We follow and take part in the development of biofuels and strive to achieve a broader level of utilisation. We also train drivers in eco-driving, and use electrically powered vehicles and machines.

Peab's subsidiary company Clifton Mining transports ore from Kaunisvaara to Pitkäljärvi near Svappavaara, a journey of around 160 km. At present there are 24 90-tonne units driving around the clock, 365 days a year, but within a year there will be 60 vehicles. They will then be consuming around 35,000 litres of diesel a day. Work to reduce diesel consumption, and the environmental impact that this consumption causes, is therefore a high priority.

All new drivers are given a one-day course in eco-driving, which is provided by Scania. The vehicles are equipped with a modern aid for drivers, which enables them to monitor their driving in real time and to see how well they have driven over a section, for example accelerating too much or not enough through a curve. Every week, supervisors receive a summary from Scania. This reports changed and actual fuel consumption as well as carbon dioxide emissions. A dialogue then takes place with the drivers on the basis of the report. At present it is estimated that action taken has resulted in a reduction in diesel consumption of around ten per cent.

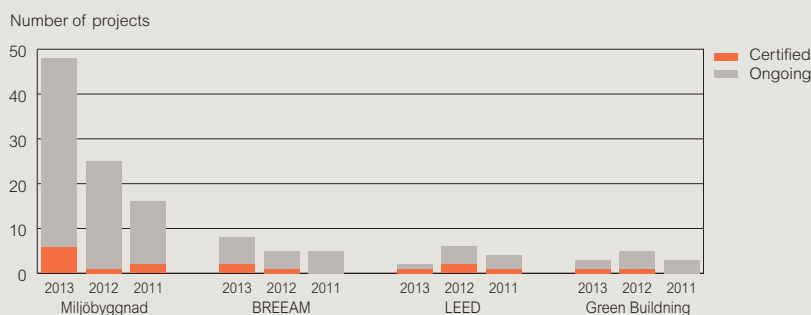
Over the last decade, Peab Asphalt has been working intensively to develop asphalt that is energy-efficient to manufacture and has less impact on the environment. By reducing the laying temperature of the asphalt by around 30 degrees, it is estimated that energy consumption is cut by about 20 per cent and carbon dioxide emissions by 30 per cent. In 2013, lower temperature asphalt represented 3.3 per cent of our total asphalt laid in Sweden and Norway. In our asphalt production we are also working to increase the amount of recycled material in order to avoid using too much virgin material. In 2013, about 9.4 per cent of the material used in our asphalt production in Sweden and Norway consisted of recycled material.

We believe that employees who understand the essence of various initiatives are more engaged. This is why we develop the competence of our employees continuously in a number of energy-related issues. Training courses in the various environmental certification systems and eco-driving are examples of this.

OTHER ENVIRONMENTAL ASPECTS

In accordance with the materiality analysis, we have chosen to focus the environment and energy section on substances hazardous to the environment and health, and energy efficiency. As all areas are important, we also present those indicators in other environmental areas on which we maintain continuous follow-up. How we work with these areas is described in more detail on our website.

Environmental and sustainability certification of products



This chart shows the number of projects that has been certified and projects that have an ongoing certification process. An ongoing project is one that has been registered with the organization responsible for the certification system. A project that is certified is one that has received certification, although not necessarily the final certification that is provided after a certain verification period. The chart includes both projects carried out in-house in which Peab is responsible for certification and projects in which Peab is building for a client.

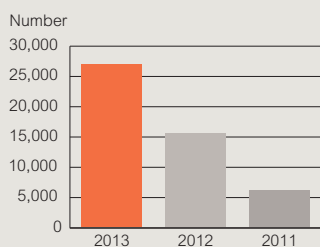
Licensable and notifiable business activities



Peab operates licensable and notifiable business activities in Sweden and Finland. These comprise rock and gravel quarries, water operations, transport of waste and hazardous waste, asphalt works, concrete production and aggregate operations. Permits are renewed and supplemented on an ongoing basis.

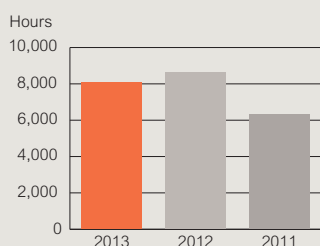
Number of online meetings and videoconferencing hours

Online meetings



There was a major focus on online telephony during the year, with the facility to hold online meetings, and this reduced physical travel and benefited the environment, finances and employees.

Videoconferencing hours

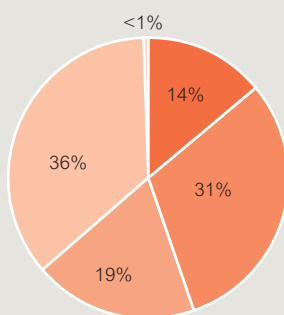


We can see a slight fall in the number of videoconferencing hours in 2013. One reason may be that employees are replacing videoconferences with online meetings.

Waste

Processing method, non-hazardous waste in Sweden

91,961 (122,806) tonnes

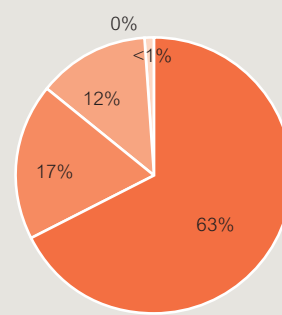


Landfill site Incineration Recycling Reuse Composting

The statistics on processing methods for non-hazardous waste are based on the Swedish operations and limited to the waste that has been processed by one of our central partners for waste management.

Processing method, hazardous waste in Sweden

2,550 (2,652) tonnes



The statistics on processing methods for hazardous waste are based on the Swedish operations and limited to the waste that has been processed by one of our central partners for waste management.

Suppliers and customers

Peab's suppliers, from suppliers of raw materials to contractors, are an extension of our own business. Delivering high quality and meeting customers' expectations are a precondition for us to continue being competitive. This section focuses on assuming responsibility in the supply chain and towards customers, as these were identified as some of the most important areas in our materiality analysis.

RESPONSIBILITY IN THE SUPPLY CHAIN

It is Peab's ambition to be able to guarantee that our suppliers live up to our sustainability requirements. Our basic requirements are that suppliers must comply with international conventions and national laws, as well as Peab's Code of Conduct, which is based on the UN Global Compact's 10 principles. Follow-up of, and support to, the suppliers are vital to be able to guarantee that all suppliers in our supply chain apply by our Code of Conduct. This is a highly prioritised area for our continued work on sustainability.

Risks and opportunities

Assessments and evaluations of suppliers make secure business transactions possible from which all parties benefit. Supplier assessments also constitute a risk analysis that makes sure that we select responsible suppliers with the necessary conditions to meet the projects' requirements. As of today, we have mapped all our first level suppliers. The majority of these operate in the Nordic countries, which have extensive regulations covering aspects of sustainability, such as child labour and forced labour, human rights and the working environment. We believe

that the biggest risk areas regarding our first level suppliers relate to financial deficiencies. Illicit work and tax evasion may be examples of this. We are well aware that the challenges may look different for the suppliers to our first level suppliers. Hence, our next step will be to identify and map our supply chain in several levels.

In Sweden, since 2011 Peab has had a national agreement with the Swedish Tax Agency to improve checks on subcontractors and to combat financial crime. This partnership means that Peab gains access to information about subcontractors' payments of taxes and employer's contributions. This helps with the identification of rogue businesses and increases the opportunities of excluding criminal elements.

Assessment and evaluation

Peab's project purchasing process contains procedures with supporting templates for both assessment before purchases and evaluation after purchases of suppliers. The assessments to be carried out before a supplier is hired represent one stage of securing the project's requirements in areas such as quality, environment, working environment and total cost. The purpose of the supplier assessments is to assess whether the supplier:

- has the financial capabilities to be able to fulfil its commitment
- has fulfilled its statutory registration obligations
- has paid its taxes and social insurance costs
- has the right competence and sufficient resources for the project in question
- works actively on issues in areas such as environment, quality and working environment.

In connection with the end of the project, an evaluation must be performed of the suppliers that are considered to have a decisive influence on the project and customer undertaking with an emphasis on quality and environment. In a "normal" project in the construction business, around ten of the companies that have the most impact on the environment and quality are evaluated. In larger projects there may be good reason to evaluate more. The main purpose of the evaluations is to make use of the experiences that Peab has of a company that has been engaged and to transfer this information to future projects. The evaluation also forms the basis, where applicable, of developing the company in question. Peab's current processes for assessments will be modified to include all sustainability aspects. We will also further develop the processes of evaluation and follow up with specified criteria for when and how to conduct audits.

Work is currently under way to launch a new purchasing portal that allows assessments and evaluations of suppliers to be collated digitally, available to all buyers. At present documentation of assessments and evaluations is kept together with other documentation from projects, which limits the opportunities to summarise the number of assessments and evaluations for the Group during the year.

International purchases

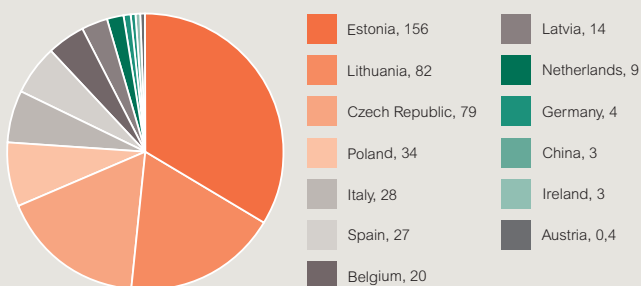
Peab has leading-edge competence centrally and at regional level, to work with and offer support with international purchases. Supplier assessments are conducted ahead of any purchases outside the Nordic region, often in connection with a site visit to the company in question.





UARD 1
Solna

Purchasing volume (SEK million) in countries outside the Nordic region



International purchases were made during 2013 to a value of around SEK 460 million, representing approximately 1.2 per cent of Peab's total purchasing volume. About 95 per cent of the purchases were of contract works, i.e. including both materials and labour.

PURCHASES 2013

- Peab's total purchasing volume during 2013 was around SEK 38 billion.
- The purchasing volume outside of the Nordic countries was around SEK 460 million (1.2 per cent of the total).
- The majority of our purchases were of contract work, i.e. including both materials and labour.
- Numbers of suppliers, approximately 43,000.
- Around 1,300 suppliers accounted for approximately 80 per cent of the total purchasing volume.
- We are working to centralise purchasing functions to achieve more uniform methods of operations and reduce the numbers of suppliers. This will enable us to address sustainability issues together with our suppliers.

International purchases were made to a value of around SEK 460 million during 2013. This represents around 1.2 per cent of the total purchasing volume. About 95 per cent of purchases were contract works, i.e. included both material and labour.

There were 34 site visits during 2013 ahead of potential purchases outside the Nordic region. Three of these were to suppliers' subcontractors. The site visits includes an exhaustive review of the company's work in areas such as environment and quality, working environment and human rights, as well as finance. Processes for assessment, evaluation and procedures for documentation will be further developed ahead.

RESPONSIBLE CUSTOMER RELATIONS

Good customer relations are based on credibility and receptiveness. Peab strives to achieve long-term customer relations. For us, as the Nordic Community Builder, Group customers and customers in local markets are equally important. We see a clear correlation between satisfied customers and profitability – for both Peab and the customer.

Satisfied Customer Index

To investigate how customers perceive their contact with us and how we are meeting their expectations, we use SCI surveys (Satisfied Customer Index). The SCI surveys follow an international standard and are coordinated by the independent organisation Prognoscentret.

During 2012, SCI surveys were con-

ducted for the first time with our business customers. In 2013 we extended the coverage area to include the Construction, Civil Engineering and Industry businesses in Sweden, Norway and Finland. Future surveys in 2014 will also include business customers of our Project Development business. The questionnaire, which is sent out in online format, is totally anonymous for respondents, who can also choose to submit written comments if they want to put forward specific views.

Compared with 2012, the actual number of questionnaire respondents increased from 1,164 to a total of 1,400, although the response rate dropped from 45.5 per cent to 41.5 per cent. According to Prognoscentret, this is still a relatively high response rate compared with similar businesses. Business customers receive an email from Peab's CEO containing preparatory information about the imminent arrival of the questionnaire from Prognoscentret, which we believe has a positive effect on the response rate.

The SCI questionnaire covers customer satisfaction within eight general areas: work method, documentation, company ethics, personnel, value for money, product/service, reliability and scheduling. The 2013 surveys indicate an increase in satisfaction in all areas. The Group's average score increased from 74 (2012) on a scale from 1-100 to 77 during 2013. The area in which customers rate us highest is personnel (average score 82), while value for money (average score 73) is the area in which customers believe we have most develop-

ment potential. The results are analysed at Group, business area, regional and supervisor level. On the basis of the results, action plans are set up so that we can better meet our customers' requirements and expectations.

We started measuring the SCI for Peab's residential customers in 2010. The survey, which is industry-wide, is also conducted together with Prognoscentret. All private residential customers receive a questionnaire about two months after moving in. The SCI surveys for residential customers deal with the following areas: personnel, the home, reliability, information, environmental awareness, outside the home and choice of interior design. In 2013 we received 373 questionnaire responses, representing a response rate of 56 per cent. Since we started to measure SCI, we have improved satisfaction among our residential buyers, and this is a process of continuous development. In 2013, the average score on a scale of 100 rose from 69 in the previous year to 73.



A full-page background image showing a male worker in a bright orange high-visibility safety suit with reflective stripes. He is wearing a matching orange helmet with a headlamp and large black earplugs. He is holding a long-handled tool, possibly a brush or a scraper, which is attached to a piece of machinery with a red brush head. The worker is looking down at his work. The background shows a building with large windows and a stone facade.

Customer relations are like a marriage

ASK AND LISTEN IN ORDER TO UNDERSTAND – THEN IT WORKS WELL

Peab Drift & Underhåll in Stockholm operates in an extremely competitive market. Contracts cover several years and the same customer will often have a number of different contracts. References from previous contracts play a vital role.

When the Satisfied Customer Index survey reported a relatively low result while at the same time the internal employee survey was reporting that customer service was considered to be good, management decided to adopt a new approach.

"A business project was launched in order to understand customers' needs and attitudes. We wanted to find out why they had responded as they did in the SCI survey and how we could make the relationship deeper and better," says project manager Yvonne Ruge.

In an initial phase, the project manager met 15 randomly selected customers in order to discuss the various SCI areas. Customers were asked to explain their scores and give examples of things to improve.

Asking, listening to and engaging the customers proved to be a successful move. *"The customers were positive after the meeting," says Yvonne. "They said they appreciated the human contact, the fact that we're listening and taking their views into account in our development work."*

Peab Drift & Underhåll has been working since then with a focus on the areas highlighted by the customers in order to be more competitive. The greater understanding of the customers' needs was followed by a new round of customer meetings during the autumn.

The ambition is to continue the dialogue once a year in order to make sure that developments are in line with customers' preferences and expectations.

Active memberships

UN GLOBAL COMPACT

Peab signed the UN Global Compact, the UN initiative for sustainable business, in 2012, and is working strategically with the ten principles of sustainable business in the areas of human rights, labour law, the environment and anti-corruption.

SWEDISH CONSTRUCTION FEDERATION (BI)

The Swedish Construction Federation (BI) is the industry and employers' organisation for the construction industry, with around 3,200 member companies. BI's purpose is to promote the common interests of its member companies as employers and traders in the construction industry. Peab has the President post and representatives on many of BI's councils/committees, including the Energy and Environment Council and the working environment reference group.

SWEDISH CENTRE FOR ZERO-ENERGY BUILDINGS

The Swedish Centre for Zero-Energy Buildings is a non-profit-making organisation that aims to play an active role in driving and stimulating developments towards low-energy buildings with minimal energy requirements and as far as possible with energy produced in-house. Peab is represented as a deputy Board member and an active member.

SGBC

The Sweden Green Building Council is a non-profit-making association owned by its members, open to all companies and organisations in the Swedish construction and property sector. The association strives to achieve green construction and to develop and influence work on the environment and sustainability in the industry. Peab is involved in most of the SGBC's committees, taking part during 2013 in BREEAM, Miljöbyggnad, Training, Miljöbyggnad's Technical Council, HCS. Peab is also a member of the Norwegian (NGBC) and Finnish (FIGBC) Green Building Councils.

BEAST

BEAST is a Swedish acronym for the Construction and Property Industry's Electronic Business Standard, and at present there are just over 70 members. It is a meeting place for anything to do with e-commerce, B2B, web solutions and e-communication in the industry. A representative from Peab is Chair of the Board at BEAST.

SWEDISH CENTRE FOR INNOVATION AND QUALITY IN THE BUILT ENVIRONMENT

The Swedish Centre for Innovation and Quality in the Built Environment is a node and a catalyst for research, innovation and quality development in the building of communities. Peab is represented with a Board member and the Chair of the communication committee.

SVEBY

Sveby is a Swedish acronym for "Standardise and verify energy performance in buildings", and is an industry-wide programme that develops tools for agreements on energy utilisation. Peab is involved as a financier and is in the steering group.

SWEDISH PRECAST CONCRETE FEDERATION

The Swedish Precast Concrete Federation is a meeting place for those who manufacture concrete and those who build with it. The Swedish Precast Concrete Federation is a provider of knowledge that influences the debate and the building of communities, with an ambition to help more people to appreciate the superiority of concrete when the life cycle perspective is decisive. Peab is represented on the Board and in all committees.

SBUF, DEVELOPMENT FUND OF THE SWEDISH CONSTRUCTION INDUSTRY

The Development Fund of the Swedish Construction Industry (SBUF) is the construction industry's own organisation for research and development, with almost 5,000 affiliated companies in Sweden. SBUF strives to develop the construction process in order to create better commercial condi-

tions for contractors and fitters to make use of research and to drive development work. Peab sits on the Board and a couple of the committees.

LUR (LIFT OPERATOR TRAINING COUNCIL)

Peab is a member of LUR, which is an independent body responsible for the content and development of LLP (Lift Operator Curriculum). LUR authorises lift operator training companies that commit to observe LLP and the conditions of LUR.

GALAXEN BYGG

Galaxen Bygg is the construction sector's own company for preventive work on the working environment and rehabilitation. Peab is represented on the Board of Galaxen and Galaxen Council East, and is also involved in Galaxen's school group.

BASTA

BASTA is an industry-wide system that aims to phase out hazardous substances. Peab is involved in BASTA's science council and holds a position on the Board.

BYGGVARUBEDÖMNINGEN

Byggvarubedömningen is a system that performs assessments of building products from a life cycle perspective. Peab holds a position on the Board and is responsible for the system's criteria group.

CONFEDERATION OF SWEDISH ENTERPRISE'S SAFETY DELEGATION

A network for profitable risk management. The office is at the Confederation of Swedish Enterprise. Peab is a member and has also made presentations and member meetings.

ASIS INTERNATIONAL

ASIS is a non-profit-making organisation for safety managers and other managers in the field of safety. ASIS makes sure that safety management is acknowledged as a profession by the industry, media authorities and the general public. Peab is a member.



Glossary

AFS 2001:1

The Swedish Work Environment Authority's Code of Statutes on systematic work on the working environment.

BASTA

System of requirements for the chemical content of products used in the construction industry, based on European chemical legislation.

BREEAM

The Building Research Establishment Environmental Assessment Method is an environmental certification system for buildings.

BYGGVARUBEDÖMNINGEN

Byggvarubedömningen is a database of building materials that have been assessed from a life cycle perspective.

COP

Communication on Progress, an annual follow-up that the UN Global Compact requires of its members in which they report on the work they have carried out in the areas of human rights, labour law, the environment and anti-corruption.

E85

Ethanol fuel.

UN GLOBAL COMPACT

The Global Compact is a UN initiative that aims to make companies aware of and assume active responsibility in the areas of human rights, labour law, the environment and anti-corruption.

GREEN BUILDING

EU-controlled environmental programme for buildings.

GRI

The Global Reporting Initiative is an international framework for sustainability reporting.

ISO 14001

An environmental management system. ISO stand for International Organization for Standardization.

ISO 9001

A quality management system.

LEED

Leadership in Energy and Environmental Design is a system for the environmental certification of buildings.

MWH

Megawatt hour.

MILJÖBYGGNAD

Certification system based on Swedish construction and authority rules as well as Swedish construction practice regarding energy, indoor environment and materials.

NGO

A Non-Governmental Organisation can operate on either a non-profit-making or a commercial basis.

SCI

Satisfied Customer Index.

OTR

Olycks- och TillbudsRapportering [Accident and Incident Reporting]. Peab's web-based system for reporting and registering accidents at the workplace.



GRI and UN Global Compact Index

General standard reports

Indicator	Description	Page	Full or partial	Omission
Strategy and analysis				
G4-1	Statement from the CEO about the relevance of sustainable development.	4-5	●	
Organisational profile				
G4-3	The name of the organisation.	6	●	
G4-4	The most important brands, products and services.	6-9	●	
G4-5	Location of organisation's head office.	6	●	
G4-6	The number of countries where the organisation operates, and names of countries where either the organisation has significant operations or that are specifically relevant to sustainable development.	6	●	
G4-7	Ownership structure and legal form.	6-9	●	
G4-8	Markets in which the organisation operates.	6-9, 14	●	
G4-8	The scale of the organisation.	6-9	●	
G4-10	Total workforce, broken down by type of employment, gender and region. ■ Omission: As subcontractors are hired for specific projects and not on a regular basis, we have chosen not to include subcontractors in the employee statistics.	14-15	●	■
G4-11	Percentage of total employees covered by collective bargaining agreements.	14	●	
G4-12	Describe the organisation's supply chain.	24-27	●	
G4-13	Significant changes regarding the organisation's size, structure, ownership or supply chain.	6-9	●	
G4-14	Whether and how the precautionary principle is applied in the organisation.	20	●	
G4-15	Economic, environmental and social principles and standards to which the organisation subscribes or which it endorses.	4-5, 30	●	
G4-16	List memberships of organisations –industry associations and national or international advocacy organisations.	30	●	
Material aspects and boundaries				
G4-17	List all entities included in the financial statements.	6-9	●	
G4-18	Processes for defining the content of the report.	10-13	●	
G4-19	List all material aspects identified.	10-13	●	
G4-20	Describe any internal boundaries in the area of sustainability.	10-13	●	
G4-21	Report whether the sustainability aspects are material and their external boundaries.	10-13	●	
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatement.	2-27	●	
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries.	2, 10-13	●	
Stakeholder engagement				
G4-24	List the stakeholder groups with which the organisation has contact.	10-13	●	
G4-25	Principle for identification and selection of stakeholders.	10-13	●	
G4-26	Method of stakeholder dialogue, broken down by type of dialogue, stakeholder group and frequency.	10-13	●	
G4-27	Report key topics that have been raised through stakeholder engagement.	10-13	●	
Information about the report				
G4-28	Reporting period for the information provided.	2	●	
G4-29	Date of publication of the most recent report.	2	●	
G4-30	Reporting cycle (annual/biannual, etc.).	2	●	
G4-31	Contact persons for questions regarding the report and its content.	2	●	
G4-32	GRI Index.	28-29	●	
G4-33	Policy and current application in respect of having the report attested externally.	2	●	
Governance				
G4-34	Report the governance structure of the organisation, including committees of the highest governance body that are responsible for economic, environmental and social issues.	9	●	
Ethics and integrity				
G4-56	Describe the organisation's values and principles, e.g. a code of conduct or similar.	6-9	●	

Full = ●
Partial = ◐

Specific standard reports

Significant aspects – GRI definition	Indicator	Description	Page	Full or partial	Omission
Health and working environment					
Occupational health and safety	G4-LA5	Percentage of total workforce represented in formal joint management – worker health and safety committees.	14	●	
	G4-LA6	Type and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities by region and gender.	14-16	●	
	G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	16	●	
Skills and career development					
Training and education	G4-LA9	Average hours of training per employee per year, broken down by employee category and gender.	16	●	
	G4-LA11	Percentage of employees receiving regular performance and career development reviews, broken down by employee category and gender.	16-17	●	
Equal opportunity and diversity					
Diversity and equal opportunity	G4-LA12	Composition of governance bodies and breakdown of all employees by gender, age group, minority group membership and other indicators or diversity. ■ Omission: <i>Minority groups are not reported in accordance with Swedish law.</i>	9, 14-17	●	■
Equal remuneration for women and men	G4-LA13	Ratio of basic salary and remuneration between women and men by employee category.	16-17	●	
Ethics and anti-corruption					
Anti-corruption	G4-SO4	Communication and training on anti-corruption policies and procedures.	18-19	●	
	G4-SO5	Confirmed incidents of corruption and actions taken.	18-19	●	
Anti-competitive behaviour	G4-SO7	Total number of legal actions regarding anti-competition behaviour and violations of anti-trust and monopoly legislation, as well as their outcomes.	18-19	●	
Energy efficiency					
Energy	G4-EN3	Energy consumption within the organisation.	20-23	●	
	G4-EN6	Reduction of energy consumption.	20-23	●	
Emissions	G4-EN15	Total direct greenhouse gas emissions, Scope 1.	20	●	
	G4-EN16	Totala indirekta utsläpp av växthusgaser, scope 2	20	●	
	G4-EN17	Övriga indirekta utsläpp av växthusgaser, scope 3	20	●	
Substances hazardous to the environment and health					
There is no GRI aspect that corresponds to our area.			20-23		
Customer relations					
Marketing of products and services	G4-PR5	Results of surveys measuring customer satisfaction.	26-27	●	
Supplier relations					
Supplier assessment – environment	G4-EN32	Percentage of new suppliers that were assessed using environmental criteria. ■ Omission: <i>Only the number of supplier evaluations outside the Nordic region.</i>	24-26	●	■
Other indicators that are reported (that do not fall under our eight identified focus areas)					
	CRE8	Type and number of certifications, rankings and markings for new construction, administration, operation and renovation.	23	●	
	G4-EN23	Total avfallsvikt, per typ och hanteringsmetod	23	●	

Global Compact principles and page references

Full = ●

Partial = ●

Area	Principles	Page
Human rights	1. Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence; and	24-27
	2. make sure that their own company is not complicit in human rights abuses.	14-17
Labour	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	14-17, 24-27
	4. the elimination of all forms of forced and compulsory labour;	24-27
	5. the effective abolition of child labour; and	24-27
	6. the elimination of discrimination in respect of employment and occupation.	14-17, 24-27
Environment	7. Businesses should support a precautionary approach to environmental challenges;	20-27
	8. undertake initiatives to promote greater environmental responsibility; and	20-27
	9. encourage the development and diffusion of environmentally friendly technologies.	20-27
Anti-corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery.	18-19, 24-27



Peab is the Nordic Community Builder with about 13,000 employees and turnover in excess of SEK 40 billion. The Group's subsidiaries have strategically located offices in Sweden, Norway and Finland. The head office is in Förslöv, on the Bjäre Peninsula in Skåne. The share is listed on the NASDAQ OMX Stockholm Stock Exchange.

Peab AB (publ) SE-260 92 Förslöv Tel. +46 (0)431-890 00 Fax +46 (0)431-45 17 00