

# Sustainability Report 2011



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### ABOUT THE SUSTAINABILITY REPORT

This is Peab's first sustainability report describing the company's performance on sustainability issues during 2011. The report focuses on aspects that were considered most important within the sustainability area, regarding environmental, social and economical issues. The report is in accordance with GRI's (Global Reporting Initiative) guidelines, version G3.1. The report is self-declared at application level C and not externally assured. Peab has the ambition to report on its' sustainability performance annually.

The report covers all of Peab's operations in Sweden, Norway and Finland and covers the fiscal year 2011, unless it is not explicitly expressed in the text. Leased operations, partially owned subsidiaries and leased facilities, for example offices where external companies are responsible for management, are not included in the report. All indicators are reported on a Group level, with the exception for the environmental indicators EN3 and EN16, in which Finland is omitted as the data collection system has not been introduced there yet. Indicator LA10 covers all countries, but only business area Construction is included in the Finnish operations. Due to limitations in existing reporting systems and survey methodology, gender division is not included in the indicators LA1, LA7, LA10 and LA12. All monetary values are stated in Swedish crowns, referred to as SEK and when stated in millions as MSEK.

Further information about Peab can be found on the web at [www.peab.com](http://www.peab.com). Questions regarding this report should be directed to the Environmental Manager Kristina Gabrielli by e-mail to [kristina.gabrielli@peab.se](mailto:kristina.gabrielli@peab.se) or by phone at +46 (0)733 375 690. Peab AB is a Swedish public limited liability company, with headquarters in Förslöv, Sweden. Org. no. 556061-4330.



# Highlights of the year

- Environmental certification of in-house developed residential and commercial properties.
- Peab launches Bolyftet, a sustainable refurbishment concept developed for the Swedish Million Programme housing complexes.
- The work to obtain a sustainability certification according to BREEAM Communities for the citydistrict Varvsstaden in Malmö is initiated.
- As the first company in the industry, Peab signs a cooperation agreement with the Swedish Tax Agency to fight economic crime.
- Peab becomes a general partner to Mentor, a non-profit organisation that works with health promotion and prevention of drug and alcohol abuse among young people.
- Peab participates in the national collaboration project HCS (Sustainability Certification of Urban Areas).
- The fourth Peab school opens in Upplands Väsby and a formal permit to open a fifth school in Gothenburg during 2012 is granted.
- The decision to launch an extensive project for increased workplace safety during 2012 is taken.
- Several prizes and awards are received;
  - The Swedish Transport Administration gives its Work Environment Award for the road construction of the E20 from Alingsås to Ingared.
  - Solna City's Urban Environment Award for the townhouses in Nya Ulriksdal, Stockholm.
  - The Peab schools in Malmö and Ängelholm are quality sealed as certified construction schools by the Swedish Construction Industry Training Board (BYN).



# An important step towards becoming the Nordic Community Builder

Sustainability issues are fundamental in Peab's vision to become the Nordic Community Builder. We want to be a pioneer and contribute to a sustainable society. To succeed in this, transparency and clear communication are pre-requisites. One of the tools to communicate our sustainability performance is Peab's sustainability report, prepared in accordance with GRI.

## Holistic approach on sustainability

Peab's strategy encompasses a holistic approach on sustainability issues. This implies that we do not only focus on our environmental impact, but also consider our social and economic impact throughout the lifecycle. Our aspiration is to have a sustainability approach in everything we do, how we treat customers and each other at the workplace as well as how we minimise environmental impact in our processes and contribute to the societies in which we operate.

## We build for future generations

A distinct trend in the Nordic region is the on-going urban transition, from the previous industrial society to today's knowledge-based society. When societies develop, the places where people meet, work and live also need to change. One example of this is Varvsstaden in Malmö, where Peab has initiated a conversion of the old industrial area of Kockum into a modern, sustainable city district. We have also decided to certify Varvsstaden in accordance with the inter-

national sustainability standard BREEAM Communities. This is the second sustainability certification of a city district initiated in Sweden.

Bolyftet, Peab's concept to refurbishing residential areas built for the Million Programme, was launched during 2011. Bolyftet is unique as it includes all aspects of sustainability through for example environmental and energy technological solutions, measures to increase safety and alternatives for financing. The residents are involved in Bolyftet by being offered educational programmes, vocational training and employment opportunities. This approach allows us to be better equipped to meet increasing demands from the market and difficult financial times, while at the same time benefiting society.

## Focusing on workplace safety

Peab's workplaces shall be safe and our ambition is zero workplace accidents. Still, much work remains in order to reach that ambition. This year, tragically, we have had two fatal accidents at our construction sites, which is completely unacceptable. We have investigated the accidents to learn from them and to prevent similar



MOR JOHANNES KYRKA  
Märsta.





accidents from reoccurring. We have also decided to initiate a project with focus on increased workplace safety during 2012. The project comprises a number of measures, such as revision of rules, more information to employees and further development of workplace audits.

## The best workplace in the Nordic region

Peab aims to be the best workplace in the Nordic region. It is important for us to have a structured and reliable work regarding sustainability that pervades our entire business, especially as we stand before an extensive transition to a younger workforce due to many retirements in the next years. Peab is a fast-growing company, more than 2,000 new employees were recruited during 2011 and there is a need to recruit many more during the years to come. Research shows that younger generations place higher demands on potential employers regarding sustainability and it is important for us to meet their expectations. If we are going to be the best workplace in the Nordic region, we must offer our employees the opportunity to get continuous professional development. Hence, we put great effort on our preparatory training programmes for specific positions and other vocational training.

In order to attract youth and ensure employee accretion, we opened our fourth Peab school in Upplands Väsby during 2011 and we have been granted a formal permit to open a fifth school in Gothenburg in 2012. The Peab schools in Ängelholm and Malmö were among the first to become certified construction schools by the Swedish Construction Industry Training Board (BYN).

## Business ethics

Peab has zero tolerance for legal violations and breaches of our ethical standards. As part of our work against corruption we have launched the Ethics Round, a training programme on our approach to uphold ethics, laws and correct conduct. More than 3,000 managers and other office workers completed the programme between 2009 and 2011, out of these almost 2,000 completed it during 2011. The programme will continue during 2012.

Ethical business conduct includes our supply chain as well. Therefore, Peab and the Swedish Tax Agency made a cooperation agreement with the purpose to combat economic crime, enabling increased control of suppliers. The agreement is the first of its kind in the construction industry.

## Looking ahead

I am convinced that a structured and systematic sustainability approach is essential to Peab's continued success. All that we do shall in full be aligned with our ethical guidelines and framed in a responsible and consistent manner. Therefore, we intend to develop and complement the chosen performance indicators and to communicate our progress in next year's sustainability report.

Förlöv, April 2012

Jan Johansson,  
President and CEO

## This is Peab

Peab AB is a construction and civil engineering company with headquarters in Förslöv in the south of Sweden. Peab was founded in 1959 and operates in Sweden, Norway and Finland. The company is the third largest construction and civil engineering company in the Nordic region based on turnover. Peab's vision is to be the Nordic Community Builder and our common view is based on our four core values; Down-to-earth, Developing, Personal and Reliable.

During 2011 Peab was divided into three business areas; Construction, Civil Engineering and Industry. A series of minor acquisitions and divestments took place during the year, none of which individually had significant impact from a Group perspective. In 2011, the total assets in Peab amounted to 31,349 MSEK, debts to 23,402 MSEK and the equity to 7,947 MSEK.

## CONSTRUCTION

Construction is the largest business area in the Group, representing approximately half of the Group's turnover. During 2011 the business area Construction was divided into five Swedish divisions, one division in Norway and one division in Finland. In addition, a Nordic division managing property development was established in the beginning of 2011. Operations within the business area Construction include new production and renovation as well as construction-related services such as provisions and maintenance. Peab builds all types of residential and commercial properties as well as public venues. Customers are found in both the private and the public sector. Within the business area Construction Peab also develops in-house projects.

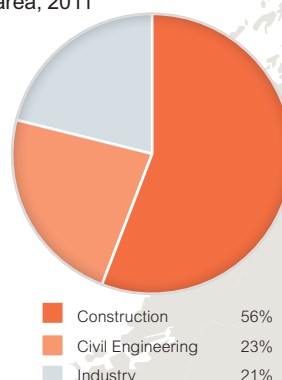
## CIVIL ENGINEERING

The business area Civil Engineering was operated through one division in 2011. Operations within this business area include; construction works, such as ground works, water and sanitation projects; infrastructure, such as road, railway and bridge construction; and maintenance and management of roads, parks and streets. The public sector is the overbearing customer group, although the private sector represents a significant share of the client base as well.

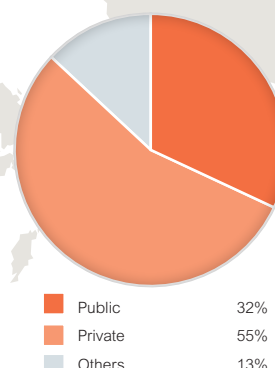
## INDUSTRY

Peab's third business area, Industry, holds Peab's industrial operations and was operated through two divisions during 2011, Industry and Construction systems. Industry operations include; production and delivery of materials, such as gravel and concrete; production of asphalt and paving; as well as transportation and machine services. The Construction systems division includes prefabricated construction elements and interrelated construction services.

Net sales per business area, 2011

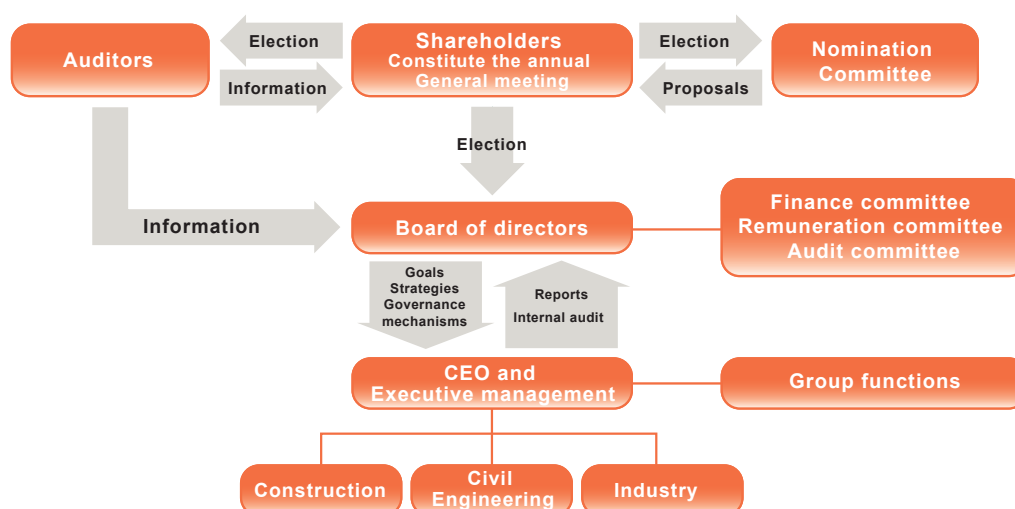


Net sales per customer type, 2011



Direct economic value generated and distributed

	2011	2010
<b>Direct economic value generated</b>		
Revenues	43,777	38,440
<b>Economic value distributed</b>		
Operating costs	34,491	29,820
Employee wages and benefits	7,615	6,846
Payments to providers of capital	1,212	980
Payments to government		
Group total	238	37
Community investments	10	9
<b>Economic value distributed, total</b>	<b>43,566</b>	<b>37,692</b>
<b>Economic value retained</b>	<b>211</b>	<b>748</b>



## OWNERSHIP STRUCTURE

Peab is a public limited liability company listed on the NASDAQ OMX Large Cap. The aggregated ownership of the company's founders, Mats and Erik Paulsson, amounted to 32 percent of the capital and 66 percent of the votes on December 31, 2011. There have been no major changes to the ownership structure since 2010.

## GOVERNANCE

Peab's sustainability programme is integrated into our operations, with responsibilities and mandates delegated to line management. As support, there are a series of governance documents as well as specific competences at Group level for the areas of environment, social matters and ethics.

### POLICIES

The governance documentation for sustainability consists of a set of policies. The Peab Code of Conduct is an overarching policy based on the UN Global Compact, covering environmental, social and anticorruption issues. The Code of Conduct is aligned with the main corporate policy, which in turn is an integrated environmental, quality and work environment policy.

The Code of Conduct is complemented by a number of subordinate policies and guidelines such as Peab's ethical guidelines,

policy on alcohol and drugs, an equal opportunity plan in accordance with legal requirements with an appendix on abusive and offending treatment and a handbook on representation, petty cash and sponsorship.

### SHAREHOLDERS

All shareholders, minority shareholders included, can influence the company by exercising their right to vote at the Annual General Meeting (AGM), Peab's highest decision making body. At the AGM shareholders have the opportunity to ask questions and give comments on the company's sustainability programme.

### THE NOMINATION COMMITTEE

The nomination committee has four members, the chairman of the Board and three members representing both large and small shareholders. A main task of the nomination committee is to nominate candidates for the Board of Directors to the AGM. The nomination committee has stated that having knowledge of sustainability is of great importance for all members of Peab's Board of Directors.

### THE BOARD OF DIRECTORS

Peab's Board of Directors has the ultimate responsibility for operations, including sustainability issues. The Board of Directors consists in total of eleven members and two deputy members. Eight permanent members are elected by the AGM. The three

Age and gender distribution	Number of members	Number of women	Number of men	Persons < 30 years	Persons 30 - 50 years	Persons > 50 years
Board of Directors (inc. deputy members)	13	3	10	0	5	8
Executive management	4	0	4	0	1	3
Finance and remuneration committees	3	0	3	0	0	3
Audit committee	8	2	6	0	3	5
Auditors (inc. deputy auditors)	4	0	4	0	1	3
Nomination committee	4	0	4	0	0	4

remaining permanent members and the two deputy members are appointed by the labour unions. Out of the eight members elected by the AGM, five are considered independent and three are considered dependent in relation to the company and its Executive management as well as in relation to the company's major owners. The employees can influence Peab's operations through their labour union representatives. As of 2012, the Board of Directors will decide on sustainability strategies and evaluate the sustainability programme, risks and opportunities on a yearly basis.

### THE AUDIT COMMITTEE

The audit committee consists of eight board members. The committee prepares the Board of Directors' quality control of the company's financial reporting, determines guidelines for procurement of other services than auditing from Peab's auditors, is in regular contact with the company auditors, evaluates the auditing and supports the nomination committee in preparing proposal and remuneration of the auditors.

### THE FINANCE COMMITTEE

The finance committee consists of three board members, they handle and make decisions regarding financial matters in accordance with the finance policy established by the Board of Directors.

### THE REMUNERATION COMMITTEE

The remuneration committee, which consists of three board members, prepares the guidelines and frameworks regarding salaries and remuneration for the senior management.

### AUDITORS

The auditors are elected by the AGM. Their task is to audit Peab's financial reporting.

### EXECUTIVE MANAGEMENT

The Group President and CEO manages the company in accordance with the framework established by the Board of Directors and is responsible for daily administration and control of the Group. During 2011, Peab's Executive management consisted of four people, but as of 2012 the Executive management will consist of seven people. The CEO has appointed one person with specific responsibility for sustainability, whose task it is to compile and present results and prepare supportive data for decisions. The Executive management handles sustainability issues on a regular basis.

### GROUP FUNCTIONS

Peab has a number of Group functions supporting the entire Group. There is front-edge competence within environmental, social and ethical areas in support of the sustainability programme. The Group functions for human resources, security and legal affairs constitute the ethical council, which handles potential breaches of Peab's ethical guidelines.

### BUSINESS AREAS

The business area managers are responsible for integrating the sustainability programme in the organisation by delegating responsibilities and mandates, thus incorporating sustainability into daily operations.





## Vision and strategies

To take responsibility for the environment and to engage in community development has always been a strong incentive within Peab. To focus commitment and efforts towards a common long-term goal, Peab formulated a Group vision in 2010 to become the Nordic Community Builder. To implement the vision, Peab has six Group strategies. With starting point in the strategies Peab offers total solutions for the Nordic market that create added value for customers, owners and society at large.

### Vision – The Nordic Community Builder

**Peab builds sustainable communities for the future.** We are the evident partner in community building in the Nordic region. We create ideas, take initiatives and are innovative. We use our resources wisely and our climate smart solutions are cutting edge. Our work is sustainable throughout the life cycle.

**Peab is the Nordic company.** We co-operate across borders to exceed our customers' expectations. In Peab we are close to our customers whether they are local, national or global. Satisfied customers contribute to our success in the whole Nordic region.

**Peab attracts talented people.** We are the number one Nordic employer. Our values are simple and clear. Our employees are deeply engaged and our leaders are passionate about making people grow. When employees grow, that's when Peab grows.

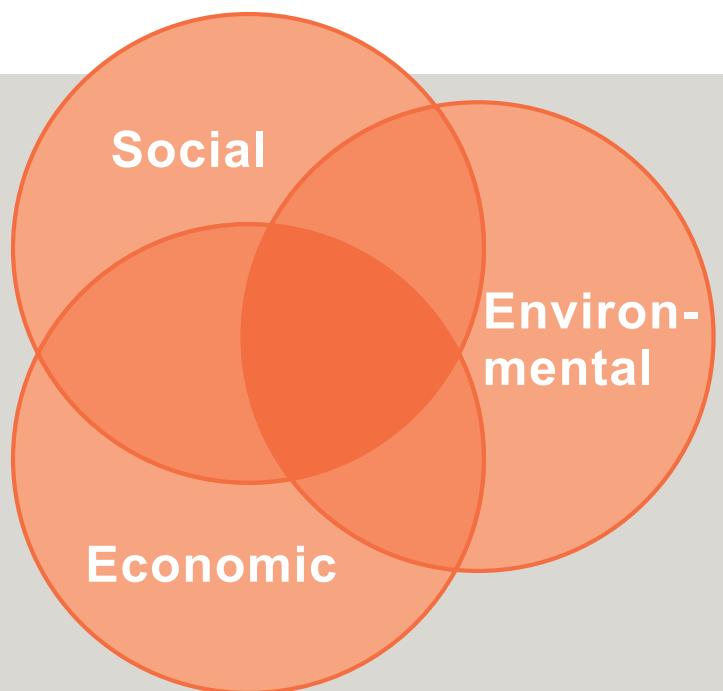
### Strategies

We realise our vision through six Group strategies:

- Cost efficient business
- Invest in profitable growth in the Nordic region
- Being seen and heard in the Nordic region
- Pioneers in sustainable community building
- Strengthen and develop our customer relations
- The best workplace in the Nordic region

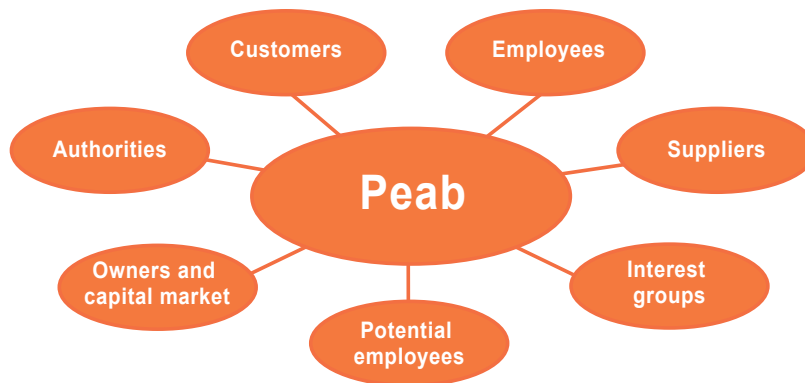
### Peab's definition of sustainable community building

All that we plan and implement shall in full be aligned with our ethical guidelines and framed in a responsible and enduring manner. We will through this address the environmental, economic and social aspects.



## Our stakeholders

As a community builder, Peab both affects and is affected by a number of different stakeholder groups whose expectations rise alongside the amplified impact of our vision. To ensure the continued success of Peab, it is of the outmost importance to live up to all the expectations put on a large community building company and at the same time maintaining the down-to-earth and familiar character that has always been a cornerstone in Peab's culture. The process that resulted in our vision and our strategies was based on both internal and external stakeholder perspectives, which in turn provided the content base for this sustainability report.



### Stakeholder perspective in the vision process

The Executive management initiated an extensive process in relation to the preparation of the vision and the strategies. Seminars, workshops, business intelligence analyses, and scenario analyses constituted the basis for what in 2010 was formulated as Peab's Group vision, the Nordic Community Builder. During this process, it was frequently highlighted that holding sustainability in focus from a life cycle perspective is essential for community building. By contributing to a sustainable community, we create added value for customers, end-users, employees, owners and society at large. This has formed the foundation for Peab's work with sustainability during 2011.

During the process of preparing Peab's vision the stakeholders were identified, see model above.

### A sustainability report for all our stakeholders

After the vision process as described above, during which a holistic approach to sustainability issues was identified as a high prioritised area, it became natural to present Peab's sustainability programme to all our stakeholders in an annual sustainability report.

A steering committee, subordinate the Executive management, has headed the work with the 2011 sustainability report. Several of the representatives also participated in the previous

process with the Group vision. Starting from the business intelligence analyses, workshops and scenario analyses made during the development of the Group vision, the steering committee of the sustainability report identified what was considered to be the most important areas within sustainability for Peab to report on. These areas are; employees, environmental work, business ethics, community involvement and sustainable development.

Peab's ambition is to continue to improve and expand the number of performance indicators over time. The ambition is also to conduct yearly stakeholder dialogues in order to ensure that we continue to fulfil our stakeholders' expectations and that we provide relevant information to our stakeholders in future sustainability reports.

### Confidence study 2011

During 2011 a confidence study was conducted through interviews and surveys among several of the identified stakeholder groups in Sweden, Finland and Norway. The aim was to map the stakeholders perception of Peab as the Nordic Community Builder. The survey showed that the targeted groups have a rather good trust in Peab and that Peab well lives up to the criteria that define the company as the Nordic Community Builder.

## Employees create the unique culture of Peab

Our aspiration is to be the best workplace in the Nordic region. Therefore, Peab works systematically and purposefully to ensure our employees' wellbeing and safety at the workplace.

### Employees

As per December 31, 2011, Peab had 14,830 employees, an increase by 1,052 people since 2010. The employees are our primary asset at Peab and our preferred form of employment is by direct permanent contracts. In the graphs below, additional statistics on Peab's employees can be found in the graphs below.

### Work environment policy

The work environment policy provides the basis for the work environment programme. The policy is integrated into Peab's corporate policy and fulfils the requirements for a systematic work environment programme in the AFS 2001:1.

### A systematic work environment programme

Peab has for a long time systematically run health and work environment issues in compliance with the Work Environment Administration's regulation AFS 2001:1. Responsibilities and mandates have been delegated to line management and are integrated into daily operations. Work environment issues are organised under the human resource function and as support there is a work environment manager and a coordinator at Group level. There are also work environment officers in each business area, throughout the organisation there are about one hundred employees at full- or part-time to support the work environment programme.

In parallel to the work environment organisation there are employee appointed safety officers and at Group level there is a



safety committee, which consists of representatives from the labour unions, the CEO, the director for human resources and the work environment manager. The safety committee's tasks include evaluation and decision on processes, strategies and policies.

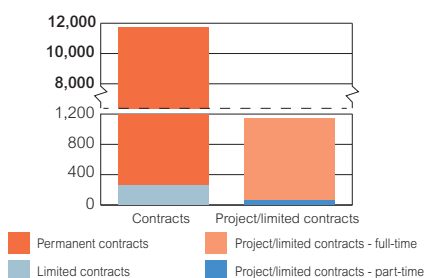
### Working proactively with safety at sites

Peab has a vision of zero accidents at the workplace. This vision includes our own employees as well as our sub-contracted workers. Peab takes numerous preventive measures to avert accidents and as part of this, several trainings are held on this topic.

During 2011, workplace accidents decreased from 9.9 to 7.7 per million hours worked in Sweden and from 54 to 31 in Finland, while accidents increased in Norway from 5.5 to 5.9 compared to

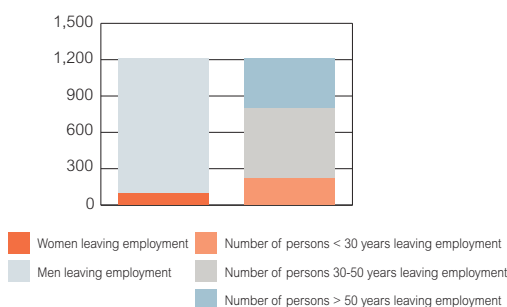
#### Employment types in Sweden

Total number of employees in Sweden, 12,855.



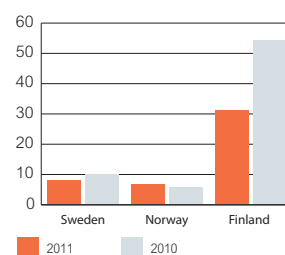
#### Employees leaving employment in Sweden

The number of employees leaving employment during 2011, 1,206



#### Workplace accidents per 1 million hours worked

Number





2010. The calculations are based on all accidents at the workplace that lead to eight hours of absence or more. The Finish statistics are higher as the regulation related to sick leave due to accidents is applied differently in Finland compared to Sweden and Norway.

Tragically, we had two fatal accidents during the year. One accident occurred at a construction site in Solna when a sub-contractor was installing a segment of a stair. One section came off during mounting and caused a collapse of underlying stair segments. The other accident occurred at a rock quarry in Norrköping, where an employee was caught in a conveyor belt. Peab's crisis management organisation is involved when serious accidents occur. The crisis management organisation is trained by the Swedish Civil Contingency Agency, the MSB. Every accident is thoroughly investigated and necessary measures are taken to prevent the accident from reoccurring.

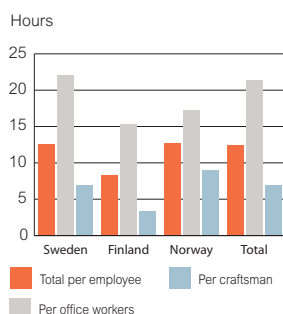
## Monitoring and a systematic approach for improvements

All incidents are monitored in Peab's web-based system for accident reporting and registration, OTR. In addition, a number of workplace audits are conducted every year. Peab analyses the results annually and identifies causation between the personnel statistics, employee surveys, performance reviews, workplace audits and occupational health services. The findings are used for decisions on prioritised project areas, targets and actions.

To further increase workplace safety a decision was taken during the year to initiate an extensive project for workplace safety that will run throughout 2012. The project will contain a series of measures:

- Revision of safety regulations.
- A communication campaign on regulations to all employees and all others that enter our sites.
- Development of a model for unified signage at all workplaces.
- Development of a model for workplace visits, including related tools such as checklists.
- Monitoring through reporting on progress made towards targets to the Executive management and internal auditors.

### Hours of training per employee during 2011



The graph shows the number of training hours per employee. The Finish figures only include the business area Construction.

## Health

Peab's goal is to have the healthiest employees in the industry. To achieve this we use a systematic and multi-disciplinary approach. One example is the five new recruits at Group level that work exclusively to support and develop a health-promoting perspective in our workplaces, where job satisfaction and well-being are important factors to perform well at work. Figures for sick leave in Sweden, Norway and Finland for 2011 and 2010 are presented in the diagram below.

Work-life balance is also a prerequisite for good health. All employees are offered activities within Peab Health and Leisure, a programme that aims to encourage and stimulate a healthy way of life and team spirit in our workplaces. We also offer employee grants for exercise, advise on healthy diets and support when giving up smoking.

## Professional development

In order to give employees an opportunity to progress and ensure continued professional development, Peab runs an internal training programme called the Peab Academy. The Peab Academy training programmes are preparatory for managerial positions and take place during an academic year with classes each month. The programmes include several training sessions with focus on sustainability, including environmental issues, work environment and ethics.

In addition to training programmes in the Peab Academy, all employees are offered a range of internally and externally lead

### Number of employees per country

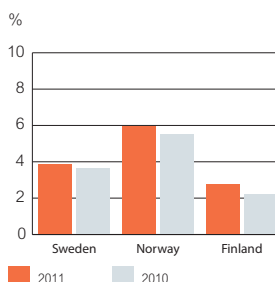
	Sweden	Finland	Norway
Number of employees	12,855	673	977
Number of office employees	4,826	276	442
Number of craftsmen	8,029	397	535

The table shows the number of employees per employment type. The Finnish figures only include the business area Construction.

### Number of female employees in Sweden

Female office employees in relation to the total number of employees.	7.9%
Female craftsmen in relation to the total number of employees	1.7%

### Sick leave



The sick leave for all three countries was in total 3.9 percent in 2011.



## The Peab School

Peab needs to recruit a large number of skilled craftsmen in the coming years. To attract youth and ensure regeneration of qualified constructors Peab has for the last five years run the independent high school the Peab School. In 2011 the fourth Peab School was opened in Upplands Väsby. The three pre-existing are located in Ängelholm, Malmö and Solna. A formal permit has been granted to open a fifth school in Gothenburg during 2012.

There are two programmes at the Peab School, the national construction and civil engineering programme and an introductory programme for those who lack formal qualification to enter a national high school programme. The Peab School is characterised by the education being adjusted to meet individual needs, interdisciplinary and involving close interaction with the community. Approximately 400 students attend the Peab School and close to 80 percent of the students are offered employment after graduation.

During the year, the Peab Schools in Ängelholm and Malmö were both awarded prizes for their quality and the collaboration between teachers and students. The schools are now among the first to become certified construction schools by the Swedish Construction Industry Training Board (BYN).

trainings to promote professional development. The average number of hours of training per employee and employee category is reported in the graph on the previous page.

## Gender equality and diversity

All employees at Peab shall have the right to be themselves without being discriminated against. To counter discrimination and to achieve equal opportunities for all, regardless of gender, age, sexual orientation, ethnicity and other issues, Peab has an equal treatment plan that applies to employees, students, apprentices, contracted employees, job applicants and leased staff. Peab has zero tolerance with regards to harassment and discrimination. If a situation occurs we take forceful action in accordance with Peab's action plan against discrimination.

Peab is a community builder with customers and contractors that represent all parts of our society. Our vision is to have a work force that represents a similar diversity.

## Peab's employee survey

Peab's employee survey is called the Handshake. It is conducted biannually through a questionnaire with just over a hundred questions. The purpose of the Handshake is to identify areas for improvement by finding out how the employees perceive their work environment, the leadership and Peab as an employer. The survey was conducted in 2011 and the response rate was 87 percent, an increase of one percent in comparison to the previous survey from 2009. In the Handshake employees are for example asked how they perceive their development opportunities, the leadership in the

company and the work environment. The result of the survey shows that 77 percent of all employees will gladly recommend Peab as an employer and that 63 percent state that they work in an environmentally friendly way, which is an increase by three percent since the last survey.

## Individual development

All Peab's employees shall be offered an annual performance review by their supervisor. The performance review shall contain an evaluation of their performance and progress made towards set targets as well as career management. To ensure that all employees have been offered a performance review, the employee survey the Handshake contains a follow-up question. The result from the survey shows that approximately 80 percent have been offered a performance review during 2011. This is an area with great potential for improvement and a series of measures will be taken during 2012 to increase the rate as this is a prioritised area for Peab.

## Joint ownership and profit sharing

Peab has always strived for a prevalent awareness on profitability among employees and that they can take part in the company's success. In view of this, there is a previously developed system of convertibles and a profit sharing foundation. The foundation's purpose is to stimulate the employees' interest in long-term employment and to create better economic conditions for employees after their retirement.

## Environmental issues – a natural part of operations

The environmental issues are integrated into our operations. Peab continuously strives to minimise environmental impact and to take consideration to the environment throughout the value chain, from supplier to finalised project.

### Environmental policy

The environmental policy provides the basis for our efforts concerning environmental issues. It is integrated in the corporate policy and is aligned with Peab's Code of Conduct. It also fulfils the requirements of ISO 14001:2004.

### Management systems

Peab works systematically with environmental issues and applies the precautionary approach. In business areas Construction and Civil Engineering the work is managed through an operations management system that has been developed in-house and fulfils the requirements of both ISO 14001 and ISO 9001. Several units in the business areas Construction and Industry are certified according to ISO 14001 and ISO 9001.

In 2011, operations in Finland renewed their ISO 9001 certification and division North East in Sweden became ISO 9001 and ISO 14001 certified. Several other divisions have initiated the certification processes and are expected to become certified during 2012. In the table on page 18 there is additional information on the number of certified units.

### Important environmental aspects

Peab continuously analyse and identify operational environmental aspects from a life cycle perspective. The results provide the basis on how to minimise the environmental impact of our operations. Five important environmental aspects have been identified:

- Usage and consumption of resources
- Substances hazardous to environment and health
- Transports
- Waste
- Energy

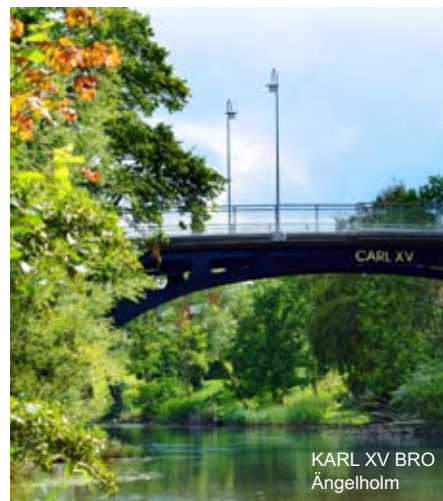
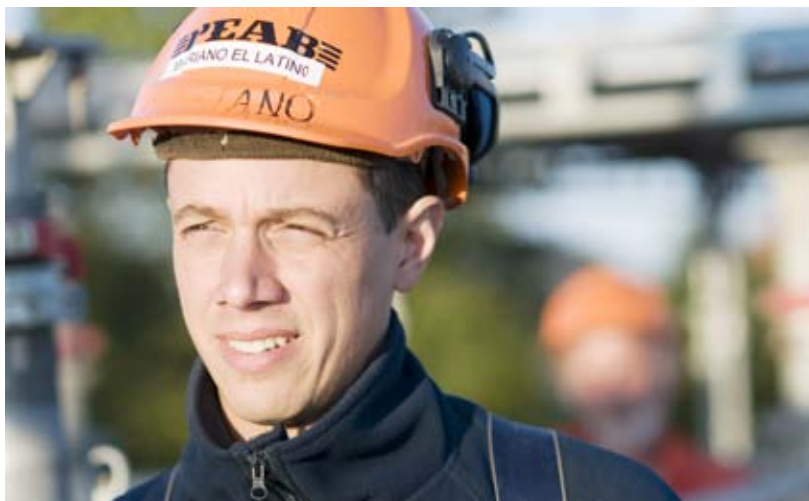
### Use of resources

Peab's strategy for resource usage is to choose products with as little environmental impact as possible as well as to streamline use of resources and to minimise spill.

Peab has since 2008 developed and run a project called Rätt Från Mig. The ambition of the project is to provide Peab's construction operations with a more consolidated and coherent description of a number of methods and tools that together con-







tribute to increased productivity, lower production costs and minimised use of resources.

Through the project Rätt Från Mig we move towards more standardised procedures, in which several of the most effective methods gradually become norm at all our construction sites. By acting correctly from the beginning we can reduce waste, increase resource efficiency and increase productivity.

## Substances hazardous to environment and health

To minimise the use of substances hazardous to environment and health Peab applies two systems when choosing construction materials, BASTA and Building Material Assessment (BVB). BASTA is a mutual system for the construction industry aiming at phasing out hazardous substances in construction materials. Suppliers are invited to sign an agreement in order to register their materials in BASTA. BVB evaluates construction products from a life cycle perspective and publishes the findings in a database. The criteria for hazardous substances are identical in both systems and are based on scientifically proven facts.

## Energy

Energy efficiency is in focus both during construction and when a construction process has been completed. In Peab we work to reduce our own and our customers' energy consumption as we strive to build houses that consume less energy than proscribed by the industry norm. Continuous initiatives are made to reduce energy use in operations. The energy-optimising system L-CTRL was launched in the construction process during 2011. It enables the site manager to control all energy usage at the site, such as ventilation, heating and lighting via wireless transmission to any computer in Peab's network. Optimising energy use in a portal cabin by lowering the night temperature can save up to 20 percent.

### INDIRECT ENERGY CONSUMPTION

	Sweden	Norway	Finland	Group
<b>Electricity</b>				
MWh	122,663	2,620	11,600	136,883
GJ	441,587	9,433	41,760	492,780
<b>District heating</b>				
MWh	29,489	134	8,500	38,123
GJ	106,161	482	30,600	137,243

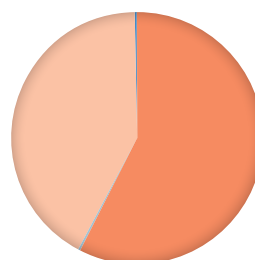
### DIRECT PURCHASED ENERGY CONSUMPTION

	Litres	MWh	GJ
Oil	9,485,336	1,159,658	322,127
Petrol	1,226,986	149,406	41,502
Diesel (vehicles)	18,189,061	2,312,379	642,328
Diesel (bulk)	12,248,128	1,557,107	432,530
E85	283,565	1,875	521
<b>Total</b>	<b>41,433,076</b>	<b>5,180,425</b>	<b>1,439,008</b>

*The table refers to the direct energy sources purchased in Sweden and Norway.*

### Carbon dioxide emissions

*CO<sub>2</sub> emissions in Sweden and Norway, 829,463 tonnes*



Electricity, 45 tonnes	Oil, 476,619 tonnes
District heating, 1,212 tonnes	Petrol, 2,787 tonnes
Diesel, 348,704 tonnes	E85, 97 tonnes

*The pie-chart shows Peab's total emissions of CO<sub>2</sub> in Sweden and Norway, calculated in accordance with the Greenhouse Gas Protocol. The slices show what generated the emissions. Peab purchases electricity exclusively from hydropower in Sweden, the carbon dioxide emissions from the electricity purchased in Sweden is therefore only 22 kg.*

In addition it enables monitoring and control of a site as the system provides continuous and exact figures.

Eco-Paving is another example of initiatives taken to reduce energy consumption. Eco-Paving is the collective name for Peab's environmentally sound and energy-saving paving techniques for low-temperature asphalt. By lowering the temperature for asphalt paving we reduce energy consumption as well as greenhouse gas emissions. The goal is to lower the temperature by 30 degrees and thereby reducing energy consumption by approximately 20 percent.

As part of our efforts to minimise our environmental impact all electricity purchased by Peab in Sweden is environmentally certified hydropower. This means that environmental consideration has been taken throughout the life cycle of the electricity production. In the graphs on the previous page Peab's energy consumption and greenhouse gas emissions are declared.

## Transports

Peab continuously seeks to reduce carbon dioxide emissions. For instance, the Executive management has decided that all employees driving company cars shall be trained in eco-driving.

Employees are encouraged to minimise travel by taking preference to video and telephone conferences over meetings in person. During 2011, 6,284 conference hours were held via video feed. To further reduce our environmental impact from business trips a new meeting and travel portal has been developed to be launched during 2012. This portal will assist employees to select travel alternatives with low environmental impact as well as facilitate measuring and follow-up of employee travels.

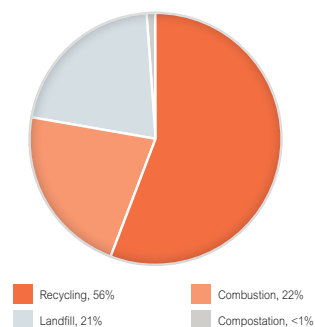
During the year, a transport analysis has been conducted with the purpose to map the Group's transports, identify the greatest impact and the main opportunities for improvement. The results of this analysis will form the basis for future efforts within this area.

## Waste

The aim is always to minimise the amount of mass ending up in landfills. This is achieved by optimised use of resources, maximised reuse, increased sorting rate of waste and thereby maximising recycling of materials and extraction of energy. Hazardous waste is handled correctly and with due care.

### Management method for non-hazardous waste

Non-hazardous waste in Sweden and Norway, 158,597 tonnes



In the Swedish operations Peab has measured the sorting rate of waste for many years. The sorting rate in the Swedish business area Construction increased from 63 percent in 2010 to 68 percent in 2011. The goal is to reach a sorting rate of 70 percent. Additional information on Peab's waste management can be found in the graphs below.

### TOTAL WEIGHT OF WASTE

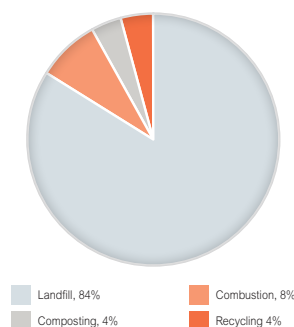
	Sweden	Norway	Finland	Total
Amount of waste (tonnes)	158,345	2,871	20,000	181,216

## Operations requiring permits and registration

Peab runs operations in Sweden and Finland that require permits and registration. These consist of rock and gravel quarries, transportation of waste and hazardous waste, asphalt plants, concrete production and ballast works. Licences are continuously renewed and supplemented. Operations requiring licences represented approximately 3 percent of the Group's turnover in 2011 and operations requiring registration represented about 6 percent.

### Management method for hazardous waste

Hazardous waste in Sweden and Norway, 2,642 tonnes



Waste management methods show statistics for Sweden and Norway. Norwegian figures do not include waste from acquisitions made during the year nor masses. Hazardous waste includes contaminated soils and asphalt that are deposited in landfills. The large amount of these materials are the cause for the large proportion of hazardous waste.

## Sustainable development

Society's expectations and demands regarding sustainable development are growing steadily. In our aspiration to always meet our customers' high expectations, Peab started a number of construction projects in 2011 where all sustainability aspects, not merely environmental ones, are included.



Varvsstaden in Malmö

### Satisfied customers

Satisfied customers are a prerequisite for Peab's continued growth. Today, the divisions at Peab conduct individual customer surveys to enhance the understanding of how Peab and our products are perceived. In order to harmonise the view from the separate surveys we are developing a Group customer survey for 2012.

### Environmentally certified construction

There are numerous environmental certifications for buildings in the Nordic countries. The extent of the standards varies, some only cover energy aspects while others cover the full sustainability perspective. The range of the different certification systems is presented in the table below.

#### DIFFERENCES BETWEEN CERTIFICATION SYSTEMS

	Energi- merke	Green Building	Miljö- byggnad*	BREEAM	LEED
Energy	X	X	X	X	X
Material			X	X	X
Indoor environment			X	X	X
Construction phase				X	X
Water				X	X
Maintenance				X	X
Construction waste				X	X
Infrastructure				X	X
Ecology & site				X	X
Governance and follow-up				X	X
LCA/LCC**				X	
Process & innovation				X	X
Economy & social aspects				city districts	city districts

\* Sweden Green Building \*\* Life cycle analysis/cost

An increasing number of buildings are built in accordance with a certification standard. In 2011 Peab decided that all in-house developed building projects should be environmentally certified. In Sweden we certify residential houses according to Miljöbyggnad and commercial properties according to BREEAM. In Norway we use Energimerkning for residential houses and offices and BREEAM nor for commercial properties, and in Finland we use LEED certifications. In projects where Peab is assigned by an external commissioning body, the different certification systems are discussed and the system requested from the commissioning body is used. Additional information on the number of initiated and completed certification projects can be found on the next page.

### Projects with sustainability focus

Peab initiated a number of construction projects in 2011 where consideration was taken to all sustainability aspects. Some of these, Varvsstaden, Bolyftet, Angered's swimming pool and ice rink and the E4 Sundsvall, are further presented below.

#### VARVSSTADEN

As one of the first construction companies in Sweden, Peab decided to certify an entire city district. Varvsstaden in the western harbour in Malmö will be converted from the old Kockum industrial area into an entirely new city district with focus on sustainability.

The certification will be according to BREEAM Communities, a standard that includes social, environmental and economic sustainability aspects divided into different areas, for instance climate and energy, community planning and biological diversity.



Varvsstaden, which covers 190,000 square kilometres, will when completed in the year 2030 comprise of 2,000 homes and 5,000 workplaces.

#### BOLYFTET

Bolyftet is Peab's new concept for refurbishing the Swedish Million Programme housing complexes. In the Bolyftet-concept all sustainability aspects are regarded, social as well as economic and environmental. The concept includes, among other things, environmental and energy technological solutions, measures to increase safety as well as alternatives for financing. Residents are also involved in Bolyftet through dialogues where they are given the opportunity to present suggestions for the landscaping of the areas and by being offered work and training opportunities.

#### ANGERED'S SWIMMING POOL AND ICE RINK

Angered's swimming pool and ice rink in Gothenburg is a sustainable community project according to Peab's definition for sustainable community building. The project has an emphasised focus on environmental issues, resource-economic construction and social engagement. When completed, the facility will be one of the

first sport halls to be certified in accordance with Miljöbyggnad.

Project based employments and internships are offered to locals during the course of the project. The completion of the hall is estimated to the year 2013.

#### THE E4 IN SUNDSVALL, MYRE-SKÖNSMON

The E4 in Sundsvall is an urgent project that aims to improve availability, traffic safety and the environment along a 20 km long stretch south of Sundsvall. The project is a turnkey contract with management and maintenance for 20 years after the completion. This commitment enables Peab to engage all concerned partners in the process already in the planning phase, which creates the best possible circumstances for a financially viable life cycle. Through sound planning and proper management of masses the business areas Construction and Industry together managed to meet the needed amount of material for the roadbed, concrete structures and paving. A crusher, a concrete- and asphalt plant has been established in direct connection to the work site. This is estimated to reduce transportation in the construction phase with 480,000 km, equivalent to approximately 12 laps around the earth.

#### NUMBER OF CERTIFIED PROJECTS AND UNITS

	Sweden		Norway		Finland	
	On-going	Completed	On-going	Completed	On-going	Completed
Miljöbyggnad	14	2				
Breeam	4		1			
Breeam Communities	1					
LEED	2	1			1	
Green Building	3					
Energimerke				97		
ISO 9001		4				1
ISO 14001		4				

The table shows the number of on-going and completed certification projects within Peab. On-going means projects that have been registered with the certifying body. Projects are completed when they have received the certification status but not necessarily the final certificate, which is issued after a certain verification period. The table includes in-house developed projects where Peab is responsible for the certification process as well as when a commissioning body is the responsible party. The ISO-certifications have not been classified as on-going or completed. All units that are currently certified have been rated as completed, regardless of whether the certification took place in 2011 or earlier. Energimerke is mandatory by law for all projects built in Norway, the other certifications are voluntary.



## Business ethics

Peab has zero tolerance for violations of the law and breaches of ethical standards. We work with preventive measures such as training and clear guidelines. If violations occur we take forceful action.

### Ethical guidelines

Peab's ethical guidelines, established by the Executive management, summarise the way all employees shall act. We have a high level of ambition, our ethical guidelines are therefore extended further than required by national legislation and international declarations. Our ethical guidelines are supplemented by a handbook on representation that provides clear direction regarding customer representations and gift exchange. Peab also has routines for double attestation of invoices and works actively to strengthen loyalty to supplier framework agreements.

fundamental values of the ethical guidelines and the Code of Conduct will always be respected at work. During 2011 great efforts were made and over 2,000 office employees were trained in ethics and anticorruption. Out of these, 1,863 employees were trained in Sweden, out of which 1,160 represented management, 104 employees were trained in Norway, out of which 18 represented management, and 37 employees were trained in Finland, out of which 27 represented management. Peab will continue to emphasise the importance of these issues and to train all employees in these matters during the years to come. All senior managers also undergo a one-day training in competition law.

### The Ethics Round

As part of our preventive work on anticorruption an extensive training programme called the Ethics Round was established during 2009. Since then, more than 3,000 office employees in Sweden, Norway and Finland have completed the training. The training is customised for Peab requirements and includes a number of situations illustrating ethical dilemmas specifically related to the construction industry. All employees that have completed the Ethics Round sign a confirmation stating that the

### The ethical council

If an employee breaches the ethical guidelines the ethical council will be alerted. The ethical council, consisting of a representative from the Executive management, four representatives from the Group functions and the involved employee's manager, decides whether or not the security department should investigate a situation. The ethical council also decides on which measures to take such as the filing of a police report and consequences for the employee in question, ranging from a reprimand to termination of employment.



## Last year's events

Five cases of suspected corruption or other economical irregularities were identified in 2011, each case is described below. There have been no cases of anticompetitive behaviour, anti-trust or monopoly practices that have lead to legal action during the year.

- Four Peab employees are suspected of having paid dinner and travel expenses for a municipal clerk. Peab and the municipality cooperate in the investigation. A police report has been filed and a preliminary investigation has been initiated. Written admonitions were issued to the employees in question and one employee was reassigned. Decision on prosecution is expected during 2012.
- Two employees sold metal scrap to collect money for the employee welfare fund. The Swedish Tax Agency performed an audit and discovered that VAT for the sold metal scrap was not paid. Peab has paid the VAT and written admonitions have been issued to the employees.
- A former team leader is suspected of having commissioned illicit work for a municipal clerk. Peab and the municipality cooperate in investigating the case. A police report has been filed and a preliminary investigation has been initiated. The person in question had already ended his employment at Peab when the case was discovered.

- A site manager wanted to purchase a four-wheeler for private use from a sub-entrepreneur contracted by the manager's project. The site manager proposed he should pay half of the purchase price in cash and the other half should be invoiced to the project. The sub-contractor did not agree to the proposal. The site manager then stopped contracting the sub-entrepreneur for the project. The sub-contractor contacted Peab's security department and informed them about the case. The site manager's employment contract was terminated.
- A team leader had his team perform illicit services after hours and utilised Peab's machinery and materials. The payment for the performed services mainly accrued to the team leader directly, while the members of the team were compensated for hours worked. A police report has been filed and the team leader's employment contract has been terminated.

Erik Paulsson, one of the main owners of Peab, and one additional person, who up until September 2009 was the vice president of Peab AB, have been prosecuted for bribery of a municipal clerk in connection to the construction of the new national arena in Solna. The trial will take place in February-March 2012. As neither Erik Paulsson nor the former vice president officially represent Peab this is not reported as a case of suspected corruption within Peab in this report.

## Peab cooperates with the Swedish Tax Agency in the fight against economic crime



As the first company in the Swedish construction industry, Peab signed a nationwide agreement with the Swedish Tax Agency in October 2011. The purpose of the agreement is to enhance the control of Peab's sub-contractors and thereby discourage economic crime.

Peab shall exclusively work with serious business partners and the control of Peab's approximately 70,000 suppliers is an important component in this endeavour. The cooperation with the Swedish Tax Agency entails that Peab, as part of our supplier evaluation process, gets access to the Tax Agency's information on the suppliers' tax payments, including payroll taxes. This information is then matched to the supplier's operations, making the identification of fraudulent businesses easier and enhances the opportunity to eliminate criminal elements.



## Peab in the community

With the ambition to become the Nordic Community Builder it is natural to contribute to the development of society. Among other things, we do this by developing neighbourhoods and by giving active support to organisations that make invaluable contributions to the community.

Peab is a big sponsor of sports, especially youth sports. We also support a number of organisations providing assistance to people in need or who are particularly vulnerable in society. Not only do we contribute financially, but also with our competence and time. A few of the organisations we support are presented in this chapter.

In order for Peab to approach these issues more efficiently, the development of a Group wide strategy was initiated during the year. We expect to have the new strategy finalised in 2012.

### Mentor

Peab is a general partner to Mentor, a non-profit organisation that works with health promotion and prevention of drug and alcohol abuse among young people. Peab contributes not only financially, but also participates in the preventive work as mentors and inspirers for young people in the schools Mentor cooperate with.



RONALD MCDONALD

### Ronald McDonald Children's Fund

The vision of the Ronald McDonald Children's Fund is to ease life for critically ill children and their families during treatment or hospitalisation. For example, the Fund gives critically ill children the possibility to live together with their parents and siblings in a safe and homelike environment. Peab has the privilege to be a part of the construction of hospitals, children's clinics and Ronald McDonald Houses through out the Nordic region. This is a meaningful way to be responsible in the community and contribute to society. We want to be there for families affected by illness and misfortunes and this form of support is highly prioritised within Peab. Today there are four Ronald McDonald houses in Sweden and a fifth is under construction.

## TelgePeab – a way into the world of work

TelgePeab is a construction company located in Södertälje, it is jointly owned by Peab and Telge AB. The aim is to provide unemployed people, those receiving income support and refugees with an opportunity to receive training and work, whilst at the same time construct houses on fair market conditions.

The ambition is to build between 100-150 residential properties per year in Södertälje and have 50 employees as well as 25-50 apprentices. While working, apprentices attend courses, such as additional vocational training that lead to trade certification or Swedish language courses.

The first building project, the block Körsbäret, is in its final phase of construction. The project consists of 77 condominiums close by the hospital in Södertälje. Several new projects are planned to start during 2012.



## Barents reunion

Together with IKEA, Haparanda City and Tornio, Peab are organisers of the Barents reunion. It is a yearly event to promote cooperation amongst the five peoples in the Barents region. Every year a convention is organised with different themes such as energy and environment, culture, entrepreneurship and education.

## Christmas gifts

Every Christmas charitable projects receive contributions to their important activities. In 2011, Peab contributed with SEK one million. Additionally, Peab's employees donated approximately SEK 75,000 to the projects. The allocation between projects and countries was as follows:

- SEK 235,000 to the Norwegian Utøya Fund which works to restore and renovate Utøya after the tragic events during the summer of 2011.
- SEK 225,000 to the Finish Mannerheim League for Child Welfare for their work against bullying in schools where 14,000 supporting students all over Finland are engaged to make school environments safer and happier places. The supporting students, who are in the eighth and ninth grades, receive training in how to assist younger students to a safe schooling.
- SEK 690,000 was donated to KVH (Kvalificerad Vård i Hemmet) a part of the Skåne Regional administration. KVH is a programme for home help in Hässleholm with surroundings.



# GRI Index

## STRATEGY AND PROFILE

Description		Page in Sustainability Report	Scope of reporting, fully/partially reported	Explanation (e.g. reason for omission)
<b>1. Strategy and Analysis</b>				
1.1	Statement from the most senior decisionmaker of the organisation about the relevance of sustainability to the organisation and its strategy	4-5	●	
<b>2. Organisational Profile</b>				
2.1	Name of the organisation	2, 26	●	
2.2	Primary brands, products and/or services	6	●	
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures	6-8	●	
2.4	Location of organisation's headquarters	6	●	
2.5	Number of countries where the organisation operates and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	6	●	
2.6	Nature of ownership and legal form	6-8	●	
2.7	Markets served	6	●	
2.8	Scale of the reporting organisation	6-8	●	
2.9	Significant changes during the reporting period regarding size, structure or ownership	6	●	
2.10	Awards received in the reporting period	3	●	
<b>3. Report Parameters</b>				
3.1	Reporting period (e.g. fiscal/calendar year) for information provided	2	●	
3.2	Date of most recent previous report (if any)	2	●	
3.3	Reporting cycle (annual, biennial etc.)	2	●	
3.4	Contact point for questions regarding the report or its content	2	●	
3.5	Process for defining report content	9-10	●	
3.6	Boundary of the report	2	●	
3.7	State any specific limitations on the scope or boundary of the report	2	●	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability	2	●	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports	2	●	
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report	2	●	
3.12	Table identifying the location of the Standard Disclosures in the report	23-24	●	
3.13	Policy and current practice with regard to seeking external assurance for the report	2	●	

Fully = ●  
 Partially = ◐



Description	Page in Sustainability Report	Scope of reporting, fully/partially reported	Explanation (e.g. reason for omission)
<b>4. Governance, Commitments and Engagement</b>			
4.1 Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight and indicate each individual's position and any direct responsibility for economic, social and environmental performance	6-8	●	
4.2 Indicate whether the Chair of the highest governance body is also an executive officer			Not applicable
4.3 For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members	7	●	
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	7	●	
4.14 List of stakeholder groups engaged by the organisation	10	●	
4.15 Basis for identification and selection of stakeholders with whom to engage	10	●	

<b>5. Management Approach and Performance Indicators</b>			
EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments	6	●	
EN3 Direct energy consumption by primary energy source	15	●	
EN4 Indirect energy consumption by primary source	15	●	
EN5 Energy saved due to conservation and efficiency improvements	14-16	►	
EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result if these initiatives	14-18	►	
EN7 Initiatives to reduce indirect energy consumption and reductions achieved	14-16	►	
EN16 Total direct and indirect greenhouse gas emissions by weight	15	●	
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved	14, 16	►	
EN22 Total weight of waste by type and disposal method	16	●	
EN26 initiatives to mitigate environmental impacts of products and services and extent of impact mitigation	14-18	►	
LA1 Total workforce by employment type, employment contract and region broken down by gender	11-12	►	
LA2 Total number and rate of new employee hires and employee turnover by age group, gender and region	11-12	►	
LA7 Rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities, by region and by gender	11-12	►	
LA10 Average hours of training per year per employee by gender and by employee category	12	●	
LA12 Percentage of employees receiving regular performance and career development reviews by gender	13	●	
LA13 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity	7, 12	►	Minority group membership not reported according to Swedish law
SO3 Percentage of employees trained in organisation's anti corruption policies and procedures	19	►	
SO4 Actions taken in response to incidents of corruption	20	●	
SO7 Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their outcome	20	●	
CRE8 Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and re-development	SR17-18	●	

Fully = ●  
Partially = ►

# Glossary

**AFS 2001:1** – Provisions of the Swedish Work Environment Authority on Systematic Work Environment Management

**BASTA** – A system listing the demands stated on chemical substances used in construction products. Based on the EU chemical legislation.

**BREEAM** – Building Research Establishment Environmental Assessment Method is a system for environmental certification of buildings.

**BREEAM Communities** – Building Research Establishment Environmental Assessment Method is a system for sustainability certification of city districts.

**BVB** – Building Material Assessment, a database to evaluate building material from a life cycle perspective.

**BYN** – The Swedish Construction Industry Training Board, a joint stakeholder entity with the primary purpose to ensure the availability of skilled craftsmen in the Swedish construction industry.

**CO<sub>2</sub>** – Carbon dioxide

**E85** – Ethanol fuel

**Energimerke** – A Norwegian certification for energy efficiency of buildings.

**GJ** – Giga Joule

**Green Building** – An EU controlled environmental program for buildings.

**GRI** – Global Reporting Initiative is an international framework for sustainability reporting.

**HCS** – Sustainability Certification of City Districts is collaborative project between government agencies, municipalities, developers, property owners, utility companies, consultants, architects, scientists and organisations.

**ISO 14001** – An environmental management system. ISO stands for International Organization for Standardization.

**ISO 9000** – A quality management system.

**Convertible note** – A Bill of debt that can be convert into shares in the issuing company at a predetermined price.

**LEED** – Leadership in Energy and Environmental Design is a framework for environmental certification of buildings.

**LCA** – Life Cycle Assessment

**LCC** – Life Cycle Cost

**MWh** – Megawatt hour

**Miljöbyggnad** – A certification system based on Swedish construction and government regulations and Swedish building practices regarding energy, indoor environment and materials.

**Million Programme** – A public housing policy programme with the goal to construct a million new dwellings during a ten-year period in the sixties and seventies.

**OTR** – Accident and incident reporting. PEAB's web-based system for reporting and registration of workplace accidents.





Peab is the Nordic Community Builder with approximately 15,000 employees and a net sales exceeding SEK 40 billion. The Group's subsidiaries have strategically located offices in Sweden, Norway and Finland. The registered office of the Group is in Förslöv, Skåne in the south of Sweden. The share is listed on NASDAQ OMX Stockholm.