UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2015







This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



STATEMENT OF CONTINUED SUPPORT

I am pleased to confirm that SWEROAD reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In the following Communication on Progress for 2015, we describe actions taken at SWEROAD during the past year to continually improve the integration of the Global Compacts principles into our business strategy, culture and daily operations. We commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

CEO, Jonas Hermanson

Short describtion of the company

Swedish National Road Consulting AB (SWEROAD) is a limited company owned by the Swedish Ministry of Enterprise and Innovation governed by Trafikverket (The Swedish Transport Administration).

SWEROAD has over the last three decades conducted over 300 consulting projects abroad regarding foremost road, road safety and railways where sustainability and safety have been key elements.

HUMAN RIGHTS

Vision

With the world as our workplace, it lies within our core values to always conduct good business practice through maintaining a high level of communication both internally and externally. We emphasize to create close relations and strong collaboration with purchasers, suppliers and clients to ensure a high level of internal control.

SWEROAD supports the UN principles for protection of internationally proclaimed human rights and aim to support a healthy and sustainable business environment in the regions that we operate in.

We believe that a high level of control and good communication are key factors in conducting honest and sustainable business.

Progress

It is every team leaders' and supervisors' responsibility to make sure that the work carried out through SWEROADs projects goes in line with our code of conduct and business ethics.

During 2015, SWEROAD held an internal education in business ethics and moral aspects for our project leaders and managers in order to provide greater knowledge and practical tools to handle such issues in a good manner. The aim with the education was furthermore to ensure that our managers are well prepared to forward the knowledge and assist their teams and colleagues to handle these issues in an adequate way.

Result

SWEROAD does not accept any kind of human rights violations within our own business or within the organizations that we do business with. We have during the year not received any information indicating on any form of human rights violation.

PRINCIPLE I:

Businesses should support and respect the protection of internationally proclaimed human rights; and

PRINCIPLE 2: make sure that they are not complicit in human rights abuses.

LABOUR RIGHTS

Vision

SWEROAD continuously strive to create a positive working atmosphere and a workplace well appreciated by our employees. Our business idea is to provide professional advisory and a wide knowledge base within our field of work. Our employee satisfaction is a critical factor for us to be able to conduct good business.

Progress

In order to promote and increase physical well being amongst our work force we have, during the year, introduced preventive health care contributions to our employees. Additionally, SWEROAD provides health examinations and vaccination prior to our employees' departures (along with family members that travel with them).

In order to follow up on our employees' opinions and level of satisfaction at their positions we conduct employee surveys on a yearly basis. During 2015 we have put emphasis on improving the questions asked in our surveys in order to create a more reliable employee satisfaction index.

Most of our employees are members in the trade unions and we put value on that representatives from these unions are represented in our board of direction. SWEROAD has signed collective agreements with the trade unions.

PRINCIPLE 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

PRINCIPLE 4: the elimination of all forms of forced and compulsory

labour:

Result

SWEROAD supports the four UN Global Compact principles regarding labour rights and we continuously strive to provide an equal and diverse work place. During 2015 SWEROAD consisted of 33 employees of which six (18 %) were women. The head office consisted of four female and five male employees.

No work-related accidents have been reported during the year and the amount of sick leave has been on an acceptable level, with only a few days per employee on average. We have furthermore not received any reports regarding any type of discrimination or violation of the UN Global Compact principles on labour rights regarding our organization during 2015.

PRINCIPLE 5: the effective abolition of child labour; and

PRINCIPLE 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

Vision

It is SWEROADS aim to contribute to better environmental standards within the countries that we operate. With a high level of technical development within the Swedish traffic sector we can transfer valuable knowledge and thus contribute to decreased emissions caused by insufficient local traffic sectors abroad.

Our aim is to be in the forefront of promoting environmental awareness within the transport sector. We continuously strive to stay up to date with the help of, and cooperation with, universities and public authorities both domestically and internationally. The environmental aspect must always be considered in both the planning and implementation phase of every project we take part in.

We shall furthermore, as stated in our environmental policy, recognize and consider both short-term and long-term as well as direct- and indirect environmental impacts in all projects undertaken.

Progress

In our daily work, SWEROAD assists its customers with e.g. environmental impact assessments, environmental analysis and environmental action plans in order to help decrease the negative environmental impacts from the transport sector and to help develop better traffic standards.

All employees shall be well aware of our environmental policy and be offered relevant education within the area, previous to a project. SWEROAD encourages all employees to get personally involved in environmental issues to create a greater understanding of the field.

PRINCIPLE 7:

Businesses should support a precautionary approach to environmental challenges;

PRINCIPLE 8: undertake initiatives to promote greater environmental responsibility; and Regarding our collaborative partners and suppliers, we always seek to maintain close business relationships characterized by open and direct communication.

The largest direct negative environmental impact that SWEROAD causes are emissions from work-related travels by airplane to our projects abroad. Furthermore green house gases are emitted when employees travel to our head office in Solna. Office related waste is also part of our negative environmental impact.

During 2015 we have been working actively to decrease our amount of paper printed in order to reduce office waste.

Result

We believe that our projects contribute to a more sustainable infrastructure in lowincome countries, leading to a cleaner environment and greater living standards.

Thanks to our wide knowledge base within good environmental standards, regarding the transport sector, we are continuously contributing to greater road safety and increased transport efficiency within the countries that we operate in.

Furthermore we always encourage our customers to choose as environmentally friendly measures of traffic solutions as possible when planning a project.

PRINCIPLE 9:

encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

Vision

As stated in our business ethics policy, it is our vision to always show credibility through conducting business in an ethical and reliable manner. We shall thus strive for sound competition and work for the benefit of the customer without promoting illegitimate interests. We put emphasis on that we always order and execute assignments with care and precision and within the framework of good professional business practice.

Progress

It is, within all assignments that SWEROAD chooses to be engaged in, important that all team leaders and employees are well aware of our ethical stance and guidelines. We continuously work to inform and educate our employees on these issues.

SWEROAD is always cautious when signing agreements with clients, suppliers and customers to ensure that the scope of the assignment is clearly stated and that potential risks and uncertainties are thoroughly discussed.

SWEROAD does not accept any kind of corrupt activity, extortion or bribery and thus take on a rigorous approach towards accepting contact- and relationship promoting benefits.

Result

No information has been received during the past year that could indicate on SWEROAD violating the UN Global Compacts 10th principle regarding anti-corruption.

PRINCIPLE 10: Businesses should work against corruption in all its forms, including extortion

and bribery.

PROJECTS

Kambodia – Climate Change Adaptation

Kambodia is increasingly being exposed to the negative effects caused by climate change. SweRoad is taking on the assignment of identifying the most critical problem areas, strenghtening the existing infrastructure to secure road investements.

Futrhermore we will help to prioritize climate change adaptation and to set up a Clitmate Change Adaptation Office at the Ministry of Rural Development. Our job also includes designing and implementing eco-systems based protection such as planting 15 000 trees along side roads which serves to increase the resilience of the built infrastructure.

Trainee program

During the past year we had the pleasure of offering four trainee spots at our light train rail-building project in Ethiopia. The trainees came from the Swedish Transport Administration and the experience that the project gave was highly appriciated by the participants.

During 2016 we are planning on offering trainee-spots at a construction management assignment in Kazakhstan where a 1000 km road will be built.

Vision Zero Initiative

SWEROAD continues its support of the Swedish Vision Zero Initiative that aims towards a goal of zero fatal traffic accidents by developing a safer traffic environment. It is within this initiative SWEROADs aim to contribute with expertise knowledge and advisatory services regarding road saftey.

We have during the past year held a seminar in traffic saftey in Kambodia where we included the idea behind the Vision Zero initiative.

Railroads in Ethiopia

During 2015 SWEROAD finished the project of building a 30 km long light rail through Addis Ababa. The project has been very well recieved and is an important step for Ethiopia towards developing efficient and sustainable public transport contributing to economic growth.

Road improvement in Lao PDR

The development and improvement of two critical national road links in Lao PDR are now finished. The last bridge has been built and an opening ceremony will be held in Februari/March 2016.