

Sweco Sustainability Report 2023



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Sweco operates at the centre of the green transition. With our 22,000 architects, engineers and other experts, we work with our clients to design solutions to major societal challenges.

Our work method enables us to offer our clients a combination of global expertise and local presence and understanding, adapted to their business and reality. Sweco's ambition is to be our clients' most relevant and committed partner.

Sweco is where experts come together. From the big picture to the smallest details, we combine our skills and perspectives to learn from each other and grow as one team. At Sweco, everyone is empowered to utilise their expertise – because we believe that we create the best results when we work together.

Sweco – Transforming society together



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Transforming society together

As Europe's leading architecture and engineering consultancy, Sweco's specialists are driving the green transition together with their clients. Below are some examples of Sweco's work in various client projects and what it's like to work at Sweco.

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Interactive, clickable annual report

This is an interactive version of Sweco's Annual and Sustainability Report. You can easily navigate between the various sections using the menu in the left-hand column.

Sustainability Report

This report comprises Sweco's statutory Sustainability Report in accordance with the Swedish Annual Accounts Act. The Sustainability Report has been prepared with inspiration from the guidelines of the Global Reporting Initiative.

Financial Calendar

16 May 2024	Interim report January–March 2024
16 July 2024	Interim report January–June 2024
30 October 2024	Interim report January–September 2024
7 February 2025	Year-end report 2024

Digital news

Visit swecogroup.com/ir to subscribe to press releases and reports from Sweco. Select the information you want to receive and it will be sent to your email address on the date of publication. Fast, easy and eco-friendly.

Cover image

Norra Djurgårdsstaden in Stockholm, Sweden is a sustainability profile area that serves as a test bed for new ideas and innovations in sustainable urban development. Sweco's contribution includes solutions for vibrant and attractive urban environments, increased resource efficiency and reduced climate impact.

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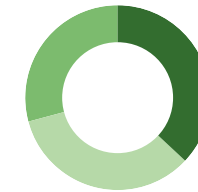
This is Sweco

Sweco is Europe’s leading architecture and engineering consultancy, where more than 22,000 experts work on over 150,000 projects each year. Sweco offers multidisciplinary services in the following segments: buildings and urban areas; water, energy and industry; and transportation infrastructure. Sweco’s architecture operations are integrated into all segments. Sweco’s experts help private and public clients analyse, evaluate, plan and design solutions that create tomorrow’s sustainable cities and communities.

The business is operated in eight geographical business areas covering around 15 markets in Europe. Sweco also conducts project exports to many countries throughout the world. Sweco’s strategy is to grow through a combination of acquisitions and organic growth. Sweco has completed more than 160 acquisitions in the past 20 years.

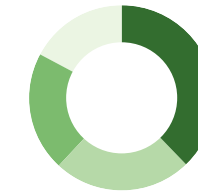
Sweco’s decentralised organisation is the cornerstone of the business, with around 1,700 local teams responsible for client relationships, projects and employees. This is a client-focused, efficient working method that has been crucial to Sweco’s success over the years.

Net sales by segment in 2023, %



- Buildings and urban areas, 37 (37)
- Water, energy and industry, 34 (33)
- Transportation infrastructure, 29 (30)

Net sales by client category in 2023, %



- Public sector, 38 (38)
- Other private sector companies, 24 (21)
- Industrial companies, 21 (20)
- Housing, real estate and construction, 17 (21)

Net sales by business area in 2023, %



- Sweco Sweden, 29 (32)
- Sweco Belgium, 13 (10)
- Sweco Finland, 13 (13)
- Sweco Norway, 12 (13)
- Sweco Denmark, 10 (9)
- Sweco Netherlands, 10 (9)
- Sweco Germany and Central Europe, 8 (8)
- Sweco UK, 5 (6)



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The year in brief

Robust growth

Increased net sales and stable demand, despite some market challenges and a recession in Europe.

Strong earnings improvement

Improvement in earnings before depreciation and impairment, despite cost increases. Fee increases and a greater number of employees were instrumental to the improvement.

High level of acquisition activity

Acquisitions to strengthen Sweco's market presence and expertise in key areas and expand the company's geographic footprint were completed.

Strengthened order book

Sweco has won more and more major projects that support the green transition in Europe.

More employees

An increased number of employees with a strong focus on integrating new expertise into the company.

Increased focus

The green transition in the energy sector, industry, transportation infrastructure and urban communities are focus areas for Sweco.

Net sales 2023

28.5

SEK billion
(24.3)

EBITA 2023

2.5

SEK billion
(2.2)

EBITA margin 2023

8.9%

(9.2)

Percentage of women
in the Group

35%

(35)

CO₂ emissions
per full-time equivalent

3.3 tonnes

(3.3)

Number of acquisitions
completed

10

(12)

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Strategy and value creation



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Trends that drive demand for Sweco's services

The green transition, digitalisation and resilience are the overarching trends that impact Sweco's clients and drive Sweco's business. Sweco's expertise is in demand in areas such as resource-efficient industrial solutions, modern transportation infrastructure, reliable energy solutions and climate-smart urban planning. All of these areas are crucial for the sustainable development of society.

Challenges accelerate the need for planning

Europe is facing major challenges. With inflation as its highest level in decades, key interest rates have increased, economic activity has weakened and the short-term economic outlook is flat. With the high degree of geopolitical uncertainty, there is a risk that the ongoing energy crisis may be intensified. There are also longer-term challenges. Climate change and loss of biodiversity may have serious consequences for societies and ecosystems throughout the world.

Many European cities and societies are in need of action plans and concrete measures to ensure water, energy and materials supply in the event of crisis or war. Climate changes, with increased rainfall, higher temperatures and rising sea levels, also place demands on urban planning for new and existing areas.

Focus on energy transition

Reducing climate impact while meeting society's growing need for energy involves creating a secure and efficient supply, distribution and consumption of energy for industry and society at large, while accelerating the transition to fossil-free energy sources. This is a high-priority issue and at the UN's annual climate change conference, COP28, the world's countries agreed to triple the expansion of renewable energy and double the rate of energy optimisation by 2030. Jobs and interesting business opportunities are being created as a range



Sweco has been selected by biotech company Ecohelix to design a modern production facility for renewable wood-based polymer products. The facility will be built entirely from wood, which is still an unusual choice of material for industrial buildings. Sweco has successfully demonstrated the differences in carbon emissions and costs for traditional concrete frames versus wooden frames, with wood being the clear winner.

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of sectors collaborate on the development and implementation of new technologies and systems solutions.





Digitalisation as a facilitator

The digitalisation of society is well underway. The development curve is exponential, and advanced IT solutions that link everything together are playing an increasingly important role in shaping tomorrow's sustainable cities and communities. With new digital tools

enabling more distance-based work, changes in consumer behaviour with the rapid growth of e-commerce, and housing shortages in many areas, the overall attractiveness of city centres has declined and the development of urban-like areas near but outside typical metropolitan regions is accelerating. A new type of urban planning is emerging, and with it a need for improvements to vital societal functions and infrastructure such as schools, hospitals, energy, water, heating, waste management and public transport. There has

never been greater opportunity to steer development towards a sustainable future through digital solutions, combined with circularity and the green economy. This rapid evolution means that today's architects and engineers need to have a comprehensive perspective, mastering all the advanced technologies that are emerging and understanding how these can be applied to actively support sustainable development.

Growth segments in the green transition

<p>Energy transition</p> 	<p>Transportation transition</p> 	<p>Industry transition</p> 	<p>Urban transition</p> 
<p>EUR 300 billion REPowerEU investment package</p>	<p>Doubling of Europe's high-speed rail infrastructure by 2030</p>	<p>EUR 40 billion in available capital from the EU Innovation Fund over the next decade</p>	<p>EUR 680 billion of EU's budget will be allocated for climate-relevant measures during the 2021–2027 period</p>

Sweco's offering

Leading-edge expertise in energy systems and electricity grids:

- Transmission and distribution
- Wind and solar power
- Hydrogen and energy storage

Leading European railway consultancy, with 6,000 experts. Multidisciplinary expertise in:

- Mobility and active travel
- Electrification and fossil-free fuels
- Traffic safety
- Climate adaptation of infrastructure

Trusted advisor to some of Europe's most ambitious large-scale industrial projects:

- Carbon emissions reduction (phase-out of fossil fuels) incl. Carbon Capture and Storage (CCS)
- Industrial circularity
- Energy supply and efficiency
- Battery technology

World's fourth largest architecture company, with over 1,500 architects:

- Built environment planning, design, construction and circularity
- Resilient urban infrastructure
- Nature-based solutions

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Strategy

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Sweco plans and designs the sustainable communities and cities of the future	Achieve leading positions in selected segments and geographies in Europe	A balanced business model and decentralised operational model

What	Where	How
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Europe’s leading engineering consultancy

Sweco’s vision is to be Europe’s most respected knowledge company in the fields of consulting engineering, environmental technology and architecture. Sweco helps its clients reduce the climate footprint of existing industries, establish new industries, develop energy and transportation infrastructure, and build tomorrow’s sustainable communities and cities.

Europe is striving to become a leader in the green transition and increase control over supply chains along with energy and raw material supplies. This process is accelerated by political priorities and programmes, including new legislation on the national and European level. It is also fuelled by growing demand from consumers and investors, increased financing and rapid technological development. This creates many business opportunities for Sweco in the transformation of the energy sector, transportation sector, industry and urban areas.

Sweco’s role in the green transition

As the climate transition gains momentum, there is greater willingness to invest in industry and energy. Sweco estimates that around 5 to 10 per cent of total investments planned in Europe in

these areas are being spent or will be on consulting services. Positioning Sweco as a leader in the green transition is the key to capitalising on market developments.

In the energy transition, Sweco’s experts are involved in the expansion of renewable energy and the adaptation of power systems and electricity grids to meet new capacity requirements as electrification intensifies. The transportation transition involves a shift from fossil-fuelled transport to electricity, expanded public transport and a focus on modernising railway infrastructure. In the industrial transition, Sweco is providing solutions to reduce existing industries’ carbon emissions and establish new industries with a focus on energy, raw materials and circular business models. The urban transition involves building more sustainable, resilient cities and urban areas.



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Focus on Europe

Sweco has a legacy of stable and profitable growth and continues to see good opportunities to grow faster than the market. Sweco’s strategy is to take market-leading positions in its core markets in Europe by growing organically and through acquisitions.

The European architecture and consulting engineering sector is fragmented and has for many years been characterised by strong consolidation. This presents good growth opportunities for Sweco by broadening the company’s market presence and service offerings through acquisitions.

Sweco strives to hold a top-three position in its core markets. A leading position is essential for attracting the most skilled employees and meeting clients’ needs with the best solutions. In 2023 Sweco held top-three positions in five of its eight core markets.

An active acquisition strategy

Sweco has completed more than 160 acquisitions in the past 20 years. This is part of the business areas’ ongoing

operations and a key element in the strategy for continued growth. Through acquisitions, Sweco strengthens its geographical presence, its service offering and its expertise.

Acquisitions are made based on two main and overlapping objectives: to strengthen and establish market-leading positions, and to develop the company’s offering with complementary, niche or specialised expertise.

Sweco’s acquisition focus is on economically strong markets. A professional, geographical, and cultural fit is of paramount importance in Sweco’s evaluation of acquisition candidates. Acquired companies are integrated into Sweco’s organisational and operational structure and under the Sweco brand.

Number of acquisitions completed during the year

10

Number of new experts gained through acquisitions

1,200

The Rhine-Main link is part of the expansion of Germany’s central electricity grid, which will supply the country with climate-neutral energy by 2045. Amprion, the transmission system operator, is planning to gather four DC cable systems in a shared energy corridor to transport offshore wind power from the North Sea to the Rhine-Main area, a distance of over 500 kilometres. Amprion has commissioned Sweco to provide project management services for this key project in Germany’s energy transition.



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Acquisitions during the year**Strengthened position in Belgium**

The acquisition of **VK architects+engineers** adds around 600 experts working in a broad range of construction and infrastructure services. **VK architects+engineers** is a multidisciplinary consultancy, with employees in Belgium, the Netherlands, Luxembourg, the UK and Vietnam. The acquisition strengthens Sweco's market-leading position in Belgium and Luxembourg and supports Sweco's ambition to be a full-service partner in the construction industry.

VAN AKEN Concepts, Architecture and Engineering, Netherlands

Number of employees: 50

A Dutch company specialised in architecture and engineering. The company has strong expertise and experience from the private sector and urban studies, which complements Sweco's offering. With the acquisition, Sweco is establishing an architecture platform in the Netherlands.

DS Engineering, Belgium

Number of employees: 8

A structural engineering company with main activities in Flanders. The acquisition adds additional capacity and sought after expertise to Sweco's Belgian business.

Pro-Consult, Norway

Number of employees: 35

A Norwegian company specialised in project management and construction engineering, with expertise in structural engineering, BIM, rehabilitation, and concrete and wooden buildings. The acquisition helps strengthen Sweco's capacity in these areas and increases its geographical coverage in Norway.

Metria, Sweden

Number of employees: 100

A Swedish company working with measurement technology. The acquisition of **Metria AB**, which operates in 20 locations across Sweden, expands the number of Sweco's measurement technology experts in Sweden to 300.

**New expertise in aquatic marine environments**

Medins Havs och Vattenkonsulter AB is specialised in studies of watercourses, lakes and seas. **Medins**, with its 35 employees, has extensive expertise in aquatic environments and is a leader in a range of niches in Sweden. The acquisition makes Sweco the leading aquatic environment consultancy in Sweden and is in line with Sweco's acquisition strategy to grow the business by adding key competencies in important niches.

Neva Architects, Finland

Number of employees: 25

A Finnish specialist in urban planning and residential projects as well as complex renovation and remodelling projects. The acquisition complements Sweco's expertise and adds local presence in the growing Tampere area, helping to make Sweco one of Finland's largest architecture consultancies.

Ball & Berry, UK

Number of employees: 40

A UK specialist in technical and compliance standards in the building control sector. The company, with four offices in the UK, strengthens Sweco's position and expands its geographical presence in the country.

FPC Risk, Belgium

Number of employees: 23

A leader in fire risk management in diverse sectors worldwide. The merger enables Sweco to offer a wide range of services for integrated construction projects. **FPC Risk** is specialised in fire risk engineering services and crisis management.

OJ Rådgivende Ingeniører, Denmark

Number of employees: 325

One of Denmark's leading engineering firms in the building market. With the acquisition, Sweco nearly doubles the size of its building business in Denmark and strengthens its position as one of the country's top engineering and architecture consultancies.

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The Sweco model

Sweco's way of working, and the reason behind the company's success, is grounded in the four cornerstones of Sweco's operational model.

Client focus

Sweco's client promise is to be the most approachable and committed partner, with recognised expertise. Its client base is evenly distributed between public and private clients. The client-focused approach is integrated throughout all of Sweco's processes – from recruitment through project implementation and evaluation. This enables Sweco to deliver more than just expertise and meet a clear client need, distinguishing the company from its competitors.

8.8/10 (8.7/10)

Average score from Sweco's 2023 client satisfaction surveys.

Best people

Employees are Sweco's most important asset, and our aim is to always recruit, develop and retain the industry's top talent. Sweco has a thorough process to ensure that the right employees are recruited and subsequently offered relevant development opportunities. A key success measure is the percentage of employees who recommend others to apply for a job at Sweco.

81% (80)

would recommend Sweco as a nice place to work.

Internal efficiency

Efficient processes, working practices and systems ensure that as much of the consultants' time as possible is dedicated to client projects to deliver optimal project execution. Sweco values simplicity and has a flat organisational structure with a minimum of management layers. The billing ratio, a key efficiency measure, decreased marginally during the year.

73.3% (73.9)

Sweco's billing ratio in 2023.

Decentralised organisation

The foundation of the Sweco model is the company's decentralised organisation. Sweco's operations are comprised of around 1,700 independent teams, with team managers personally responsible for client relationships, projects and employees. This model creates clarity, accountability and commitment throughout the organisation, enabling the business- and client-focused approach that Sweco strives for.

1,700 teams

Empowered teams working closely with clients.

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Good leadership is essential for Sweco

Interview with Helene Hasselskog, Chief HR Officer at Sweco

What significance do Sweco's people have for your overall strategy?

Sweco's strategy is wholly based and dependent on our people. Our entire business is grounded on having talented experts, the best in the industry, working together to deliver important client projects. Our aim is to be the leading advisor in the green transition of society in our main markets in Europe.

How would you describe Sweco's employees?

They are highly skilled in their areas of expertise, in terms of both breadth and depth, so they have the capacity to understand and deliver what our clients need. They are at the forefront. They're experts who play a decisive role in the many projects that are driving the transition to a more sustainable society. They are also team players. Sweco is comprised of 1,700 independent teams that are authorised to make autonomous decisions and drive change projects together with Sweco's clients. Many of our people have a strong commitment to society, and say that they appreciate that Sweco's operations create value for society as a whole as well as generating profits for the company.

What can Sweco offer its employees?

Our employees want to work on exciting, important projects in a stimulating work environment, which is exactly what we offer. These can range from major national projects dealing with renewable energy and sustainable traffic solutions to local projects like circular construction and developing temporary housing solutions in war-torn Ukraine. Even though we have 22,000 employees, Sweco is a decentralised organisation where we, as an employer, trust our employees' abilities and give them a lot of responsibility early on. Our annual employee surveys show that many of our people are proud to work at Sweco, and we're also pleased to be recognised as one of the most attractive employers for engineers in several of our markets.

What are Sweco's greatest challenges?

There is a major shortage of qualified professionals, especially engineers. There's a skills gap – too few people have the expertise to work on driving the green transition of society. We don't have difficulty recruiting people, but there are clearly too few qualified engineers in most of our markets in Europe. The

"talent market" for skilled personnel has also cooled a bit due to the economic slowdown. We therefore need to work hard to retain our highly sought-after experts. Despite the economic downturn in Europe in 2023, we've succeeded in recruiting new people and have also gained new people through the acquisitions we've made.

What do you do to develop your employees, particularly your managers?

With our decentralised organisation, much of our skills development is done locally. In 2023 we ran two group-wide Digital Expertise programmes to improve employees' digital skills. We also implement various measures to attract young talent to Sweco. We have a programme, LEAD, to develop employees who have the potential to take on senior managerial positions. Good leadership is essential for Sweco and is absolutely crucial for our continued success. Sweco's Leadership Statement specifies what it takes to be a leader at Sweco. We believe in inclusive leadership focused on clients, teams and accountability. During 2023 we launched a training programme, EDGE, for our top managers in collaboration with Swiss business school IMD.

Sweco has a target of having 40 per cent female employees by 2040.

How is that going?

Everybody, regardless of gender, has an equal opportunity to be hired by and develop at Sweco. We've exceeded our target in terms of the percentage of women on the Board of Directors and Group Executive Team, but have not yet achieved our target in terms of the organisation as a whole. As at year-end 2023, the percentage of female Sweco Group employees was 35 per cent. Patterns of gender distribution in engineering and architecture companies tend to be more traditional in many of the markets where we operate, with men in the majority. So we have some way to go, while at the same time we're in a better position than most of our competitors. But equality is about more than just gender. In order to understand and meet our clients' challenges and be a dynamic workplace, it's important for Sweco to reflect society at large. For us, this is self-evident.

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Meet our experts



“The best thing about Sweco is that I actually feel that I could work here my entire life. There are so many different areas and work activities I can work with and develop in without needing to change job. I love to try new things in my private life and at work, and I really enjoy being challenged by my colleagues to game of padel or to work on an exciting project. For me, it’s important to really jump in, and at Sweco we can just go for it!”

Anou Persson
Digitalisation Project Manager
Sweco Sweden



“When I started at Sweco, I was involved in a supportive capacity on structural engineering projects. I collaborated with various teams to tackle technical issues and I worked on construction sites. But soon, I wanted to work with really big projects. Now, my responsibilities encompass project co-ordination and structural calculations. I work closely with people from all disciplines, with Sweco colleagues and others. This makes my job extremely exciting and challenging!”

Wouter Schils
Project Leader, Infrastructure
Sweco Belgium



“I’m a building architect and architectural engineer, and I work on a wide scope and across disciplines. I have a lot of experience in planning hospitals, so I lead people in projects dealing with things such as hospital workflows. I focus a great deal of attention on co-ordination with the users – the doctors and nurses. We plan new projects and also improve work flows in existing hospitals. Each hospital has its own priorities and working methods.”

Sabina Grote-Schepers
Architecture Project Manager
Sweco Germany



“My work involves everything having to do with buildings’ energy efficiency and carbon footprint. We can make a real difference in the projects we do for our clients, and I appreciate this. I like the flexibility Sweco offers – the option of working from home as well as at the office. At Sweco, my values are well aligned with my work activities. Sweco provides me with meaningful and challenging work and, most of all, is a really pleasant place to work.”

Jesse Kantola
Unit Director, Sustainability Services
Sweco Finland

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Global expertise with local understanding

In every era, preparing societies for future needs and challenges has always been a guiding principle of Sweco's business. Today, Sweco is Europe's market-leading engineering consultancy and the world's fourth largest architecture company.

The combination of architecture and engineering services has been the key to Sweco's success since the company was founded in 1958, when Sweco's engineers and architects worked together to identify innovative new approaches to meet clients' needs in a way never before seen in the industry. They also laid the foundation for promoting sustainable urban development.

Sweco's services, which are based on a combination of global expertise and local understanding, are offered through three broad business segments: buildings and urban areas; water, energy and industry; and transportation infrastructure. Architecture is closely associated with these business segments, both as an integrated part of multidisciplinary projects and in specific architectural projects.

Business segments

Buildings and urban areas

Sweco develops innovative solutions to help cities grow and become resilient, attractive places to live.

Water, energy and industry

Sweco designs modern technological solutions that ensure society's and industry's access to clean water, reliable energy supply and increased resource efficiency.

Transportation infrastructure

Sweco's experts design sustainable transport solutions that enable tomorrow's cities and societies to manage a growing population and new mobility demands.

Architecture

Sweco has integrated architecture and engineering operations in seven of its eight main markets. This makes Sweco a full-service partner to its clients and is also Sweco's strength in the international architecture market.



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Buildings and urban areas

The world's cities are growing and changing fast. More than 70 per cent of European residents live in cities, many of which are transforming to become more sustainable, digitalised and resilient. Circularity, climate adaptation and energy efficiency are some of the areas that are driving demand for Sweco's services in this segment.

Sweco offers a wide range of services in buildings and urban areas with sustainability as a key component. Understanding the big picture is essential for long-term success, and Sweco's architects, engineers and environmental experts work in close-knit, autonomous teams to develop solutions to the most challenging issues for private and public clients.

Special attention is paid to climate adaptation and emissions reduction, circular material flows and energy-efficient systems. Social sustainability is a key component in promoting a more equal, safe and inclusive society. Biodiversity is actively supported with

work that includes planning cities' ecosystem services and working with Nature-Based Solutions (NBS) – i.e., measures to protect, sustainably manage and restore ecosystems. In housing and urban development, sustainability and digitalisation go hand in hand, with new technology often a means of analysing, simulating and designing the best solutions. The more complex clients' challenges become, the more frequently Sweco's teams span multiple disciplines and geographies.

In buildings and urban areas, Sweco's main contribution is to UN global goals SDG 11: Sustainable Cities, and SDG 13: Climate Action.

Sweco's services in Buildings and urban areas



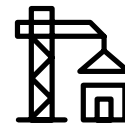
Architecture

Sweco's architects design buildings and urban environments for people to live, work and thrive.



Building Service Systems

Sweco's building service systems consultants create comfortable indoor climates in buildings and facilities.



Structural Engineering

Sweco's structural engineers create buildings with a focus on safety and functionality, with loadbearing structures that harmonise with the design, the indoor environment and the client's business.



Urban Planning

Sweco's urban planning experts harness the possibilities of tomorrow, providing everything from analyses and forecasts to completed master plans for new sustainable city districts.



Project Management

Sweco's project managers are the link between the client's vision and the tangible implementation of complex urban development projects.



Digitalisation

Sweco's IT experts manage and process data, to improve everything from transportation to water flows.

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Norway's largest hospital takes shape

Sweco, with extensive experience with hospital projects, has planned and designed several hospitals in the Nordics. Examples include Sahlgrenska University Hospital in Sweden, Gødstrup Hospital in Denmark and the new Ahvenisto Hospital in Finland.

New Aker is a large emergency care university hospital that will also serve as the local city hospital for much of Oslo's population. The construction project is expected to be one of the largest in Norway over the next decade.

The hospital will be built in stages and is scheduled to start receiving patients in 2030. The project has a gross area of approximately 200,000 m², the size of 28 football pitches. The client, Helse Sør-Øst Regional Health Authority, is responsible for healthcare in the region.

Sweco involved from start to finish

Sweco is playing an extensive role in the construction of New Aker Hospital. As part of Team Aker¹, Sweco is involved from the preliminary project report stage to project planning, detailed design, and follow-up during the construction phase. Sweco leads the project planning team, with 25 experts specialised in various fields connected to hospital construction and infrastructure, involved in the project. Together with the developer, Sweco will plan for various contracts. The Team Aker project's total investment framework for project planning is SEK 1.4 billion, of which Sweco's share is approximately 40 per cent. The entire hospital project, including construction, is expected to cost around SEK 17 billion.

"The planning of New Aker is a socially important project that we're very proud to be part of. The hospital is important for the people of Oslo and will be the local hospital for several Oslo neighbourhoods. We look forward to continuing our excellent collaboration with the Helse Sør-Øst Regional Health Authority," says Trond Øverland, senior project manager at Sweco.

→ Visit [swecogroup.com](https://www.swecogroup.com) to learn more about Sweco's work in several hospital projects throughout Europe.

¹ The Team Aker project planning group is comprised of Sweco, engineering consultancy Multiconsult and architecture firms Ratio Arkitekter and Arkitema.



»New Aker is a socially important project that we're very proud to be part of«

Modern emergency care hospital with a focus on sustainability

The large emergency care hospital will have an emergency ward, maternity ward, diagnostic centre, psychiatric ward and addiction treatment centre. The hospital will implement a holistic approach to health by merging physical and mental health with addiction treatment. The project has a strong sustainability focus in terms climate and environmental impact during both the construction phase and the hospital's actual operation.

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Water, energy and industry

The key drivers for sustainable urban development in Europe are increasing the demand for technical solutions and cross-industry collaborations to ensure access to clean water and create a reliable and sustainable energy supply and resource-efficient industrial facilities.

With in-depth collaboration with energy and industrial clients across several European markets, Sweco works across disciplines and draws advantage from experiences from project to project, which benefits the pace of innovation as well as project finances. With a high level of technological expertise and well-established processes in industrial transition, energy- and resource-efficient solutions are applied in many parts of the manufacturing, process and pharmaceutical industries. Sweco's experts also support public and private clients in the growing field of water management. This ranges from providing access to clean water and managing process water to providing flood protection.

In the energy transition, Sweco supports its clients by bringing together expertise in a range of areas of strategic importance for energy supply. These range from renewable energy production, expansion of the electricity transmission and distribution grid, efficient energy consumption, and technological development in areas such as hydrogen energy storage, carbon capture and storage (CCS) and carbon capture and utilisation (CCU).

In water, energy and industry, Sweco's main contribution is to UN global goals SDG 6: Clean Water and Sanitation, SDG 7: Sustainable Energy, and SDG 9: Sustainable Industry, Innovation and Infrastructure.

Sweco's services in Water, energy and industry



Water

Sweco's experts manage water in a variety of situations, ranging from providing access to clean water to protecting communities from flooding.



Environment

Sweco's environmental specialists create habitable environments that benefit both humans and nature through measures including reducing the presence of toxins and effective waste management.



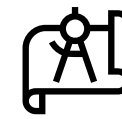
Energy

Sweco's energy experts provide expertise in energy production, transmission, distribution and storage, as well as energy efficiency and control measures.



Industry

Sweco's industrial consultants improve effective and resource-efficient production in all industrial operations.



Architecture

Sweco's architects work closely with engineers to develop sustainable solutions for industry that are technically efficient and architecturally adapted to their surroundings and to user needs.



Digitalisation

Sweco's IT experts use advanced digital solutions to optimise and automate processes in the areas of water management, energy production and industrial production.

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Transforming society together

Transmission capacity – key to the green transition

With the expansion of wind power in northern Sweden and more electricity consumption in the country's central and southern regions, a transition is underway that requires major private and public sector initiatives. A key component of this transition is expansion of the Swedish electricity grid's transmission capacity, to enable the efficient transmission of electricity from where it is produced to where it is consumed. To increase transmission capacity between northern and southern Sweden, Svenska Kraftnät, the governmental authority responsible for Sweden's electricity transmission system, is therefore working actively to upgrade central Sweden's electricity grid.

Sweco reviewing the electricity transmission system

Svenska Kraftnät has commissioned Sweco to conduct a comprehensive review and upgrade of Sweden's entire electricity grid. The project involves ensuring the operational reliability of 16,000 km of overhead lines that form the backbone of Sweden's electricity supply. Sweco experts will conduct a feasibility study, preliminary and detailed design, and geotechnical studies. The project, scheduled to run through 2031, is valued at over SEK 50 million.

"Ensuring a long-term, secure electricity supply for all of Sweden is of paramount importance to support electrification and the creation of a resilient society that's able to meet the electricity needs of individuals and businesses," says Ann-Louise Lökholm-Klasson, President of Sweco Sweden.

Great need throughout Europe

Sweden is not the only country with a great need to upgrade and expand its electricity grid – all of Europe needs to do so. Sweco is involved in projects in several countries. In Norway, Sweco has signed a framework agreement with Statnett, the state-owned operator of Norway's backbone network, for project planning, engineering services, and project and construction management. The four-year contract, with an estimated value of more than SEK 500 million for Sweco, includes a potential four-year extension.

"An upgraded electricity grid can supply significant amounts of renewable energy such as wind and solar power, and can help the transport sector reduce its carbon emissions through electrification. It will also promote the establishment of green industries in Norway," says Rasmus Nord, President of Sweco Norway.



Read more about electricity grid expansion projects in Europe at [swecogroup.com](https://www.swecogroup.com).

»Ensuring a long-term, secure electricity supply for all of Sweden is of paramount importance to support electrification and the creation of a resilient society«

Robust electricity grids are essential

A well-functioning electricity transmission system with expanded grid capacity is essential to the green transition's success. It enables integration of renewable energy, provides grid stability, facilitates long-distance electricity transmission, optimises energy flows, and supports the transition from fossil fuels to a more sustainable energy mix. The International Energy Agency (IEA) and the European Commission both stress the importance of this. If the electricity grid is not developed and improved in step with increased electricity demand and the integration of renewable energy, many countries will potentially have major problems with energy security and achievement of climate goals.

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Transportation infrastructure

Climate adaptation and changing habits are driving a rapid and radical change in transport systems. There is a great need for more sustainable transport systems that move people and goods safely and efficiently.

Digitalisation has profoundly changed transport needs and patterns. A sustainable, accessible transport system is essential for connecting communities efficiently and appealingly. Digitalisation, in the form of sensor technology and management of large amounts of complex data, can be used to optimise the design of railway and tramway systems from an emissions perspective. Digital technologies can also meet the demands of urbanisation for efficient transport solutions by improving traffic flows and maintenance planning.

With more than 6,000 employees focused on transport issues,

Sweco is one of the world's largest actors in the area. With expertise in technology, architecture and environmental services, Sweco plans and designs transport systems for pedestrian and cycle paths, roads, bridges, tunnels, ports and railways. In multidisciplinary teams, within and across national borders, Sweco develops existing systems and designs tomorrow's transportation infrastructure.

In transportation infrastructure, Sweco's main contribution is to UN global goals SDG 9: Sustainable Industry, Innovation and Infrastructure, and SDG 13: Climate Action.

Sweco's services in Transportation infrastructure



Civil engineering

Sweco's civil engineering specialists plan and design everything from roads and tunnels to bridges and ports for an even more accessible society.



Railways

Sweco's experts have technical expertise in areas ranging from studies and plans for new tracks and railways to operation and maintenance of those already in place.



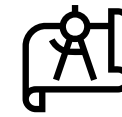
Traffic planning

Sweco's traffic planners are involved in planning and strategies at an early stage for everything from public transport to freight traffic, to ensure smooth and safe travel for all road and rail users.



Project management

Sweco's project managers are the link between the client's vision and the actual implementation of complex urban development projects.



Architecture

Sweco's architects work closely with engineers on transport solutions that meet not only technical, functional and sustainability requirements, but also aesthetic and societal needs.



Digitalisation

In transportation infrastructure, Sweco's IT experts integrate advanced technologies to optimise safe and efficient travel and goods transport.

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Transforming society together

Redeveloped ring road will ease traffic in Belgium

Sweco has been awarded a multi-year service contract by the Flanders Region for renovation of the ring road, R0, around Brussels, the Belgian capital. The project is designed to ensure smoother, safer traffic in the Brussels area.

According to the Bloomberg news agency, Brussels was one of the two most traffic-congested cities in Europe and North America less than a decade ago. Back then, the average Brussels driver spent 83 hours per year behind the wheel. The traffic situation is now undergoing rapid change, with the expansion of bike lanes, pedestrian streets, public transport and multiple initiatives to improve traffic flow.

Improved traffic and more mobility alternatives

To prevent the need for manoeuvring in traffic, the project aims to separate the main road from local roads to the greatest possible extent. Adjacent infrastructure will also be created, including tram lines and elevated cycle paths or tunnels, to better connect the Brussels suburbs to the city centre.

Through the newly formed MoVeR0¹ consortium, Sweco will serve as advisor to the Flanders Region on all aspects of the project – from the design phase through delivery of the upgraded ring road – and will provide traffic research, technical plans (for roads, bridges, tunnels and other infrastructure), process management, procurement assistance, stakeholder management and communication. The annual contract value for the consortium is estimated at EUR 3 million.

“Our integrated project team is working to improve the safety and accessibility of the ring road. This benefits the entire region and country, both economically and in terms of quality of life,” says Erwin Malcorps, President of Sweco Belgium.

→ Read more about the project at swecogroup.com.

1) MoVeR0, responsible for renovation of the Brussels ring road, is a consortium comprising several companies, including Sweco and Arcadis, which are leading the project. Other consortium partners are Stibbe, Deloitte, MINT, Zwarts & Jansma Architects, CLUSTER and Frank Van Hulle.

Brussels ring road is a crucial transport corridor

The Brussels ring road (R0) is one of Belgium's most important motorways. Completed in 1978, it is 76 kilometres in length and encircles Brussels. The R0 is known for being one of the country's most congested roads and has long queues, especially during rush hour. It runs through 23 municipalities – 15 in Flanders, 5 in the Brussels region and 3 in Wallonia.



»Our integrated project team is working to improve the safety and accessibility of the ring road«

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Architecture in all aspects of urban development

With 1,500 architects in seven of its eight core markets, Sweco is the world's fourth largest architecture company. Two aspects in particular set Sweco apart from the other major architectural firms on the market: its ability to offer combined architectural and engineering services, and the local focus that characterises the company's projects.

As an integrated architecture and engineering company, Sweco is able to operate as a full-service partner to its clients. This is also Sweco's strength in the international architecture market, as most competitors are still purely architectural companies.

Sweco designs everything from major projects such as metros, hospitals, sports stadiums and urban areas to smaller local projects such as schools, residential buildings and cycle paths.

Sweco's business is always based on local relationships. Regardless of size or type of project, all sustainability aspects are central in Sweco's architectural projects. These can involve minimising fossil fuel consumption in energy and material production, optimising building material recycling, or creating public spaces that counteract exclusion.

In architecture, Sweco's main contribution is to UN global goals SDG 11: Sustainable Cities, and SDG 13: Climate Action.



Sweco is planning the new Metro connection in Stockholm, to be completed in 2030. This is a large-scale urban development project for a growing region in need of sustainable transport. The Sofia station, along this new line, will be Stockholm's deepest Metro station and the world's second deepest, 100 metres underground.

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Transforming society together

Multidisciplinary consulting creates new opportunities

Kong Gauers Gård in Denmark's Vejle Municipality is one of the first projects in the country to combine a retirement home and preschool in the same building. It represents a new way of thinking for urban planners, a new approach to urban development, and a potential way to promote intergenerational interaction.

The project includes an activity centre open to the surrounding area and entire city, where seniors, employees, children and others can meet for coffee breaks, creative workshops, bingo and other activities. Pleasant outdoor areas adjacent to the activity centre are used as play areas for preschoolers and boules courts for retirement home residents during the day and can be used by joggers and cyclists at other times. The landscaping, pathways and outdoor activities are all catering for children, seniors and people with physical impairments. The area also has domesticated animals and small gardens.

Design based on UN Sustainable Development Goals

When developing the project at Kong Gauers Gård, Sweco's architects and engineers worked together to review the entire project in relation to the UN's Sustainable Development Goals. After identifying 15 of the 17 SDGs as relevant to the project, various measures were included by Sweco in the design of Kong Gauers Gård. These include the use of environmentally friendly, robust and durable building materials; climate adaptation for the building construction; small-scale food production; and measures to preserve biodiversity.

Kong Gauers Gård was officially opened in September 2023, when the first residents moved into the retirement home and the preschool classes opened.

→ Read more about the project at [swecogroup.com](https://www.swecogroup.com).



Architects and engineers working together

As construction becomes ever more complex, the ability to collaborate across diverse specialist areas is more relevant than ever. There is growing demand for consultants who possess both breadth and depth in their expertise and have the capacity to deliver the most value-creating projects. Sweco has many examples of multidisciplinary projects in which architects and engineers work together to design residential, industrial and logistics properties.

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Sweco helps rebuild Ukraine

The war in Ukraine has been waging for two years, causing horrendous human suffering and devastation to cities and critical infrastructure. The reconstruction of Ukraine cannot wait. As part of the European urban development sector, Sweco is involved in constructing housing and drinking water systems in the country.

Housing construction in six western Ukraine cities

There were over six million domestic refugees in Ukraine in early 2023. In response to the effects of the war, the EU resolved to finance new and rebuilding of housing, schools, nursery schools and hospitals and to repair infrastructure facilities in liberated Ukrainian cities. In February 2023, Sweco was commissioned to lead the tender and contract process and monitor housing construction in six cities in western Ukraine. The objective is to meet short-term needs for housing, heating, water and electricity supply. The project started immediately and is scheduled to run for two years in collaboration with local Ukrainian engineering consultants. The client is Nefco, the Nordic Green Bank, an international financial institution established by the five Nordic countries.

“We are pleased to see that the EU-funded measures to build housing for Ukrainian domestic refugees with acute housing needs are now moving forward. We are working to achieve a green recovery in Ukraine alongside contracted partners, to ensure that Ukraine rebuilds in a greener, better way,” says Ulf Bojō, Vice President, Green Transition Eastern Europe at Nefco.



Sweco is involved in the reconstruction of Ukraine. This work includes managing procurement for and supervising construction of housing in six western Ukraine cities on behalf of NEFCO, the Nordic Green Bank.

Securing access to drinking water in City of Kremenchuk

Sweco was commissioned in November 2023 in a project to secure access to drinking water for the City of Kremenchuk's 220,000 residents. To improve and ensure water quality and distribution system capacity, Sweco specialists will provide expertise in areas including water supply, hydrology and environmental impact assessments. The work involves technical, environmental, social and economic aspects and identifies available water resources, including water balance for the next 25 years.

Sweco's assignment is financed by Swedfund, the Swedish government's development finance institution, and is scheduled to be completed in August 2024.

»The preliminary study confirms criteria that meet the requirements of the EU Water Directive and are essential for international financing. It serves as a model for other Ukrainian cities and encourages innovation in the management of drinking water.«

Karin Kronhöffer, Chief Strategy and Communications Officer, Swedfund



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Sustainability at Sweco



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About the Sustainability Report

Sustainability is an integral part of Sweco's business, and the company reports financial and non-financial information in an integrated Annual Report. As with other parts of this report, sustainability information pertains to the company's financial year for the period 1 January through 31 December 2023. The previous Annual Report for financial year 2022 was published in March 2023.

Expanded disclosures in 2023

Sweco works continuously to develop the reporting and present a comprehensive and transparent information about the company's sustainability work. A number of disclosures were updated during the year, including those related to the company's carbon emissions, the EU taxonomy, working conditions and business ethics. Emission levels and emission factors have both been updated from values established in 2020, Sweco's base year for climate reporting, to better reflect necessary emission adjustments. The Group-wide target for climate neutrality by 2040 remains unchanged.

Data collection

Sustainability targets and results are monitored and reported to the Board of Directors and Executive Team on a regular basis. Responsibility for reporting lies with each business area and data collection is integrated into Sweco's consolidated accounts. Sustainability reporting data is reported locally and compiled and validated at Group level by finance, climate & environment, HR, and compliance managers. Information disclosed in the Sustainability Report is verified in accordance with Sweco's internal control procedures.

Legislation and alignment with CSRD

Sweco's 2023 Sustainability Report has been prepared to fulfil the requirements of the Swedish Annual Accounts Act and the EU taxonomy as well as the expectations of Sweco's stakeholders – primarily

owners, investors, analysts, potential and existing employees, and clients. In addition to its Annual Report, Sweco also provides ESG-related disclosures on the environment, social responsibility and corporate governance in accordance with a number of international frameworks, standards and principles (see on the right).

The EU's new Corporate Sustainability Reporting Directive (CSRD) took effect in January 2024. Sweco carried out a materiality analysis already in 2021 to identify the most relevant sustainability topics in its value chain. This analysis is considered relevant for 2023 and will be expanded to include both financial and impact materiality under the EU directive's requirements. Preparations for reporting alignment with the CSRD continued during 2023 and included an in-depth mapping and analysis of Sweco's impact in the value chain, as well as a GAP analysis examining and comparing the company's current reporting with the directive's new requirements in order to identify areas of improvement in governance, strategic planning, risk management, processes, quality assurance, data collection and reporting.

External assurance

Sweco's external auditor, PricewaterhouseCoopers, has reviewed the company's Sustainability Report in accordance with RevR 12 *The auditor's opinion regarding the statutory sustainability report* issued by FAR (institute for the accountancy profession in Sweden).

→ For information regarding the Sustainability Report, please contact sustainability@swecogroup.com.

→ Additional information about sustainability at Sweco is available at www.swecogroup.com.

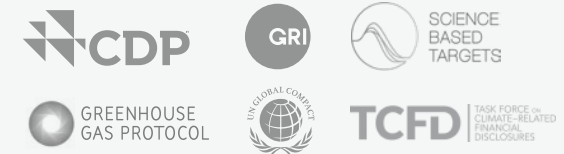
→ The content index according to GRI and TCFD can be found in Sweco's annual report at swecogroup.com.

International sustainability frameworks, standards and principles

Sweco complies with international frameworks, standards and principles related to sustainability issues. The following are referred to in the Annual Report:

Frameworks and standards

- CDP climate reporting
- Greenhouse Gas Protocol (GHG)
- Global Reporting Initiative (GRI)
- Science Based Targets initiative (SBTi)
- Task Force on Climate-related Financial Disclosures (TCFD)
- United Nations Global Compact (UNGC)

**International principles**

- The FIDIC Code of Ethics and FIDIC Climate Charter, International Federation of Consulting Engineers
- The ILO Declaration on Fundamental Principles and Rights at Work, International Labour Association
- The Universal Declaration on Human Rights, United Nations
- The Paris Agreement under the United Nation's Framework Convention on Climate Change
- Sustainable Development Goals, Agenda 2030, United Nations



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Sustainability at Sweco

As Europe's leading architecture and engineering consultancy, Sweco has the expertise, potential and responsibility to contribute to sustainable societal development together with its clients and employees.

Impact from three perspectives

Societies, industries, companies and economies need to transition to a more sustainable future. Sweco has the greatest opportunity to influence and contribute to the transition through the tremendous number of client projects the company carries out each year. In its client projects, Sweco identifies, shapes and applies the most sustainable solutions with long-term consideration of people, the environment and society. Sweco also has a great responsibility to run its own operations sustainably, with the least possible environmental and climate impact and an inclusive culture supported by diverse competencies and based on robust business ethics.



Sweco's sustainability work is focused on three strategic perspectives where the company can have a direct or indirect impact.

1 Carry out client projects that contribute to sustainable development

The green transition is impacting society at large, facilitated by the increasing amount of capital being directed in a sustainable direction. The complexity of these issues is driving demand for Sweco's expertise in all business segments. Sweco carries out client projects that actively support sustainable development through measures such as designing resource-efficient and resilient urban areas and buildings; developing systems for renewable energy production, transmission and storage; reducing the climate impact of industries; expanding and restructuring transport infrastructure; and safeguarding valuable habitats and biodiversity.

2 Increase sustainability performance in client projects

In close dialogue with clients, Sweco works to further improve sustainability performance in ongoing projects through optimisation of design, choice of material, resource management and work methods. Using automation, digital solutions and AI, a project's impact on the climate, environment, economy and society is calculated and Sweco's experts propose appropriate measures to improve sustainability performance.

3 Act sustainably in Sweco's own operations

Sweco has a responsibility to act sustainably in its own operations and focus is on creating value for owners and clients, being an attractive and inspirational workplace for employees, reducing the environmental impact of its operations, and following business ethics and social guidelines. The company's group-wide goals is for its operations to be climate neutral by 2040, with emissions halved by 2030, and to achieve a 40 per cent share of female employees in the Group by 2040.

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Sweco's value chain

Sweco's sustainability work spans over the direct impact from its own operations and towards its first-tier suppliers, as well as the indirect impact the company has on society through consultants' advisory in client projects. Impact in various parts of the value chain was further clarified in 2023 and is illustrated on page 56. Understanding where in the value chain that Sweco has material positive or negative impacts enables the company to set measurable goals, prioritise, and take appropriate actions more accurately and effectively.

Sustainability governance

Governance and follow-up of Sweco's sustainability work are adapted to the decentralised organisation and follow the same structure as the company's other operations.

→ See pages 36–38 for details on sustainability governance and compliance.

Climate-related risks pursuant to TCFD

Sweco works continuously and in a structured manner to identify, assess and manage climate- and environment-related risks as an integral part of Sweco's overall risk management.

→ See pages 39–40 for climate risks pursuant to Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

Sustainability Compass – a tool for evaluating sustainability in projects

The Sustainability Compass, developed by the Belgian organisation in 2023, is a tool designed to increase sustainability performance in client projects by identifying and defining impact on the environment, people and the economy. With the Sustainability Compass, the relationship between the different dimensions of sustainability are managed digitally and in an integrated manner. The tool, connected to both a knowledge platform and an action catalogue, is tailored to the broad range of projects that Sweco is assigned and is inspired by established frameworks and sector-specific tools, including the UN's Global Sustainable Development Goals, BREEAM, DGNB, WELL and LEED.

The tool has performance indicators and sustainability targets in six areas where Sweco can have a significant impact in client

projects: climate and environment; social sustainability; economy and quality of design, technology and process solutions. Each of these areas is further divided into underlying topics, with various sustainability issues evaluated on a scale of 1 (weak) to 5 (very good) pursuant to evaluation criteria defined by Sweco's experts.

The Sustainability Compass can be adapted to various types of projects and facilitates dialogue between clients and other stakeholders concerning the purpose, scope and boundaries of the project, sustainability awareness, and implementation of sustainable solutions. The tool was tested and validated by employees in Belgium, the Netherlands and Germany during the year and, initially, it is expected to be used in 1,000 projects in Belgium annually.



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Sweco's value chain

The value chain illustrates the dependencies and impact that Sweco has on people and the environment in upstream, own operations and downstream.

Sweco's own operations



Strategy and operational model

Driven by its purpose "Transforming society together", Sweco aims to be Europe's most respected knowledge company in the fields of consulting engineering, environmental technology and architecture. The strategy is to achieve leading positions in selected segments and geographies through effective implementation of Sweco's operational model based on four cornerstones: client focus, the best people, internal efficiency and a decentralised organisation.

Target

Target	Outcome 2023 (2022)
EBITDA margin 12%	8.9 (9.2)
Net debt <2.0x EBITDA	1.1 (0.4)
At least 50% of profit distributed to shareholders, %	64 (59)
Climate neutral operations by 2040, tonnes CO ₂ e	66,449 (64,692)
40% female employees in the Group by 2040, %	35 (35)
Zero tolerance for bribes, corruption and human rights violations, confirmed cases	0 (0)

Employees with recognised expertise

More than 22,000 architects, engineers and other experts deliver consultancy within urban planning, buildings, energy, water, industry and transportation infrastructure. Digitalisation, architecture and sustainable urban development are connected with all parts of Sweco's offering.

Greatest impact through consultancy services

Sweco's most significant impacts are generated through the consultancy services provided to clients, enabling them to achieve their objectives in the projects. Through its consultancy services Sweco contributes to a sustainable development and is committed to increasing the sustainability performance in client projects.

The resources Sweco uses



Financial capital

Strong cash flow, low net debt to EBITDA ratio and SEK 10.6 billion in equity.

Sourcing of human and intellectual capital

2,000 sub-consultants, 3,800 new employees with additional 1,200 colleagues welcomed through 10 acquisitions during the year. Multiple trainee and mentorship programmes. Strong employer brand and the industry's most attractive employer in national rankings.

Natural and manufacturing capital

Offices, IT- and technical equipment, vehicles, digital solutions, energy and travels were sourced for more than SEK 3 billion.

Social and relationship capital

Strong social capital by engaging with industry organisations, public sector, STEM educational institutions and civil society.

Sweco's impact on society



Net sales 2023, SEK 28.5 billion (2022: 24.3)

Client consultancy in three segments:

Buildings and urban areas, %	37 (37)
Water, energy and industry, %	34 (33)
Transportation infrastructure, %	29 (30)

Balanced client base:

Public sector, %	38 (38)
Private sector, %	62 (62)

Indirect impact through project outcomes

As consultants in more than 150,000 ongoing projects, Sweco's experts use their knowledge and resources to provide suitable solutions to clients. Ultimately, the impact is indirect since the clients decide on the requirements of a project and are therefore in control of the final outcome.

Both positive and negative impact

Projects have both positive and negative impacts on nature and society throughout the lifecycle. Sweco's expert consultancy enables clients to lower a project's footprint, avoid future emissions and create value for end-users and society.

Value for society

Through collaboration with 41,000 clients, Sweco uses its integrated expertise to create multiple values and benefits for a project's end-users and stakeholders. Additional value is created through company paid tax totalling SEK 525 million as well as jobs created, salaries, pensions and employee benefits of which social fees totalled SEK 2,570 million.

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Sweco and the Sustainable Development Goals

Based on its employees' expertise and through efforts in its own operations and in client projects, Sweco contributes to the UN's Sustainable Development Goals.

Actively contributing to the Sustainable Development Goals

Agenda 2030, the action plan for the world's countries, regions, cities, companies and civil societies to work together globally to achieve sustainable transformation, is to be achieved in six years. Sweco works with the 17 Sustainable Development Goals in client projects and contributes to most of the agenda's 169 targets. Sweco has identified five goals as the most business-critical to the company's operations, and those that Sweco as expert advisor has the greatest opportunity to a positive impact together with its clients: SDG 6 Clean water and

sanitation; SDG 7 Affordable and clean energy; SDG 9 Industry, innovation and infrastructure; SDG 11 Sustainable cities and communities; and SDG 13 Climate action. In Sweco's view, it is important to understand how these goals interact with each other; how well we succeed with the energy transition, for instance, impacts the goals of sustainable cities and industries. Sweco highly prioritises this type of synergy between the various goals.

Buildings and urban areas



Sweco enables solutions to reduce cities' climate impact, adapt to climate change and mitigate the negative effects of increasing incidents of extreme weather on the built environment. The company integrates sustainability into all phases of planning, design and implementation and promotes the use of environmentally friendly materials and recycling technologies with a focus on minimising resource use and waste in construction. Sweco also focuses on creating socially inclusive urban areas that promote health and well-being and enable people to thrive.

→ Read more about Sweco's work within Buildings and urban areas on pages 17–18.

Water, energy and industry



Through its broad collaboration with energy and industry clients in Europe, Sweco contributes to the energy transition with expertise and knowledge-sharing in renewable energy production, planning and design of transmission and distribution grid, more efficient energy consumption, and technology development in areas including energy storage, hydrogen, and carbon capture and storage. Sweco's experts also work to ensure access to clean water and safe sanitation, reduce air pollution, and minimise toxins through efficient chemical and waste management.

→ Read more about Sweco's work within Water, energy and industry on pages 19–20.

Transportation infrastructure



Sweco designs transport systems to enable tomorrow's societies to manage growing populations and increased demand for sustainable mobility solutions. Engineers and traffic planners focus on reducing carbon emissions by expanding infrastructure for active travel by bicycle, walking and public transport; efficient solutions for logistics and distribution of goods and services; and digitalisation of transportation systems. Experts in shipping, railways, tramlines and metros specialise in the design, planning, construction and management of critical infrastructure.

→ Read more about Sweco's work within Transportation infrastructure on pages 21–22.

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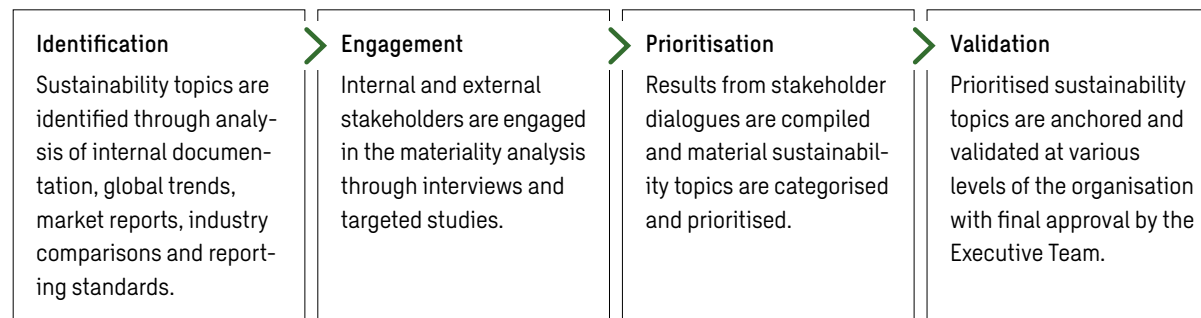
Materiality analysis

Sweco's materiality analyses are used as the basis for the company's strategic sustainability work. The prioritisation of the sustainability topics included in the analyses guides understanding of areas where Sweco has the most impact.

The most recent materiality analysis, conducted in 2021, was based on continuous stakeholder dialogue, online surveys, observations from strategic analyses, and Sweco's strategy and business plans. In 2023, a review of the analysis was conducted and the sustainability topics previously assigned the highest priority were considered still relevant: climate change mitigation and adaptation, energy transition, circularity, biodiversity and urban planning. All five are areas where Sweco has great opportunity to provide expertise in client projects.

In 2024, Sweco will be implementing a new materiality analysis methodology, which will include financial and impact materiality, in line with requirements imposed by the EU's new Corporate Sustainability Reporting Directive (CSRD). Results from the double materiality analysis will provide the basis for Sweco's overarching strategy and risk management. Work on identifying ways in which global trends and external factors impact Sweco continued during 2023. Climate change, one of the most tangible sustainability issues, is evaluated in line with the guidelines of the Task Force on Climate Related Financial Disclosures (TCFD) framework, presented on pages 50–51.

Materiality analysis process



Most relevant sustainability topics



CLIMATE AND ENVIRONMENT

- 1 Climate mitigation and adaptation
- 2 Biodiversity
- 3 Energy efficiency, sources and systems
- 4 Water use
- 5 Waste and circular economy
- 6 Air quality

EMPLOYEES

- 7 Health and safety
- 8 Diversity and equality
- 9 Human capital and competence

ETHICS

- 10 Business ethics
- 11 Societal impact and engagement
- 12 Human rights
- 13 Supply chain management

TRANSFORMATION AND SOCIETY


- 14 Science, technology and innovation
- 15 Transport and mobility
- 16 Urban and environmental planning
- 17 Digitalisation

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Stakeholder dialogue

To identify and prioritise the company's most material sustainability topics, Sweco's systematic work with sustainability is grounded in stakeholder dialogue. Stakeholders are selected based on Sweco's strategy framework, information management and the company's participation in various forums for dialogue and influence. Interactions with stakeholders take place on many different levels, from Group level to project level. The table below provides an overview of stakeholder dialogues that took place over the past year.

	 Investors and owners	 Clients	 Employees	 Business partners and suppliers	 Society
Reasons for stakeholder engagement	Communicating strategy and results with shareholders, analysts and potential investors is essential to their ability to make well-founded investment decisions and to Sweco's capacity to understand these stakeholders' expectations for Sweco's operations.	Together with its clients, Sweco defines relevant areas where the company's experts can contribute sustainable solutions in projects, creating value for people, the environment and the economy. This provides a valuable basis for the continuous improvement of services and processes and encourages development of long-term relationships.	Attracting, developing and retaining skilled and committed employees is fundamental to achieving the company's goals and enabling the necessary transition towards sustainability. An open and active dialogue creates a workplace distinguished by inclusion and diversity.	Dialogue with business partners, suppliers and others in the value chain is an important tool in driving innovation and promoting sustainability aligned with Sweco's strategy, goals and Code of Conduct.	Collaboration with citizens, politicians, government authorities, trade organisations and civil society is essential for meeting society's expectations and winning support for and positively impacting the sustainable transition.
Key sustainability topics for stakeholders	<ul style="list-style-type: none"> • Long-term economic value creation • Governance and risk management • Ability to implement solutions for a sustainable transformation in society • Ability to measure impact of consulting services on sustainability in client projects • Identification and analysis of sustainable investments (EU Green Deal and EU taxonomy) • Impact on climate and environment • Diversity on all levels of the organisation • Compliance with business ethics 	<ul style="list-style-type: none"> • Integration of sustainability into client's business model • Climate change mitigation and adaptation • Rapid and secure energy transition • Electrification of transport • Leveraging potential for circular economy • AI, digitalisation and technological progress are essential for delivering and scaling up sustainable solutions • Social sustainability and business ethics in client projects 	<ul style="list-style-type: none"> • Sweco as sustainability forerunner in its own operations and in client projects • Sustainability as a key dimension in talent acquisition and retention • Long-term competence sourcing • Leadership programmes and development opportunities • Conditions of employment • Code of Conduct • Diversity and inclusion • Well-being, health and safety 	<ul style="list-style-type: none"> • Climate change mitigation and adaptation • Adaptation of business relationships and procurement processes to environmental, economic and ethical requirements • New sustainability reporting regulations 	<ul style="list-style-type: none"> • Sharpened EU and national legislation increase the pace of the sustainable transition • Tangible effects of climate change increase the importance of having resilient communities • Sustainability is considered industry-critical in the energy, industrial, transport, construction and property sectors • Permit processes are a key component of the transition in many sectors
Types of dialogue	<ul style="list-style-type: none"> • Annual General Meeting • Quarterly reports and Annual Report • Investor and analyst meetings • Capital Markets Day • Stakeholder surveys • Press releases • Sweco's website • Media channels 	<ul style="list-style-type: none"> • Tenders and audits • Ongoing dialogue in client projects • Seminars, client events, trade fairs • Client and stakeholder surveys • Media channels 	<ul style="list-style-type: none"> • Close dialogue with managers • Performance review • Internal training • Dialogue with employee representatives • Skills development through client projects • Employee surveys • Communication via intranet • Office meetings, seminars and conferences • Media channels 	<ul style="list-style-type: none"> • Sweco's Code of Conduct, Business Partner Programme and policies at Group or business area level • Tenders • Business partner and supplier evaluations • Stakeholder surveys and meetings 	<ul style="list-style-type: none"> • Citizen dialogue in client projects • Membership and involvement in trade organisations • Participation in networks and working groups • Cross-sectoral initiatives and knowledge transfer to promote sustainability • Stakeholder surveys • Meetings with government authorities, researchers and politicians • Participation in working groups, seminars and lectures • Participation as UN observer at COP28 in Dubai • Media channels
Read more	 Read more about Sweco as an investment on swecogroup.com .	 Read more about Sweco's contribution to sustainable solutions in various client segments on pages 16–24.	 Read more about Sweco as a workplace on pages 51–59.	 Read more about Sweco's work with business ethics on pages 60–65.	 See examples of Sweco's collaboration for sustainable development on pages 34–35.

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Stakeholder dialogue and collaborations 2023

During 2023 Sweco participated in a range of collaborative projects grounded in the company's business, values and responsibility as a society developer. A selection of these projects and other stakeholder dialogues is presented on the following pages.

Sweco's Capital Markets Day

In November, Sweco arranged a Capital Markets Day for institutional investors, analysts and financial media. Sweco's President & CEO gave an update on the Group's long-term strategy to strengthen its position as Europe's leading architecture and engineering consultancy and on Sweco's operating model as the foundation for growth and profitability. Sweco's CFO presented the company's plan for achieving its financial targets and provided information on the company's sustainability work and acquisition strategy. The business

area presidents from Belgium and Sweden presented information on developments in their respective operations and on future initiatives underway, in areas including the green transition, that lay the foundation for sustainable growth. The Capital Markets Day was held at Blique in Stockholm, a boutique hotel designed by Sweco's architects. Using VR technology, participants tried out digital twin simulations from various projects.



Collaboration for a sustainable construction sector in the Nordics

Nordic Sustainable Construction, a programme funded by the Nordic Council of Ministers, is designed to increase co-operation and ensure a common way forward for the Nordic construction industry in the green transition. Sweco's experts from Denmark, Sweden, Finland and Norway participate in one of the programme's five work packages focused on co-ordinating life cycle assessments in the construction sector. Sweco works with its project partners to co-ordinate standardised methods for life cycle analyses for buildings in Nordic countries, to enable building and construction companies to offer solutions with low carbon emissions. In 2023, Sweco mapped out Nordic countries' climate targets along with calculation methods, existing and planned legislation, and databases to gather information on building stock and its emissions. The results were presented in September at the Nordic Climate Forum for Construction in Helsinki.

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European Urban Resilience Forum

In October, Sweco’s international knowledge initiative, Urban Insight, participated in the European Resilience Forum in Cascais, Portugal. City representatives, experts and stakeholders from local and regional institutions discussed strategies, initiatives and measures to create more resilient cities. Along with other participants, Sweco analysed the impact of resilience trends and policy initiatives on Europe’s major cities and regions. The forum also shared best practices on governance, financing, and nature-based solutions and innovations for climate adaptation. An understanding of local needs when designing resilient communities was considered essential for citizen engagement.

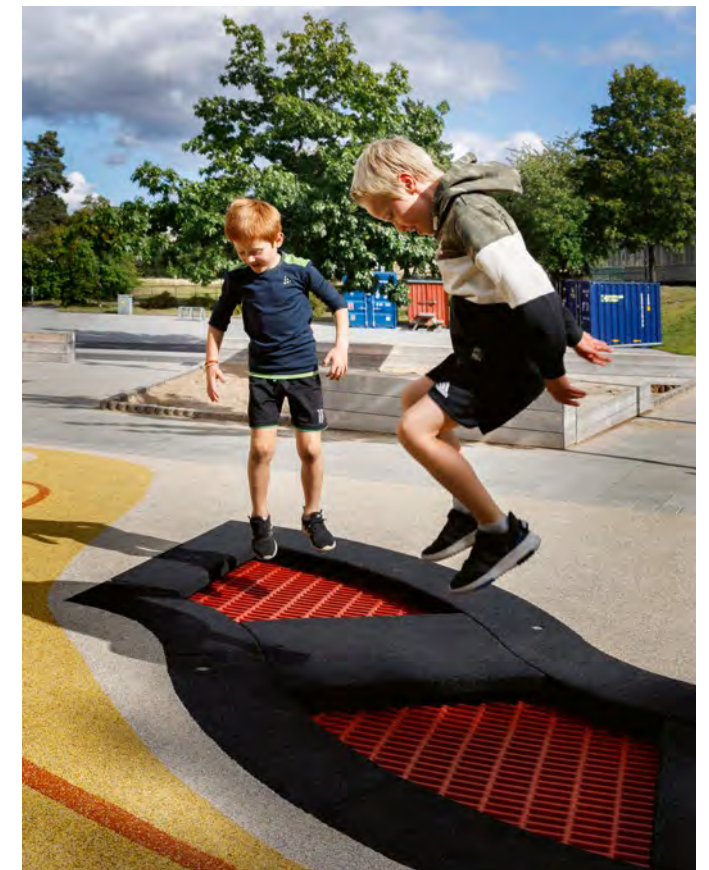


Dialogue with students and new graduates

During the spring, Sweco arranged open house events – Sweco Talent Talks – at its offices in Copenhagen and Aarhus for students at Danish universities specialising in engineering and science, architecture, structural engineering and IT. The initiative is planned as part of a series of annual events that bring Sweco employees together with students and new graduates for inspirational meetings and dialogue on the construction sector. During Sweco Talent Talks, students meet the company’s own experts and invited guests to discuss solutions for tomorrow’s sustainable cities and communities. In addition to drawing inspiration in the areas of architecture and urban planning, participants will learn more about internship opportunities, project collaborations and job opportunities at Sweco.

Including health and well-being in environmental impact assessments

Sweco has a close collaboration with the global Institute of Environmental Management and Assessment (IEMA) to further develop requirements for environmental impact assessments. With more and more evidence linking the external environment to people’s health and well-being, Sweco assisted the Health Working Group by identifying the best method for integrating health aspects into environmental impact assessments. Aspects addressed in the health assessment include: noise, air quality, open spaces, physical activity and nature.



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Sustainability governance

Sweco's sustainability governance is designed to support the company's long-term development and enable adaptation to legislation and regulations that promote sustainability. It is aligned with the company's general governance model and is decentralised, taking place where business and operational decisions are implemented.

Board of Directors, Committees and Nominating Committee

Sweco's Board of Directors is responsible for the company's organisation and management of the company's affairs, which includes financial and sustainability-related targets and strategies. Sweco's sustainability work is an integral part of its operations and is a regular item on the Board's agenda, including in the form of project reviews and results, climate and environment, employees, business ethics and data protection. The Board reviews and approves the annual Sustainability Report, which is integrated into the Annual Report. The Board is also the owner of the Code of Conduct, which governs Sweco's responsibilities in society. The Code of Conduct is reviewed annually along with the company's other policies. In 2023, the Board took the decision to convert the company's EUR 400 million credit facility into a sustainability-linked loan and guarantees. The Board and the Audit Committee received regular reports during 2023 on the company's work with implementing the EU Corporate Sustainability Reporting Directive (CSRD).

The Board's **Audit Committee** conducts oversight of the company's sustainability reporting and reviews the annual Sustainability Report. The Audit Committee and some Board members have received training from the company's auditor in areas including the Board's and Audit Committee's expanded responsibilities under the EU Corporate Sustainability Reporting Directive.

The **Nominating Committee** applies Rule 4.1 of the Swedish Corporate Governance Code as a diversity policy for Board members. Diversity is an important factor in the nomination process. The Nominating Committee aims continuously to achieve a balanced gender distribution and diversity in terms of skills, experience and background on the Board, which is reflected in the Board's current composition.

President & CEO and Executive Team

The Board has delegated to the **President & CEO** the responsibility for day-to-day business operations of the company. The President & CEO supervises the business operations within the framework determined by the Board. The Board has also established instructions governing the assignment of responsibilities between the Board and the President & CEO, which are updated and adopted annually. The President & CEO also holds ultimate responsibility for the Code of Conduct and other Sweco policies and their implementation. Sweco's President & CEO has overall responsibility for ensuring that Sweco can deliver on its strategic direction for sustainability.

All members of the **Executive Team**, comprised of Business Area Presidents and Group functions, are responsible for the implementation of sustainability goals and strategies. In 2023, Sweco's Executive Team decided on further measures to strengthen the company's sustainability work. A review of Sweco's group-wide climate neutrality



goal will be conducted and targets and measures will be developed to accelerate the transition in areas such as the company's mobility and offices. Sweco's position in the green transition was also clarified. The capacity to manage developments that drive demand for Sweco's expertise in a range of sectors was analysed, in areas including resource-efficient industrial solutions, modern transport infrastructure, renewable and reliable energy solutions, and resilience in urban environments.

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Business areas

Sustainability work is implemented primarily in the **business areas**, separate operational units responsible for delivering results in line with the strategies and targets set by the business area. An example of this involves Sweco targets for climate neutrality and gender equality. In accordance with the company's decentralised model, each individual business area is able to establish its own targets,

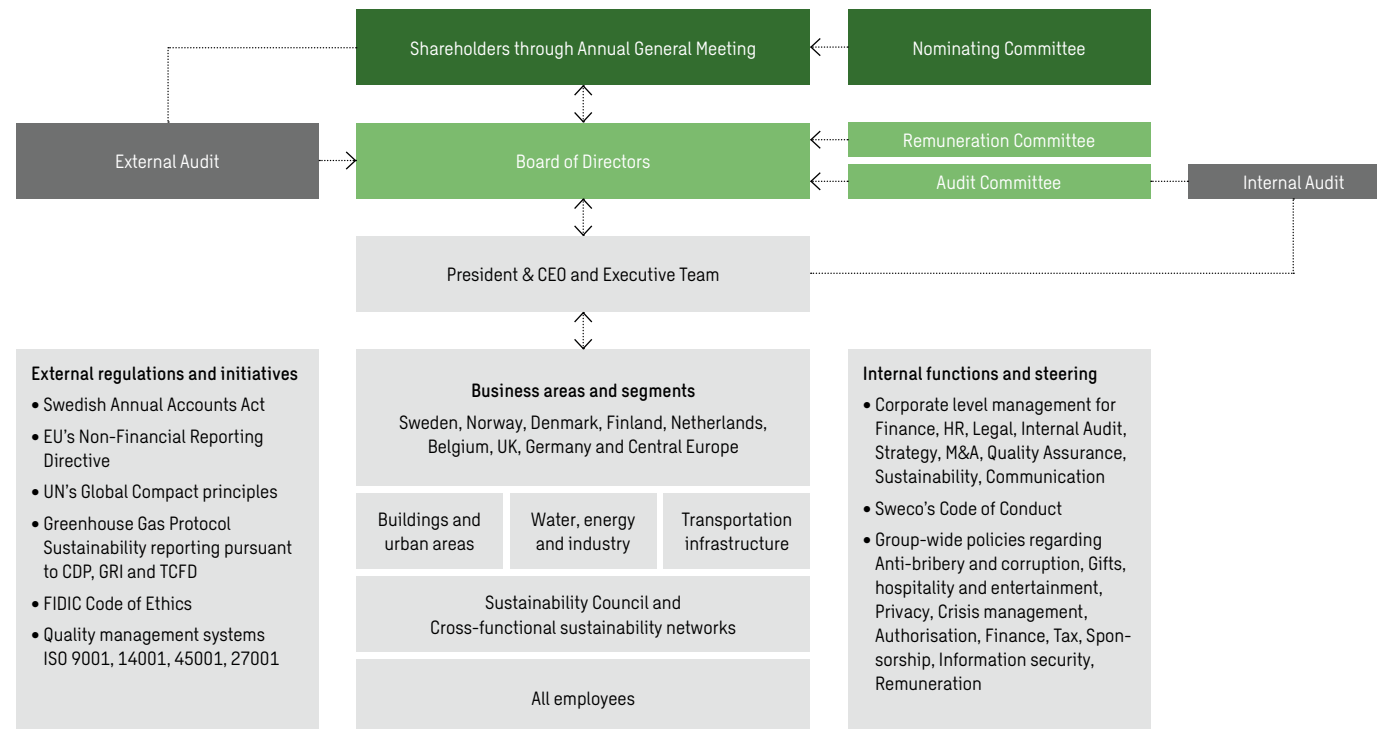
other than the ones decided on Group level, with the requirement to serve as a forerunner in its country. Responsibility for achieving progress towards established goals lies with the divisions within each business area, which are supported and strengthened by processes and training programmes for employees. Sustainability goals and results are monitored and reported to the Executive Team and the Board on a regular basis.

Internal functions

Group functions for Finance and Audit, HR, Legal and Communications are responsible for co-ordinating and leading the overall sustainability agenda in close collaboration with the Executive Team and the business areas. Monitoring and evaluation of sustainability work is aligned with Sweco's internal control and audit procedures and is conducted on the business area level along with monitoring of other business targets. The outcome is aggregated at the Group level. The Group's Finance Department leads the work in monitoring fulfilment of the 2040 climate neutrality target and co-ordinates the company's reporting under the GHG protocol and EU taxonomy with all business areas. As part of Sweco's integrated sustainability work, during 2023-24 the Finance Department holds responsibility for implementation of the EU Corporate Sustainability Reporting Directive at Group level.

Sweco's Group level **Sustainability Council** is comprised of sustainability managers from Sweco's various geographic markets. The Sustainability Council highlights challenges and business opportunities from all parts of the company to strengthen Sweco's market position in the sustainable transformation. The Council meets quarterly and is led by Sweco's Chief Sustainability Officer, who reports directly to Sweco's President & CEO. Issues discussed in 2023 include ways in which both AI and digitalisation can accelerate sustainable solutions and improve sustainability performance in client projects. Methodology development for measuring Sweco's sustainability footprint and handprint in client projects, cross-geographical business opportunities in climate adaptation, energy and industry transition, and regulatory requirements for sustainability reporting were also on the Council's agenda in 2023.

Sustainability Governance and Monitoring



Code of Conduct and regulations

The Code of Conduct specifies the fundamental view on responsible business conduct for Sweco and the company's business partners. The Code of Conduct covers business ethics, employee development, human rights, equality and diversity, and occupational health and safety. Sweco also has a Business Partner Programme aimed at

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ensuring that existing and prospective partners meet Sweco's corporate responsibility requirements. Additionally, Sweco has group-wide policies providing more detailed descriptions for Sweco employees regarding business ethics, data protection, information security and communication. To prevent corruption Sweco also has group-wide policies on gifts, business entertainment and sponsorship. Local regulations specify areas of responsibilities in greater detail.

Sweco complies with the laws, regulations and other requirements applicable to operations in countries where the Group is active. In some cases, Sweco's standards and requirements exceed legal requirements. The company supports and respects human rights, as defined by the UN in the Universal Declaration of Human Rights. Sweco also follows the Code of Ethics formulated by the International Federation of Consulting Engineers (FIDIC). Sweco is a signatory of the UN's Global Compact and works proactively to uphold its principles.

Sweco reports on its sustainability work in accordance with Swedish Annual Accounts Act regulations, which are based on the EU Non-Financial Reporting Directive. Sweco is preparing to report on its sustainability work pursuant to the EU Corporate Sustainability Reporting Directive (CSRD), which, after implementation into national law, is expected to come into effect in 2024. Sweco has undertaken compliance with the FIDIC's Climate Change Charter, an international framework for sustainable practices in the engineering and technology consulting industry.

Sweco's operations are certified in accordance with the following standards: ISO 9001 (quality), ISO 14001 (environment) and ISO 45001 (occupational health and safety). The company's compliance programme is developed in accordance with ISO 37701 (anti-corruption management). ISO 27001 (information security) is being implemented in most business areas.

Compliance and audit

Compliance is a matter for the Group's executive management, for managers at all levels in the Group and for each individual employee.



All managers are responsible for ensuring that their employees have everything they need to comply with Sweco's policies and guidelines. All employees are obligated to familiarise themselves with the content of policies and guidelines, to accept and follow them, and to take steps to ensure that external partners comply with applicable policies. Each business area is responsible for implementing and monitoring the Code of Conduct and other policies. Business ethics and data protection compliance is monitored quarterly with the business areas. Compliance is also monitored annually through performance reviews with employees, employee surveys, and internal and external audits. The policy framework is reviewed annually to manage sustainability in accordance with regulatory requirements and developments in the organisation and external environment.

Sweco has a dedicated internal audit function, the roles and responsibilities of which are defined in the audit charter. Group Internal Audit is comprised of the Head of Internal Audit, Group internal auditors and qualified business auditors. Business auditors are expe-

rienced financial professionals who otherwise work in a business area but who rotate into Group Internal Audit on short-term assignments as part of their management development. Internal audit work is governed by the annual risk-based audit plan approved by the Audit Committee, with detailed audit assignments defined on a quarterly basis.

External auditors

Sweco's auditor is elected by the AGM and is tasked with reviewing the company's Annual Report and consolidated accounts as well as the administration of the Board of Directors and the President & CEO. The auditor conducts an external review of Sweco's Sustainability Report in accordance with FAR's auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability report*.

→ Sweco's Corporate Governance Report is presented on pages 37–43 in the 2023 Annual and Sustainability Report.

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Climate-related risks and opportunities

Sweco reports climate risks pursuant to Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The long-term resilience of Sweco's strategy has been analysed in the context of various climate-related scenarios based on research reports from the IPCC and EIA. For 2023, Sweco is aligning its reporting of climate risks with TCFD recommendations and is preparing for EU reporting requirements under the Corporate Sustainability Reporting Directive (CSRD).

Climate risks in Sweco's operations

Sweco is Europe's leading architecture and engineering consultancy. Firmly based on its business approach, strategy and operational model, Sweco is well positioned to support its clients in mitigating and adapting to climate change while creating economic value. Transitional and physical risks can therefore also present opportunities for Sweco. Sweco's operations are comprised of consultancy services. Sweco's direct exposure to climate-related risks is limited and mainly indirect, impacting future net sales and expenses related to Sweco's services. Climate events may have a negative physical impact on Sweco's offices, which are located primarily in northern Europe. The direct financial impact of these events is limited, however, as the company leases most of its facilities.

Sweco assesses climate-related risks from two perspectives:

- 1) As an *expert advisor* responsible for supporting clients in achieving their goals in the assignments. Clients are increasingly relying on Sweco to address the causes and consequences of climate change with combined architectural and engineering expertise and solutions. Consultancy services include modelling of climate risks and climate impacts, climate change mitigation and adaptation, nature-based solutions and biodiversity, circular resource use, renewable energy systems, and low-carbon industrial products and processes. Using digitalisation and climate technologies, Sweco can have an even greater impact in its clients' projects.
- 2) As a *company* with operations that impact the climate both directly and indirectly, Sweco takes into account the climate-related risks and opportunities associated with its activities. Sweco works with reducing the company's greenhouse gas emissions and applying climate-efficient solutions for procurement, offices, vehicle fleet and mobility.

Scenario analysis

The analysis is based on two different scenarios. To identify transition risks, the Sustainable Development Scenario (SDS) from the International Energy Agency (IEA) was selected. The IPCC's Business-as-Usual scenario was selected to identify physical risks. IEA scenarios are based on estimations of how different policy regulations and national governmental commitments may affect the future energy mix based on various types of assumptions, while IPCC scenarios are based on the potential physical impact of climate change on various environmental aspects.

The IEA's SDS was selected because it covers more than climate change mitigation and includes alignment with the Sustainable Development Goals, Agenda 2030, and the capacity to meet global commitments in a near-term perspective. This scenario is based on the assumption that all net-zero commitments are met and that substantial action is taken to achieve near-term emission reductions. The IPCC's Business-as-Usual scenario was selected because it represents the upper limit for a high-emission scenario, with a global temperature increase of more than 2°C in a long-term perspective. This scenario does not include any climate change mitigation measures.

Sustainable Development Scenario (SDS)

This scenario represents a pathway aligned with the Paris Agreement, well below the 2°C target. In this scenario, it is assumed that all current net-zero commitments and pledges are fully implemented and that there are extensive efforts to achieve near-term emission reductions. Without assuming any net negative emissions, this scenario is consistent with limiting the global temperature increase to 1.65°C.

RCP8.5 – Business-as-usual

This is a high-emissions scenario, consistent with a future where there are no policy changes to reduce emissions and characterised by increasing GHG emissions that lead to high atmospheric GHG concentrations. Broadly aligned with current policies or a business-as-usual scenario.

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Sustainable Development Scenario (transition risks)

	Changes in the business environment	Impact on Sweco	Opportunities for Sweco
Regulatory	Global challenges drive changes in policy and legislation and can result in new laws and regulations that may affect Sweco's business. Regulatory sustainability requirements for Sweco's operations are increasing. Lowered political ambitions, increased short-termism and fluctuations in policy instruments can affect the pace of the green transition.	Inability to deliver due to rapid and far-reaching changes in policy and legislation may result in Sweco losing tenders and contracts, incurring higher costs or suffering reputational damage. Insufficient expertise or inadequate knowledge-sharing can have a negative impact on Sweco's competitiveness and client deliveries. Weakened regulatory requirements for the green transition impacts the demand for consultancy services.	Increased demand for consulting services regarding, e.g., environmental regulations, permit processes, emissions reporting, analysis of climate risks, taxonomy and climate effects. The green transition in the energy sector, industry, transport infrastructure and urban areas contributes to strengthen Sweco's order book and increased sales.
Technological	Climate-related risks require a sustainable transformation of carbon-intensive technologies and sectors.	Technological climate risks are deemed to be low for Sweco. However, the digital transformation is a key element in the company's strategy and business development, which is compatible with operational and financial risks if Sweco fails to implement digitalisation internally and in client projects.	Sustainable transformation drives technological development and consulting demand within wind power, hydrogen and other renewables, smart grids, energy storage, mobility, transportation infrastructure, fossil-free steel production and circularity. This creates opportunities for new business and increases demand for technological consultancy.
Market-related	Sudden and unexpected changes in the market and economy affect the business environment and Sweco's clients. New forms of taxation (e.g., on carbon emissions, waste, unsuitable or unhealthy products and services) may become increasingly important.	Economic turmoil, increased emissions costs, and changes in the valuation of assets may, in combination with other macroeconomic and geopolitical factors impact Sweco's clients and can result in a financial impact on the company with reduced revenues and higher operational costs.	Economies and societies are moving from heavy reliance on coal to building resilience with low-carbon energy systems and industries. The green transition is expected to create a significant transformation in all parts of society, creating demand for Sweco's expertise and climate-related technology.
Reputational	Alongside the primary goal of reducing the climate footprint of its own operations, Sweco focuses on strengthening its position as a forerunner in transforming society together with its clients. This creates high expectations for Sweco's sustainability work and results.	Failing to meet established climate targets for Sweco's operations presents a reputational risk and may impair the company's ability to attract clients, employees and capital. Accelerated climate change, varying degrees of sustainability maturity in Sweco's markets, and the inability to quickly calibrate the business to meet market requirements for sustainability expertise and services may have a negative impact on Sweco's position as a forerunner in the sustainable transformation.	With a forward-looking approach, Sweco can be a forerunner in the sustainable transformation by operating its business responsibly, securing needed expertise and strengthening the climate benefits of Sweco's consulting in client projects.

RCP8.5 – business-as-usual (physical risks)

Acute risks	Particularly extreme weather conditions and climate effects that may damage assets and cause operational interruptions.	Direct physical climate risks are deemed to be low for Sweco. However, there is still a risk that extreme weather conditions may temporarily affect operations, for example through downtime or infrastructure disruptions. Client projects may be cancelled or delayed.	Sweco helps by increasing understanding of how climate change can affect clients' businesses and identifying concrete measures that should be prioritised in projects to strengthen resilience.
Chronic risks	Changes in precipitation patterns Rising average temperatures Rising water and sea levels	There is also a risk to Sweco's offices due to extreme weather, such as increased risk of flooding, wind and rain. Indirect risks may include greater stress on clients' businesses and tangible assets, which may affect ongoing and planned client projects.	Sweco's experts design and implement solutions for physical climate adaptation, which also increases the demand for consultancy in infrastructure projects.

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Climate neutral operations by 2040

Sweco's goal is to achieve climate neutrality in its own operations by 2040 and halve the company's emissions by 2030.

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Halve emissions by 2030

Sweco's group-wide goal is to have climate neutral operations by 2040. Sweco's base year for climate reporting is 2020, with all emissions reductions being measured against 2020 levels. Sweco is following the Carbon Law, developed by the Stockholm Resilience Centre, which involves halving the company's emissions by 2030.

Climate targets aligned with Paris Agreement

Sweco adheres to the "Business Ambition for 1.5°C" and has set climate targets aligned with what is required to limit global warming to 1.5°C. In 2022, Sweco submitted climate targets for validation and approval by the Science Based Targets initiative (SBTi). In 2023,

Sweco decided to conduct a review of the company's group-wide climate neutrality goal, with targets and measures to be developed to accelerate the transition in areas such as mobility and offices. In dialogue with SBTi, Sweco plans to update its application with new climate targets and revised emission levels during spring 2024.

Sweco's guidance for climate compensation

Climate neutrality will be achieved primarily by reducing emissions in Sweco's own operations. No more than 15 per cent of emissions reductions will be achieved through carbon sinks, emissions offsets, or climate compensation via established and third-party verified mechanisms.

Value chain provisions

Sweco's operations are comprised of consultancy services enabling clients with the climate transition in areas including energy, industry, resource use and transportation infrastructure. Sweco's targets and emissions reporting are limited to the environmental and climate impact that occurs upstream in the value chain (suppliers), as well as in its own operations. Impact from advisory and consulting services in projects is part of Sweco's downstream chain (clients) and is not included in current climate targets and emissions reductions.



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Towards climate neutrality by 2040 – key events during the year

Sweco has set a group-wide goal to have climate neutral operations by 2040. The path to achieving this is based on country-specific targets, with each business area formulating a roadmap to achieve climate neutrality ahead of the specific country's official target. Key events and actions taken in Sweco's markets during 2023 are presented below.

End years for climate neutrality in Sweco's business areas



2030

Belgium

In 2023, a mobility budget was introduced for employees designed to promote sustainable travel, which is expected to reduce the number of company cars over time. The scheme provides greater travel flexibility for employees, who can choose between using a company car or a mobility budget that can be used for any mode of transport. A slight reduction in the number of company cars was already noted during the year.

Finland

In 2023, the share of renewable energy at the offices amounted to 52 per cent which is an important step towards the goal of 100 per cent by 2025. Other initiatives include increased awareness of business travel and the development of Scope 3 business travel platform for internal use. The proportion of electric and biogas cars increased from 10 to 23 per cent in 2023 compared to the previous year.

UK

New guidelines and processes were implemented with regard to net zero emissions, energy and water, circularity and waste management as well as sustainable procurement. Standards were tightened for office waste management and recycling. Other measures include office mapping, development of a climate roadmap and stricter performance requirements for future offices, designed to reduce dependence on gas.

Sweden

As part of its work to achieve climate neutrality by 2030, Sweco reached 98 per cent renewable energy at the offices during 2023. To support the goal of having a fossil-free vehicle fleet by 2030, management decided during the year that only fossil-free cars may be acquired. The share of fossil-free passenger cars was 36 per cent in 2023, an increase of 19 per cent compared with last year.

2035

Netherlands

During 2023, Sweco promoted awareness regarding sustainable travel and mobility. Previous year's updates to the local travel policy already produced results in 2023, with a 22 per cent reduction of flights under 700 km compared to last year. Employees are offered travel reimbursement for cycling to and from work and client visits, just as when using other means of transport. This promotes sustainable travel, as well as employee health and well-being.

2036

Norway

Energy performance, location, and utilisation of the offices were integrated into the lease decisions. The renewal of the Bergen office lease was based heavily on the office's excellent energy performance and the plan for utilising office space efficiently. Employees are also offered options for efficient and climate-friendly travel to work such as new kinds of vehicle sharing solutions and leasing of electric bikes and cargo bikes.

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2040

Denmark

A range of targeted information initiatives for employees were implemented during the year to raise awareness about energy use and support energy efficiency measures in the offices.

Charging infrastructure was expanded during the year to promote sustainable travel for employees and meet the capacity needs of the fleet's increased number of electric vehicles. Sweco has reduced the emissions from employee commuting by 15 per cent during 2023 compared to previous year, mainly due to a 10 per cent increase of green mobility among the employees.

Germany

During 2023, efforts to increase the share of renewable energy in offices to 100 per cent intensified. Stricter requirements and standards for, among other things, using office space more efficiently were established during the year. Conversion of the vehicle fleet is progressing and the share of electric cars increased 74 per cent year-on-year.

A digital platform for emissions reporting was launched during the year, providing insights for employees to obtain an overview over the company's CO₂ impact on company, office and team level.

Lithuania

Sweco decided in 2023 to move to a smaller office with higher energy performance. The move will take place in early 2024 and the effects are expected to be realised during the same year.

New solutions and incentives for sustainable travel for employees were developed by promoting public transport and car sharing services for business travel. The number of company cars was reduced in 2023.

Poland

Launched in 2022, the "Bike to work" initiative continued to promote sustainable commuting among employees during 2023. For three months, employees competed in cycling to the offices and reached a total distance of 26,500 km resulting in carbon emission savings of 1,774 kg CO₂.

In 2023, investments have been made in the vehicle fleet, with around 80 per cent of the newly leased fleet consisting of hybrids.

Czech Republic

The goal of reducing energy consumption by 5 per cent year-on-year was achieved in 2023. Energy optimisation of offices and IT infrastructure contributed to this result. Efforts to convert the vehicle fleet are underway, but some challenges remain in terms of charging infrastructure availability near the offices and in society in general.



Sweco offers various incentive programmes for active travel to employees. The programmes are locally adapted in dialogue with employees to cater to their travel behaviour and needs. Travel reimbursement for cycling, electric bike-sharing services or mobility budgets for public transport are some examples of solutions.

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Climate footprint 2023

Inventory of Group emissions

Sweco's climate footprint is compiled and reported on an annual basis based on Group guidelines and in accordance with applicable standards such as the Greenhouse Gas (GHG) Protocol and SBTi. Several measures were applied in 2023 to increase comparability between countries, improve data quality and reporting processes within the Group. A group-wide inventory of Scope 3 emissions of Swecos operations was conducted to ensure a more detailed identification of material Scope 3 emission categories. The inventory was based on actual emissions data as well as a spend analysis.

Expanded reporting in 2023

The inventory was instrumental in harmonising the Group's emissions reporting. From 2023, all business areas report Scope 1 and Scope 2 emissions and the following Scope 3 emission categories: purchased goods and services, capital goods, fuel- and energy-related activities, waste management, business travel and employee commuting. Some emission categories were previously not reported in a complete manner. Other categories were added for the first time, as these categories were assessed to be material. Total emissions were therefore adjusted from base year 2020 through 2022.

New guidelines, processes and tools

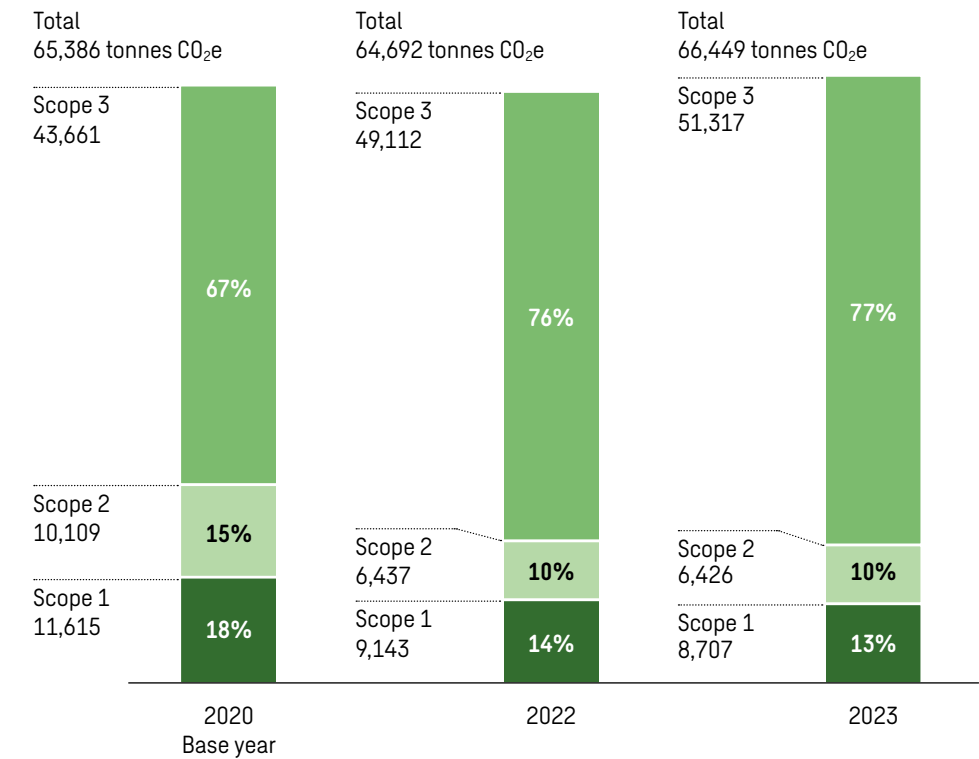
Carbon Accounting Principles (CAP) were developed by Sweco in 2023 as part of the company's efforts to improve data quality and processes. CAP pertain to common methods and guidelines for how to account for different activities within various emission categories. Futureproofed – a digital carbon management tool for group-wide emissions collection, analysis, monitoring and reporting – was also implemented during the year. Overall, these measures have resulted in more efficient and reliable emissions reporting, adapted to manage greater data complexity and increasingly far-reaching sustainability reporting requirements.

Outcome 2023

Sweco's climate footprint in 2023 amounted to 66,449 tonnes CO₂e, an increase of 3 per cent compared with the previous year. Scope 1 emissions decreased by 5 per cent compared to 2022, while Scope 2 emissions remained unchanged compared to 2022. The total Scope 3 emissions increased by 4 percent compared to 2022 and after the expanded scope constitute 77 percent of total emissions.

→ See page 67 for detailed information on climate emissions.

Annual climate footprint by GHG scope, 2020–2023 (tonnes CO₂e)



Scope 1 – Direct emissions from own facilities and vehicles
 Scope 2 – Indirect emissions from purchased electricity, heating and cooling consumed by Sweco
 Scope 3 – Other indirect emissions from Sweco's operations

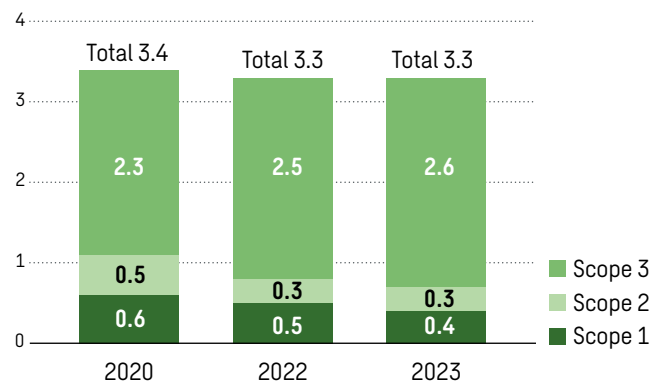
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Sweco's intensity impact

Sweco's operations have grown both organically and through acquisitions since base year 2020, which has also led to increased emission levels. However, Sweco's emission intensity (CO₂e per FTE) decreased by 4 per cent since 2020. The reduction is mainly due to measures taken in Scope 1 and 2.

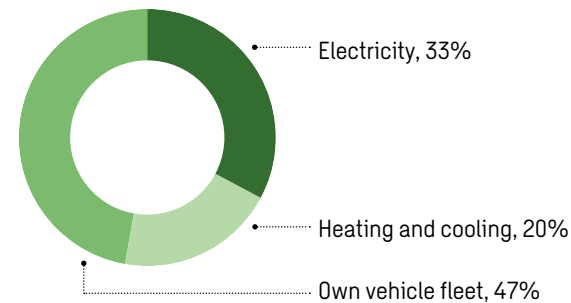
Carbon intensity 2020–2023 (tonnes CO₂e per FTE)



Scope 1 and 2 emissions

The total Scope 1 and 2 emissions amounted to 15,132 tonnes i CO₂e in 2023, a decrease of 3 per cent compared to previous year. This is primarily due to continued electrification of Sweco's vehicle fleet, where emissions decreased by 13 percent compared to 2022. Scope 2 is at an unchanged level compared to 2022. It depends partly on the difficulty of switching to green electricity contracts in certain countries and partly that the energy efficiency of the offices did not have the desired effect.

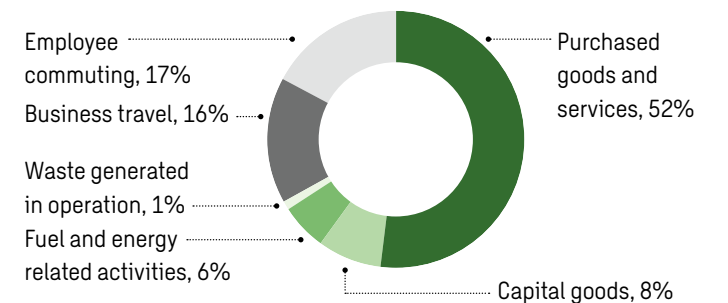
Distribution of Scope 1 and 2 carbon emissions per category during 2023



Scope 3 emissions

Total Scope 3 emissions amounted to 51,317 tonnes CO₂e in 2023, an increase by 4 per cent compared to 2022. Purchased goods and services, employee commuting and business travel are the categories with the largest impact. In 2023, travel increased both to and from offices and in projects, which contributed to an increase in emissions for business travel by 21 per cent, while there was a slight decrease by 1 per cent in commuting compared to the previous year.

Distribution of Scope 3 carbon emissions per category during 2023



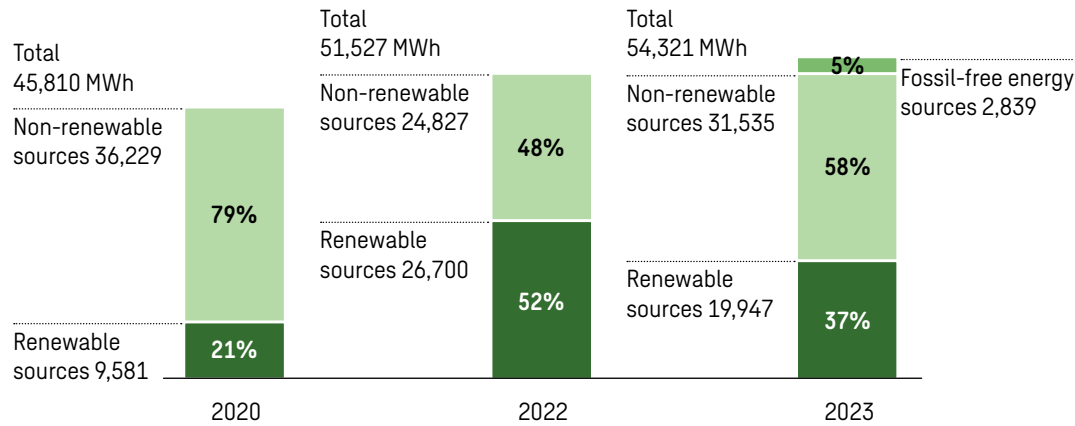
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Energy transition in the offices

Sweco aims to transition to renewable energy in its offices as part of achieving the goal of climate neutrality by 2040. During 2023, absolute energy consumption increased by 5 per cent, while the energy intensity (kWh per FTE) decreased by 2 per cent, both compared to 2022. Although the number of green electricity contracts has increased over time, the share of energy from renewables decreased to 37 percent (52) in 2023. The decrease is explained by improved data and emission factors.

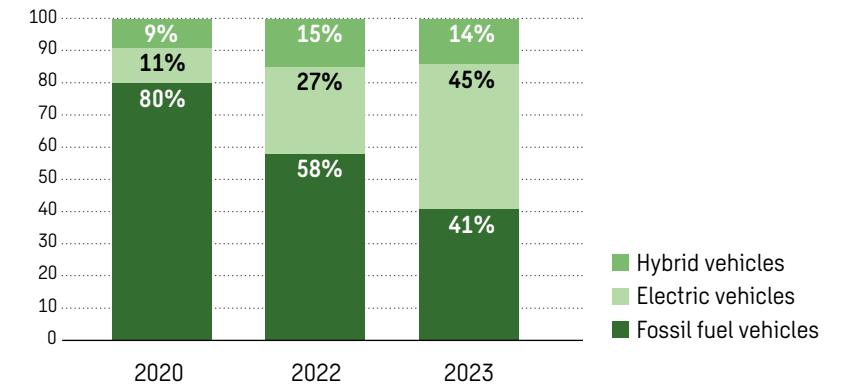
Total energy consumption and distribution by energy source, 2020–2023 (MWh)



Electrification of vehicle fleet

Sweco aims to electrify its vehicle fleet as part of the journey to climate neutrality. The efforts to increase the proportion of fossil-free vehicles (electric and hybrid vehicles) have been effective during 2023. The share of fossil-free vehicles increased to 59 per cent compared to 42 per cent in 2022. Electric vehicles accounted for 45 per cent of the total the vehicle fleet.

Distribution of vehicle fleet, 2020–2023 (as percentage of total number of vehicles)



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Sweco and the EU taxonomy

The taxonomy regulation and supplementary delegated acts are part of the EU's green growth strategy. The taxonomy is aimed at redirecting capital flows towards a sustainable economy and has been designed as a common classification system for environmentally sustainable investments, products and services within the EU.

**Recent regulatory developments**

The taxonomy regulation came into force in 2021, the year Sweco first reported the proportion of the company's net sales, capital expenditure and operating expenditure eligible under the regulation in relation to objectives for climate change mitigation and adaptation. Additional environmental objectives and economic activities were added for 2023, and Sweco is reporting the proportion of the company's net sales and capital expenditure (CapEx) that is taxonomy-eligible and taxonomy-aligned.

New economic activities

The new delegated acts include economic activities and technical screening criteria for the following four environmental objectives:

- 1) Sustainable use and protection of water and marine resources
- 2) Transition to a circular economy
- 3) Pollution prevention and control
- 4) Protection and restoration of biodiversity and ecosystems

These environmental objectives were analysed in 2023 to identify new economic activities for Sweco's operations. Based on this analysis, the economic activities covered by Sweco's reporting have been adjusted with the addition of activities related to digitalisation, climate adaptation, and a large part of the services Sweco provides its clients in terms of ecosystem and biodiversity restoration, flood and drought prevention, and contaminated site planning. These are only to be reported with respect to taxonomy-eligible activities. Assessment of taxonomy alignment will be reported for the first time in 2024.

→ Detailed information on the taxonomy is presented on pages 68–70.

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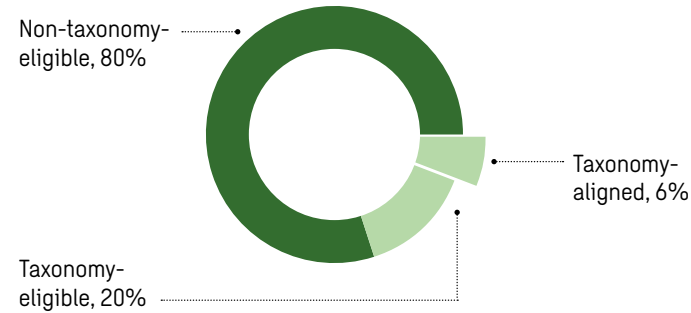
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Proportion of taxonomy-aligned net sales

Approximately 20 per cent (15) of Sweco's net sales was taxonomy-eligible in 2023, of which 6 per cent (4) was taxonomy-aligned and could be classified as environmentally sustainable projects. The higher eligibility is due to improved data quality and the addition of new activities. The low alignment is explained by the fact that the technical screening criteria for Do No Significant Harm (DNSH) are very strict. Since Sweco operates as a consultancy and does not have final decision-making power in its client projects, meeting DNSH criteria is deemed to be difficult to achieve.

Approximately 80 per cent (85) of Sweco's net sales was not taxonomy-eligible. Sweco's consultancy services within the energy, industry and manufacturing sector, as well as some of the services within the construction and real estate sector were not taxonomy-eligible.

Proportion of taxonomy-eligible and taxonomy-aligned net sales, and proportion of non-taxonomy-eligible net sales 2023

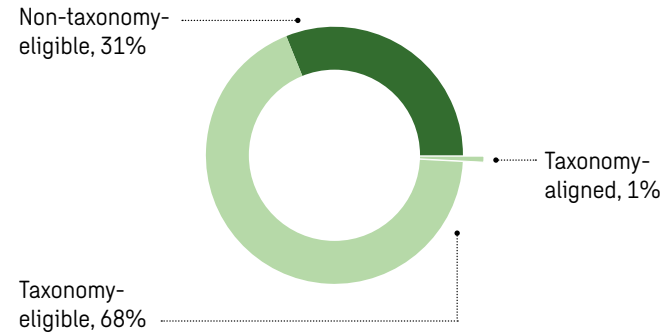


Taxonomy-eligible capital and operating expenditures

In 2023, 69 per cent (58) of Sweco's total capital expenditures (CapEx) was taxonomy-eligible, pertaining to office premises and the company's vehicle fleet, with the addition of the new economic activity Provision of IT/OT data-driven solutions, which primarily includes investments in the in-house development of digital products such as Twinfinity, a cloud-based platform for digital twins.

Due to the difficulty in obtaining documentation from suppliers and landlords and difficulty to meet the DNSH criteria, only 1 percent was taxonomy-aligned. For 2023, there were no operating expenses (OpEx) identified as being relevant for the taxonomy reporting.

Proportion of taxonomy-eligible and taxonomy-aligned CapEx, and proportion of non-taxonomy-eligible CapEx 2023



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Examples of projects with taxonomy-eligible economic activities

Buildings and urban areas



Climate protection for the urban area Kulturstrøget, Denmark

The urban area Kulturstrøget is a multifunctional project where climate protection, art and landscape architecture will create a new framework for urban life. Sweco will assist with landscape architecture, traffic planning and multiple engineering disciplines including rainwater management, climate adaptation and mobility.

Increase resilience against floods, Netherlands

Sweco is involved in one of the largest dike improvement projects in the Netherlands, covering 21 kilometres between the areas of Cuijk and Ravenstein. The objective is to increase resilience against floods through both technical and environmental aspects.

Water, energy and industry



Sustainable solutions for Anglian Water, UK

As the largest water company in England and Wales, Anglian Water provides drinking water as well as drainage and sewage services to seven million customers. Sweco will develop a framework for quantifying and analysing the value of sustainable solutions, such as nature-based solutions, in comparison to traditional engineering solutions.

Carbon Capture and Storage plant, Sweden

Heidelberg Materials, one of the world's largest building materials companies has commissioned Sweco to assist in the permit application process for the full-scale Carbon Capture and Storage (CCS) plant that Heidelberg Materials plans to construct in Slite, on the Gotland island, in Sweden. The project is one of Sweden's most comprehensive climate adaptation initiatives.

Transportation infrastructure



Expansion of the light rail system in the city of Tampere, Finland

Sweco is part of an alliance that has been contracted to provide design services in the expansion of the light rail system in the city of Tampere in Finland. The tram system plays an important role in the city of Tampere's efforts to reduce traffic emissions and thereby become carbon-neutral by 2030.

Availability of electricity and green fuels in 39 ports, Denmark

Sweco has been commissioned by the Danish Transport Authority to conduct an analysis of the availability of electricity and green fuels in 39 commercial ports. A multidisciplinary Sweco team with expertise in transport, logistics, ports, geotechnics, and energy will carry out a mapping of the energy infrastructure in the ports, in order to provide clarity on the need for green energy investments.

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Sweco is where experts come together

Sweco's strength is based on the collective expertise of its employees. Architects, engineers and specialists at Sweco work with the company's clients to develop solutions to meet the greatest societal challenges of our time. Sweco's decentralised approach creates active involvement and gives each employee a high degree of responsibility and opportunity to influence.

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Leading experts in society's sustainable transformation

Sweco is guided by a strong and purpose-driven culture, with committed experts who are challenged to think outside the box and inspired to create change in collaboration with colleagues, clients and society at large. Sweco's experts work together in exciting projects and sectors, such as renewable energy, circular resource management, electrification of transport and industry, and the planning and design of urban areas and critical infrastructure. As Europe's leading architecture and engineering consultancy, Sweco holds a strong position as a sought-after advisor in complex, transformative projects.

Personal responsibility promotes commitment

Sweco is comprised of 1,700 independent, but interconnected teams of 10–15 employees led by team leaders responsible for client rela-

tionships, projects and employees. Experts with different specialties, experience and knowledge are authorised to make their own decisions and take responsibility to drive change together with Sweco's clients. This creates results in projects and a sense of pride and commitment among employees. This successful model was validated in this year's employee survey. Sweco received a score of 4.1 on a 5-point scale in employees' responses to the statement "I am proud to work at Sweco", and a score of 4.2 in response to the statement "I have the opportunity to influence my own work".

Expertise that meets clients' needs

Sweco's employees are the single most important factor in enabling the company to meet clients' needs, both today and in the future. Project conditions and requirements are constantly changing as society develops. Sweco attaches great importance to being the most

approachable and committed partner, with recognised expertise.

90 per cent (91) of Sweco's employees state that they have a good understanding of clients' needs. In 2023, Sweco strengthened its advisory capacity in several areas where there is high demand for its services, including transition to renewable energy systems and expansion of electricity transmission and distribution infrastructure, climate risk adaptation, circular economy in construction and real estate, and nature-based solutions focused on biodiversity. The average score from Sweco's 2023 client satisfaction surveys is 8.8 (8.7/10). And in this year's survey, employees gave a score of 4.2 (4.4) in response to the statement "In our team, we build long-term relationships with our clients".

83%
of Sweco's employees
feel inspired in their daily
work (2022: 79%)



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Integrated consulting in an international arena

Sweco's architects and engineers meet and collaborate in an international arena through cross-border projects in which the client is offered integrated advisory services in design, planning, technology, sustainability and digitalisation. In 2023, an international group of transport infrastructure experts from Bulgaria, Finland, India, Poland and Sweden collaborated on the expansion of the Stockholm Metro. Other ongoing collaborations include the design and planning of hydrogen infrastructure, establishment of carbon capture and storage (CCS) facilities, and emission reductions in industrial processes for steel, cement and chemicals.

Attractive employer

Sweco's attractive international employer brand, with good prospects for personal development in transformative projects, was a strong incentive for the new colleagues welcomed to Sweco during the year. Sweco recruited nearly 3,800 new employees in 2023, an organic growth of 2.8 per cent compared with last year. An additional 1,100 new employees were also welcomed to Sweco through acquisitions of consultancies in countries including Belgium, Denmark and Sweden, resulting in an employee growth rate of 8.5 per cent (5.7) for the year. Through Sweco's pre-boarding process, new employees in several business areas have had the opportunity to familiarise themselves with Sweco's structure, organisation and culture at an early stage and establish contact with colleagues on their team. Sweco's systematic onboarding process has also been instrumental in providing a positive, smooth start at work and in client projects. As a result,

90 per cent of new employees have been involved in their first client projects within the first three months of employment.

Lower employee turnover

Retaining current employees in a highly competitive market was a major focus area in 2023, with a range of targeted measures implemented in the areas of employee dialogue, individual development, enhanced leadership programmes and mobility. In a positive trend, voluntary employee turnover at Sweco decreased at year-end to 11.6 per cent (13.9). Sweco works with qualitative exit surveys and has a structured process in place to implement and follow up on improvement measures based on these surveys. Former employees can serve as Sweco's best ambassadors and return to the company in the future. A good exit is therefore at least as important as the onboarding process for new employees. In 2023, nearly 60 per cent of employees responding to exit surveys stated that they would consider returning to Sweco.

Collective agreements or equivalent

Sweco respects the right of all employees to form or join independent trade unions and the right to collective bargaining. As regards suppliers' employees, Sweco's requirements in this area are specified in the company's Code of Conduct for partners. These requirements are aligned with the rights applicable to Sweco's employees. In 2023, 76 per cent (74) of all employees were covered by collective agreements. Employees in Germany, the UK and Ireland, where terms of employment comply with the respective country's labour legislation and insurance system, do not currently have collective agreements.



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Workers' representatives

Trade unions and workers' representatives are considered a valuable support for employees, and Sweco builds relationships with these parties based on mutual respect and dialogue. Sweco meets regularly with workers' representatives to provide information and discuss issues concerning the company's performance, potential organisational changes, health and safety, employee survey results, diversity and inclusion, and terms of employment. These meetings are held on various levels – local, national, or within the framework of the European Works Council (EWC).

82%

share of employees represented by workers' representatives (2022: 82%)

Non-employed personnel

In addition to its employees, Sweco has an external workforce (sub-consultants and agency staff) that does not have a direct employment relationship with the company. Sweco also offers students and new graduates trainee and internship positions in various parts of the company. In 2023, the total number of (internal) employees was complemented by an additional 2,000 external employees, representing 8.3 per cent (9.1) of the combined workforce.

Employee dialogue

During 2023, 88 per cent (91) of Sweco's employees had an individual performance review (Sweco Talk) with their managers. An employee survey is also distributed annually to everyone in the organisation. The survey response rate among employees in 2023 was 88 per cent (87). Survey results are made available to the entire organisation and are followed up with in-depth workshop discussions at team level. Other forums for employee dialogue include meetings and conferences within and among teams, networks and divisions, as well as a range of digital channels for exchanging information and expertise, including a group-wide intranet. According to this year's employee survey, 89 per cent (89) of employees feel that their manager promotes team collaboration.

88%

of Sweco's employees feel that their manager cares about them as individuals

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Training and competence development

With international operations in several markets and encompassing multiple areas of expertise, Sweco works continuously on competence development to enable employees and teams to achieve their full potential. Special focus is given to individual development, which is achieved in client projects and through targeted training, courses and programmes. Sweco also encourages internal mobility and knowledge-sharing between teams, projects and business areas. In this year's employee survey, Sweco received a score of 4.1 on a 5-point

81%

of Sweco's employees feel that they have good opportunities to learn and develop in their jobs (2022: 83%)

scale in employees' responses to the statement "I develop my professional knowledge in my work", and a score of 4.0 to the statement "I've had a meaningful discussion about my career development with my manager".

Young talents and mentorship

Attracting and developing future talent is crucial to Sweco's long-term success. Through collaborations with schools, vocational training programmes and universities, Sweco establishes dialogue with young talents at an early stage in their career. In several markets where Sweco operates, trainee and introductory programmes as well as mentoring are offered to students and young professionals at the start of their career.

Introductory programme for new energy and railway graduates

In 2023, Sweco welcomed 36 new engineering graduates to the T&D Academy in Sweden, the company's introductory programme in transmission and distribution designed to attract and develop engineers who see career opportunities in future-proofing electricity grids and energy systems. The Railway Academy, Sweco's introductory programme in railways, trams and metros, ran for its second consecutive year. 23 new engineering graduates meet Sweco experts with a focus on specific rail transport technologies, such as railway systems, signals engineering and rolling stock. The programme also covers business skills, self-management, quality and automation.

»As a new graduate it's hard to know what you want to work with, so it's really valuable to be here at Sweco. I have the chance to work on many different projects and have a lot of responsibility, while also receiving a lot of support from senior employees.«

Aylin Berber, programme participant with a master's degree in sustainable energy technology



»We need to bring new expertise to the industry to manage the energy transition and a doubling of electricity demand in Sweden by 2035. T&D Academy is Sweco's initiative to promote this and meet market demand.«

Alexandra Tidlund, programme supervisor and energy and environmental engineer at Sweco



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Leadership development

Strong, clear leadership is essential to enable Sweco to address the rapid changes in the world and the opportunities these present. The group-wide EDGE leadership programme was developed in 2023. EDGE (Empowerment, Discovery, Growth and Execution) is geared towards the business areas' management teams, with a well-balanced focus on strategic thinking and operational execution. EDGE covers developments in the areas of strategy, digitalisation and AI, as well as organisational and personal leadership. The programme will be carried out during 2023 and 2024. The Leadership Statement, Sweco's group-wide leadership framework, was updated in 2023 and is designed to clarify Sweco's views on leadership and provide direction to the company's employees in achieving Sweco's strategy and goals.

**Leadership development at Sweco – examples from 2023****Project Academy in Denmark**

The Danish organisation has established an internal Project Academy focused on developing managers' skills in managing client projects. The goal is to deliver even better client projects, improve collaboration between professional groups and support the professional and personal development of Sweco employees. The Project Academy is carried out annually, with around 350 participating employees in 2023. After each module, a follow-up is done on individual development goals, personal benefits of the training and ways in which insights can be applied in everyday life.

IMPACT in the Netherlands

In 2023, all managers in the Netherlands took part in IMPACT, a leadership development programme on internal efficiency. The programme focused on communicating the importance of internal efficiency, developing a dialogue with employees about time management and client billing, and creating a common ground with well-defined goals and a clear approach. One of the most important insights drawn from the programme was that working on internal efficiency involves a change in culture and requires an action plan broadly supported throughout the organisation. IMPACT was the springboard for an improved billing ratio, which increased approximately 6 per cent in the Netherlands after the completion of the managers training compared with the previous year.

Leadership Academy in Sweden

A development programme was carried out within the Leadership Academy framework for the majority of the company's regional managers, to help them develop themselves, their relationships and their business. A new Sweco onboarding programme was introduced for new managers to help them step into the new role, understand what it means to lead at Sweco and build networks with other managers. The Leadership Statement has been rolled out in the Swedish organisation with manager meetings, supported by workshop material for different management levels. All relevant processes have been updated and the framework has been integrated into the organisation's leadership development programme.

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90%
of Sweco's employees feel they are treated equally and fairly regardless of background

Diversity and inclusion

Sweco actively promotes competence-based recruitment, and the company strives to reflect the diversity of the markets in which it operates. Sweco's 1,700 work teams are enriched by people with different competencies, perspectives and experiences. All Sweco employees have equal rights, responsibilities and opportunities to work as architects, engineers, technicians and specialists, regardless of gender, transgender identity or gender expression, religion or other belief system, functional variation, sexual orientation or age. According to this year's employee survey, 94 per cent of Sweco's employees feel they are respected at their workplace.

Gender equality

Sweco has a target of having 40 per cent female employees group-wide by 2040. The percentage of female employees at Sweco was 35 per cent in 2023. The gender distribution in the Board and the Executive Team remains even. Sweco maintains its place on Swedish foundation Allbright's annual green list of gender-equal listed company management teams.

Percentage of women on the Board
43%
(2022: 43%)

Percentage of women in the Executive Team
43%
(2022: 43%)

Percentage of women in the Group
35%
(2022: 35%)

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Solidarity in an inclusive culture

Sweco can only be truly innovative and capable of developing the best solutions when people with diverse backgrounds, thoughts and ideas meet and collaborate. Sweco achieves this by offering a workplace characterised by diversity and solidarity in an inclusive culture.



Learning a language

– Network for non-native speakers in the Netherlands

Being unable to use your native language at work presents challenges. Vikki Wardley, team leader at Sweco, knows all about this, having moved from Australia to the Netherlands 13 years ago. This experience motivated her to start a network for non-native Dutch speakers at Sweco, who meet every three months to practice the language and talk about their experiences. A special toolkit has been developed to make conversations easier for non-native speakers.



Thrive@Sweco

– LGBTQ+ employee network in the UK

The LGBTQ+ network Thrive@Sweco was established in 2023. The network promotes a sense of community and solidarity for LGBTQ+ people and provides a safe space to meet and share experiences. By making LGBTQ+ experiences more visible, the network creates a better understanding throughout the wider organisation. Sweco has also initiated a dialogue with employees about starting a network for people with functional variations.



Refugee Talent Hub

– Partnership for integration in the Netherlands

Through its partnership with the Refugee Talent Hub organisation, Sweco comes into contact with candidates with refugee backgrounds. By matching skills needs within a broad spectrum of engineering programmes, candidates are connected with job vacancies and mentors at Sweco. Mohammed Al-Rawhani, born in Yemen, and Jorrit Kootstra, who works at Sweco, both applied to participate in the mentorship programme through the Refugee Talent Hub – Mohammed to increase his opportunities on the Dutch labour market, and Jorrit to make a difference for a potential colleague.

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Equal opportunities for all

Sweco has policies focused on ensuring equal pay for equivalent work. Sweco continuously monitors this, and appropriate measures are taken immediately if salary disparities based on gender are identified. Remuneration at Sweco is market-based and competitive, based on work duties and individual employee performance. The 2023 employee survey confirms that employees feel Sweco is an inclusive and fair workplace, with 90 per cent (91) stating that all team members can achieve their full potential regardless of who they are.

Health and work environment

Sweco has a zero-incident vision, and the company's work environment management is based on a robust management system for safety, health, environment and quality certified under ISO 45001. Many Sweco employees work on projects at client sites, where Sweco does not have direct control of the client's work environment. Great importance is therefore placed on emphasising work environment aspects in the company's business agreements and ongoing client dialogue.

Thanks to its decentralised organisation, Sweco can adapt tools and activities to local conditions. At the business area level, Sweco works systematically to prevent incidents and accidents and to continuously improve the work environment. This includes improving risk

awareness and promoting a work culture and behaviour that supports safety and well-being.

Annual employee and general satisfaction surveys are complemented with individual discussions that encourage open dialogue between managers and employees, focused on maintaining employee and group well-being and commitment. In this year's employee survey Sweco receive scores of 4.0 in response to the statements "Expectations for my work are reasonable" and "Sweco promotes work-life balance". Sickness absence was 3.7 per cent (3.8) at the close of 2023.

88%

of Sweco's employees feel their workplace has a good atmosphere (2022: 87%)

Hi tech-girl! New mentoring programme for women in IT, digitalisation and tech

In 2023, Sweco launched a new mentoring programme for young women and non-binary people who are students or at early stages in their careers, and who see a future in IT, digitalisation, tech, development and innovation. The programme runs for two terms, August 2023 through June 2024, with mentors from Sweco coaching their mentees in future careers and inviting them into their networks.



»Throughout my professional life, I've seen the magic that tech creates for positive urban development – the value that digitalisation brings. I hope that now, through my experience, I can offer valuable support to someone at the start of their career.«

Sara Jonasson, team leader in Karlstad, Sweden
Sweco Digital Services

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Responsible business conduct

Acting responsibly and with integrity in all parts of the value chain is a cornerstone of Sweco's business. Sweco works systematically to maintain good business ethics, prevent risks and positively impact the environments in which it operates.

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Responsibility incorporated into all levels

Sweco's decentralised approach, with all employees responsible for their own business relationships, sets high standards for personal awareness of and compliance with business ethics. Employees and business partners are responsible for complying with laws, regulations and international standards and applying Sweco's own business ethics guidelines and principles.

Sweco Business Partner Programme

In addition to requiring Sweco's business partners to comply with the company's Code of Conduct, Sweco also uses a specific corporate responsibility programme – the Sweco Business Partner Programme – to evaluate its partners. The programme includes guidelines in areas such as anti-corruption and human rights, as well as a training programme that Sweco's consultants and partners participate in together. For projects outside Sweco's home markets, the company has a process for risk assessment of projects and business partners, which applies Transparency International's Corruption Perceptions Index (CPI) as one parameter. The higher risk a project is deemed to have, the stricter the assessment.

Zero tolerance for bribery and corruption

Sweco safeguards its integrity and is committed to maintaining trust in its operations. The company has zero tolerance for involvement in or association with illegal or unethical business practices such as corruption and other financial crime. Sweco works proactively to prevent the risk of being exposed to corruption, in accordance with applicable laws and regulations and internal rules and ethical principles. The company's anti-bribery and corruption policy establishes group-wide instructions and guidance to prevent corruption. Each business area is responsible for identifying corruption risks and implementing measures to manage and mitigate these risks.

In November 2023, Compliance Week was arranged for the third consecutive year. The topic this year was "Gifts and business entertainment", with particular focus on business ethics dilemmas and providing information on compliance to employees in all countries.

During 2023, there were zero (0) confirmed incidents of corruption, legal cases regarding corruption brought against Sweco or its

**Code of Conduct**

Sweco's Code of Conduct represents the company's framework for ethics and standards for business conduct. The Code is based on international standards such as the UN's Guiding Principles on Business and Human Rights (UNGPs), the ILO's core conventions, the OECD's guidelines for multinational companies, the UN's Global Compact principles and related legislation. The Code applies to all Sweco Group employees in all markets in which the company operates and covers business ethics, climate and environment, working conditions and employee development, human rights, data protection, regulatory compliance, reporting, and the handling of suspected irregularities.

The Code is adopted by the Board of Directors and is updated annually. In 2023, the Code was updated to clarify Sweco's responsibility to promote and respect human rights. Training in Sweco's Code of Conduct is obligatory for all employees, who confirm compliance by signing the Code on an annual basis. In 2023, 95 per cent (92) of employees read and signed Sweco's Code of Conduct.

Share of employees that read and signed Sweco's Code of Conduct in 2023, %



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employees, or disciplinary actions against, dismissal of employees or termination of contracts with partners due to corruption. Sweco requires all employees to report discovered or suspected improprieties or misconduct.

Political influence and lobbying

Sweco is politically independent and does not support political parties by donating to or participating in lobbying activities related to local, regional or national political campaigns, organisations or candidates. Collaboration and targeted dialogue is conducted with clients, partners, investors and society at large, as a key component of Sweco's long-term development and to accelerate the transition towards a sustainable future. Sweco also participates in national and interna-

tional industry organisations to exchange information and develop joint action plans that support Sweco's operations in the environments in which the company operates. All interactions are conducted in accordance with Sweco's Code of Conduct and relevant laws and guidelines on transparency and business conduct.

Suppliers

Sweco's procurements broadly cover the following categories: sub-consultants, office space and IT, travel and employee costs other than salaries and remuneration. Although Sweco's supply chain is limited and its most significant sustainability impact occurs in client projects and collaborations with other parties, Sweco expects all of its suppliers to comply not only with laws and regulations in the countries

where they operate, but also with group-wide principles in Sweco's Code of Conduct. Sub-consultants at Sweco are required to sign the Code of Conduct, which covers areas including health and safety, environmental management, business ethics, compliance, human rights and workers' rights.

Management and evaluation of supplier relations and procurement also take place at the business area level based on local policies and procedures. Sweco ensures regulation of sustainability requirements in its supplier and contract management through contractual commitments from the company's suppliers. Sweco's goal is to use ongoing dialogue to continuously improve the review and management of its supply chain and establish processes and tools to further develop sustainability performance.



Sweco's business ethics framework



Code of Conduct

The Code of Conduct is based on Sweco's approach and values as a company, business partner and social stakeholder. The Code, which specifies the requirements Sweco has for its behaviour, covers Sweco's employees as well as business partners.



Policies

Sweco has central policies in place regarding anti-bribery and corruption, gifts, hospitality and entertainment, privacy, remuneration, crisis management, authorisation, finance, tax, sponsorship and information security. Sweco's Code of Conduct also constitutes the company's policies on health and safety and human rights. Local policies in the business areas cover e.g. procurement and travel.



Business Partner Programme

Sweco's Business Partner Programme ensures that current and prospective partners comply with the company's business ethics requirements.



Ethics Line

The Sweco Ethics Line is a whistleblowing function that enables anonymous reporting of suspected business ethics misconduct. Like Sweco's other reporting channels, the Ethics Line is open for reporting suspected human rights violations.



Risk management

Sweco's risk management procedures identify and manage operational, financial and sustainability-related risks and opportunities.

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Human rights

Sweco supports and respects human rights, as defined by international conventions. Sweco's Code of Conduct also serves as the company's group-wide human rights policy. Sweco has zero tolerance for human rights violations, child labour and inhumane working conditions. Sweco also does not permit discrimination or denial of employees' collective bargaining rights. The company actively promotes equal rights and opportunities in the workplace, within Sweco and in contacts with clients and other stakeholders.

The risk of human rights violations within Sweco's own operations is deemed to be relatively minor. Human rights violations are mainly of concern in export projects conducted outside of Europe, with the risk of violation varying based on e.g. type of project, geographic location and the business partners Sweco works with. Human rights criteria are included in the tender review process for screening major Sweco projects, in the assessment of potential business partners and in the merger and acquisition process. No suspected violations of human rights were reported in 2023.

Taxes and distributed value

Taxes play a key role in financing public services in the areas of climate and environment, healthcare, social welfare, infrastructure, education and the legal system. In addition to the solutions and values Sweco experts create with clients in projects, taxes and fees are considered an integral part of sustainable business operations that contribute to society.

Sweco pays taxes in accordance with local tax laws and regulations in the countries where the company operates. Sweco aspires to a high standard of tax management and provides transparent financial reports based on OECD principles, meaning that Group results are taxed where value is created. The tax policy serves as Sweco's framework for tax management and is reviewed annually. For 2023, Sweco paid SEK 525 million (389) in company tax. In addition to company

tax, Sweco contributes additional value related to salaries, pensions and employee benefits, dividends to shareholders, payments to suppliers, and taxes. Social fees, exclusive of pension costs, totalled SEK 2,570 million (2,165) in 2023.

Income tax paid (SEK million)	2023	2022	2021
Total	525	389	432

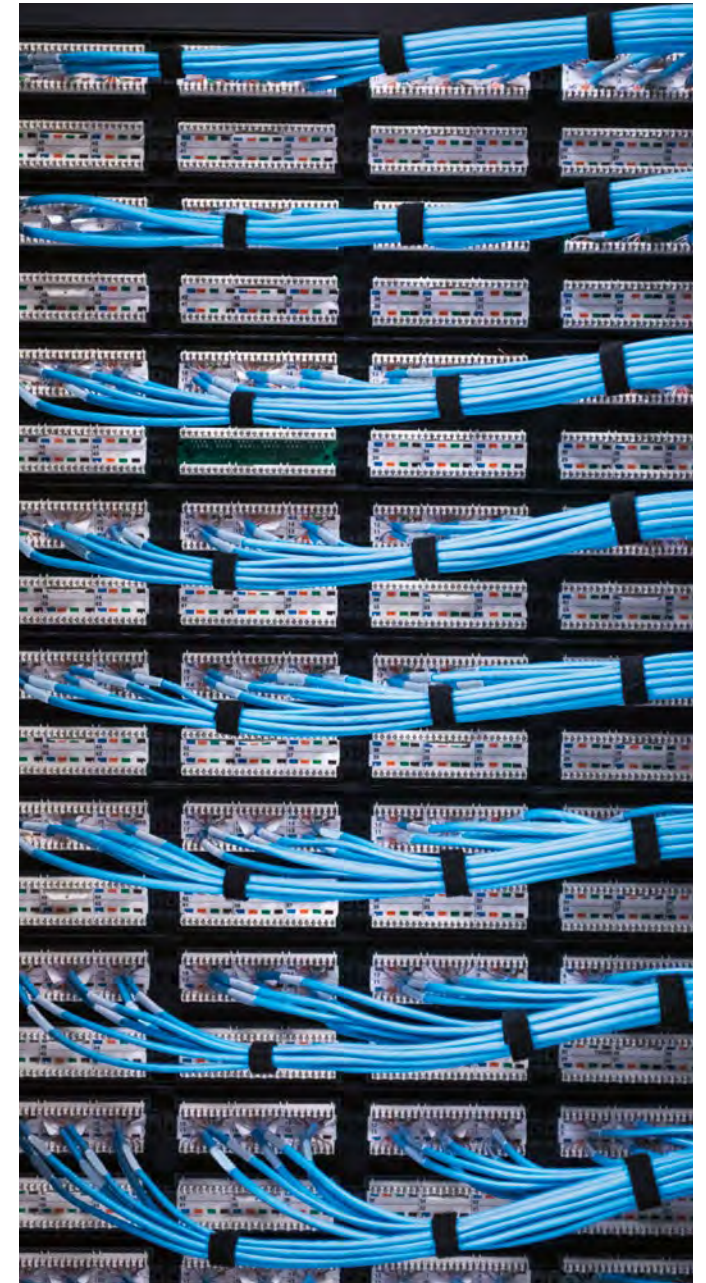
IT and cyber security

The exponential growth of data and increased dependence on digital infrastructure underscore the importance of information security. Cyberattacks and data theft can have a significant impact Sweco's operational integrity, financial stability and reputation. Sweco works continuously to strengthen the company's framework for information security, which is designed to safeguard information and IT infrastructure against existing and new threats and risks, thereby ensuring availability and continuity in Sweco's operations and client projects.

Sweco's information security and incident management functions are placed organisationally with the Chief Information Security Officer (CISO). During 2023, Sweco expanded the implementation of ISO 27001 in several of the company's business areas. ISO certification in an international standard that enables Sweco to implement and maintain its information security system to reduce risks and protect business-critical data through identification, analysis and controls.

Due to the geopolitical situation marked by the wars in Ukraine and the Middle East, the threat level increased in 2023 on several markets where Sweco operates. As a result, Sweco has increased controls and proactive identification of risks in its systems to ensure the company's resilience. Risks identified through these tests are analysed and addressed.

Sweco worked actively during the year to create a security-conscious culture among all employees, with regular training sessions in cyber risks and measures that can be applied to prevent cyberattacks.



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Data privacy

Sweco respects people's privacy. In an increasingly digital and data-driven world, it is more important than ever to protect the personal information that clients, employees and other parties entrust to Sweco. Sweco has established a framework to protect the privacy rights of all individuals whose personal data is handled by the company.

Data Privacy team

Sweco's Data Privacy team is comprised of a Group Privacy Officer and local Privacy Officers from Sweco's business areas. The team issues data privacy guidelines and supports the organisation in maintaining business operations that are compliant with applicable laws and regulations.

Policies and procedures

Sweco's Privacy Policy and associated standards and procedures define Sweco's data protection principles.

Training and awareness

All employees are required to complete Sweco's e-learning on data protection and are offered regular Nano training on privacy and infor-

mation security. The completion rate for privacy e-training was 95 per cent, maintaining the same level as previous year. Each business area also arranges tailored local privacy awareness activities on an annual basis.

Documentation and incidents

Sweco maintains a group-wide IT tool to document measures and manage and register inquiries from data subjects and potential privacy incidents.

Reporting and audit

Data protection and privacy compliance is reported quarterly to Sweco's Board of Directors and reviewed through Sweco's Group Privacy and Internal Audit function. Three business areas were reviewed in 2023.

Awareness and training

All employees receive regular training in business ethics to increase awareness, generate internal dialogue and equip the organisation with a sound ethical compass. Dilemma discussions, which all employees participate in annually, are a key component of this training. The dilemmas are inspired by events that have occurred in Sweco's business activities or in client projects. Sweco also has a system for digital training related to employees' roles and work duties. During 2023, 96 per cent (96) of Sweco's employees participated in internal training in business ethics. Each business area also arranges tailored local activities on an annual basis to increase awareness of business ethics.

Compliance and audit

Sweco's Group Compliance function is responsible for advising on, supervising and monitoring compliance issues. In line with Sweco's decentralised organisation, responsibility for compliance lies with the business areas and is monitored on a monthly basis.

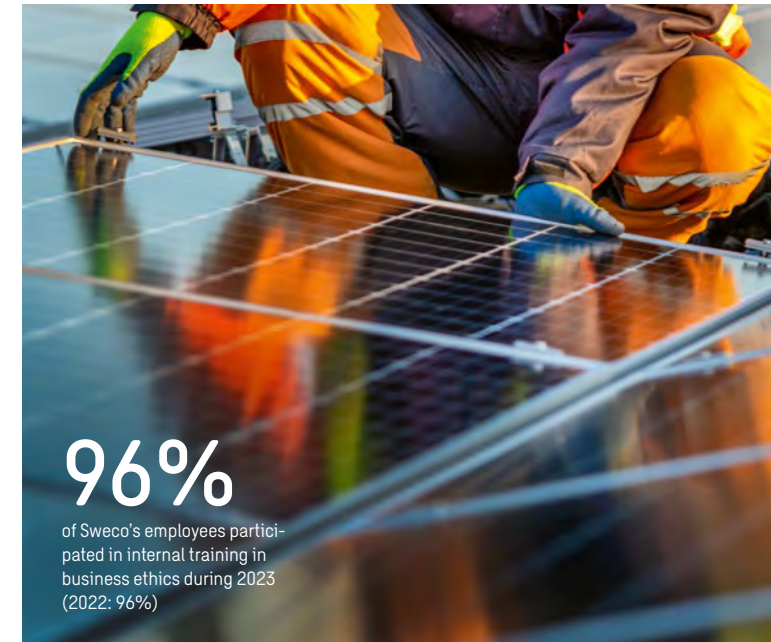
Sweco has addressed the risks identified in the 2022 risk analysis

regarding business ethics, human rights, and data protection and privacy. To enable structured evaluation and implementation of Sweco's Code of Conduct and other policies, the company's business ethics and data protection work is regularly audited and reviewed based on identified risks.

Sweco's local Compliance Officers and Privacy Officers support the organisation in implementing business ethics and data protection policies. Compliance is reported quarterly to Sweco's Board of Directors and reviewed on a regular basis through Sweco's internal audit function. In 2023, two business areas were audited by Sweco's internal audit function and one business area was reviewed as regards implementation of Sweco's compliance programme.

Reports of misconduct

Sweco has a zero-tolerance policy with regard to violation of the law and business ethics and to human rights violations. Sweco focuses on enforcing this policy by proactively providing training and information, and by reactively picking up on and managing incidents. The



Sweco Ethics Line, one of the company's whistleblowing channels, can be used by employees and external parties for anonymous reporting of suspected misconduct. Any illegal or unethical behaviour, including human rights violations, can be reported anonymously via the Sweco Ethics Line, which is operated by an external provider. Sweco also has internal reporting channels available to employees. All reported incidents are promptly investigated, regardless of the reporting channel used. Investigations are managed as locally as possible. The company's CEO and Audit Committee are regularly informed about relevant cases.

Incidents 2023

In 2023, 21 incidents (16) were reported through Sweco's whistleblowing function. Incidents related to business ethics and employees were investigated and necessary actions have been taken as a result of the reports. Incident management of confirmed violations also includes evaluation and implementation of measures required to prevent similar incidents in future.

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Resilient societies – the year’s theme for Sweco’s Urban Insight knowledge platform

It is estimated that nearly 84 per cent of the fastest-growing cities are extremely vulnerable to climate risks and catastrophes, according to the UN’s Development Programme, UNDP. Focus is on resilience as more and more of the world’s population lives in cities. In 2023, Sweco’s Urban Insight knowledge platform explored ways in which cities and communities can strengthen their adaptability and manage challenges and crises now and in the future.

Urban Insight is a knowledge platform where Sweco invites experts to jointly develop innovative solutions within the scope of an annual theme. Since its launch in 2018, Sweco has published 30 reports in areas such as sustainable transport, energy transition, climate challenges, health and well-being, circularity and resilience.

The overarching theme in 2023 was “Resilient societies”. In the wake of climate change and greater global uncertainty, efforts to strengthen the resilience of various types of communities – from countries and cities to households and busi-

nesses – have become more relevant than ever before. The concept of resilience involves the ability to withstand and cope with change, to recover and continue to develop, and to equip oneself to better respond to subsequent changes.

The theme for 2024 will maintain focus on developing resilient societies. Reports during the year will focus on ways in which cities and communities can strengthen their adaptability and long-term resilience by taking best advantage of innovation, technology and new opportunities.



Resilient societies – Insight reports

Sweco launched several insight reports in 2023 under the “Resilient societies” theme. The reports highlight various solutions for adapting critical infrastructure to extreme rainfall and extreme weather events, transitioning societies from grey to blue-green infrastructure on a large-scale using nature-based solutions, and mitigating or preventing the effects of power outages and supply chain disruptions.

→ Download the Urban Insight reports on swecogroup.com

»It’s important not only to solve problems in the short term, but also to include the long-term visions. The world is undergoing an enormous transition right now, and at Sweco we have the expertise to manage this in a sustainable and resilient way.«

Diego Luna Quintanilla,
Expert Leader for Urban Insight 2023



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Sustainability notes

The sustainability notes consist of data and information that complement the disclosures in the sustainability report. The supplementary information concerns material aspects with regards to climate and environment, taxonomy, employees and business ethics.

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Climate and environment

Group greenhouse gas (GHG) emissions and energy consumption

GHG emissions per scope and category – tonnes CO ₂ e	2023	2022	Base year 2020	Change 2022–2023, %
Scope 1				
Total Scope 1	8,707	9,143	11,615	-5
Heating & cooling	1,640	984	1,009	67
Own vehicle fleet	7,067	8,160	10,606	-13
Scope 2				
Total location-based	5,393	–	–	
Total market-based	6,426	6,437	10,109	0
Electricity	4,957	4,938	7,995	0
Heating and cooling	1,468	1,499	2,114	-2
Scope 3				
Total Scope 3 emissions¹	51,317	49,112	43,661	4
Cat 1 – Purchased goods and services	26,821	26,130	25,162	3
Cat 2 – Capital goods	3,971	3,593	3,773	11
Cat 3 – Fuel and energy-related activities	3,109	3,349	3,516	-7
Cat 5 – Waste generated in operations	774	718	806	8
Cat 6 – Business travel	8,008	6,627	3,470	21
Cat 7 – Employee commuting	8,634	8,694	6,933	-1
Total GHG emissions (location-based)	65,417	–	–	
Total GHG emissions (market-based)	66,449	64,692	65,386	3

Scope and method

In 2023, an inventory of Scope 3 emissions was conducted to identify material scope 3 categories across the Group. As a consequence, additional emission categories were added during 2023. Investments and Upstream transportation were scoped out due to immateriality and lack of relevance for Sweco's business.

All entities within Sweco are now required to report on all material emission categories decided by Group. This means that the total emissions are significantly higher compared to previously reported emissions.

	2023	2022	Base year 2020	Change 2022–2023, %
Mobility				
Total emissions, tonnes CO ₂ e	14,717	15,264	13,988	-4
tonnes CO ₂ e/FTE ²	0.73	0.78	0.73	-6
Office				
Electricity	4,081	4,276	7,994	-5
Heating and cooling	3,108	2,306	2,873	35
Total emissions – tonnes CO₂e	7,189	6,581	10,867	9
Key indicators				
<i>Emission intensity²</i>				
tonnes CO ₂ e/Net sales in SEK M	2.3	2.7	3.1	-13
tonnes CO ₂ e/FTE	3.3	3.3	3.4	0
kg CO ₂ e/ Net sales in SEK M	2,330	2,663	3,135	-13
kg CO ₂ e/FTE	3,309	3,296	3,431	0
<i>Energy intensity³</i>				
kWh/FTE	2,705	2,763	2,644	-2
kWh/Net sales in SEK M	1,904	1,807	2,196	5
Energy consumption, MWh⁴				
Renewable energy	19,947	26,700	9,581	-25
Non-renewable energy	31,535	24,827	36,229	27
Fossil-free energy	2,839	–	–	
Total energy consumption	54,321	51,527	45,810	5

Base year recalculation

Due to the expanded scope 3 coverage and growth due to acquisitions since 2020, a recalculation of prior years was conducted. For emission categories where primary data was lacking, such as Purchased goods and services, Capital goods, Waste generated in operations and Fuel and energy-related activities, the recalculation was made based on extrapolating the reported 2023 emissions. All emission categories were also recalculated due to growth from acquisitions. Due to the divestiture of the entity in Bulgaria in 2022, these emissions were scoped out in the recalculation of previous years.

Greenhouse gas (GHG) emissions per Business Area

Business Area	2023	2022	2020	Target year climate neutrality
Sweden	15,665	15,611	18,161	2030
Norway	6,817	6,575	5,899	2036
Finland	11,122	9,936	9,813	2030
Denmark	6,476	6,216	5,818	2040
Netherlands	7,473	8,076	7,857	2035
Belgium	7,054	7,031	6,547	2030
United Kingdom	2,806	2,571	2,381	2030
Germany and Central Europe	8,760	8,349	8,182	
Germany	5,329	5,393	5,363	2040
Czech Republic	670	481	523	2040
Poland	2,080	1,864	1,595	2040
Lithuania	682	610	701	2040
Group	276	328	728	2040
Total emissions – tonnes CO₂e	66,449	64,692	65,386	

1) Upstream transportation, investments and others emission categories have been excluded from Sweco's GHG disclosure due to a recent update of the GHG inventory where these emissions sources were found to be either not relevant for Sweco's business or not material.

2) For calculation of emission intensity, the number of FTEs has been adjusted to align with the recalculation of emissions.

3) For calculation of energy intensity for 2020 and 2022, the number of FTEs used are the reported figures.

4) For 2020 and 2022, MWh are the historically reported figures.

Carbon accounting principles

Scope 1 and 2 have been calculated based on primary data, such as consumption of electricity and heating or actual fuel consumption. Where data has been lacking, benchmarks have been applied based on eg. kWh/sqm or kWh/FTE.

Purchased goods and services and Capital goods have been calculated by a spend-based method. The exceptions are laptops and monitors which have been based on primary data. Business travel calculations are based on actual data except for two of the countries where a spend-based approach has been applied. For Employee commuting a combination of methods have been applied depending on local possibilities. Waste generated in operations is calculated based on both primary data and estimation based on a typical office waste consumption.

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EU taxonomy

Reporting requirements 2023

For financial year 2023 Sweco is required to report:

- the proportion of total net sales that are taxonomy-eligible, non-eligible and taxonomy-aligned, and
- the proportions of capital expenditures (CapEx) and/or operating expenses (OpEx) that are taxonomy-eligible and taxonomy-aligned
- the proportion of total net sales/CapEx/OpEx that are taxonomy-eligible and non-eligible for the newly added economic activities

Swecos approach

Sweco is a project-driven business and works with approximately 150,000 projects each year. A top-down reporting process has been developed to manage reporting in a validated and resource-efficient way. To achieve this, group-wide guidelines, training and tools have been developed by Group Finance.

Each Sweco country has therefore been responsible for its own reporting, which is consolidated on a Group level. Validation of the assessments and data is performed both by experts and finance controllers on country and Group level.

Net sales methodology and data collection

The project data is extracted using Swecos own developed tool which later on divided up per economic activity and assessed accordingly. Assessment is based on the group of projects and not project-by-project except for larger infrastructure projects.

The Substantial Contribution criteria for economic activities, relevant for Sweco's projects and services, describe the nature of the services and projects. Compliance with these criteria are fairly easy to meet through provision of the Sweco services. The Do-no-significant-harm criteria are more context-based and differ depending on the activity and local context in which the activity is performed. This logic applies for both services, projects and capital expenditures. To be able to assess compliance with the DNSH an approach was applied based on the level of implementation of the Do-no-significant-harm criteria in the national legislation and standards in the local markets where Sweco operates.

CapEx methodology and data collection

Sweco's taxonomy-eligible capital expenditure mainly concerns its office premises and its vehicle fleet. The relevant data has been extracted from the IFRS 16 reporting tool and from the asset register. Assessment of the Substantial contribution and Do-no-significant-harm criteria has been conducted per office or vehicle. For the activity 4.1 concerning circularity only taxonomy-eligibility had to be reported for this first year of reporting.

The compliance with the Substantial contribution was fairly easy for vehicles, in cases where these were electric vehicles. However, it was not possible to comply with the DNSH criteria for vehicles, partly due to the high thresholds and strict requirements, partly due to lack of data and supporting documentation. For office premises, there was a similar picture, with only partial availability of energy performance data of buildings and related information.

→ Read more about the methodology and assumptions in Sweco's EU taxonomy methodology report.

Minimum social safeguards

For a company to qualify as environmentally sustainable, the economic activities it reports on must be conducted in accordance with the minimum social safeguards based on the following international guidelines and principles:

- the OECD's Guidelines for Multinational Enterprises
- the UN's Guiding Principles on Business and Human Rights
- the International Labour Organisation's (ILO) eight fundamental Conventions and the UN's International Bill of Human Rights

Sweco's current assessment is that the company complies with the above-referenced international guidelines and principles through its Code of Conduct, policies and procedures at the group-wide level. The assessment of compliance is made on a company-wide level for the time being, as the EU Commission has not yet issued guidance and clarifications on how compliance should be assessed and disclosed.

Results and analysis

In 2023, 20 per cent of Sweco's net sales was considered taxonomy-eligible, an increase from 15 per cent reported in 2022. The higher level of eligibility can be explained by improved data quality and the addition of new economic activities. Further, 6 per cent (4) of Sweco's net sales was taxonomy-aligned. The low alignment is mainly due to the difficulty in meeting the Do-no-significant-harm criteria for climate adaptation and circular economy. There were some variations in alignment between Sweco countries, where Norway, the Netherlands, Belgium and UK had a higher level of taxonomy-alignment. This is due to that there to a larger extent exists requirements concerning climate adaptation and circular economy for large infrastructure projects in these countries.

80 per cent of Sweco's net sales was considered as non-eligible, as the regulation does not include the provision of architectural and engineering services in all economic activities in the Delegated Acts.

Sweco's taxonomy-eligible capital expenditure (CapEx) mainly concerns its office premises and its vehicle fleet. Sweco incurred taxonomy-eligible CapEx of SEK 925 million (559) in 2023. Taxonomy non-eligible CapEx amounted to SEK 415 million (400). The proportion of taxonomy-eligible CapEx therefore amounted to 69 per cent (58). The eligible CapEx consisted of SEK 628 million (467) under the activity 7.7 Acquisition and ownership of buildings, which came from increases in right-of-use assets related to its office premises. CapEx related to its vehicle fleet of SEK 279 million (92) was reported under the activity 6.5 and corresponded to increases in right-of-use assets and, to a small part, in property, plant and equipment. Sweco also reported SEK 18 million (–) as eligible CapEx under the new activity 4.1 related to internal development of digital tools for its clients in Twinfinity. Only SEK 11 million (0) of CapEx related to office premises was considered taxonomy-aligned.

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EU taxonomy disclosures 2023

Code(s)	Net Sales, SEK M	Proportion of Net Sales, %	Substantial contribution								Do no significant harm (DNSH)						Minimum safeguards Y/N	Proportion taxonomy aligned (A.1) or eligible (A.2) year 2022, %	
			Climate change mitigation Y/N	Climate change adaptation Y/N	Water Y/N	Pollution Y/N	Circular Economy Y/N	Biodiversity Y/N	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N					
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy aligned)																			
Infrastructure for personal mobility, cycle logistics	CCM 6.13	56	0.2	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.1
Infrastructure for rail transport	CCM 6.14	544	1.9	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.9
Infrastructure enabling road transport and public transport	CCM 6.15	177	0.6	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.4
Infrastructure for water transport	CCM 6.16	14	0.0	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.0
Data-driven solutions for GHG emissions reductions	CCM 8.2	10	0.0	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.0
Engineering activities and related technical consultancy dedicated to adaptation to climate change	CCA 9.1	294	1.0	n/a	Yes	n/a	n/a	n/a	n/a	n/a	Yes	n/a	Yes	n/a	n/a	n/a	Yes	Yes	1.4
Professional services related to energy performance of buildings	CCM 9.3	486	1.7	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes	n/a	n/a	n/a	n/a	Yes	Yes	1.2
Net Sales of taxonomy-aligned activities (A.1)		1,582	6																4.0
A.2 Taxonomy-eligible but not environmentally sustainable activities (not aligned)																			
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	233	0.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	99	0.3	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	No	Yes	No	Yes	Yes	Yes	Yes	0.4
Infrastructure for rail transport	CCM 6.14	2,174	7.6	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	No	Yes	No	Yes	Yes	Yes	Yes	7.8
Infrastructure enabling road transport and public transport	CCM 6.15	516	1.8	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	No	Yes	No	Yes	Yes	Yes	Yes	2.5
Infrastructure for water transport	CCM 6.16	59	0.2	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	No	Yes	No	Yes	Yes	Yes	Yes	0.2
Data-driven solutions for GHG emissions reductions	CCM 8.2	0	0.0	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	No	n/a	No	n/a	n/a	Yes	Yes	0.0
Research, development and innovation for direct air capture of CO ₂	CCM 9.2	22	0.1	Yes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	No	No	No	No	No	Yes	Yes	0.1
Professional services related to energy performance of buildings	CCM 9.3	4	0.0	Yes	n/a	n/a	n/a	n/a	n/a	n/a	No	n/a	n/a	n/a	n/a	n/a	Yes	Yes	0
Software enabling physical climate risk management and adaptation	CCA 8.4	0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes		
Engineering activities and related technical consultancy dedicated to adaptation to climate change	CCA 9.1	0	0.0	n/a	Yes	n/a	n/a	n/a	n/a	n/a	Yes	n/a	No	n/a	n/a	n/a	Yes	Yes	0.0
Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems	WTR 1.1	170	0.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes		
Nature-based solutions for flood and drought risk prevention and control	WTR 3.1	20	0.1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes		
Provision of IT/OT data-driven solutions and software	CE 4.1	465	1.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes		
Remediation of contaminated sites and areas	PPC 2.4	295	1.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes		
Conservation, including restoration of habitats, ecosystems and species	BIO 1.1	57	0.2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes		
Net Sales of taxonomy eligible but not aligned activities (A.2)		4,114	14																11
Total (A.1 + A.2)		5,696	20																15
B. Taxonomy-non-eligible activities																			
Net Sales of taxonomy-non-eligible activities (B)		22,827	80																85
Total (A + B)		28,523	100																100

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Cont. EU taxonomy disclosures 2023

CapEx	Code(s)	CapEx, SEK M	Proportion of CapEx, %	Substantial contribution			Do no significant harm (DNSH)					Minimum safeguards Y/N	Proportion taxonomy aligned (A.1) or eligible (A.2) year 2022, %	
				Climate change mitigation Y/N	Climate change adaptation Y/N	Circular economy Y/N	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N			Biodiversity and ecosystems Y/N
A. Taxonomy-eligible activities														
A.1 Environmentally sustainable activities (taxonomy-aligned)														
Acquisition and ownership of buildings	CCM 7.7	11	0.8	Yes	n/a	n/a	n/a	Yes	Yes	Yes	Yes	Yes	Yes	0
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0.0	Yes	n/a	n/a	n/a	Yes	Yes	Yes	Yes	Yes	Yes	0
CapEx of taxonomy-aligned activities (A.1)		11	0.8											0
A.2 Taxonomy-eligible but not environmentally sustainable activities (not aligned)														
Acquisition and ownership of buildings	CCM 7.7	618	46.1	Yes	n/a	n/a	n/a	No	n/a	n/a	n/a	n/a	Yes	49
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	279	20.8	Yes	n/a	n/a	n/a	No	n/a	No	No	n/a	Yes	10
Provision of IT/OT data-driven solutions and software	CE 4.1	18	1.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes	
CapEx of taxonomy eligible but not aligned activities (A.2)		915	68											
Total (A.1 + A.2)		925	69											58
B. Taxonomy-non-eligible activities														
CapEx of taxonomy-non-eligible activities (B)		415	31											42
Total (A + B)		1,340	100											100

Reconciliation of Capital expenditure 2023

SEK million	In the denominator (total capital expenditure)	In the numerator (taxonomy-aligned capital expenditure)	Reconciliation with the financial statements
Internally generated intangible assets	29	0	Statement of changes in Intangibles assets (Note 13)
Internally generated	29	0	Under "Developed internally"
Business combinations	0	0	
Property, plant and equipment	379	0	Statement of changes in Property, Plant & Equipment (Note 14)
Purchases	336	0	Under "Purchases"
Business combinations	43	0	Under "Increase through acquisitions"
Right-of-use assets (IFRS 16)	932	11	Statement of changes in Right-of-use assets (Note 15)
New contracts and renewals	763	11	Under "New leases" and included in "Changes in existing leases"
Business combinations	168	0	Under "Increase through acquisitions"
SUM	1,340	11	

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Employees

Sweco Group employees

Result	2023	2022	2021	2020
Total number of employees	22,027	20,297	19,129	18,552
Total full-time equivalents	20,157	18,651	17,802	17,328
Total number of non-employees	1,976	2,042	N/A	N/A
Employee turnover				
Number of new employees (organic)	3,747	4,068	3,252	2,420
Number of new employees (acquisition)	1,163	387	339	498
Organic growth, %	2.8	4.0	1.4	-0.5
Net acquisition growth, %	5.7	1.7	1.7	2.7
Total growth, %	8.5	5.7	3.1	2.2
Number of terminations on request	-2,457	-2,744	-2,445	-1,854
Voluntary employee turnover, %	11.6	13.9	13.0	10.1

Employees by Business Area

Result	Total number	Women, %	Average age
Sweco Sweden	7,070	37	41
Sweco Norway	2,175	34	41
Sweco Finland	2,982	29	41
Sweco Denmark	1,928	31	42
Sweco Netherlands	1,723	25	41
Sweco Belgium	2,351	32	38
Sweco UK	1,203	30	40
Sweco Germany and Central Europe	2,512	46	42
Group	83	48	45
Total Group	22,027	35	41

Employment length of employees

Result, %	2023	2022	2021	2020
<1 year	15	17	14	11
1–3 years	30	28	29	33
4–9 years	30	29	29	28
>10 years	25	26	27	28

Employees breakdown by age

Result, %	2023	2022	2021	2020
<30 years	22	22	21	22
31–40 years	34	33	33	33
41–50 years	22	22	23	22
>50 years	22	22	23	23

Health and safety

Result, %	2023	2022	2021	2020
Sickness absence	3.7	3.8	3.1	3.1

Diversity of governance bodies and employees

Result, %	2023	2022	2021	2020
Females on Board of Directors, %	43	43	57	57
Females on Executive Team, %	43	43	54	50
Female employees, group-wide, %	35	35	34	33
Average age, group-wide, years	41	41	41	41

Incidents of discrimination and corrective action taken

Result employee survey	2023	2022	2021	2020
Number of employees responding	343	312	246	321
Yes to the employee survey question, "Have you been harassed or bullied by a colleague/manager at work during the last 12 months?"	2.0% of respondents	2.1% of respondents	1.8% of respondents	2.2% of respondents

In Sweco's 2023 employee survey, 343 employees or 2.0 per cent of respondents reported that they had experienced harassment or discrimination. Systematic assessments are conducted to ensure that necessary actions are taken continuously to strive for our zero vision, while encouraging our employees to report incidents.

Collective bargaining agreement (CBA) and workers' representatives

Result, %	Percentage of employees covered by CBA		Percentage of employees with workers' representatives	
	2023	2022	2023	2022
Sweco Sweden	100	100	100	100
Sweco Norway	100	100	0	0
Sweco Finland	98	98	98	98
Sweco Denmark	23	24	99	99
Sweco Netherlands	99	99	99	99
Sweco Belgium	80	79	80	79
Sweco UK	0	0	0	0
Sweco Germany and Central Europe	7	6	100	100
Group	100	100	100	100
Total Group	76	74	82	82

Performance evaluation and career development

Result, %	2023	2022	2021	2020
Percentage of employees receiving regular performance and career development review (Sweco Talk)	88.0	91.3	84.9	85.4

All employees are offered regular career development talks as part of Sweco Talk. Reported result refers to the percentage of employees who indicated in the employee survey that they had completed the 2023 performance review.

Equal opportunities

Result, scale 1–5	2023	2022	2021	2020
In my team, everyone can succeed to their full potential, no matter who they are (e.g. all ages, cultural backgrounds, genders, races, religions, etc).	4.4	4.6	4.5	4.5
When we disagree, my colleagues treat each other respectfully.	4.4	4.6	4.6	4.6
I have good opportunities to learn and develop in my role.	4.1	4.2	4.2	4.2
I had meaningful discussions with my manager about my career development.	4.0	4.2	4.2	4.1

Result based on Sweco's employee survey for 2023 on a scale from 1 (strongly disagree) to 5 (strongly agree).

Business conduct

Sweco Group employees

Result, %	2023	2022	2021	2020
Code of Conduct per cent of Sweco employees confirming they have read and understood Sweco's Code of Conduct	95	92	95	89
Internal Business Ethics training per cent of Sweco employees required to complete internal business ethics training who have done so	96	96	94	87
Ethics Line number of compliance incidents reported through Sweco's Ethics Line	21	16	6	7

In 2023, 21 incidents were reported through Sweco's whistleblowing function. Incidents related to business ethics and employees were investigated during 2023 and necessary actions have been taken as a result of the incidents. Incident management of confirmed violations also includes evaluation of measures required to prevent similar incidents in the future.

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Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Sweco AB (publ), corporate identity number 556542-9841.

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2023 on pages 26–71 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm, 22 March 2024
PricewaterhouseCoopers AB

Aleksander Lyckow
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