

17.6.2016

## **UN Global Compact Communication on Progress**

## Statement of continued support for UN Global Compact

Our target is to be a best-in-class construction company, developing our business sustainably over the long term while growing profitably. Together with our customers and partners, we build a sustainable society.

## Actions and outcomes 2015

In 2015, our result improved from the previous year and we were able to strengthen our financial position. During 2015 we updated our strategy to align it with changes in the operating environment and our risk tolerance. In 2015, in connection with the strategy revision, we updated our vision, mission and values that guide our operations. These are described in <u>Our way of working</u>.

The operating model for sustainability was launched at the end of 2015. Sustainability was assigned as a responsibility of a Group Executive Team member, the Executive Vice President of the Paving business segment. The Executive Team decides on sustainability targets and the management of business segments and support functions is responsible for taking them into account in annual planning. The Group's Sustainability Director leads daily operations and helps business segments and countries in achieving the targets. Progress is followed up as part of business reporting.

Our most energy-consuming operations are asphalt production and construction sites. In 2015, we started using a certified energy efficiency monitoring system in Finland to comply with the energy efficiency law. We have taken measures required by the energy efficiency legislation in our other operating countries, too.

We conducted a Group-wide employee satisfaction survey in 2015. We want to be an attractive and valued workplace for construction industry professionals, offering interesting and challenging tasks as well as career development opportunities.

In 2015, we fine-tuned our leadership principles. Our target is both to support supervisors and to create clear and uniform methods for leadership and for the development and measurement of leadership skills.

We want to offer our employees safe working conditions and ensure that everyone gets home unharmed in the evening. Our target in occupational safety is zero accidents, and we constantly work to achieve this target by, for example, focusing on the prevention of accidents and sharing best practices among all operating countries. To achieve our target in 2015 we have harmonised operating methods related to the use of protective equipment and to work instructions. We plan occupational safety improvements by collecting safety observations from our construction sites and by regularly monitoring the number of observations. In 2015, the number of safety observations increased compared to the previous year.

It is important for us to build up and develop our business sustainably in the long term. This is the basis for our responsibility work, taking into account the expectations of customers, our own personnel and other stakeholders. Lemminkäinen requires its employees to operate in an ethical manner. Corruption and bribery are not accepted and this is stated in our <u>Code of Conduct</u>, which guides our daily operations. We require the same commitment to anti-corruption from our subcontractors, suppliers and other co-operation partners. Lemminkäinen utilises a Code of Conduct e-learning tool for the entire Group. The e-learning tool is one of our main tools for educating our employees about our ethical requirements of working.

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## **Our commitment**

Our Code of Conduct is based on international regulations and agreements. One of the most significant agreements for us is the UN Global Compact initiative in the field of corporate responsibility. Lemminkäinen continues supporting and committing to the UN Global Compact.

Our annual report 2015 is available online, as is our Code of Conduct. Please find more about our sustainability policies and results from the materials.

Place, date

Helsina 17 6. 2016 Casimir Lindholm