



PE is one of Sweden's leading engineering and architecture consulting firms. As urban planners, we create innovative and sustainable solutions shaping the development of cities and communities. We are represented throughout Sweden and our annual revenue is in excess of SEK 1 billion. PE was founded in 2006 and is listed on Nasdaq Stockholm.

Work that makes a
difference – a framework
for sustainability work

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How we
contribute to
Agenda 2030

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In 2025, we will be Sweden's
leading consultant specialising
in buildings and their local
environment

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We are experts in buildings

Projektengagemang Sweden AB (publ) is one of Sweden's leading consultants specialising in buildings and their local environment. Working with our clients, we plan and design sustainable buildings and communities.

Drive to innovate

As engineers, architects and specialists, we have a great opportunity to shape a more sustainable society. Every year, we help 4,000 clients to make more sustainable choices in more than 13,000 assignments. It is together that we make the greatest difference and it is in part via the projects that we achieve our vision of renewing our communities through innovative and sustainable solutions. What we do now must work now, and for future generations.

A proud history

PE was founded in 2006, but our history stretches back to the 1950s. Acquisitions have been crucial to our rapid growth and the companies that we have had the pleasure of welcoming to PE have been among the most accomplished in our industry. Today, we are represented across the whole of Sweden, are experts in our local markets and work close to our clients.

Our business concept

By working together in strong teams, we create value not just for our clients but also for society at large. This is based on an unshakeable belief in the personal drive of each and every employee. Together, we deliver high-level consulting services and solutions in and around buildings of all kinds.

Name of Group: Projektengagemang Sweden AB (publ)

Operating activities: PE Teknik & Arkitektur AB

Founded: 2006

President & CEO: Helena Hed

Number: 795 employees at 20 locations

Areas of expertise: Advanced consultancy services in and around buildings

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We work on everything in and around buildings. Together with our clients, we are helping shape a society in which we ourselves want to live and grow

Helena Hed, President and CEO

795

employees

20

locations

91%

think that their work
has purpose



4,000

clients

13,000

assignments

Satisfied



Neutral

Dissatisfied

client ratings on
working with us

Interview with Helena Hed, CEO

2021 has been the first year with Helena Hed as President and CEO of PE. It has been eventful one, and Helena sees great potential for the future.



How would you sum up 2021?

Looking back at 2021, it's clear that it was an eventful year for us at PE, and it was also my first year as CEO of the Company. During the year, we built on our strengths, established a new strategic direction and updated our financial targets. We worked with more than 4,000 clients and I'm proud that together we contributed to positive progress in society, through more than 13,000 assignments. I see great potential, going forward, and our strategic focus gives us a unique and distinct position in the market that engages both employees and clients.

How would you sum up the year in figures?

Net revenue for the full year 2021 was just over a billion Swedish kronor. EBITA totalled SEK 57 million, which equates to an EBITA margin of 5.6 percent. Both revenue and profit have fallen, mainly because of the decline in the market during the pandemic and the efficiency measures we took as a result. These measures were implemented at the end of 2020 and had a negative impact on the number of employees both at the start, of and during the first quarter, of 2021. During the year, we also adapted our operations to the new strategy, and here the discontinuation of the railway business had an impact.

You've taken a new clear position with a focus on buildings, what does that mean?

Our new position is that in 2025, we will be Sweden's leading consultant specialising in buildings and their local environment.

We've focused our services and taken up a unique and distinct position in the market. Our new direction puts the accent on our offering to clients, and highlights how we create value, win new business, attract people. It also defines how we will move forward. Our new position isn't just words. Concrete steps were taken during the year to create a more efficient organisation. For example, we've removed a senior management position and merged business areas into larger units. Two clear examples of where we've streamlined the business were the divestment of our railway business and the winding-down of our operations in India. We also focused a major effort on the strategic, long-term development of our leaders. Every PE employee should have the opportunity to develop, have an impact and make a difference, and that starts with strong leadership. We're seeing that this work is paying off in terms of increased employee engagement, greater trust in management and a clearer sense of contributing to a sustainable society.

During the year, the Company's financial targets were updated, why?

The updated financial targets and our strategic plan reflect our direction going forward. The wide-ranging measures we've taken to align our business with a clear focus on buildings mean that we see great opportunities to increase value creation for our stakeholders in the years ahead.

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Our new position is that in 2025, we will be Sweden's leading consultant specialising in buildings and their local environment

Growth is a key component going forward; how did this work go in 2021?

In 2021, we were delighted to welcome more than 120 new colleagues, which is a record for the Group. Never before have so many people been hired in one year, and many more are interested in joining PE. We have a good reputation in the industry and can see our recruitment activities having a positive impact. However, labour market mobility, together with the downsizing initiated in 2020, the divestment of the railway business and the closure of the Indian operations meant that we didn't achieve growth during the year.

How do you see the market for your services?

The requirements related to climate transition, digitalisation and urbanisation remain strong and there is solid underlying demand for our services. We also see a great need to build new buildings, but above all to develop, upgrade and extend the life of existing buildings. In addition, the security aspect of our services and missions is becoming increasingly important. We have the expertise that's needed to help our customers. There's always work for talented consultants and we're operating in a favourable business climate. When we started out in 2022, we had a healthy order book behind us, and we anticipate continued strong demand for our services and a good willingness to invest going forward. With some reservations about the war in Ukraine, the effects of the pandemic and other unpredictable external factors, we're positive about market conditions.

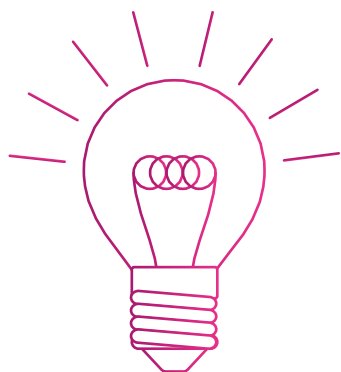
PE's vision is to renew society through innovative and sustainable solutions; how successful were you with that in 2021?

As engineers, architects and specialists, we have a great opportunity to shape a more sustainable society. In our role as a consultant and expert partner, the aim is to work with our clients in making the changes necessary to move towards a more sustainable, circular society. It's through our client engagements that we make the biggest difference and it's through them that we progress towards our vision. We also understand the value of taking a long-term approach to working on sustainability in-house, and are constantly seeking ways to improve. That's why we're working to reduce carbon emissions from business travel, to improve workplace well-being and to bring about a more equal gender balance among managers and employees. We also have an overarching goal to be climate neutral by 2030 in our own operations and by 2045 throughout the value chain – in line with the Paris Agreement.

What's your focus for 2022?

As engineers, architects and specialists, we play an important role in addressing the opportunities and challenges of climate change, digitalisation and urbanisation. In the year ahead, we'll continue to work with our clients on renewing society through innovative and sustainable solutions. We'll focus on profitable growth and invest heavily in our sales and recruitment activities. We also take a positive view of the opportunity to make acquisitions in strategic areas. I'm looking forward to the journey of continuing to develop the Company to its full potential.

Highlights of our sustainability work in 2021



Sustainability and Innovation Council established

To help us accelerate the transition to a climate-smart and sustainable society, we established a Sustainability and Innovation Council during the year. Its task is to focus on concrete issues and to monitor the world around it in order to develop knowledge within the organisation. The Council consists of consultants, project managers and executives working on our client assignments.

PE's sustainability topics:

- ② Employee sustainability capabilities
- ③ Leading-edge offering in sustainability
- ⑫ Social impact and analysis



Climate-neutral by no later than 2030

We decided that by no later than 2030 our operations should be climate-neutral. Climate neutrality means that emissions that occur can be absorbed by the ecological cycle or by technological solutions and thus do not play a part in increasing the greenhouse effect. The strategy is to reduce actual emissions first and foremost, but also to take compensatory measures to achieve climate neutrality.

PE's sustainability topics:

- ⑤ Environment and carbon emissions
- ① **Contribution to sustainability through our assignments**

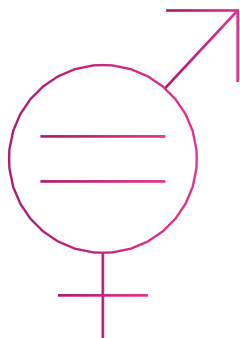


Transition in the pandemic – Samhällsbarometern (Social Barometer) 2021

As urban planners, our teams create innovative and sustainable solutions shaping the development of buildings, cities and communities. But what is a well-planned and sustainable city, in fact? And what are the most important things to those who live there? To find out, we produced our *Samhällsbarometern* (Social Barometer) for the sixth year in a row.

PE's sustainability topics:

- ⑫ Social impact and analysis
- ⑬ Transparency and stakeholder engagement



Small steps in the right direction

Any company working to create the society of the future must understand and reflect the people who live in it. Equal opportunity, equal treatment and diversity are therefore extremely important to us. During the year, the proportion of women continued to increase, with 34 percent (30) of all PE employees being women.

PE's sustainability topics:

- 4 **Quality**
- 6 **Employee well-being**
- 7 **Equal treatment**



Employee satisfaction

Ensuring that we all feel good, that we are happy and develop in our jobs is an important part of our sustainability work and crucial for us to make a difference. In 2021, we noted positive movements in all our business areas and we set records in employee satisfaction.

PE's sustainability topics:

- 4 **Quality**
- 6 **Employee well-being**



Client satisfaction

We believe in continuous improvement and every year we conduct a major client survey, giving our clients the chance to tell us how they feel about our delivery, our commitment and our brand. The findings show a significant positive shift and clients have never before recommended PE at such a high level.

PE's sustainability topics:

- 1 **Contribution to sustainability through our assignments**
- 2 **Employee sustainability capabilities**
- 3 **Leading-edge offering in sustainability**
- 4 **Quality**



Major overhaul of policies – number halved

Each year, in conjunction with the Annual General Meeting, all our policies are overhauled. This year's review focused on streamlining our policy documents to better guide us in our work. During the year, as many as eleven policies were removed or merged with another, halving the number of policies and greatly improving quality.

PE's sustainability topics:

- 4 **Quality**
- 6 **Employee well-being**
- 8 **Business ethics**

New school in Vänersborg gets an all-timber structure, no steel used

In the new district of Holmängs Hage in Vänersborg, 700 new homes and the new Holmängen School are being built. The ambitions for sustainability are high and so the structure will be in timber. We have several assignments in the project, including in construction and landscape architecture.

The new Holmängen School is scheduled for completion in 2024 and will include a sports hall and preschool facilities. The school will be certified under the Miljöbyggnad Silver standard. The choice to build in timber arose through the municipality's desire to construct a climate-sustainable building and at the same time create a better indoor environment and greater well-being. As a further part of the sustainability initiative, the school's roof will be equipped with a solar photovoltaic system and the total electricity generated by solar cells will be sufficient to supply the building's total electricity consumption.

Many assignments for PE

The project is a partnership in which PE is performing several assignments on behalf of the contractor, Serneke. In construction, we are the main constructors and are also responsible for the construction of foundations, external walls, building envelope and ancillary buildings. We also help with damp-proofing, environmental building and energy coordination. In addition, we have been charged with designing the outdoor environments, including surfaces, equipment and vegetation.



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To build the structure in timber, and not use any steel, is an exciting challenge

Johanna Wikström, Senior Engineer, PE.





Holmängen School, Vänersborg

Customer: Serneke

Project timetable: 2021–2024

Areas of expertise: construction, damp-proofing, environmental building coordination, energy coordination and landscape architecture



Work that makes a difference

As engineers, architects and specialists, we have a great opportunity to shape a more sustainable society. We work with sustainability in three ways: through collaboration in society, in our business with our employees, and above all by contributing our know-how in our assignments.

At PE, we work towards common, overarching sustainability goals. This is because we believe that we can achieve more if we all work towards the same goals. Working towards goals is part of the annual business planning process, and our overarching goals are based on various sustainability topics, which in turn are grouped according to three perspectives. These are Collaboration in Society, Know-How and Assignments and Business and Employees.

Biggest difference through our assignments

In our role as a consultant and expert partner, the aim is to work with our clients in making the changes necessary to move towards a more sustainable, circular society. Every year, we help more than 4,000 clients to make more sustainable choices in altogether 13,000 assignments. It is through our client assignments that we make the greatest difference, and it is in them that in part we realise our vision of renewing our society through innovative and sustainable solutions.

In partnership with others

We can and want to contribute to building a sustainable society. In partnership with others, we take responsibility for the future by contributing innovation, discussion and sustainable solutions that can be directly linked to our strategic platform.

Our own contribution

We understand the value of taking a long-term approach to working with sustainability in our organisation and are constantly seeking ways to improve. That's why we're working on sustainability within our in-house activities to reduce carbon dioxide emissions from business travel, improve workplace well-being and achieve a more equal gender balance among managers and employees. We have an overarching goal to be climate neutral by 2030 in our own operations and by 2045 throughout the value chain – in line with the Paris Agreement.

Scope and definition of sustainability

Our sustainability work is defined by 13 topics that together both encapsulate and define in concrete terms the overall complexity of the issue. Environment, social conditions and personnel, human rights and anti-corruption are among these various topics. Sustainability management includes all 13 sustainability topics, including material sustainability topics. We define our sustainability topics such that 1–4 concern PE and our clients, 5–11 concern PE internally and 12–13 concern PE and our stakeholders.





Our framework for sustainability



*Material topics in the 2021 analysis.

Know-how and assignments

Every year, we help more than 4,000 clients to make more sustainable choices in altogether 13,000 assignments. It is through our client assignments that we make the greatest difference, and it is in them that in part we realise our vision of renewing our society through innovative and sustainable solutions.

1 Contribution to sustainability through our assignments

Material topic

The urban planning sector has a significant impact on the environmental, social and economic aspects of our society. For example, the construction and property sector accounts for around a fifth of all carbon dioxide emissions in Sweden. As consultant and knowledge partner in the early stages of projects, we have a significant opportunity to contribute to sustainable societal development through our assignments. Our aim is to actively support our clients in making positive progress on sustainability. We measure the outcome of our sustainability contribution against the UN's Global Goals, and this work forms a natural part of our business planning and budget process.

2 Employee sustainability capabilities

Our awareness and capabilities in the field of sustainability are key to our ability to contribute to a more sustainable society. This applies above all to how our consultants use their sustainability capabilities day-to-day as architects, engineers and specialists. We offer training to develop capabilities and our aim is for all PE employees to receive appropriate training. During the year, we set up a new Sustainability and Innovation Council to monitor the world around us, gather expertise and share experiences. Also, in order to obtain a better understanding of each other's expertise, and through that better coordination, we arrange a number of experts' meetings. We aim to take a more systematic approach to learning within our assignment activities.



3 Leading-edge sustainability offering

PE has a high level of specialist expertise in strategic and practical aspects of sustainability, which we offer our clients at different phases of projects.



Societal analysis

Evaluation and analysis to demonstrate the benefit to society of planned and implemented sustainability measures.



Urban development

A broad sustainability perspective in planning, programmes, analysis and design through all stages of the design process.



Sustainable property

Strategic and operational services with the focus on properties and their immediate surroundings – from concept to follow-up.



Land, air and water

Expertise in the land environment, air and water, in order to protect the environment, biological diversity and human health.



Sustainable business development

Innovation and management of development projects to support the work of organisations in sustainability.

4 Quality

Material topic

For the services we sell and provide, we endeavour to ensure client satisfaction and, ideally, to exceed expectations. We evaluate all our assignments in order to constantly develop and gain experience for future assignments. We focus systematically on deviations and improvements in our business processes and assignments. A risk audit is compiled each quarter for the Board and once a year management holds a review in which the

Group management and our segments analyse the reliability of our ERP system. External and internal audits are planned in three-year cycles to ensure that all businesses and locations are covered in a reasonable manner. These plans are updated annually. We are certified to, and base our ERP system on, the ISO 9001:2015 standard.

Operations and employees

We understand the value of taking a long-term approach to working with sustainability in our organisation and are constantly seeking ways to improve. Our internal sustainability work supports our vision, our strategies and our goals.

5 Environment and carbon emissions

Our environmental impact from business activities includes our carbon footprint and energy and resource consumption. Environmental management is based above all on our sustainability policy. In our environmental management work, we have chosen to focus on climate and the goal is for PE to be climate neutral by 2030. We measure direct and indirect CO₂ emissions according to the GHG protocol, scope 1, 2 and in some respects also scope 3.

6 Employee well-being

Material topic

As a service company, it is important to ensure a good work environment, health and professional development for our employees. That includes security, safety, professional development opportunities, benefits and work environment. It is overseen by line managers and the work is part of the HR process. Issues regarding social conditions and personnel are governed by guidelines for employees, our work environment policy and our systematic fire safety work. We track the outcome by measuring sickness absence, occupational injuries and the number of cases of discrimination and action taken, as well as reporting the percentage of employees covered by collective agreements (see Sustainability Targets and Outcomes).

During 2021, we actively used the pulse-based tool that was implemented in 2019 and now monitor our personnel's commitment and well-being on a weekly basis. The tool is used by managers at all levels in order jointly with employees to reflect on issues concerning the workplace. The tool also enables employees to anonymously report any harassment and discriminatory treatment. The method provides a clearer overall picture of well-being in the Company and enables those in charge to quickly act on both positive and negative trends.

During the year, we followed the recommendations and guidelines of the authorities regarding the Covid-19 pandemic. For example, we ensured that our employees were able to work remotely, adapted office environments, brought in more flexible

working hours and provided the tools for home office working. We also continued to digitalise the training materials that we use in the activities of PE School. The aim was to prevent any loss of opportunity for development by individual employees when physical meetings were cancelled.

7 Equality

We focus on gender equality and diversity, and aim to create equal opportunities for everyone. This work is described in our Code of Conduct and is governed by procedures in our ERP system. The focus of our development work is mainly on gender equality. We measure this by means such as gender balance on the Board, in management and among other employees (see Sustainability Targets and Outcomes).

Equality-related measures are an important component of our work on corporate culture and involves every PE employee and manager. Work starts at Board level, where our diversity policy is applied, and goes down to individual employee level.

8 Business ethics

Our Code of Conduct sets out guidelines on how we should operate our business in an ethical and socially correct way. The Code has guidelines on; corporate culture, business ethics, principles and employee rights, ethics and morals, unauthorised influence, corruption, reporting of irregularities, health and safety, communication and privacy, gender equality, diversity and discrimination, as well as relationships in society. Going forward, we will measure communication on and training in our Code of Conduct (see Sustainability Targets and Outcomes).

We have an external whistle-blower function in place, enabling employees to make an anonymous report if they suspect serious irregularities or anomalies in the Company. The function is available to everyone and is described and linked on our intranet.

9 Stable finances

Material topic

Our financial stability and financial earnings create long-term value in the form of pay for our employees, returns for our shareholders, payments to our suppliers, tax for the government and interest to lenders. We report the precise distribution under economic value generated and distributed (see Sustainability Targets and Outcomes). Our business area directors are responsible for the results in their particular business area and report directly to the CEO. Earnings performance is monitored on a monthly basis, under the supervision of the Chief Financial Officer. The President and CEO is ultimately responsible for ensuring that we achieve our overall Group financial targets.

Financial targets

Growth – Annual growth of 15 percent over time, including acquisitions

Profitability – 10 percent EBITA margin over time

Indebtedness – Net borrowings/EBITDA ratio of max. 2.5

Dividend policy – 30–50 percent of profit for the year should be distributed to shareholders

10 Safety, security and contingency management

We work proactively on issues of safety and contingency management in our business, to ensure quality and continuity. This includes data security-related measures. The work is supervised by our head of safety and each segment has a contingency plan in place. During the year, we reinforced and improved security in both the physical work environment at offices and the digital work environment.

11 Responsible supply chain

We take responsibility for our supply chain, including through supplier audits, responsible purchasing and life cycle-based monitoring. This is governed by our routines, which determine the types of purchase we make, and by our Supplier Code of Conduct, for which we have the ambition of securing acceptance by all our critical suppliers. All critical suppliers must accept our Supplier Code of Conduct.

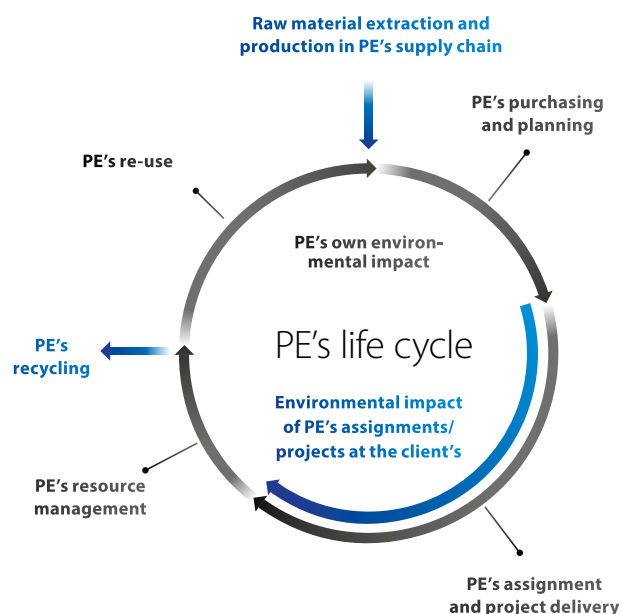
PE's life cycle

PE's life cycle starts with our suppliers' production of the goods and services that we purchase. Suppliers in turn purchase raw materials, that have been extracted in various ways, for their production. On that basis, it is important for PE to review suppliers and ensure that they comply with our Supplier Code of Conduct, which lays down guidelines for environmental, health and safety considerations.

PE then manages the purchasing, transportation and installation of goods and services. We can choose which goods and services we purchase, whether we want to purchase local products and how these should be installed and used.

Next comes the consumption phase, in which PE uses electricity, heating, cooling, transportation, furnishings, computers and telecoms, consumables, food and drink, and other services. The largest negative environmental impact of PE's activities is in this phase – our business travel. However, this phase also contains our largest positive environmental impact – our contribution to our clients' environmental performance.

In the next phase, PE manages consumed resources, which largely consist of cardboard, paper and household waste from the office kitchen. Computers and screens are leased and therefore managed as resources to be reused. PE sorts its waste, which helps ensure it can be recycled in the final phase of the life cycle. We ensure compliance with the Waste Regulation by means of legislation compliance checks.



Collaboration in Society

We can and want to contribute to building a sustainable society. In cooperation with our stakeholders, we take responsibility for the future through innovative and sustainable solutions and also have a direct link to our strategic platform.

12 Social impact and analysis

This topic covers our interaction with actors in society, such as universities and trade associations.

Another aspect relates to how we address social impact and share insights. One example of this is **Samhällsbarometern**, in which we annually ask, compile and highlight how Sweden's population perceives societal development. During the year, we also took part in the debate in society via, for example, opinion articles, and we actively campaigned for a positive transition following the pandemic. Our work on social impact and analysis enables us to contribute to positive societal development, in addition to our day-to-day business. This work is also important in terms of our own business intelligence, our organisational learning and creating credibility, together with other parties that share our aims.

External initiatives supported and contributed to by PE:

- PE's consultants contribute as guest speakers and mentors at a number of educational institutions, including KTH (the Royal Institute of Technology), Chalmers University, Luleå University of Technology and Berghs School of Communication.

Membership of industry organisations:

- Sweden Green Building Council, SGBC
- UN Global Compact
- Federation of Swedish Innovation Companies
- IQ Samhällsbyggnad, IQS
- LFM30
- Swedish Institute for Standards, SIS



13 Transparency and stakeholder engagement

This involves systematic and transparent communication with our stakeholders. It enables everyone from investors and clients to prospective employees and partners to assess and consider whether they want to enter into an agreement with us. For this, we use two main tools: Ongoing stakeholder dialogue, where we interact with our stakeholders in our day-to-day work, and an annually-compiled analysis.

Stakeholder engagement and analysis

Our stakeholders are people and groups on whom we depend to be able to achieve our goals. That's why we engage continually with them. This is an important tool for ensuring that we are relevant to our stakeholders, and helps us understand what priorities we should make going forward. Once a year we document and compile our insights in a stakeholder analysis. PE has identified eight stakeholder groups. These are the same as last year and are described in the list below.

- **Owners:** Our shareholders, represented via PE's Board of Directors
- **Employees:** Our consultants and employees
- **Clients:** Purchase our services and implement our solutions
- **Society:** Citizens in the community in which we are helping to build facilities
- **Financiers & banks:** Finance investments
- **Cooperation partners:** Organisations, networks, academic institutions and other actors with which we cooperate
- **Media & Stakeholder organisations:** Shape opinion and influence other stakeholders
- **State & government agencies:** Set the rules and conditions for our business activities

In 2021, we conducted structured stakeholder dialogues with selected stakeholder groups, for the third consecutive year. This year, clients were chosen as the focus group and the dialogue was conducted by the new Sustainability and Innovation Council, in order to capture a breadth of perspectives from PE's different areas of expertise. The structured stakeholder dialogues consisted of scheduled interviews with selected clients, seven in total. We used a standard template to document the conversations and a common picture was discussed and compiled by the Sustainability and Innovation Council.

Through the Sustainability and Innovation Council, steps have been taken to make stakeholder dialogue an ongoing and integral part of PE's environmental monitoring and corporate governance. It takes many different skills and perspectives to understand the world around us and the expectations of our stakeholders. The Sustainability and Innovation Council provides input to the CEO and management to enable reality-based decision-making.

PE's sustainability report

We have chosen to produce our sustainability report based on GRI (Global Reporting Initiative) guidelines, which require us to ensure reliable and comprehensive reporting and the highlighting of material topics. To us, it is through the projects we undertake that, together with our clients, we develop solutions that are designed to last for the long term.

Another key principle of our reporting is balance. We should be proud of what we have achieved, but we should also highlight what we have not succeeded in. We still have important work to do to achieve our goals and contribute to sustainable development.

Find out more about the principles for our sustainability report on page 35.

Rikshem takes the next step towards a sustainable property portfolio

As part of Rikshem's sustainability work, PE was commissioned to review its property portfolio with reference to the EU Taxonomy Regulation, as applying to green investments. A model that calculates taxonomy compliance for Rikshem's properties will be an important tool in the Company's work going forward.

Initially, an overview and knowledge base were compiled for Rikshem's dialogue with its owners and stakeholders. Work then started on screening the existing property portfolio against the taxonomy criteria. This was delivered in the form of a presentation and plan for managing taxonomy-based requirements, as well as a model to calculate taxonomy compliance for the more than 500 properties in the portfolio.

Model for adaptation to the EU taxonomy

The model that calculates taxonomy compliance takes into account the energy performance of the property portfolio, recalculated according to BBR 29 (the Swedish National Board of Housing's regulation 29). The properties identified as having the best energy performance were selected for a pilot study of a property-by-property climate risk inventory. In addition, an overall risk analysis of the property portfolio was performed to identify which properties are at risk of any of the acute or systemic climate risks. The analysis and pilot study will form the basis of further work to adapt buildings to climate change. In addition to taxonomy compliance for the existing portfolio, PE compiled proposals for further work on additional economic activities within the scope of the EU taxonomy, including new construction and refurbishment.





Review of property portfolio

Customer: Rikshem

Project timetable: 2021

Areas of expertise: Taxonomy support, strategy support, green finance, climate risk inventory

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The taxonomy framework is complex and evolving but here PE has supported us and made it understandable. Together we set priorities for where to start. We set up a plan and then started working in a structured and systematic way.

Elisabeth Schylander, Head of Sustainability at Rikshem

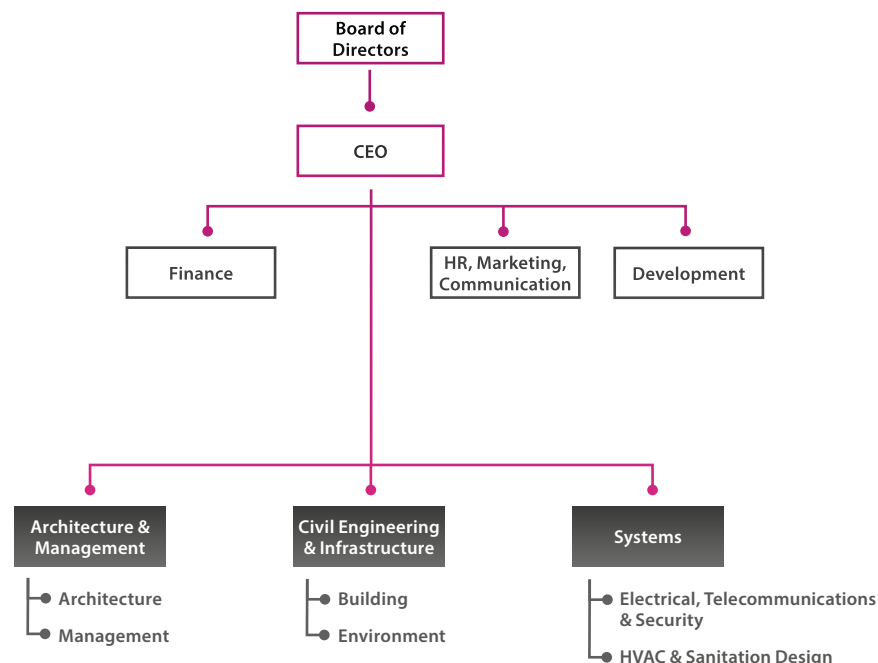


Management of sustainability work

Sustainability is a corner-stone of PE's corporate strategy, and absolutely crucial to our continued success. Ultimate responsibility for directing and coordinating the overall work lies with the CEO. In each business area, a plan of action is developed for working with employees to achieve jointly established sustainability targets.

PE's overall goal is to generate long-term value for our stakeholders. This depends on effective corporate governance characterised by an effective organisational structure, internal control and risk management systems and transparency. The Group's corporate governance is based on Swedish legislation and the Company's Articles of Association, together with other applicable laws and regulations. Governance is exercised via the AGM, the Board of Directors and the Chief Executive Officer in accordance with the Swedish Companies Act, the Articles of Association and the Swedish Corporate Governance Code.

PE's policies are guided by the procedure set out in our policy hierarchy. Policies are reviewed at least annually in conjunction with the constitutive Board meeting, or as required. Operations and their processes are described in the ERP system, in which governing and guidance documents are linked to the respective sub-process to make it easier for employees to access the relevant information. In the annual business planning and budget process, targets and plans are established, which are then presented to PE's Board of Directors for approval.



* PE – organisational structure, 1 April 2022

Key organisational changes during 2021

In the course of 2021, PE continued its work on establishing a coordinated, efficient and profitable company. The Group is continuing to progress with a major co-location project bringing a number of local offices together under one roof. In 2021, the number of offices was reduced from around 30 to 24.

In addition, several organisational changes were implemented over the year. The business was further decentralised through reduction of the number of business areas and elimination of one layer of management. This was done to further sharpen our client focus, improve efficiency and clarify lines of responsibility.

Also, the Company's Indian subsidiary and railway operations were divested in the course of the year, as they were deemed not to fit with the Company's core business.

Assessment of sustainability management

We continually measure the outcome of our work on sustainability in order to assess and adjust how it is managed. For each sustainability topic, indicators and targets are in place that we monitor on an ongoing basis. Stakeholder engagement is an important additional tool that provides us with a more qualitative picture.

During the year, the Sustainability Council was transformed into a steering group for sustainability issues, and a new Sustainability and Innovation Council made up of consultants in the business was formed, in order to strengthen monitoring of the world around us. As a result, sustainability has become a more integral part of business strategy, corporate governance, operations and the client offering.

In 2021, we took further steps towards integrating sustainability management into key processes and corporate governance. We continued to focus closely on implementing and harmonising the new digital ERP system. This made compliance simpler, made the content more relevant and increased use during the year.

Within the scope of the work of business planning, action plans linked to quality, environment and sustainability were drawn up, based on the Group's shared and prioritised sustainability targets.

Binding requirements

Our business is guided by a number of requirements from our stakeholders that we have to meet. This may involve legal requirements, but also such that we have to ensure in order to continue conducting our business. We have a solid platform from which to meet these requirements effectively via our ERP system, in a way that is entirely consistent with ISO 9001:2015 and 14001:2015. Every year we undergo an external audit. We view this as a good way of verifying our work in this field.

Binding environmental requirements are handled within the environmental management process, in which we commit to undertake an energy audit, legislation compliance review for waste management and a supplier assessment of our critical suppliers.

Binding requirements related to social factors and personnel centre on gender equality, employee work environment including health & safety and training opportunities, which are subject to work environment legislation. As an employer, we also have a responsibility regarding work adaptation and rehabilitation issues. These requirements are managed within the framework of the HR process.

Our Code of Conduct requires us to comply with the Code of Ethics established by FIDIC* to respect basic human rights and operate in line with the UN Declaration on Human Rights and ILO's** core conventions.

Efforts to combat corruption and irregularities are governed by our Code of Conduct.

* International Federation of Consulting Engineers

** International Labour Organisation

Our contributions to Agenda 2030

The urban planning sector has a significant impact on the environmental, social and economic aspects of our society. For example, the construction and property sector accounts for nearly 20 percent of all climate emissions in Sweden, and there are major social challenges to resolve. As a consultant and knowledge partner in the early stages, we have major opportunities to contribute to more sustainable societal development through our assignments.

The UN's 2030 Agenda for Sustainable Development has more and more clearly been established as a central framework for sustainability in the public and private sectors, in line with the global goals for sustainable development. Together, we now have less than eight years to meet these goals, which Sweden has adopted along with the rest of the nations of the world. It is therefore important that decisions taken today are analysed based on these goals and how they can be met.

Against this background, PE is making an important contribution via our consulting role, and we use these goals as the basis for our sustainability work. We do this by contributing to

individual goals within various services, but also in overall sustainability strategy services with system analyses that view all the goals at the same time. The latter point is important in identifying and managing the synergies and competing objectives that inevitably occur in various urban planning aims. We try wherever possible to identify opportunities to make positive contributions to the goals and not just minimise negative impact.

The following is an account of our contributions to the targets where we have a direct influence via our projects. The account is not exhaustive. It merely offers a few examples of how we are playing a part in developing society in a positive way.



3.4 Reduce the number of deaths from non-infectious diseases and promote mental health

Our impact: Low/medium

We contribute by promoting health and well-being in all types of building that we design. For example, we may encourage healthy choices, such as using stairs instead of the lift. We also contribute specifically via designing healthcare facilities.

Project example: Schoolyard projects where the students decided. Customer: SISAB



3.9 Reduce the number of cases of illness and death from hazardous chemicals and pollutants

"By 2030, to substantially reduce the number of deaths and illnesses from hazardous chemicals, as well as from air, water and soil pollution and contamination."

Our impact: Medium

We have an influence, for example, by stipulating healthy materials without hazardous chemicals and by working actively to improve the interior environment of buildings in our projects. Here, our impact may be negative if we do not make active choices.

Project example: Support for sustainable development in Svindersberg. Customer: Nacka Municipality



4.2 Equal access to good quality nursery school

"By no later than 2030, to ensure that all girls and boys have places in good quality nursery schools that offer care and prepare them for starting primary school."

Our impact: Low/medium

We achieve this partly by designing school environments that meet the needs of the organisation and of the children for a secure, learning and functional environment. Through cost-efficient and quality design, we help to meet the need for educational premises.

Project example: New school in Vänersborg gets an all-timber structure, no steel used. Customer: Serneke



4.A Create inclusive and secure educational environments

"To build and improve educational environments that are adapted for children and people with functional impairments, and to take into account equal opportunity aspects and in doing so to offer a secure, calm, inclusive and fit-for-purpose learning environment for all."

Our impact: Medium/high

We achieve this by focusing on the needs of the child and the individual during the design of secure and accessible educational environments.

Project example: Collaboration for smart solutions at Närlundaskolan in Askersund. Customer: Askersund Municipality



6.1 Safe drinking water for all

"By no later than 2030, to provide general and fair access to safe and affordable drinking water for all."

Our impact: Low/medium

Our contribution lies in advanced innovative technology that is at the same time cost-efficient and easy to use. For example, we use microbiological barrier analysis to reduce levels of hazardous substances in water. The technology also prevents the spread of viruses, parasites and bacteria.

Project example: Korsnäs drinking water – from cloudy to crystal clear. Customer: Korsnäs Municipality



6.3 Improve water quality and wastewater purification and increase recycling

"By 2030, to improve the quality of water by reducing contaminants, stopping dumping, minimising emissions of hazardous chemicals and substances, halving the proportion of untreated wastewater and considerably increasing recycling and safe recycling"

Our impact: Low/medium

We contribute via water purification, analysis of land pollution and geotechnical surveys. For example, by designing water treatment plans including advanced and fit-for-purpose technology and remediation of polluted land.

Project example: New residential area and new entrance to Ekerö. Customer: Ekerö Municipality



6.4 More efficient use of water and safe water supply

"By 2030, to bring about considerable efficiency improvements in the use of water in all sectors and to ensure sustainable extraction and sustainable provision of fresh water in order to tackle the shortage of water and substantially reduce the number of people suffering from a shortage of water."

Our impact: Medium

Our positive contribution is made in part via our projects in water/wastewater, landscaping and planning of 'Blue Green' structures, and in part via smart design of the systems of the property itself, for example by optimising the use of water. A risk exists that we may contribute to negative impact if the use of water issue is not taken into account properly in our projects.

Project example: Innovative solution for culvert system in Vallastaden. Customer: Tekniska verken i Linköping AB (publ), Linköping



7.2 Increase the proportion of renewable energy in the world

"By 2030, to considerably increase the proportion of renewable energy in the global energy mix."

Our impact: Medium/high

We contribute through a number of our services. For example, in the development of renewable energy technology and installations for energy efficiency, as well as in property development and certification projects.

Project example: Parkhusen in Gränbystaden, kv. 2, Uppsala. Customer: TL Bygg/Atrium Ljungberg



7.3 Double the increase in energy efficiency

"By 2030, to double the rate of global improvement in energy efficiency."

Our impact: High

The construction and property sector offers great potential for upping the pace of improvement in energy efficiency. We have a major influence via our projects, where our contribution lies in energy optimisation, technological initiatives and, in the early stages, facilitation and execution of energy strategy options from a system perspective. The risk of negative impact is that we may not succeed in bringing about sufficiently effective measures.

Project example: Energy strategy. Customer: Kungsliden



8.4 Improve resource efficiency in consumption and production

Our impact: Low/medium

We contribute to circular consumption and production for example by using recycled materials and equipment. Here, our impact may be considerably negative in the projects where virgin materials are used or where we chose materials that cannot be recycled.

Project example: State-of-the-art office building attached to 19th century house. Customer: Bergman & Höök (Property owners: Bygg-Göta and Platzer)



8.8 Protect the rights of employees and promote a secure and safe work environment for all

"To protect the rights of employees and promote a secure and safe work environment for all employees, including migrant labour, especially women migrants and people in insecure employment."

Our impact: Medium

In several of our projects, we work outside on building sites, where we have a major influence in promoting a secure and safe work environment. Our contribution is via our site work environment coordinators in both planning and execution. We use the ID06 identification system to help assure a fair and secure work environment.

Project example: Renovation of spires at Uppsala Cathedral. Customer: Church of Sweden



11.1 Safe, affordable homes

Our impact: Low/medium

By promoting smart choices at an early stage, we can affect the final prices for the homes we design. We may contribute to negative effect in cases where, when consulting with our clients, we do not focus actively on maximising efficiency in the construction process from a financial perspective.

Project example: Refurbishment of classic Stjärnhusen buildings. Customer: ÖBO (Örebro Bostäder AB)



11.2 Make sustainable transport systems available to all

"By no later than 2030, to provide safe, affordable, accessible and sustainable transport systems for all. Improve traffic safety, in particular by expanding public transport, with a special focus on the needs of people in vulnerable situations, women, children, people with functional impairments and the elderly."

Our impact: Low/medium

In our role as consultant, we both propose and enable sustainable transport systems and facilities for switching between different modes of transport.

Project example: Renewal of the Stockholm Metro. Customer: Stockholm County Council Transport Administration



11.3 Inclusive and sustainable urbanisation

Our impact: Medium/high

We contribute via our projects in urban, district and property development, by taking the views of users into account, for example through active participation and inclusive dialogue with citizens.

Project example: Digital dialogue with citizens. Customer: Bostadsutveckling Kungens Kurva AB



11.6 Reduce the environmental impact of cities

"By 2030, to reduce the negative environmental impact of cities per person, for example by paying particular attention to air quality and the treatment of municipal and other waste."

Our contribution: High

We have major ability to contribute by linking together and optimising environmental impact from a holistic perspective: the environmental impact of buildings from a lifecycle perspective, the activities conducted in them, and transport movements to and from. If the systematic perspective on the environmental issues is not taken into account, there is potential for considerable negative impact.

Project example: Scalable model for climate-smart decisions. Customer: Arwidsro Fastighets AB



11.7 Create safe and inclusive green areas for all

"By no later than 2030, to provide universal access to safe, inclusive and accessible green areas and public places, in particular for women and children, the elderly and those with functional impairments."

Our impact: Medium/high

In our landscaping and urban planning projects, we have great scope for contributing to safe and inclusive green areas and public places that are accessible to everyone. As consultant, we have a role in proposing green and accessible areas in the urban environment.

Project example: Fabriksparken, Sundbyberg, Greater Stockholm, with space for well-being. Customer: Skandia Fastigheter



11.A Promote national and regional development planning

"Promote positive economic, social and environmental links between urban areas, peri-urban areas and rural areas by strengthening national and regional development planning."

Our impact: Medium/high

Via our projects at an early stage of the planning process, we contribute with a holistic approach to regional development from an economic, social and environmental perspective.

Project example: Urban transformation in the harbour area of Norrtälje. Customer: Norrtälje Municipality



12.2 Sustainable management of use of natural resources

"By no later than 2030, to achieve sustainable administration and efficient use of natural resources."

Our impact: Medium

Our contribution lies in the reuse of natural resources and materials and in taking a circular approach to construction, for example, by enabling a building to change function over time. A major contribution lies in creating conditions to ensure that what is built has a long service life, with smart bearing structures, a high level of fire safety and flexible floor plans. Major negative impact may arise in projects where efficient use of resources is not taken into account.

Project example: Repurposing on a major scale: Krokslätts Fabriker, Mölndal. Customer: Husvärden, K21 Entreprenad



12.4 Responsible management of chemicals and waste

"By no later than 2020, to achieve environmentally sound management of chemicals and all types of waste throughout their life cycle, in accordance with agreed international frameworks, and to significantly reduce their release into air, water and soil, in order to minimise their adverse impacts on human health and the environment."

Our impact: Medium

We work to ensure the efficient use of resources, reference to ecosystem services and reduced impact from hazardous chemicals through the use of environmental databases such as BvB, Basta and Sundahus.

Project example: Platinan – one of the biggest development projects in the Nordic region. Customer: PEAB, Vasakronan



12.5 Sharply reduce the volume of waste

"By 2030, to considerably reduce the volume of waste through measures to prevent, reduce, recycle or reuse waste."

Our impact: High

As architects and specialists, we have a huge opportunity to influence the design of buildings and environments, by designing for the circular use of materials. There is also major potential here for negative influence in the projects that use virgin materials.

Project example: Co-location with a timeless design. Customer: Region Stockholm



13.1 Strengthen resistance to and capability for adjustment to climate-related disasters

"To strengthen resistance to and capability for adjustment to climate-related hazards and natural disasters in all countries."

Our impact: High

Our contribution is through climate adjustment projects, both as part of urban planning, landscaping and property development, and via climate risk analysis and remediation assessments. If these aspects are not taken into account, there is a risk of major negative impact, since development often means lower resistance, and lower capability to adjust, to climate-related disasters unless active choices are made.

Project example: Climate risk analysis of the building portfolio. Customer: Rikshem AB



13.3 Increase knowledge of and capacity for managing climate change

"To improve education, awareness and the human and institutional capacity with regard to limiting climate change, adapting to climate change, minimising the consequences of climate change and early warning."

Our impact: High

The building and property sector accounts for a fifth of Sweden's emissions. PE contributes via broadly-based and holistic know-how in climate-smart building, in which architects, designers, environmental experts, fire safety engineers, damp experts, acoustics specialists and our thousands of other experts work together in climate-smart project design.

Project example: Training in sustainability in the construction and real estate sector. Customer: Signalisen, Solna City's public housing foundation

Read about our work promoting climate-smart construction: <https://www.pe.se/kunskapsomrade/klimatsmart-byggande>



14.1 Reduce marine pollution

Our impact: Low/medium

Via geotechnical surveys, remediation of contaminated land and sensitive designs in coastal regions, we have the capacity to meet strict requirements regarding water conditions and to help reduce marine pollution from land-based activities.

Project example: Marine challenges in the Malaga district, Tjörn. Customer: AB Toftö



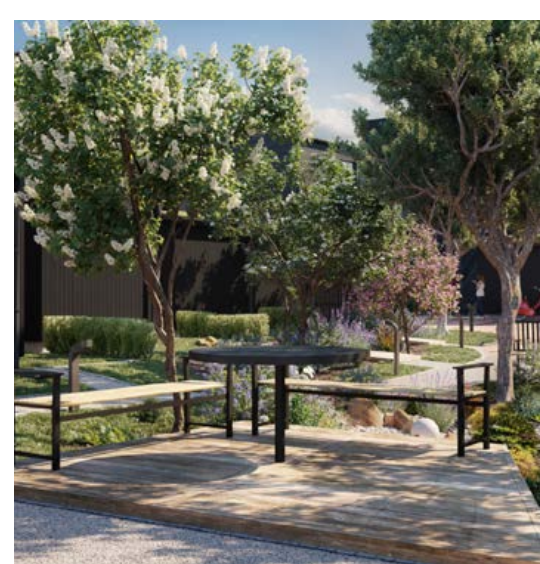
15.5 Protect biological diversity and natural, living environments

"To take immediate and substantive measures to reduce destruction of natural, living environments, halt the loss of biological diversity and by no later than 2020 prevent the extinction of threatened species."

Our impact: Medium/high

We promote ecosystems and biological diversity by offering for example: urban and landscape analysis, development analysis, environmental impact assessments, land descriptions, green zone factor calculation, plant, care and maintenance plans. If these factors are not taken into account, there is a risk of major negative impact, since development often leads to destruction of natural, living environments, and contributes to loss of biological diversity, unless active choices are made.

Project example: Environmental impact assessment, MKB, Svindersberg. Customer: Nacka Municipality



Priorities

We use the materiality analysis as the basis for prioritising our sustainability work. This takes account of both our stakeholders' expectations of us and materiality for our business.

For us, sustainability is a long-term, holistic issue. We endeavour to improve on all aspects of sustainability, and continually measure outcomes to ensure that we are moving in the right direction. Prioritisation in the materiality analysis helps us see whether our sustainability work has the right aims and focus. The

materiality analysis applies a weighting to our sustainability topics, with our material topics being those aspects that are most important to both stakeholders and the business. The materiality analysis forms the basis for how we prioritise our development work.

PE 2021 materiality analysis



Material topics

Materiality analyses are based on a stakeholder analysis and an analysis of sustainability from a business perspective. The stakeholder analysis is based on documented stakeholder engagement with representatives from our key stakeholder groups. For other stakeholder groups, we have conducted an in-house analysis based on our business intelligence and surveys. Find out more about the methodology for our stakeholder dialogue and analysis under the heading Collaboration in Society, topic 13.

Our senior business leaders have applied the business analysis to assess each sustainability topic based on the possibility

of reducing risk, increasing our relevance, reducing costs or increasing revenue as a way of quantifying the significance of the economic, environmental and social impact. The analysis was conducted in each business area in conjunction with the business planning process. The 2021 materiality analysis identified four topics of sustainability as material: employee well-being, quality, stable financial performance and our sustainability contribution through our assignments. A number of large development projects have focused on this over the year.

Material risks

	Material risks	Opportunities
Employee well-being	<ul style="list-style-type: none">• Risk of high employee turnover• Risk of difficulty recruiting the right skills• Risk of lower utilisation rate due to illness• Risk of lack of quality in our services due to carelessness and poor commitment	<ul style="list-style-type: none">• Ability to increase quality in our services• Ability to attract and retain employees
Stable financial performance	<ul style="list-style-type: none">• Risk of not meeting our stakeholders' expectations regarding the economic value we create and benefits in the form of pay to employees, returns for shareholders, tax for the state and government agencies, etc.	<ul style="list-style-type: none">• Ability to invest in the business and employees• Ability to grow and create more jobs• Ability to manage innovation and cooperation
Quality	<ul style="list-style-type: none">• Risk of us not delivering the quality our clients expect	<ul style="list-style-type: none">• Exceeding our clients' expectations and building trust and relevance
Contribution to sustainability through our assignments	<ul style="list-style-type: none">• That we fail to take the long-term responsibility that our stakeholders expect• That we do not contribute to sustainable development	<ul style="list-style-type: none">• Greater relevance for our clients• Contribution to greater credibility as an urban planner

We take active measures to reduce the negative impact and support the positive impact of our material sustainability risks. We focus actively on promoting the well-being of our employees in our day-to-day operations and, in 2021 we continued to invest for example in leadership development, introducing a Group-wide training programme including all our managers. We have also been working on forums for discussion and sharing of experience for young talents.

In addition, we have continued to work on our tool for weekly measurements of employee engagement. The tool also serves to identify cases of discriminatory treatment of employees.

Risks associated with financial stability in 2021 were managed through continuous monitoring and improvement of our ERP system and brief follow-ups of clients.

We have minimised quality risks by implementing our new digital ERP system and halving the number of policies to make them more transparent and manageable for our employees. We have also introduced a digital client survey system to reinforce our work in quality assurance.

During the year we took further steps to integrate sustainability targets and governance into the line organisation in order to increase the contribution we make to sustainability through our projects. Under this sustainability topic, each business area developed action plans to further bolster the contribution we make.

Varied and green district in Trelleborg

Trelleborg is a growing municipality and in a land allocation competition we were commissioned in partnership with OBOS to develop a new residential area in Västra Gränstorp. The focus is on variety, shared spaces and greenery.

The district will gain a varied, urban development characterised by a small-scale approach. In all, 21 dwellings will be built in three blocks, framing a green courtyard. In the development, OBOS will offer both rowhouses and apartments of different sizes, while creating shared spaces for activities for all ages. The district will be characterised by both environmental and social sustainability, and occupancy is planned from spring 2023.

Two of the rows will consist of white two-storey constructions, with a distinct gable end that ties in with the traditional Skåne style of the region. The third row will have three floors with apartments of varying sizes. The houses will be built on a timber frame, but will have a light-coloured brick façade, while the apartment buildings will be clad in wood and slate in a darker tone.





”

Working with OBOS, our focus is on efficient land use, timber frames in all houses, energy efficient materials and biodiversity. The district will be green and leafy with trees, vegetation, green roofs and shared activity areas between the buildings as a continuation of the adjacent park planned by the municipality.

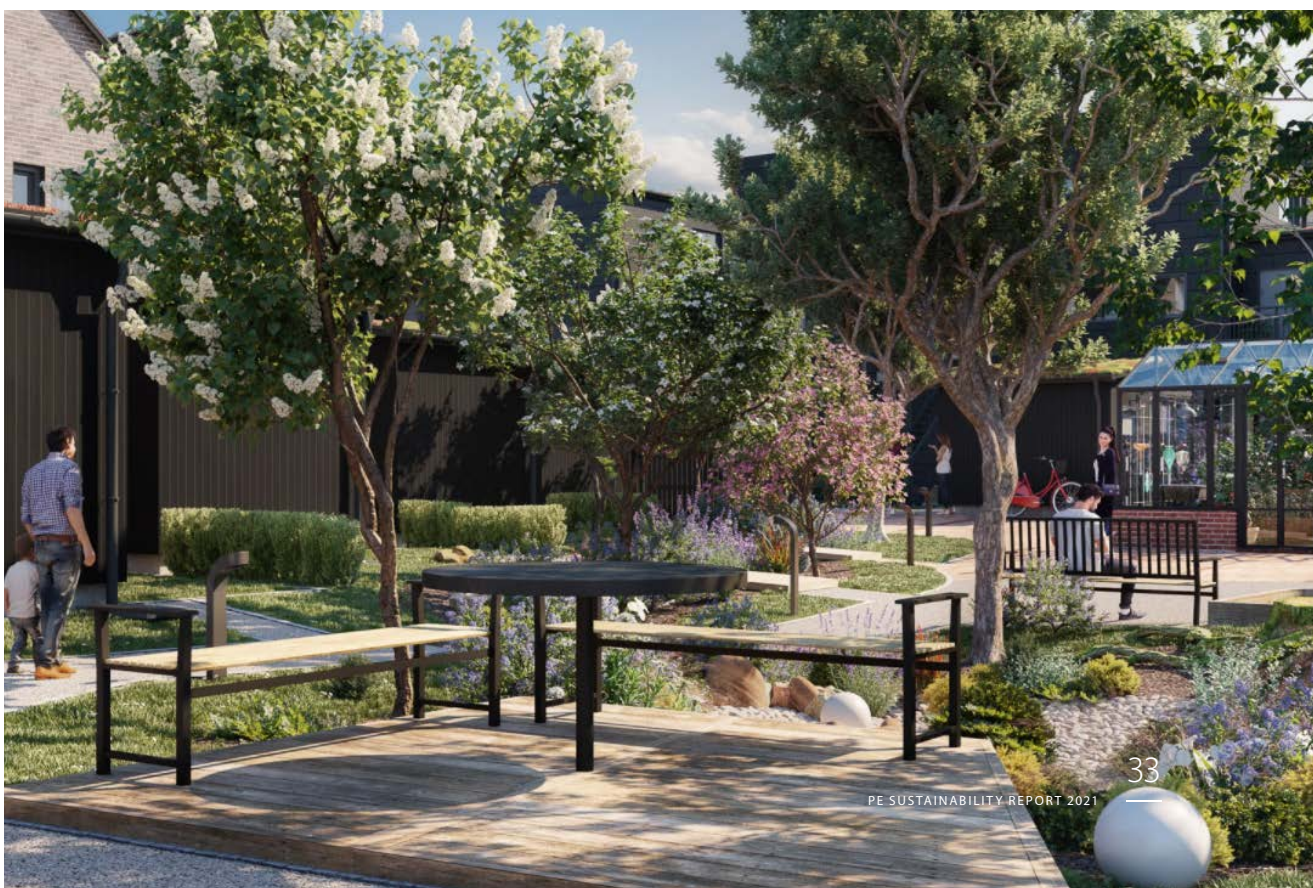
Linda Kärrstedt, Principal Architect SAR/MSA at PE

Västra Gränstorp, Trelleborg

Customer: OBOS

Project timetable: 2019–2023

Areas of expertise: Architecture, landscape architecture, sustainability, fire safety



Our sustainability targets

We focus on long-term sustainability targets for our business and measure and analyse these targets annually. This work is an integral part of business planning and in the following we report in line with the GRI indicators we have chosen.

Our aim is for the business to be climate neutral by 2030. The focus is on travel, which leaves our biggest climate footprint. We improved our outcome in the social sustainability topics: we now have a more equal gender balance at all levels of the Company.

In the following, we describe our internal impact and targets relative to the global goals. This is not yet exhaustive, but we work continuously on assessing and improving our positive impact, while reducing our negative impact.

Financial performance and anti-corruption



8.1 Sustainable economic growth

"To maintain per capita economic growth in line with national conditions and, in particular, GDP growth of no less than 7 per cent annually in the least developed countries."

Economic value	2020 outcome	2021 outcome
Net revenue, SEKm	1,167	1,013
Distributed value, SEKm		
Employees	757	668
Owners	0	0
Suppliers	256	213
State & government agencies	17	7
Lenders	14	13

Our impact: Low/medium

Our activities in urban planning are closely linked to Sweden's GDP. We aim to grow in pace with society, to create and maintain jobs, to be able to reinvest in our employees and to deliver returns to our shareholders.



16.5 Combat bribery and corruption

"To substantially reduce all forms of bribery and corruption."

Anti-corruption	2020 outcome	2021 outcome	2022 target
Training in the Code of Conduct	20%	0%	100%

Our impact: Medium

We operate in a sector where bribery and corruption exist. We have a responsibility to clients, suppliers and other stakeholders to actively promote a business climate that is sustainable in the long term.

Supplier review	2020 outcome	2021 outcome	2022 target
Percentage of critical suppliers that have received and accepted PE's Supplier Code of Conduct	48%	52%	100%

Our impact: Medium

Our biggest impact comes from our sub-consultants who work with us on our assignments.

Analysis and actions in Financial performance and anti-corruption:

Since early 2006, our overall objective has been to generate value for shareholders and other stakeholders via profitable and sustainable growth. Our overall objective of profitable, sustainable growth will be achieved by working systematically on implementing a clear strategy alongside clear financial targets. Find out more about our financial targets in our Annual Report or at [pe.se](https://www.pe.se).

We operate a clear and Group-wide Code of Conduct, which is accepted both internally and externally. The Code of Conduct for Suppliers is now an

integral part of our contracts, which means that we will achieve full acceptance by our sub-contract suppliers in the course of 2021.

Our employees are responsible for familiarising themselves with and observing our Code of Conduct, as well as laws and regulations. As a result of an update of the Code of Conduct in 2021, training to heighten all employees' awareness of anti-corruption and business ethics will be implemented in 2022 to ensure that it maintains a high level. In our supplier review, the focus was on the critical suppliers working on our assignments.

Environment



13 Climate Action

"Take immediate measures to combat climate change and its consequences."

Direct CO ₂ emissions (Scopes 1 and 3)	2020 outcome	2021 outcome	2022 target
Road travel (ton CO ₂ eq) Scope 1	228	143	
Road travel (ton CO ₂ eq) Scope 3	–	122	Climate neutral 2030
Air travel (ton CO ₂ eq) Scope 3	48	7	
Rail travel (tonnes of CO ₂ eq) Scope 3	1	0	
Total	277	272	

GHG emissions intensity	2020 outcome	2021 outcome	2022 target
Emissions per employee	330	325	Climate neutral 2030

Our impact: Medium

Our biggest impact is from our travel, both on business and to and from work. Car travel accounts for the most impact, but air travel also has a negative effect. Electricity consumption at the offices is another factor, but represents a minor amount of our overall emissions.



12.5 Sharply reduce the volume of waste

"By 2030, to considerably reduce the volume of waste through measures to prevent, reduce, recycle or reuse waste."

Our impact: Low

The waste our organisation produces is from our offices, and in that area we focus actively on recycling. We also have an influence via the equipment we use for our work, such as computers, telephones and office equipment. Here, our focus is on leasing and reuse. Our internal activities are where we have the greatest degree of control, but in terms of the huge flows of materials in the construction sector, this has minor impact. Within our assignments, we have considerable scope for increasing circular flows of resources.



7.3 Double the increase in energy efficiency

"By 2030, to double the rate of global improvement in energy efficiency."

Indirect CO ₂ emissions (Scope 2)	2020 outcome	2021 outcome	2022 target
Electricity for office-based operations (tonnes of CO ₂ equiv.)	40	8	Climate neutral 2030

Our impact: Minor

The volume of electricity that we use in our offices is little compared to what is used in, for example, our travel.

Analysis and measures in Environment:

Travel stabilised during the year due to continued home working. The objective going forward is to become climate neutral by 2030 and we have for example a new car policy in place, with stricter emission limits and the possibility of using electric cars.

We are reducing our electricity consumption via co-locations, with fewer offices and a gradual transition to green electricity. Volumes of waste are being reduced by minimising printouts, using digital signatures and reusing furniture in co-locations, as well as by cutting down on food waste and minimising single-use packaging.

Social factors and personnel



5.5 Ensure full involvement in leadership and decision-making

"To ensure that women are offered full and real involvement and equal opportunities for leadership at all decision-making levels in political, financial and public life."

Gender balance (Women | men)

	2020 outcome	2021 outcome	2022 target
Board of Directors	33% 67%	33% 67%	The gender balance should be 40/60 percent or more even
Management	40% 60%	30% 70%	
All employees	31% 69%	34% 66%	

Our impact: Medium/high

Our values and attitudes affect how open we are to an even gender balance at all levels.



3.4 Reduce the number of deaths from non-infectious diseases and promote mental health

"By 2030, via preventive measures and treatment, to reduce the number of people who die prematurely from non-infectious diseases by one third and to promote mental health and well-being."

Health and safety	2020 outcome	2021 outcome	2022 target
Number of accidents per 1,000 employees	6	0	0
Industry average, occupational injuries per 1,000 employees for Architectural and Technical Consulting Businesses	No data	0.26	

(Source: Swedish Work Environment Authority)

Sickness absence	2020 outcome	2021 outcome	2022 target
Sickness absence	4%	3.7%	Lower sickness absence than the average for Sweden
Average for Sweden, absence due to sickness	No data	3.9%	

(Source Sweden: Confederation of Swedish Enterprise & Ekonomifakta)

Our impact: Medium/high

We know that mental ill-health is becoming increasingly common among professionals. To improve our work in health and safety, we offer both health and wellness allowances and sickness insurance. Not working proactively to promote mental health risks major negative impact for the individual, society and our organisation.



8.5 Full employment and decent working conditions with equal pay for all

"By no later than 2030, to achieve full and productive employment, with decent working conditions for all women and men, including young people and people with functional impairments, as well as equal pay for equal work."

Our impact: Medium

As one of Sweden's biggest companies in urban planning, we have great influence over and responsibility for the working conditions of our nearly one thousand employees. All of our employees are covered by collective bargaining agreements.



8.8 Protect the rights of employees and promote a secure and safe work environment for all

"Protect the rights of employees and promote a secure and safe work environment for all employees, including migrant labour, especially women migrants and people in insecure employment."

Discrimination	2020 outcome	2021 outcome	2022 target
Number of reported cases of discrimination	0	0	0

Our impact: Low/medium

An ongoing and well-established work environment programme at all offices, but also for when we are out visiting clients, is important in terms of offering a secure and safe workplace.

Analysis and actions in Social factors and personnel:

We focus actively on establishing a more even gender balance in our recruitment, but also via internal talent and mentoring programmes.

One of our strategic areas is our aim to be the best workplace. To succeed in that aim, we need to work proactively in-house, but also externally, for example in teams with stakeholders such as universities and colleges.

Our work on employee well-being, via continuous monitoring and activities, has led to a downturn in sickness absence, despite the current situation of Covid-19. We fear that the unreported number of cases of psychosocial ill-health is considerable, and we are working preventively on the incidence of psychosocial ill-health and discrimination via management and leadership development, regular employee reviews and pulse-based employee surveys.

EU taxonomy for sustainable business

Accounting under Article 8 of the Taxonomy Regulation

The EU Taxonomy Regulation is a regulatory framework designed to help investors define and classify sustainable investments. It is an important part of the European Commission's action plan to fulfil the Paris Agreement, Agenda 2030 and the EU's Green Deal.

The taxonomy sets forth six environmental objectives. For a particular economic activity to be classified as sustainable according to the Taxonomy, it must contribute significantly to one of the environmental objectives, not cause significant harm to any of the other objectives and meet certain minimum requirements in terms of social sustainability. Financial operations must also comply with what are known as technical audit criteria.

The six environmental objectives:

1. Climate change mitigation
2. Adaptation to climate changes
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

In 2021, the EU Member States approved the first delegated act containing technical review criteria for the first two objectives of the EU Taxonomy. The taxonomy came into force on 1 January 2022.

For the financial year 2021, all public interest entities with more than 500 employees must report the proportion of their activities covered by the EU Taxonomy. Delegated acts for other objectives will enter into force on 1 January 2023 and the companies covered will then have to report on the extent to which their economic activities are aligned with the Taxonomy.

Assessment of how the business falls within the scope of the Taxonomy Regulation

Our industry is included in the industries that are covered by the Taxonomy, according to the technical review criteria describing economic activities for the first two environmental objectives.

Almost 80 percent of PE's revenue is generated by projects in the construction and real estate sector. However, the work that PE consultants to a large extent contribute, such as feasibility studies,

analyses and designs, is not described in the technical audit criteria for the construction and real estate sector. It is therefore considered that these activities are not covered by the Taxonomy.

Based on how the technical review criteria are framed, only a small proportion of PE's activities are deemed to fall within the scope of the EU Taxonomy and these are in the following economic activities:

- 9.1. Technical consultancy etc. regarding climate adaptation
- 9.3. Professional services related to the energy performance of buildings

Most of falls within the scope of activity 9.3, in the form of technical consultations, assessments and improvements of the energy performance of buildings and energy management services.

Reporting of scope

Three financial key indicators must be reported for the proportion of the business that is covered by the EU Taxonomy Regulation; these are revenue, operating expenditure (OpEx) and capital expenditure (CapEx).

- *Revenue*: Consists of revenue in 9.1 and 9.3 as a percentage of total revenue for the 2021 financial year. Revenue from the railway business, which was divested in 2021, is excluded from the calculation.
- *Operating expenditure*: Consists of the corresponding share of total costs for personnel, premises, working materials etc.
- *Capital expenditure*: PE falls within the scope of the Taxonomy only via assignments and not via its own investments. This means that none of PE's capital expenditure falls within the scope of the Taxonomy.

Scope in accordance with EU Taxonomy Regulation

	Proportion of economic activities within the scope of the Taxonomy	Proportion of economic activities outside the scope of the Taxonomy
Revenue (Turnover)	2.1%	97.9%
Operating expenditure (OpEx)	2.1%	97.9%
Capital expenditure (CapEx)	0%	100%

About this report

Report information

This report covers Projektengagemang Sweden AB's business operations from 1 January 2021 to 31 December 2021 and complies with the guidelines of international organisation Global Reporting Initiative (GRI). The report has been prepared in accordance with GRI Standards at the application level of Core and GRI Standard's 10 reporting principles:

1. Stakeholder Inclusiveness

Sustainability topic **Transparency and stakeholder engagement** describes what measures we take to include our stakeholders. Under **binding requirements** and **priorities** we highlight expectations from our stakeholders and how we relate to and meet these.

2. Sustainability Context

The section **Sustainability Targets and Outcomes** includes relevant comparative figures to put our outcomes in context. We also show how our work contributes to Sustainable Development Goals targets.

3. Materiality

The **Priorities section** reports the significance of our sustainability topics to our stakeholders and the impact on our business compiled in the materiality analysis.

4. Completeness

Our 13 **sustainability topics** define all of our sustainability work, which we set out in this report.

5. Accuracy

The information in this report is accurate. We have endeavoured to provide a consistently even and adequate level of detail so our stakeholders can assess our performance.

6. Balance

The **Sustainability Targets and Outcomes** section refers to both positive and negative aspects of our outcomes.

7. Clarity

Our ambition has been to systematically include the information required for our stakeholders to gain a good overview without having to refer to too many other sources.

8. Comparability

Where we have historical data we have purposely chosen common standard indicators to provide comparability between years.

9. Reliability

This report has been reviewed by the Company's auditors in conjunction with the annual accounts. The targets and metrics that we report are included in our ERP system and are compiled at central level each year.

10. Timeline

Our last sustainability report was published in April 2020. We produce our sustainability report annually in conjunction with our annual report.

Unless stated otherwise, the information in this report covers 100 percent of PE's wholly owned companies in Sweden.

Point of contact for the sustainability report:

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General standard disclosures

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Disclosure 102-10	Significant changes to the organisation and its supply chain	p. 23	
Disclosure 102-11	Precautionary principle or approach	–	PE does not manufacture products
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PE is one of Sweden's leading engineering and architecture consulting firms. As urban planners, we create innovative and sustainable solutions shaping the development of cities and communities. We are represented throughout Sweden and our annual revenue is in excess of SEK 1 billion. PE was founded in 2006 and is listed on Nasdaq Stockholm. Find out more at **pe.se**.

