Appendix with sustainability data and GRI Index

PLAB

EPFA RE

2021



About the Sustainability Report

This sustainability appendix complements Peab's Sustainability Report 2021 which is integrated into the Annual Report. The Sustainability Report follows the financial year and comprises the period January 1 to December 31. This is Peab's eleventh Sustainability Report and is prepared according to GRI Standards: level Core.

The Sustainability Report is published once a year and the last one, the Sustainability Report for 2020, was published on April 6, 2021. The Sustainability Report has not been reviewed by a third party. We have however, for this year's reporting, engaged a third party to do a pre-assurance of our sustainability processes and reporting procedures with the intention of conducting a limited assurance of Peab's sustainability reporting as of 2022.

Peab signed Global Compact 2012 and the Annual and Sustainability Report make up the Group's Communication on Progress, the annual report to Global Compact. In accordance with the decision by Peab's President and CEO the company will continue to follow Global Compact.

The Sustainability Report includes the statutory sustainability report according to the Annual Report Act chapter 6 paragraph 11.

Scope and changes in the report

The report comprises the Group's business in Sweden, Norway, Finland and Denmark and all the companies over which Peab has operational control. No material changes in the organization or value chain have occurred during the year.

Based on the materiality analysis the report focuses on the issues that reflect the areas where the business has the most significant impact from a sustainable perspective. With the adoption of the new business plan for 2021-2023 we revised our prioritized sustainability aspects. Peab's report focuses on three areas; social, environment and economic which comprise a total of 8 (11) material sustainable aspects. Read more here. Compared to 2020 the following changes have been made concerning our environmental aspects:

- The work environment and safety culture replace the aspect Health and the work environment
- Education and development for the young replace the aspect Peab Life
- Quality ensured supply chain replace the aspect Responsibility in the supply chain
- The aspects Customer and supplier cooperation and Skills recruitment have been deleted since they are now integrated into our management
- Peab Life is included in Education and development for the young

In addition to the revision of our prioritized sustainability aspects, as of this year Peab reports waste according to the updated standard GRI 306 Waste version 2020, which compared to previous versions more specifically includes the entire value chain. All told the changes in our prioritized sustainability aspects entail the following for reported disclosures:

- GRI 206-1, GRI 302-3, GRI 305-4, GRI 306-1, GRI 306-2 and GRI 306-3 are new GRI disclosures that Peab reports
- GRI 404-3 has been deleted since we consider 404-1 better describes Peab's work with education
- Our own disclosures added in 2021 include:
 - Percent of women recruited during the year in relation to the education market
 - Sick leave

In cases where boundaries and/or accounting principles have changed in one of the specific disclosures for one of the reported years, it will be noted in the text or table directly connected to the given information.

More information about Peab can be found at www.peab.com.

For information about Peab's sustainability work please contact: Juha Hartomaa, IR, juha.hartomaa@peab.se.

GRI contents index

102-55 GRI content index

External assurance

102-56

GRI 102: General standard disclosures (2016)

	Diselesure		Commente
GRI content	Disclosure	Page	Comments
index			
Orga	nization profile		
102-1	Organization's name	Front page – cover	
102-2	Business, brands, products and services	Business model – page 10-11	
		Overview Peabs business areas – page 16-17 Operating	
		segments – page 92	
102-3	Headquarters location	Note 44 Information on parent company – page 132	
102-4	Location of operations	Peab at a glance – foldout,	
		Overview Peabs business areas – page 16-17 Geographic areas – page 93	
102-5	Ownership structure and legal company form	The Peab share – page 146-147	
102-6	Markets where the organization is active	Peab at a glance – foldout,	
	0	Overview Peab's business areas – page 16-17 Geographic	
		areas – page 93	
102-7	Size of the organization	Peab at a glance – foldout,	
102.0		2021 in summary – page 1	
102-8	Information about employees and other workers	Social – page 24-28, GRI page 9-10	The information refers solely to our own employees.
102-9	Supply chain	Economic – page 36-38	
102-10	Material changes in the organization and supply chain	2021 in summary – page 1,	
		Economic – page 37, Board of Directors' report – page 61	
		GRI page 2	
102-11	The precautionary principle or other approach	Our take on sustainable business – page 21	The environmental work structure is based on
102-12	External initiatives	Comments from the CEO – page 4,	the precautionary principle.
102-12	Externat mitiatives	Our take on sustainable business – page 22	
102-13	Membership in organizations	Peab's active memberships – GRI page 23-25	
Strat			
102-14	Statement from the CEO	Comments from the CEO – page 2-4	
-		comments non the CEO - page 2-4	
Ethic	s and integrity		
102-16	Values, principles, standards and norms for behavior	Comments from the CEO – page 2-4,	
		Targets and strategies – page 10, Our take on sustainable business – page 21	
Govo	rnance		
		O anticles are set to achieve the set of the	
102-18	Corporate governance structure	Our take on sustainable business – page 20-21 Corporate governance report – page 138-142	
Stalu	holder relations		
		Our talva en oustainable businesse mense 10.10	
102-40	Stakeholder groups Collective bargaining agreements	Our take on sustainable business – page 18-19	All employees are covered by collective
102-41	collective barganning agreements		bargaining agreements.
102-42	Identification and selection of stakeholders	Our take on sustainable business – page 18-19	
102-43	Strategy for communication with stakeholders	Our take on sustainable business – page 18-19	
102-44	Key topics and concerns raised	Our take on sustainable business – page 18-19	
Repo	rt profile		
102-45	Entities included in the consolidated financial statements	About the sustainability report – GRI page 2	
102 10		Note 4 Operating segments – page 91-93	
		Note 41 Group companies – page 128-131	
102-46	Process of defining the content of the report and topic	Our take on sustainable business – page 20, GRI page 2	
	boundaries		
102-47	Identified material topics	Our take on sustainable business – page 20, GRI page 2	
102-48	Changes in information, effect and cause	2021 in summary – page 1, Board of Directors´report – page 61	
102-49	Changes in reporting regarding scope and topic	About the sustainability report – GRI page 2	
	boundaries		
102-50	Reporting period	About the sustainability report – GRI page 2	
102-51	Date latest report was published	About the sustainability report – GRI page 2	
102-52	Report cycle	About the sustainability report – GRI page 2	
102-53	Contact information for questions about the report	About the sustainability report – GRI page 2	
102-54	Reporting according to GRI Standards	About the sustainability report – GRI page 2	
102-55	GRI content index	GRI content index – GRI page 3-6	

About the sustainability report – GRI page 2

GRI content index – GRI page 3-6

Material sustainability topics

GRI content Disclosure index

Econ			
Anti-co	orruption 2016		
GRI 103: I	Management approach		
103-1	Explanation of the material topic and its boundary	Our take on sustainable business – page 20, Economic – page 36	
103-2	Management approach	Economic – page 36-38	
103-3	Evaluation of the management approach	Economic – page 36-38	
GRI 205: /	Anti-corruption		
205-2	Communication and training concerning anti- corruption policies and procedures	Economic – page 36-37, GRI page 22	Regions are not applicable to executive management and Board since they are all in Sweden. As a result of the newly formed Group function corporate governance and regulation compliance the method of ensuring communication and training in anti-corruption will be updated. There is no information regarding regions or personnel categories for employees or busines partners.
205-3	Confirmed cases of corruption and measures taken	Economic – page 37	
Anti-co	ompetitive behavior 2016		
GRI 103: I	Management approach		
103-1	Explanation of the material topic and its boundary	Our take on sustainable business – page 20, Economic – page 36-37	
103-2	Management approach	Economic – page 36-37	
103-3	Evaluation of the management approach	Economic – page 36-37	
GRI 206-1	: Anti-competitive behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Economic – page 37	
Energy	,		
2016			
103-1	Explanation of the material topic and its boundary	Our take on sustainable business – page 20,	

103-1	Explanation of the material topic and its boundary	Our take on sustainable business – page 20,			
		Environment – page 29			
103-2	Management approach	Environment – page 29-33			
103-3	Evaluation of the management approach	Environment – page 29-33, GRI page 13			
GRI 302: E	nergy				
302-1	Energy use in the organization	GRI page 14			
302-3	Energy intensity	GRI page 15			

Emissions 2016

GRI 103: Management approach

Waste	2020		
305-4	Greenhouse gas intensity	GRI page 15-16	
			Broader scope and better quality of compiled data make it irrelevant to report figures from 2019.
			waste. As of 2021 Peab also reports inputs goods in the form of cement/concrete, asphalt/bitumen and steel as well as purchase goods in the form of transportation and construction equipment services in Scope 3.
305-3	Other indirect emissions of greenhouse gases (Scope 3)	GRI page 15-16	Scope 3 emissions were previously limited to a and train travel and emissions from generated
305-2	Indirect emissions of greenhouse gases (Scope 2)	GRI page 15-16	Broader scope and better quality of compiled data make it irrelevant to report figures from 2019.
305-1	Direct emissions of greenhouse gases (Scope 1)	GRI page 15-16	Broader scope and better quality of compiled data make it irrelevant to report figures from 2019.
GRI 305:	Emissions		
103-3	Evaluation of the management approach	Environment – page 29-33, GRI page 13,15-16	
103-2	Management approach	Environment – page 29-33, GRI page 13,15-16	
100 1		Environment – page 29	
103-1	Explanation of the material topic and its boundary	Our take on sustainable business – page 20,	

GRI 103: Management approach

103-1

Explanation of the material topic and its boundary

Comments

Page

GRI content index	Disclosure	Page	Comments
103-2	Management approach	Environment – page 29-33, GRI page 13	
103-3	Evaluation of the management approach	Environment – page 29-33, GRI page 13, 17-18	
GRI 306: Wa	ste		
306-1	Waste generation and significant waste-related impacts	Environment – page 31-32, GRI page 17-19	
306-2	Management of waste and significant waste-related	Environment – page 31-32, GRI page 17-19	
	impacts		
306-3	Waste generated	Environment – page 31-32, GRI page 19-20	Due to the changeover to GRI 306 Waste (2020)
			only the total amount of waste was reported for
			2020 and the broader scope and better quality

of compiled data make it irrelevant to report the total figure from 2019.

available.

Social

Occupational health and safety 2018

GRI 103:	Management approach		
103-1	Explanation of the material topic and its boundary	Our take on sustainable business – page 20, 22	
		Social – page 24	
103-2	Management approach	Social – page 24-28,	
		Economic – page 38, GRI page 8	
103-3	Evaluation of the management approach	Social – page 24-28, Economic – page 38, GRI page 8	
GRI 403:	Occupational health and safety		
403-1	Occupational health and safety management system	Our take on sustainable business – page 21,	
		Social – page 24-28, GRI page 8	
403-2	Hazard identification, risk assessment and incident	Social – page 24-28,	
	investigation	Board of Directors 'report – page 63, GRI page 8	
403-3	Occupational health services	GRI page 8	
403-4	Worker participation, consultation and communication	Social – page 24-28, GRI page 8	
	on occupational health and safety		
403-5	Worker training on occupational health and safety	Social – page 24-28, GRI page 8	
403-6	Promotion of worker health	Social – page 24-28, GRI page 8	
403-7	Prevention and mitigation of occupational health and	Social – page 24-28,	
	safety impacts directly linked by business relationships	Board of Directors 'report – page 63, GRI page 8	
403-8	Workers covered by an occupational health and safety	Social – page 24-28, GRI page 8	The occupational health and safety system
	management system		covers everyone, our own employees and other
			individuals, at a workplace Peab is responsible
			for. However, data on the number of how many
			individuals in the category non-employee is not

Education 2016

GRI 103: I	Management approach			
103-1	Explanation of the material topic and its boundary	Our take on sustainable business – page 20, Social –		
		page 25		
103-2	Management approach	Social – page 24-28		
103-3	Evaluation of the management approach	Social – page 24-28		
GRI 404: I	Education and training			
404-1	Average number of training hours per year and	GRI page 11		
	employee			
Diversi	ity and equal opportunity 2016			
GRI 103: I	Management approach			
103-1	Explanation of the material topic and its boundary	Our take on sustainable business – page 20, Social –		
		page 24		
103-2	Management approach	Social – page 24-28		

 103-3
 Evaluation of the management approach

 GRI 405: Diversity and equal opportunity

 405-1
 Diversity in the Board of Directors and executive

Social – page 27-28, GRI page 9-11

Social – page 24-28

management and among employees

Sector specific topics

Sustainability certifications

GRI 103: N	GRI 103: Management approach					
103-1	Our take on sustainable business – page 20,					
		Environment – page 29				
103-2	Management approach	Environment – page 29-33, GRI page 13				
103-3	Evaluation of the management approach	Environment – page 29-33, GRI page 13				
G4 CRE: S	ustainability certifications					
CRE8	Type and number of certifications, ranking and labeling	Environment – page 32-33, GRI page 13				
	for new construction,					
	management, operation and renovation.					

GRI content Disclosure index

Page

Peab's ov	vn disclosures		
GRI 103: Mar	agement approach		
103-1	Explanation of the material topic and its boundary		
103-2	Management approach	Our take on sustainable business – page 21	
103-3	Evaluation of the management approach	Our take on sustainable business – page 21	
Own disclosure; Youth education	Annual number of students that graduate	Social – page 28	
Own disclosure; Peab Life	Annual number of Peab Life projects	Social – page 28	
Own disclosure; Customer and supplier collaboration	Result from Satisfied Customer Index (SCI)	Targets and strategies – page 12	
Own disclosure; Responsibility in the supply chain	Secure procurement: proportion (%) procurements carried out with approved suppliers, covered by a written agreement and digitally traceable.	Economic – page 37	Comprises Sweden and BAs Civil Engineering and Industry along with subsidiaries Swerock, Peab Asfalt, Byggsystem, Lambertsson Sverige and Lambertsson kran. Planning for implementation in all other operations and countries is underway.

Global Compact principles and page references

		Page
Human rights	1. Businesses should support and respect the protection of international- ly proclaimed human rights; and	Comments from the CEO – page 2-4, Our take on sustainable business – page 20-21
	2. make sure that they are not complicit in human rights abuses.	Our take on sustainable business – page 20-21 Economic – page 36-38
Labor	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Our take on sustainable business – page 20-21 Economic – page 37
	4. the elimination of all forms of forced and compulsory labor;	Our take on sustainable business – page 20-21 Economic – page 37
	5. the effective abolition of child labor; and	Our take on sustainable business – page 20-21 Economic – page 37
	6. the elimination of discrimination in respect to employment and occupation.	Our take on sustainable business – page 20-21 Social – page 27 Economic – page 37
	7. Businesses should support a precautionary approach to environmen- tal challenges;	Our take on sustainable business – page 21
	8. undertake initiatives to promote greater environmental responsibility; and	Environment – page 29-33
	9. encourage the development and diffusion of environmentally friendly technologies.	Environment – page 29-33
	10. Businesses should work against corruption in all its forms, including extortion and bribery.	Our take on sustainable business – page 20-21 Economic – page 37, GRI – page 22

Steering in the Social area

Peab's Code of Conduct regulates several parts of the social area such as human rights, the right to organize, prohibition of forced and child labor and nondiscrimination. The Code of Conduct with the associated Work Environment Policy and equal opportunity plan encompass Nordic work environment and discrimination laws. Work environment work is systematic and planned and several sections of our business are certified according to ISO 45001. Steering in the social area is supported by several collaborating systems that include HR and health and safety.

Strategic work on the work environment is done on Group and business area levels, together with the relevant expertise on all levels of the organization that is responsible for turning strategy into reality. Our work environment priorities are the same in all four countries we are active in, albeit taking national legal differences into consideration. Work environment work is completely integrated with the Group's work against discrimination and victimization. Responsibility for the work environment ultimately lies with our managers, who in turn are supported by experts. During the year Peab more sharply defined role allocation to clarify the responsibility of different managers regarding the work environment. In addition, managers have around 150 specialists in work environment matters spread out in the business areas and on Group level. We place great importance on cooperation and our safety representatives play a vital role in work environment work. We currently have around 1,000 safety representatives but we always encourage more employees to take on this role.

Peab's crisis organization is activated in the event of a serious accident. It consists of 116 (110) employees in Sweden, Norway, Finland and Denmark.

All Peab's some 15,000 employees (100 percent) are covered by an internally reviewed health and safety management system, supported by several tools, as well as all others (100 percent) at Peab's workplaces, for example visitors and subcontractors, that we have a coordinated work environment responsibility for.

Continuously developing our employees is essential for Peab. All employees have the right to at least one formal goal and developmental discussion with their supervisor annually but the really crucial employee development work takes place in the day-to-day dialogue between supervisor and co-worker. Everyone at Peab should take an active part in their own development planning and this is enabled by the Group's career mapping and system support.

Peab has contracted company healthcare in the countries where we have employees. With continuity we carry out a number of activities primarily focused on preventive measures and identifying health risks at an early stage. All employees at Peab are offered regular physicals. In 2020 we began using a new model in Sweden, HealthCheck, where employees first answer question about their experienced health, lifestyle and work environment from which a health profile is generated. Based on this result employees are given an individual program that can include a medical exam or help to quit smoking or sleep better. There are even group programs based on collective results such as training or stress or conflict management. Through our optional group insurance we also offer all employees the opportunity to sign up for health and/or accident insurance.

All Peab employees have access to Peab's range of benefits which includes contributions to activities that help keep employees healthy and other subventions. Peab Leisure is part of Peab's benefit package intended to help employees thrive and feel good. Peab's foremost starting point is the desires of the individual and their active involvement. Peab Leisure is also part of creating opportunities for employees to do things together that generate better health, well-being and a feeling of unity in the company, which strengthens us as an organization. These activities can take on different forms since our life puzzles and interests differ.

Peab's sponsoring is steered by guidelines for sponsoring. Peab's sponsoring is rooted in the local community with the requirement that all sponsored activities must generate some kind of return to society. A central Group Sponsoring Council meets once a month to decide on sponsorship requests. Peab Life makes up part of Peab's more extensive local association sponsoring (read more here).

Information on employees/other workers

GRI 102-8

Data has been retrieved from the HR systems in Sweden, Norway, Finland and Denmark and totaled thereafter.

Number of employees per country and gender

The diagram shows the number of employees per December 31. At the end of 2021 Peab had 14,895 (15,252) employees of which 14.0 percent (13.3) were women and 6,879 (7,028) were white-collar workers and 8,016 (8,224) were skilled workers.





Finland





Norway



All of Peab



* Operations in Denmark acquired in 2020

Employment status for all employees

	Women				Men	
	2021	2020	2019	2021	2020	2019
Permanent employees	2,040	1,955	1,860	12,441	12,730	11,954
Project/temporary employees	45	81	66	369	486	378

Employment type of permanent employees

	Women			Men		
	2021	2020	2019	2021	2020	2019
Full-time employees	1,958	1,845	1,773	12,380	12,650	11,872
Part-time employees	82	110	87	61	80	82

Employees divided by employee category, gender and age



Diversity in the Board of Directors and executive management (gender and age) GRI 405-1



Number of training hours

GRI 404-1

Per employee by gender



Per employee by employee category



Peab's own disclosures

Equal opportunity recruitment

Percent of women recruited during the year in relation to the education market



Sick leave

Sick leave %

	2021	2020
White-collar workers	2.7	2.1
Skilled workers	7.1	5.0
Total	5.1	3.7

Data have been collected from our HR systems in Sweden, Norway, Finland and Denmark and totaled afterwards.

Accident reporting

Number of serious accidents

	2021	2020
Own employees	10	19
Subcontractors	18	20
Total	28	39

Serious accidents

Peab defines a serious accident (category 4) as a workplace accident that results in serious personal injury. Serious accidents can be injuries such as bone fractures, effusive bleeding or nerve, muscle or tendon damage, injuries to inner organs or second or third degree burns.

LTI4 and LTIF4



LTI4 refers to the number of workplace accidents with more than four days absence, excluding the day of injury and LTIF4 refers to workplace accidents according to the same definition per one million hours worked. LTI stands for Lost Time Injury.

Steering in the Environment area

Peab's work with the environment is based on the Group's prioritized sustainability aspects concerning the environment, which have been identified based on an environmental aspects evaluation, a risk and opportunity analysis, stakeholder dialogues and a materiality analysis. Common environmental issues are coordinated and run by Peab's Group environmental manager in close collaboration with business area environmental managers and specialists. Peab's three overriding environmental targets are determined by executive management and the Board (read more here) and are encompassed by a framework with defined interfaces, measurements, measurement methods and strategic improvement areas. These Group targets are broken down into subsets and turned into practical measures in our various operations formed by the business areas' unique conditions and challenges. Most of Peab's business operates within the framework for a management system certified according to ISO 14001. The environmental management system is an integral part of the business management system which includes Peab's Environmental Policy. Peab's four business areas are responsible for the implementation of, and compliance with, management systems and policies in daily operations.

During the year we began the comprehensive work of creating a systematic and digital management system for the collation of the Peab Group's environmental data. In the first stage the project comprises system support and processes for collation and analysis of environmental data linked to purchased products and services. The purpose of the project is to increase accessibility, transparency and quality in order to meet the constantly growing demands on reporting from both authorities as well as customers and financial actors.

Environmental certification of buildings

GRI G4 CRE-8

The diagram shows the number of received certificates. In the case of Miljöbyggnad and BREEAM the preliminary certification may be what is shown. Statistics include both our own developed projects where Peab is responsible for certification and projects Peab has built for customers. New for 2021 is that also the level of certification is reported (this information is not available for previous years.)











Energy consumption

GRI 302-1, GRI 302-3

During 2021 Peab has continued to refine the compilation process of energy data. The reported data cover all the major suppliers that together represent more than 90 percent of the electricity and district heating spend. Cooling and steam are not reported since the consumption of them is negligible in relation to other energy consumption. Data from all fuel suppliers are included. A pre-assurance revealed errors in reporting from 2020 and significant mistakes have been corrected in this year's report. These concerned under reporting of LPG (unit error) and natural gas (part of operations not included) and an over reporting of electricity (unit error). The change in energy consumption between 2020 and 2019 is primarily due to the acquisition of pavement and mineral aggregates operations.

Most of the statistics are collected directly from suppliers but some estimates have been made based on, for example, invoices. In the first place supplier specific information on the products has been used to calculate the energy from fuel. Conversion factors for fuel have been updated and adjusted to reflect the reduction obligation level. Standards for conversion factors, based on national statistics and information from suppliers, are used where supplier specific data are not available. Standard factors used are reviewed annually.

Total energy consumption 1,195,000 (1,220,000) MWh





Percent renewable fuel of total fuel consumption

Non-renewable fuel, 80% (82) Renewable fuel, 20% (18)



Other fuel types, MWh



Primary fuel types, MWh

Energy intensity

As of 2021 Peab has a target for energy intensity, measured as total energy consumption (all types of energy) in relation to the scope of the business, measured as net sales. The target is to reduce energy intensity by 2023 by 15 % compared to 2015. The outcome for 2021 landed on a reduction of 16 %.



Greenhouse gas emissions

GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4

During 2021 Peab has continued to refine the compilation process of data. For changes in energy consumption, which is the basis for calculating greenhouse gas emissions, see the section on "Energy consumption".

In the first place supplier specific information has been used to calculate emissions. Standards for emission factors have been established and used where supplier specific data are not available. Standard factors are reviewed annually.

Scope 1 (fuel consumption):

Emissions of greenhouse gases from fuel consumption have been calculated with the help of emission factors from Peab's fuel suppliers, national statistics, data from the energy industry's organizations or DEFRA. Because of the annual update, emission factors for greenhouse gases (CO₂e) also reflect the reduction obligation.

Scope 2 (other energy consumption):

CO₂e emissions (location-based method) have been calculated with emission factors from AIB – Production mix, national statistics or data from the energy industry's organizations. It should be noted that AIB has updated its method of calculating its emission factors and Peab is using the latest version in 2021.

CO₂e emissions (market-based method) have been calculated with emission factors from suppliers, and in cases where factors from suppliers have not been available factors from AIB – Residual mix have been used for electricity, and national statistics or data from the energy industry's organizations have been used for district heating.

Scope 3 (input goods and purchased services):

The scope of what is measured and reported in Scope 3 has been expanded in 2021. The new boundary of reporting in Scope 3 is based on an estimation of both the extent of environmental impact and the prerequisites for measuring it. Of the GHG Protocol's 15 emission categories the following are reported (with certain boundaries that are specified in more detail in the comments in the GRI Index), where point 1 and 4 are new in 2021:

- 1. Purchased goods and services
- 4. Upstream transportation and distribution
- 5. Waste management services
- 6. Business travel

CO₂e emissions generated by the input goods and services we have purchased have been calculated based on estimated quantities and with standards for emission factors. The data regarding quantities are built on estimates based on spend and include purchased goods and services as well as material delivered via subcontractors. The data on emissions are based on an estimate of how much of the purchased goods and services are environmentally better alternatives.

Business travel emissions include the train trips and flights booked through Peab's travel agents and CO₂e data are collected directly from the suppliers. CO₂e emissions from flights have gone down while emissions from train trips have risen slightly. The corona pandemic and Peab's updated guidelines for travel and meetings, which now more clearly steer towards digital meetings and train trips, have contributed to lower emissions.

CO₂e emissions from generated waste have been calculated with a tool developed by the industry. Due to the fact that classification of waste has changed over time (changeover from the previous Kretsloppsrådet's old classification to ÅVI/BEAst), waste in 2020 has been reclassified and CO₂e emissions from this waste have been recalculated.

Ton CO ₂ e	2021	2020
Scope 1	215,000	243,000
Emissions	215,000	243,000
Scope 2 (market based)	17,000	19,000
Location based	8,000	10,000
Market based	17,000	19,000
Scope 3	1,100,000	83,000
Business travel, flights	525	556
Business travel, train	0.58	0.15
Waste management incl. waste transportation (excl excavated soil)	86,000	82,000
Input goods and purchased services	1,000,000	-
Total amount of emissions of greenhouse gases (market based)	1,332,000	345,000

As of 2021 Peab has a target for carbon dioxide intensity measured as greenhouse gas emissions (CO2e) in relation to the scope of the business, measured as net sales, allocated into Scope 1+2 (fuel and energy consumption in our own production) and Scope 3 (input goods and purchased services).

The target for Scope 1+2 is to reduce carbon dioxide intensity by 2030 by 60 % compared to 2015. The outcome for 2021 landed on a reduction of 40 %.

The target for Scope 3 is to reduce carbon dioxide intensity by 2030 by 50 % compared to 2015. The outcome for 2021 landed on a reduction of 3 %.

Greenhouse gas intensity







Waste

GRI 306-1, GRI 306-2, GRI 306-3

As of 2021 Peab reports waste according to the updated standard GRI 306 Waste (2020).

Material and waste flows as well as waste prevention measures

Environmental impact related to waste is primarily linked to the depletion of natural resources when material is not recycled, emissions of greenhouse gases and other air pollution from transportation and incineration of waste as well as using land for storage and landfill and the risk of spreading hazardous substances into soil and water. We strive to reduce the environmental impact caused by waste with EU's waste hierarchy as our guide. This means that we try to reduce creating waste to begin with and then try to recycle and reuse the waste nevertheless generated. We also strive for less hazardous waste and to increase the amount of recycled material in the products we produce and use, along with providing products that can be recycled after end-of-life.

We understand the necessity of working closely with other actors in the value chain to achieve circular flows. Environmental impact related to waste is not only generated in Peab's own operations but by other actors such as suppliers, customers, waste management companies and other manufacturing companies. Peab has the greatest power to steer environmental impact in our own operations but we can also affect the environmental impact of other actors through dialogue, requirements and our range of products and services. Peab's material and waste flows are generally described in the figure below.

The upstream flows describe material flows into Peab such as material deliveries from suppliers and surplus material from other actors received for recycling while downstream flows describe material flows from Peab such as finished products to customers, components sent for reuse to other actors and waste removed by external waste management companies.



1. Virgin material

Peab has considerable operations in supplying raw material providing society with essential construction material such as mineral aggregates and gravel used, for example, in building railroads and manufacturing concrete. We strive to increase the use of circular material but we also use gravel and rock from our own quarries.

In our projects we try to reduce the need for construction material and soil for filling by, for instance, optimizing designs and in-situ treatment of contaminated soil that render the pollutants harmless onsite.

2. Input goods

We use input goods in our production in the form of chemical products, materials and goods from a large number of suppliers. The input goods usually come with packaging that creates a lot of waste.

In order to reduce the environmental impact of input goods we strive for optimized construction that diminishes the need for materials and streamlined work methods that minimize waste and surplus or damaged material. We look for products and packaging with more recycled material and that are in of themselves recyclable. Examples of products that can contain recycled material are plasterboard, glass wool and stone wool. We also strive for increased use of return packaging such as pallets.

3. Byproducts

We use byproducts from other actor's operations as raw material in our own production.

We work continually to increase the amount of byproducts as raw material, thereby contributing to reducing the amount of material that becomes waste. An example of this is the slag from manufacturing steel that we use in our own production. We use it to make Merit, a binder that can replace cement in concrete. We also use it in ECO-Ballast (ECO-Mineral aggregates) that consists of at least 50 percent of recycled material, which reduces the use of virgin material.

4. Surplus material

Peab runs its own recycling operations, where we work to increase recycling and reuse of waste and residue material from construction and civil engineering projects as well as industrial processes, for both internal and external customers. Through efficient recycling of surplus excavated soil, in part through C & D Recycling Wash Plants, the amount of surplus excavated soil from excavation and infrastructure projects that becomes landfill can be reduced by up to 80 percent and we can instead use it as raw material in new products like ECO-Ballast (ECO-Mineral aggregates). We also use reclaimed asphalt pavement as a raw material in our asphalt production which lowers the amount of both bitumen and mineral aggregates needed.

5. Material and products

Peab manufactures number of different materials and products for our customers – everything from mineral aggregates, asphalt and concrete to finished bridges, schools and hospitals. Packaging is minimum for this kind of product. We strive for all our products to contain more recycled material. An example is our ECO-Ballast (ECO-Mineral aggregates), which is made up of at least 50 percent recycled raw material and we use recycled material in the manufacture of concrete and asphalt such as slag-based binder and recycled mineral aggregates. We also try to use products and material with long lives and to enable reuse and recycling of them at the end of their lives. For example, we are phasing out environmentally and health hazardous products that contain substances we do not want in the circular flow. We also need to work further on dismantling, which will enable future reuse of included components.

6. Retrieval and waste returns

Despite preventative measures production still generates some material waste and there can be some leftover material.

First and foremost we try to return this material to the supplier by retrieving leftover, undamaged products that can be resold or return material waste that can go back into the supplier's production as raw material. Examples of material waste that can be returned to suppliers for recycling are glass wool, stone wool and plasterboard.

7. Reuse

If leftover material and products cannot be returned to the supplier we look for some other use. This might be leftover material and products, temporary material only needed during the production phase or products that have been dismantled in connection with renovation or demolition.

Some of it we can use in our own operations. An example of systematic reuse is our project Varvsstaden, a former shipyard now being transformed into a new city borough in the middle of Malmö. Here we have developed "The Material Bank", a database that contains information about all the material onsite while displaying the environmental gains of reusing and retrieving it. We want to make leftover material and products we cannot use in our operations available to other actors and have therefore signed partnering contracts with several external reuse actors.

8. Waste

The waste that is generated in our operations despite all the above measures is sorted and handled by professional waste management companies. They can have other options for reuse and recycling of the material. If not, the waste is sent to incineration, usually with energy recovery, or as a last resort to landfill. There are instances where material and products are not fit for reuse and recycling, for example, hazardous waste derived from demolition or soil remediation. This is also handled by professional waste management companies for treatment and/or disposal.

Peab ensures safe and secure waste management by checking that waste management companies have the proper permits for their operations before contracts are signed. A follow-up of managed waste amounts is conducted at least once a year on Group level, through a compilation containing waste type, if the waste is hazardous or not and what kind of recycling or disposal method has been used by waste management companies.

More examples of how we work with resource efficiency, preventing waste generation and increasing the portion of recycled waste can be found in the text section on the environment in the Annual and Sustainability Report.

Generated waste

During 2021 Peab has continued to refine the compilation process for waste data. We have held a dialogue with suppliers to ensure good compilation of statistics, including increased standardization of waste type categories and treatment methods. The reported data include all of the major suppliers that together represent over 90 percent of the waste management services spend.

Because Peab now reports according to the updated GRI standard there is no historical data available except total waste amounts. This figure has been updated due to the identified errors in reporting for 2020, primarily concerning excavated soil.

Waste year 2021, total for the Group was 736,000 (935,000) tons.

Generated waste per waste type



The waste has been categorized according to the industry standard (ÅVI/BEAst ver 2021-09) with the additional fractions return packaging, sludge, landfill and other waste.

Waste type "Hazardous waste" includes hazardous waste that does not fit under other kinds of waste, for instance, chemicals in small packaging. This means that, for example, excavated soil that is hazardous waste comes under waste type excavated soil etc.



TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES Climate risks and opportunities according to TCFD

Peab works long lastingly and systematically to reduce our climate impact and to accelerate climate transition to a fossil free society. Climate neutrality is a highly prioritized issue for our stakeholders and one of Peab's environmental targets is to be climate neutral in 2045.

We have begun to implement TCFD's recommendations. We consider them a good tool for structurally reporting how we work with our climate-related risks and opportunities as well as in identifying improvement areas. Many of these are reported in more detail in our annual CDP Climate Report, along with a number of them in our Annual and Sustainability Report.

Steering

Peab's Board and executive management regularly work with issues associated with climate-related risks and opportunities. The Group's environmental targets are adopted by executive management and approved of by the Board. The Board has given executive management the overriding responsibility for steering and monitoring climate work. The Group's Head of Environment is responsible for strategically driving and coordinating Group climate work together with BA managers and specialists. Climate-related risks and opportunities are part of the strategic dialogue. Achievement of climate targets is monitored as a part of other results.

Strategy

Peab has identified climate-related risks and opportunities. A simple scenario analysis is the basis for identification of these. Examples of transition risks are more stringent legal requirements and higher costs for emissions. Examples of physical risks are extreme weather and floods that affect Peab's production and solution selections.



Risk management

Peab works continuously to identify, assess and manage climate-related risks and opportunities – both physical and transition-related. We have begun the work to assess the financial effect these risks can have and judge the company's resilience in relationship to them. The result from the consolidated risk analysis is processed by both the Board and executive management. More about risk management in Peab is found here and in the CDP report.

Targets and measurements

Peab has three long-term environmental targets, of which one is climate neutrality 2045, read more. Peab uses a number of measurements to monitor target achievement and climate impact, including Scope 1-2 and parts of Scope 3. These are presented in the Annual and Sustainability Report and in the CDP report.

Steering in the Economic area

Peab's executive management is responsible for steering purchases and the work with ethics and anti-corruption. The central steering document for these areas is the Code of Conduct. The Ethical Council plays an important role for operative steering in handling and monitoring work with ethics and anti-corruption complemented by the Group's whistleblower function.

The Ethical Council, which consists of the company lawyer, Head of Security and the HR managers from the four business areas, meets once a month, in total eleven times a year. The action plan against corruption that Peab works with is developed through the risk analyses that the Ethical Council regularly performs and includes a comprehensive, target group-oriented education in ethics and anti-corruption to ensure that all our employees have the means to act properly in any given situation. At the end of 2021 Peab formed the new Group function corporate governance and compliance under the leadership of the company lawyer. The function will in part deal with matters that are already the company lawyer's responsibility, i.e. managing cases of various violations, education in ethics and anti-corruption, risk analyses and measures to counteract corruption and in part new matters regarding steering and compliance. This compliance is not restricted to laws and ordinances but includes our Code of Conduct, established work methods and other steering documents in the Group. Peab's shareholders, customers, employees and other stakeholders must be able to trust that all Group business is built on internal regulations and national laws and that Peab does not deviate from them.

The Group Head of Purchasing holds the highest responsibility for purchasing in Peab. The Group's regulations and processes for purchasing are clearly communicated throughout the company. An important part of them are the basic requirements in Peab's written contracts such as signing and following the Code of Conduct. The Group's Purchasing function is responsible for monitoring, checking and developing Peab's collaboration with suppliers. For instance, there are daily checks on our suppliers based primarily on financial parameters, and continual monitoring related to our Code of Conduct. Peab has identified a number of risk categories that affect human rights, work conditions, the environment and business ethics. Read more here about our risk prevention measures in the supply chain.

Educated in 2021, 14% (29) Not educated in 2021, 86% (71)

Communication and education concerning anti-corruption

GRI 205-2

Board and executive management



Informed 2021, 100% (100) Not informed 2021, 0% (0)

*Peab's Anti-corruption Policy is integrated into our Code of Conduct

Active memberships 2021

ACHILLES

Peab is a member in the organization Achilles that compiles and validates supplier data and reduces global risks.

ALMEGA

Employer organization in the service sector. The Peab School is a member.

BASTA

BASTA is an industry-wide system that aims to phase out hazardous substances. Peab participates in BASTA's science and market councils.

BEAST

The Construction and Property Industry's Electronic Business Standard (BEAst) is a meeting place for e-commerce B2B, web solutions and e-communication in the industry. Peab is the chair of the BEAst board.

BILTRAFIKENS ARBETSGIVARFÖRBUND

Included in the Swedish Confederation of Transport Enterprises which is the transportation industry's trade and employer organization.

BIM ALLIANCE

BIM Alliance is a non-profit organization that works for improved community building through digitally structured information management. The members consist of a number of different actors within the community building sector, including Peab.

BRAINS & BRICKS

Brains & Bricks – B2 – is a center of excellence that focuses on flows of materials and information, as well as support for decision-making and planning. It is a joint initiative set up by Peab, Linköping University and Katrineholm Municipality.

BUILDING SMART FINLAND

Building Smart Finland is a forum aimed at spreading information about BIM and supporting the work of member companies in implementing BIM based processes. Peab is a member.

BUSINESS@BIODIVERSITY

Through our subsidiary Swerock, Peab is a member in Business@Biodiversity Sweden which is an environmental network for companies that drive developments and work with biodiversity consideration as part of their business practices.

BYGGVARUBEDÖMNINGEN (BVB)

BVB makes assessments and provides information and documents concerning sustainability-assessed building products. Peab is one of the owners and sits on the board as a member representative and participates in the criteria and system committee.

CENTRE FOR MANAGEMENT OF BUILT ENVIRONMENT (CMB)

CMB was formed as a collaboration between Chalmers University of Technology and the Swedish community building sector. Peab is a member of many of the CMB's committees.

CLEAN SOIL NETWORK

The Clean Soil Network is a non-profit organization that supports developments in remediation of contamination in soil and water. Peab is a corporate member.

COBUILDER, PRODUCTXCHANGE

Cobuilder offers digital solutions for the distribution of product and project data among businesses in the industry. ProductXchange enables retrieving and exchanging product data. Peab is a member.

COMPREHENSIVE DEVELOPMENT OF NEARLY ZERO-ENERGY MUNICIPAL SERVICE BUILDINGS (COMBI)

In Finland Peab participates in the research project COMBI to contribute to the development of nearly zero-energy municipal service buildings. The project is led by Tampere University of Technology.

CONFEDERATION OF FINNISH CONSTRUCTION

INDUSTRIES RT

Confederation of Finnish Construction Industries RT (CFCI) is a trade organization for construction companies, special companies and the building material trade. Peab is a member.

CONFEDERATION OF SWEDISH ENTERPRISE'S SAFETY

DELEGATION

The Confederation of Swedish Enterprise's network for profitable risk management. Peab is a member.

DANISH ASPHALT PAVEMENT INDUSTRY (AI)

AI is a trade and employer organization.

DANSK INDUSTRI (DI)

DI is Denmark's largest business organization and employer confederation.

ECO-LIGHTHOUSE

Eco-Lighthouse is a Norwegian national certification that is visible proof of environmental engagement. Peab has Eco-Lighthouse certification.

ENERGIFÖRETAGENS ARBETSGIVARFÖRENING (EFA)

Employer organization EFA represents energy companies in Sweden.

ENTREPRENØRFORENINGEN BYGG OG ANLEGG (EBA)

EBA is a trade organization for the construction industry, with its own professional committee for asphalt. Peab is a member and has representatives in the Asphalt and HSE committees.

EUROPEAN AGGREGATES ASSOCIATION (UEPG)

Peab's subsidiary Swerock via SBMI is a member of UEPG, European Aggregates Association, which represents the European mineral aggregates industry's common interests, primarily in the EU. Swerock is represented through a member on the board, in committees and a working group.

FAIR TRANSPORT

The transport industry's sustainability certification of freight carriage on roads. All certified companies meet predetermined demands and criteria and are regularly reviewed by a third party audit.

FINNSAFE ASSOCIATON OF FINNISH SAFETY

MANAGERS

The association for Finnish work environment managers is a professional organization with contributing members from key companies in the work safety sector. Peab is a member.

FOSSIL FREE SWEDEN

Fossil free Sweden is a platform for dialogue and cooperation between companies, municipalities and other interested parties aimed at making Sweden one of the first fossil free welfare states in the world. Peab joined the initiative in 2018.

GALAXEN BYGG

Galaxen Bygg is the construction sector's own company for preventive work in the work environment and rehabilitation. Commissioned by the Swedish Public Employment Service, Galaxen also runs a project to provide newly arrived immigrants with jobs in the construction and civil engineering sectors. Peab is represented in Galaxen's school group, among others.

GREEN DOT NORWAY

As a member of Green Dot Norway Peab takes responsibility for all packaging material through a return system approved by the Norwegian Environment Agency.

GREENCHAIN

GreenChain is a network for companies that work actively to improve the environment and work conditions in their supply chains. Peab is a member.

INDUSTRIARBETSGIVARNA

The Swedish Association of Industrial Employers is an employers' association for industry companies in pulp, paper, sawmills, steel, metal, mining, building elements, bottle glass and welding mechanics.

LFM30

Local roadmap for a climate neutral construction and civil engineering sector in Malmö 2030 (LFM30) is a initiative by the industry aimed at developing shared knowledge, goals and work methods to achieve climate neutrality in the construction sector in Malmö already in 2030. Peab is one of the 41 developers affiliated with the initiative.

LIFT OPERATOR TRAINING COUNCIL (LUR)

Peab is a member of LUR, which is an independent body responsible for the content and development of LLP (Lift Operator Program).

LÅGAN

LÅGAN is a partnership between the Swedish Construction Federation, the Swedish Energy Agency, the Swedish National Board of Housing, Building and Planning, Region Västra Götaland, Formas, construction companies, developers and consultants aimed at encouraging energy-efficient new construction and renovations, fostering a national market for buildings with low energy consumption and contributing to an extensive national body of suppliers of products and services. Peab is member of the governing body.

MAINTAIN ZERO

The association behind Maintain Zero is called Cooperation for zero accidents in the construction industry. Peab is a member of the board and one of the 13 actors that started Maintain Zero.

NORDIC ROAD ASSOCIATION (NVF)

NVF is an industry forum with members from the private and public sectors in the Nordic region that promotes developments in roads, and road traffic and transportation. Peab is a board member.

NORSK ASFALTFORENING

The Norwegian asphalt association provides information on paving methods, regulations and research concerning asphalt. Its purpose is to contribute to a better and increased use of bitumen-based road pavements. Peab is a member.

NORWEGIAN GREEN BUILDING ALLIANCE AND

BREEAM-NOR

The Green Building Alliance is a non-profit member association for organizations in all aspects of the construction and real estate sector. BREEAM-NOR is a Norwegian form of BREEAM. Peab is a paying member.

NORWEGIAN MINERAL INDUSTRY

Norwegian Mineral Industry is the trade association for companies that search for, mine, manage or enrich mineral resources in Norway, or have some other connection to the mineral industry. Peab is a member.

SBUF

SBUF is the construction industry's own organization for research and development, with almost 5,000 affiliated companies in Sweden. Peab is the chair of the board and sits on a couple of the committees.

SFS BA

Peab's Norwegian operations are members in the SfS BA foundation (Samarbeid for sikkerhet i bygg og anlegg). The foundation works to promote a safe and injury-free construction and civil engineering industry. This work is carried out through collaboration and trust amongst actors in the industry.

SMART BUILT ENVIRONMENT

Smart Built Environment is a strategic innovation program aimed at developing less expensive, faster and more sustainable community building based on the opportunities digitalization provides. Peab is a member in the program.

STARTBANK

Startbank is a register shared by buyers in construction and civil engineering, management, insurance and real estate in Norway. Peab is a paying member and sits on the governing body.

SWEDEN GREEN BUILDING COUNCIL (SGBC)

SGBC is a non-profit organization owned by its members, open to all companies and organizations in the Swedish construction and real estate sector. Peab is a member and participates in SGBC's councils. Peab is also a member of the Norwegian (NGBC) and Finnish (FIGBC) Green Building Councils.

SWEDEN'S ROCK MATERIAL INDUSTRY (SBMI)

SBMI is a trade association for producers and suppliers of mineral aggregates. Peab is represented on the board and committees through its subsidiary Swerock.

SWEDEN'S TRADE ASSOCIATION FOR SAFER ROADWORK SITES (SBSV)

SBSV is a trade association with around 60 members from private companies and organizations that promotes safer roadwork sites for both workers and traffic. Peab is represented on the board and in committees.

SWEDISH ASSOCIATION FOR SUSTAINABLE BUSINESS

(NMC)

NMC is a non-profit cross-industry association for companies and organizations that wish to improve and stimulate work on sustainable development. Peab is a member.

SWEDISH ASSOCIATION OF ROAD TRANSPORT

COMPANIES

The Swedish Association of Road Transport Companies watches out for trade interests, analyzes external circumstances and supports member companies' need for business development, building opinion and lobbying. It's goal is to promote the entire Swedish road transport industry, make it more visible and heighten its reputation.

SWEDISH CENTER FOR INNOVATION AND QUALITY IN THE BUILT ENVIRONMENT

The Swedish Center for Innovation and Quality in the Built Environment is a node and catalyst for research, innovation and quality development in community building. Peab is a member.

SWEDISH CONCRETE FEDERATION

The Swedish Concrete Federation is a trade association for those who manufacture and build with concrete. Peab is chair of the board and represented in committees through its subsidiary Swerock.

SWEDISH CONSTRUCTION FEDERATION

The Swedish Construction Federation is the trade and employers' organization for the construction industry. Peab is represented on the board of the Swedish Construction Federation and on many of its councils/committees. The corresponding organization in Finland is RT (Confederation of Finnish Construction Industries) where Peab is a member and sits on local boards, committees and development groups.

SWEDISH INSTALLATION FEDERATION

The Swedish Installation Federation is a trade and employers' association.

SWEDISH STANDARDS INSTITUTE (SIS)

SIS is a non-profit organization that manages and coordinates standardization in Sweden. Peab is a member in several technical committees.

SWEDISH WASTE MANAGEMENT

Trade organization primarily for municipal waste management companies that works with R&D and represents the industry in common interests.

SVEBY

Sveby is a Swedish acronym for Standardize and Verify Energy Performance in Buildings, and is a cross-industry program that develops tools for agreements on energy utilization. Peab is a financier and member of the governing body.

TEKNIKFÖRETAGEN

Trade and employer organization that comprises two employer associations, Teknikarbetsgivarna and Tekniktjänstarbetsgivarna.

UN GLOBAL COMPACT

Peab signed the UN Global Compact in 2012.

VEITEKNISK INSTITUTT

Veiteknisk Institutt is a competence center for R&D, quality control and documentation of asphalt. Peab is a member and sits on the board.

VISION ZERO FORUM

Finland's national network for workplaces that share a true desire to achieve continual improvement of the work environment. Peab is a member.

ÅTERVINNINGSINDUSTRIERNA (ÅI)

Trade organization for privately owned companies in waste collection and management. It has a policy that members agree to follow to promote serious waste management.