

A photograph of two young women sitting on swings in a park. The woman on the left has blonde hair in a ponytail, is wearing a white tank top and blue pants, and is smiling towards the other woman. The woman on the right has long dark hair, is wearing a green long-sleeved shirt and black pants, and is also smiling. They are sitting on a swing set with metal chains. The background shows trees and a playground structure.

Hifab

Sustainability Report

2018

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Cover photo: In 2018, Hifab collaborated with MARELD Landscape Architects in a project aimed at renovating outdoor environments in socio-economically vulnerable areas in Tranås. A dialogue was held with tenants who had to make proposals for upgrading the outdoor environment in the Million Programme* area, Stoeryd. Through a survey, tour and work-shops, the inhabitants of the area could tell about both problems and what is estimated in the area. The area's residents also discussed their wishes and needs which later formed the basis for the architect's design.

**The Million Programme is the common name for an ambitious public housing programme implemented in Sweden between 1965 and 1974.*

Business ethics in focus

We at Hifab continue to work systematically with our sustainability activities and looking back over the past year we can see that a lot of time and effort has been spent on strengthening our business ethics activities. Something we know benefits everyone involved – both employees and external stakeholders.

With today's climate and sustainability challenges and as Sweden's foremost project management company, we at Hifab want to be an active player in the development of a sustainable society.

Through the expertise of our employees, we can support our clients in planning, coordinating, following up and developing environmental and sustainability issues in socially important projects.

Hifab's biggest contribution to sustainable development is the ability to influence the projects we carry out with our clients. The goal is to further develop Hifab's sustainability profile in the coming years and to ensure that our employees always have up-to-date and relevant knowledge to best support our clients. Therefore, we will continue to invest in the skills development of our employees, which is also one of Hifab's most important sustainability issues.

One of the objectives of the previous year was to analyse our sustainability risks. In this work, among other things, the need to raise business ethics was identified as a priority on sustainability issues.

During the year, major focus has been on Compliance (business compliance), business ethics and anti-corruption. In the spring of 2018, Hifab, together with one independent specialist, did a survey to review our internal project routines. (Read more about this in our Annual Report on page 14). As a result, we have structured and created clearer internal project processes and procedures and developed a risk analysis tool. We have also supplemented our Code of Conduct with an anti-corruption policy and will be launching various training efforts in 2019, both for employees and partners.

Hifab's vision is to be the market's foremost project management company, the first choice of our clients and employees. To get there, we need to continue to develop our sustainability activities and focus issues; our services, skills supply, competence development, our values and business ethics. The goal is to integrate sustainability even more clearly into our business strategy and operations in the coming years, and to develop our way of following up and reporting our activities.



Patrik Schelin, CEO, Hifab Group AB



Hifab's Sustainability Report has been prepared to fulfill the requirements for a sustainability report in accordance with the sixth chapter of the Swedish Annual Report Act. The Sustainability Report includes the whole Hifab Group (see GRI Index page 16 and Note 15 in Hifab's Annual Report 2018).

An introduction to Hifab

Hifab is Sweden's leading project management company. We offer services for project management and strategic consulting in the construction industry and actively contribute to the success of our clients.

Our business model

Our clients are located throughout the country and employ us as specialists or for entire project management organisations. We are the client's independent partner, without any self-interest, and are happy to participate in projects from an early stage to ensure effective implementation.

Our employees have the expertise required to plan and manage all types of construction and civil engineering projects. All employees have access to our collective competence through our operating system and through internal networks and IT support. We continuously develop methods and tools so that our experience can be reused. Internationally, Hifab offers project management in projects in ten countries. These are mainly financed by international financial institutions and donors.

Hifab Group AB is listed on the Nasdaq First North stock exchange.

Sustainability – an increasingly important part of our business

Hifab is a service company whose greatest potential for sustainable development is primarily through our services and in our client assignments. To meet our clients increased needs in the area of environment and sustainability in various projects, we are working to develop our employees' competence. Hifab's specialists have broad environmental and sustainability expertise in planning, coordinating follow-up and investigating environmental and sustainability issues in, for example, construction and civil engineering projects. We also offer strategic services for social and ecologically sustainable development in companies, organisations and the public sector.

Services in Environment & Sustainability:

- Building environment
- Land and water
- Strategic sustainability

- Social sustainability
- Environmental impact assessments
- Support in the construction process
- Circular economy
- Economic analysis

For examples of some completed projects in 2018, see pages 14 -15.

Vision and mission

Our mission and our offer

We offer project management services and strategic advice in the construction and civil engineering industry. We lead projects and processes towards set goals and contribute to the success of our clients.

Our vision and goal image

Hifab is the market's leading project management company – the first choice of our clients and employees.

Core values

Our core values are based on three key words that guide our daily activities – cooperation, commitment and professionalism. Our core values, together with our vision and mission, form the foundation of our business.

- **Cooperation** – Our work is important and we work together to solve problems, share our knowledge and reuse smart solutions. Together we are stronger.
- **Commitment** – We are responsive and understand the clients' wishes and expectations. We feel proud of our colleagues, our company and what we deliver. We actively contribute to the success of our clients.
- **Professionalism** – We are open and reliable in our relationships with colleagues, clients and partners. We value our deliveries. We are aiming for the future and taking a leading position in our markets.

Hifab's essential sustainability issues

Stakeholder Analysis

To make our sustainability activities relevant to our stakeholders, it is important for us to listen to their views and expectations of our sustainability activities. During 2017 part of our materiality analysis, was conducted. Stakeholder dialogue in the form of a number of interviews with our most priority stakeholders – clients, employees,

owners and suppliers. The stakeholder groups that matter most are the groups that have the greatest impact on our activities and which we influence most through our operations. The results of this dialogue are still relevant and a summary is presented in the table below.

Hifab's priority stakeholders	Communication mode	Important issues
Clients	<ul style="list-style-type: none"> • Client Survey (NPS) • Meetings, fairs and conferences 	<ul style="list-style-type: none"> • Client satisfaction • Trends • Ongoing projects
Employees	<ul style="list-style-type: none"> • Årlig medarbetarundersökning • Annual employee survey • Annual employee interviews • Staff meetings and conferences • Dialogue meetings with the unions • Daily reconciliation and interaction • Departmental meetings • Working Environment Committee meetings • Quarterly CEO info 	<ul style="list-style-type: none"> • Attract and develop existing employees • Attract new employees • Committed employees • Working environment and health • Anti-corruption • Code of Conduct • Human rights
Owners	<ul style="list-style-type: none"> • Board meetings • Annual General Meeting • Quarterly reports • Annual Report • Sustainability Reporting • Press releases 	<ul style="list-style-type: none"> • Strategic focus • Financial standing • Profitability • Goal fulfilment
Suppliers	<ul style="list-style-type: none"> • Procurement / purchasing • Supplier meetings 	<ul style="list-style-type: none"> • Collaboration • Code of conduct

In addition to the above stakeholders, we are active in dialogue with stakeholders such as government agencies, industry organisations, the media, schools and universities.

The table below shows examples of organisations in which Hifab is a member.

Branch Organisations	
Society of Energy and Environmental Technology	Stockholm Chamber of Commerce
Federation of Swedish Innovation Companies	The Stockholm Climate Pact
Environmental and Sustainability Auditors in Sweden	Sweden Green Building Council (SGBC)
The Swedish Association for Sustainable Business	Southern Swedish Civil Engineering Society (SSBS)
SBR Construction Engineers	The West Swedish Chamber of Commerce
Stockholm Building Association	

Risk analysis

All business operations are associated with a certain degree of risk-taking. Hifab's operations are affected by a number of different factors, some of which are within the company's control while others are outside. During 2018, we have continued to work on the sustainability risks and uncertainties of the business. Our goal has been to supplement our risk analysis and clarify our risk management in the area of sustainability. A risk workshop was conducted with Hifab's management team and the company's sustainability risks were analysed within the parameters of probability, consequence and impact.

The main risk within our operations is corruption – both in the Swedish and foreign operations. During

2018, we focused on the risks of corruption and, among other things, worked to strengthen our internal project processes and routines. An example is the tool we have developed and tested in our operations in Bangladesh. A survey is carried out for each project and the tool estimates any risks with, for example, clients and suppliers. The tool should work as a support to management and project managers and helps them to make more informed decisions in their everyday lives. We have also developed our Code of Conduct with an anti-corruption policy that will provide guidance to both our employees and partners. See page 10.

Riskhantering

Field	Description of risk	Mitigation	2018 Outcome
Environment	Emissions of environmentally hazardous substances to soil / water linked to our business in industry.	<ul style="list-style-type: none"> To ensure that industrial reliance procedures also include environmental risks and their management. 	<ul style="list-style-type: none"> Improved process and procedures in connection with project start-up.
Staff	Lack of competence in the industry poses challenges in recruiting, attracting and retaining competent employees.	<ul style="list-style-type: none"> Strengthen our company's achievements by working with a value-based workforce. Skills and leadership development Attractive employee job offer 	<ul style="list-style-type: none"> Develop our joint training package, Hifab PRO, including certification in PMP* Systematic exchange of experience Mentoring Program Leadership forum for leadership development
Social conditions	Risks of accidents, physical and mental health injuries / ill health.	<ul style="list-style-type: none"> Systematic working environment activities Code of conduct Wellness allowances and health checks Working Environment Policy Follow-up via employee survey (1 time/year) and employee interviews (2 times/year) 	<ul style="list-style-type: none"> 3no training courses for managers within the area of working environment (approx. 25 managers/course) Training of new employees in Hifab's Code of conduct Start-up to review Hifab's project process: Effective processes
Human Rights	Risk of discrimination and harassment.	<ul style="list-style-type: none"> Systematic working environment activities Code of conduct Policy against abusive discrimination and harassment Follow-up via employee survey (1 time/year) and employee interviews (2 times/year) 	<ul style="list-style-type: none"> Annual signing of code of conduct Training of new employees in Hifab's code of conduct
Counteracting corruption	Risk of improper conduct in connection with business dealings.	<ul style="list-style-type: none"> Code of Conduct for employees and partners. Whistleblowing function Internal audits Certification procedures Training programs 	<ul style="list-style-type: none"> During 2018-2019 extensive work is being done to ensure the management of corruption risks. A risk analysis platform has been developed, the code of conduct has been updated, an anti-corruption policy has been developed, operational routines have been developed, employees have undergone training. Training of new employees in Hifab's code of conduct Anti-corruption education

*PMP står för Project Management Professional och är en av världens mest etablerade certifieringar inom projektledning. Certifieringen utfärdas av PMI, Project Management Institute.

Materiality analysis

During 2017, Hifab conducted a materiality analysis to identify and prioritise the company's significant sustainability issues. It consisted of an external analysis, stakeholder dialogue with prioritised stakeholder groups and a workshop in which senior management prioritised the essential sustainability issues based on its impact on environment / human trafficking and Hifab's brand/profit.

During 2018, senior management conducted an analysis of Hifab's sustainability-related risks and how these are managed.

Based on the results of the risk analysis, the management chose to lift business ethics from an important to a prioritised sustainability issue.



Priority sustainability issues

- **Our Services.** We have made the assessment that our project activities and thereby our services are the sustainability area where we have the greatest potential for influence.
- **Supply of competence.** Our employees are our most valuable asset. Retaining existing employees and attracting new ones, and thus being an attractive employer, is a prerequisite for our skills supply.
- **Competence development.** We live in a fast-moving world. Knowing our clients' needs and having the right skills to meet them is the starting point for our competence development.

- **Our values.** Our principles and core values are something that guides us in the choices we make every day and something that sets us apart from our competitors.
- **Business ethics.** We believe that good business ethics is the basis for a company's sustainability activities. We expect good business ethics from our clients, partners and employees.

Hifab's sustainability management

Hifab's business management

Hifab works in a structured way through its operating system. The sustainability work is governed in the same way as the Group's other operations, i.e. through 'HVS' – Hifab's Business System (Hifab's Verksamhetssystem). Management is involved in our operating system through regular meetings and our CEO approves and signs the policy every year.

Hifab has been certified in accordance with ISO 9001 since 1996 and according to ISO 14001 since 2001. Based on these two standards for quality and environment, we work to promote the best possible technology and minimise risks in our assignments.

Since 2000, we have an integrated certified business system that covers both quality and the environment. The operating system also includes the requirements of AFS* 2001: 01 regarding systematic working environment activities. In 2018, Hifab carried out an upgrade audit to current standards (ISO 9001: 2015 / ISO 14001: 2015) and a renewal audit to extend the validity of the certificate.

In addition to the operating system, Hifab has a number of sustainability-related policies, for example:

- Code of conduct
- Anti-corruption policy
- Working environment policy
- Policy against abusive discrimination and harassment
- Policy for diversity on the Board
- Environmental policy
- Travel policy

Hifab's Code of Conduct

Our Code of Conduct serves as a guide for all employees and is used as a tool in our everyday lives – both in assignment-related and internal projects. The Code of Conduct clarifies the principles that support us in the role of employer and in the role of employees, in relation to other

employees, clients and partners. The Code of Conduct is based on the Global Compact and is based on our seven main principles, see the next page.

Application and follow-up

Hifab's Code of Conduct covers all employees regardless of position. All managers have a special responsibility to work for the enforcement of the Code of Conduct and we maintain an ongoing dialogue about the situations we are facing. Departures from the Code of Conduct are reported to the nearest manager or to someone in Group management.

In order for all our employees to have knowledge of the code of conduct, and to live by our values, a training programme has been developed. Our goal is for 100% of our employees to have completed the training by 2020.

Whistleblower function

At the end of 2018, a new whistleblower function was activated. Previously, this has been handled internally but to ensure anonymity in reporting any irregularities, Hifab has chosen to hire an external service for this purpose. The function is intended to be used where Hifab conducts projects, in and outside Sweden, and can be used by everyone involved in Hifab's activities, both employees and external actors.

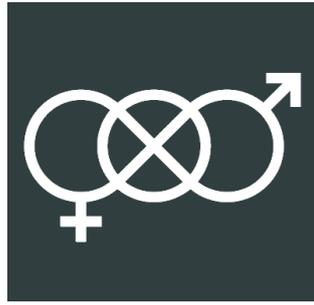
**AFS are The Swedish Work Environment Authority's Statutes*

The seven core principles of the Code of Conduct



Integrity

All employees should avoid situations where their personal or financial interests may conflict with the company's. Together, we take responsibility for not disseminating information that could harm anyone or the company and are responsible for protecting the company's assets from loss, theft and abuse.



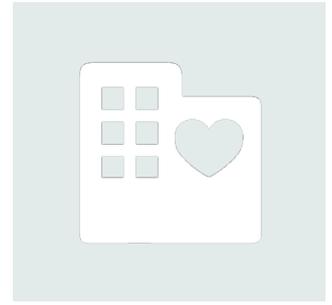
Equality and diversity

Our fundamental position is that all people are of equal value and that all employees should have the same basic opportunities, rights and obligations. Our working environment should be characterised by respect and fair relations between individuals and groups. No one should be discriminated against.



Freedom of speech and association

We respect our employees right to choose whether or not they want to be represented by trade unions in collective bargaining. No employee shall be discriminated against for exercising this right.



A good working environment

All employees must be offered a good, safe and healthy working environment where everyone contributes to well-being, efficiency and safety. A good working environment is not only safe, it should also lead to personal development and job satisfaction.



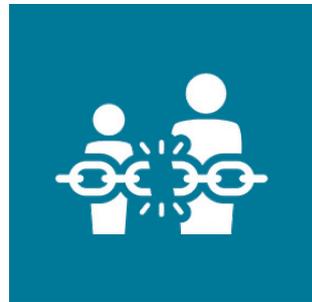
Personal development

We want to retain and develop our employees. By offering continuous development opportunities, each employee should receive the skills development required to achieve results and ensure our business commitments.



Communication

We have an open and constructive dialogue based on respect for each individual. All employees have access to information about the company's overall goals, strategies and have a dialogue with their immediate manager about how their own efforts contribute to the whole. All managers and employees have a shared responsibility to ensure access to the information needed for each employee to perform their activities in an effective way.



Unjust conditions & coercion

We do not accept any form of exploitation of children or other vulnerable groups in the labour market.



Global Compact

The ten basic principles of the UN Global Compact are, among other things, based on the UN Declaration on Human International Rights. The ten principles cover the areas of human rights, labour law, environment and corruption.

2018 Resultat

Below we describe how we work with our five priority sustainability issues and the results of our activities during the year.

Our Services

Our assignments, and thereby our services, is the sustainability aspect where we have the greatest impact.

In order to create measurability in our services, we have chosen an indicator that is based on the proportion of our assignments carried out in environmentally controlled projects. To be categorised as an environmentally controlled project, one (or more) of the following parameters must be met:

- that there are environmental requirements from the client
- that there is an environmental program (or other governing document for the environmental work) in the project.
- that there is an environmental study (or will be established within the framework of the project)

In 2018, a total of 915 (919 in 2017) projects were started, which includes the entire business (Hifab AB, DU-Teknik, Hifab International and Hifab Oy, Hifab's Finnish subsidiary). Of these, 44% (41%) were so-called environmentally controlled projects.

Because our employees have high knowledge and awareness of environmental and sustainability issues, we can help influence our clients and assignments so that the proportion of environmental projects increases. Therefore, it is important to continuously train our employees in this area. In 2019, we will therefore launch Hifab's sustainability training.

Another important aspect that helps us to influence and assist our clients is our operating system. Hifab's operating system is central to the process of clarifying how the environment and sustainability should be considered early in a project. The system contributes with checklists such as used in the start-up phase of a project. Through environmental checklists, we can make our clients aware of how

we can support them on these issues and what kind of expertise we have to offer.

To ensure that we deliver services that are in line with our clients' expectations, we measure client satisfaction according to the key figure, Net Promoter Score (NPS). Hifab's client satisfaction measurements are carried out quarterly for the recently completed assignments. The result is presented as a key figure according to NPS based on the question "How likely are you to recommend Hifab to an industry colleague". Hifab's target figure for NPS is 20 where the outcome for 2018 was 19.1, compared with 27.6 the previous year. The measurement is based on relatively few answers, which is why the variation can be relatively large between the measurements. If we look at the results of the last five years, we can see a clear trend towards increased client satisfaction.

We continuously monitor the results of the client survey and in our marketing activities we continued to locate priority clients in 2018 and invited them to client and supplier meetings. Through training initiatives within, among other things, practical project management, we also ensure that our employees can deliver services to additional high levels to increase client satisfaction.

Indicator	2018	2017	2016	2015	2014
Proportion of new assignments in environmentally controlled projects	44 %	41* %	-	-	-
NPS	19,1	27,6	18,1	11,3	10

Measurement of the share of environmental projects is carried out in Hifab's operating system where all new assignments are registered.

** The 2017 result has been corrected since the last report. Last year, DU-Teknik and our foreign operations were excluded from the calculation, but these figures have now been corrected and the result includes all of Hifab's operations.*

Supply of competence

Retaining existing employees and attracting new ones, and thus being an attractive employer, is the prerequisite for our skills supply.

As indicators of skills supply, we have metrics that are based on Hifab as an attractive employer. For our existing employees, we have chosen to measure employee index (MI), leadership index (LI) and to what extent our employees recommend Hifab as an employer (eNPS, Employee Net Promoter Score). Regarding employee index (MI) and leadership index (LI), there is no significant difference in results compared to the previous year. We are pleased to see that we continue to be above the industry average. The result for eNPS was 10 (15).

Something that should be noted is that we are also higher than average in this area. Based on the results of our employee surveys, we develop plans for how to work to be an attractive employer. In this work, we focus on what is raised as our strengths, such as development opportunities within Hifab, the interesting projects that you as employees can participate in and drive, competent colleagues and that Hifab is a pleasant workplace where you help each other. We also need to ensure that our managers have enough time for their employees and also look at how collaboration between our departments can be further improved.

Another indicator that we follow to ensure that Hifab is an attractive employer is the number of new employees. During 2018, the number of new employees decreased from 67 to 44. The reduction occurred in both Swedish and international operations. The decrease is mainly attributable to a lack of competence in the industry, reduced staff turnover and the measures that have been implemented to streamline operations with project management services and selected specialist areas.

The work of being an attractive employer is ongoing. Some concrete efforts that have taken place during the year include:

- Developed our joint training package, Hifab PRO, including certification in project management
- Systematic exchange of experience
- Mentoring program
- Leadership forum for leadership development

Indicator	2018	2017	External comparison*
Employee index	72	73	68
Leadership Index	78	77	73
eNPS	10	15	9**
Number of new employees	44	67	–

Measurement of employee indices, leadership indices and eNPS takes place in Hifab's annual employee survey.

** External comparison are statistics from the Zondera database between 2015-2018. Zondera is the responsible publisher for Hifab's employee survey.*

*** Average figures from industry average in Sweden*

Skills development

Having good knowledge of our clients' needs and having the right skills to meet them is the starting point for our competence development.

As an indicator of competence development, we have chosen to measure the extent to which our employees understand the needs of our clients and to what extent they believe they have the right skills to measure these needs. It is important for us to ensure that our consultants meet the high standards of competence found in our projects. During 2018, we have developed our education activities (Project Management School) through a clear packaging and development of the content for our various target groups. Training initiatives include practical project management, a training that leads to PMI certification. With a certified working method, a quality assured implementation is offered that distinguishes us and creates security in our deliveries.

Indicator	2018	2017
Understanding our clients' needs	86	88
The right skills to understand our clients'	82	82

Measurement takes place in Hifab's annual employee survey.

Our values

Our values and core values are something that guides us in the choices we make every day and something that sets us apart from our competitors.

As an indicator of our values, we have chosen to measure the extent to which employees understand our values and whether they believe that their manager has a behavior that is consistent with the values. Here we see a decrease in the result something we are working on to change. A concrete effort that has been made is the target and development template that was launched at the end of 2018. It is a template that forms the basis for all employees' development interviews. The template is based on our values and the employee sets goals based on our valuation parameters; cooperation, commitment and professionalism. In this way, we clarify Hifab's values for all employees and show how everyone can contribute.

2019 will start with structured activities to strengthen our corporate culture by working with value-based workforce.

Indicator	2018	2017	External comparison*
Believe in Hifab's values	77	82	80
That Hifab's managers have behaviour that is consistent with our core values	85	87	81
Hifab is pervaded by our core values	56	61	60

The measurement is made in Hifab's annual employee survey.

** External comparison is statistics from Zondera database between 2015-2018. Zondera is responsible publisher for the Hifab employee survey.*

Our ambition is to be an active player in the development of a sustainable society. The activities we do should permeate our projects and reach out to our clients and partners. But it is also of the utmost importance that our employees receive knowledge of Hifab's structured sustainability activities. In order to strengthen Hifab's sustainability profile internally, we have included a section on sustainability in the introductory training for all new employees and communicated via the intranet to create awareness of the ongoing activities.

In Hifab's employee survey, we ask whether our employees believe we have a clear sustainability profile. The goal is for this figure to turn around and that we can see a positive trend.

Indicator	2018	2017	External comparison*
Hifab is a company with a clear sustainability profile	48	54	-

Business Ethics

We believe that good business ethics is the basis for a company's sustainability activities. We expect good business ethics from our clients, partners and employees.

Business ethics is an important part of Hifab's operations and one of Hifab's priority sustainability issues. During the past year, we have strengthened and developed our activities in business ethics and an anti-corruption program has been developed and will be implemented on an ongoing basis over the next few years.

The following efforts were made during the year:

- An anti-corruption policy that complements our Code of Conduct has been developed.
- Internal mapping has been carried out to review procedures in the process, which has resulted in work on processes for evaluating and managing risks. Initially, our focus is on our foreign operations in Bangladesh, where we see greater risk in that part of our business.
- A tool for analysing risks in a project has been developed. The tool has been tested in 2018. Launch is expected to take place in 2019.

In order to create measurability regarding our business ethics, we have chosen, as indicators, our courses that are linked to the subject. The training is aimed at ensuring that our employees have knowledge of Hifab's business ethics activities and core values and how we combat corruption in everyday life.

In 2017, we began our work on implementing a new code of conduct that will clarify and guide our employees in how we act towards each other and others in our

every-day lives. In conjunction with that, training was implemented. In 2018, 41 (22) people were trained and our goal is for 100% of our employees to have completed the training by 2020.

Next year we will launch two anti-corruption training courses. One is an online course that will reach out to all employees as well as our future partners. The second program is a teacher-led training aimed at people in senior positions and the staff working on projects abroad.

Indicator	2018	2017
Trained in code of conduct*	41 st	22 st

** In the Sustainability Report 2018, the measurement indicator "Trained in Code of Conduct" has been moved from the section Our Values to the new section Business Ethics. We believe that the number trained in our Code of Conduct clearly measures business ethics.*

Sustainable projects in 2018

Certified strategy planners in social sustainability

In 2018, four project managers at Hifab became certified strategy planners in social sustainability. Dalia Rhawi, project manager in Hifab's Stockholm office, is one of them.

– Social sustainability is based on the fact that we need to take people's basic needs into account. We work to create fairness and an equal society where people live a good life with good health and on equal terms. My job is that we at Hifab should get that perspective into our projects and be able to support our clients to think more about social sustainability. My hope is that social sustainability will be an obvious basis for companies to start from the future.

Hifab now offers strategic planning services for socially and ecologically sustainable development to companies, organisations and the public sector.



Hifab conducts social impact assessment for Boliden

Boliden has been running mining operations in the Aitik mine outside Gällivare since 1968. When the company decided to expand its operations in the area, Boliden decided to include a social impact assessment in its permit application. Hifab was commissioned to carry out and compile a social impact assessment, which included in-depth interviews with residents in the area for the current new open pit. A social impact assessment examines the impact on people of a planned business from a social perspective.



The Circular Economy Network

Sustainability, reuse and recycling are the focus of circular economics. In the society of today and tomorrow, resource management is central to a long-term relevant business model. In 2018, Hifab initiated the Circular Economy Network to gather expertise and enable the exchange of experience in areas related to the subject. The network is aimed at anyone who is interested in, works with, or wants to know more about circular economics.



Sustainable urban development for Täby municipality

Täby Municipality runs the project in Roslags-Näsby and a total of 1,400 homes will be built, as well as nursing homes, a nursery school, and offices established in the area. The municipality has high goals for the district when it comes to sustainable urban development – both socially, economically and ecologically. Täby strives for the project to be a national example in sustainability, where the focus is on innovation and new ideas. Hifab assists Täby municipality with project management and responsibility for the sustainability activities in the project. Together they work to find smart solutions that minimise the climate and environmental impact. Sustainability should permeate the entire project – both large and small!



Safe electricity supply provides an improved quality of life

Hifab's Finnish subsidiary, Hifab Oy, has been commissioned as technical experts to manage a comprehensive operating optimisation project in Dhaka, Bangladesh.

The project includes the construction of an operational monitoring centre with a so-called SCADA system that improves control and optimisation of the electricity grid. With the help of real time monitoring of the components of the electricity grid, one can minimise and prevent risks of overload and failure situations in the grid. Stable electricity supply is one of the most important components of efforts to achieve equality and a higher standard of living in developing countries.



75% recycled furniture in Aritco's new sustainable office

When Aritco Lift AB was to relocate and change offices, they had a clear vision: the new office would be a sign of sustainability and over 75% of the furniture would be used or made from recycled materials. In addition the new office would be activity-based and suitable for over 100 employees, as well as accommodate an area for production of the company's elevators. Aritco took advantage of Hifab Development of premises, which during the course of the project has supported with, among other things, change management and processes regarding renewed working methods.



Sustainable lifestyles – Expert support in project design and evaluation

In the project "Sustainable Lifestyles: implementation, evaluation and learning", five municipalities worked together; Borås, Gothenburg, Linköping, Malmö and Umeå. The project included planning, implementation and evaluation of inputs for sustainable lifestyles.

Hifab's assignment was to evaluate and measure the effects of the five municipalities' inputs to strengthen sustainable lifestyles among their citizens.

During the project, Hifab's sustainability consultants coached the municipalities in their work. Hifab has collected lessons learnt during the project and produced a manual and workshop material. The manual helps to understand various aspects of the planning work, for example defining the purpose and which conditions and factors can influence the evaluation of the effect of the inputs.

**HÅLLBARA
LIVSSTILAR**
**HUR DU LYCKAS MED
INSATS & UTVÄRDERING**

GRI-Index 2018

Accounting according to the table below is inspired by Global Reporting Initiatives, GRI Standards.

Standard No	Description	Information/answer
102-1	Name of organisation	Hifab Group AB
102-2	The organisation's main brands, products and services	AR p. 3
102-3	Location of the organisation's headquarters	Sveavägen 167, 3rd floor, Box 19090, 104 32 Stockholm
102-4	Location / countries where the organisation operates	AR p. 17 note 15
102-5	Ownership and legal form	AR p. 20-21
102-6	The organisation's business areas and clients	AR p. 23-26
102-7	Scope of organisation (number of employees, turnover, etc.)	AR p. 4, AR p. 24, AR p. 45
102-8	Information about employees, type of employment, gender etc.	AR p. 46
102-9	Description of the organisation's supply chain	Hifab's services are primarily provided by its own employees, and secondly, sub-consultants are hired. Hifab has cooperation agreements with 125 sub-consultants.
102-10	Significant changes within the organisation and its supply chain	No significant changes
102-11	Application of the precautionary principle	Hifab is a signed member of the UN Global Compact, see p. 3
102-12	External initiatives and principles that the organisation has joined	Global Compact since 2016 as a signed up member
102-13	Membership in industry and interest organisations, national and international	p. 5
102-14	Statement from the organisation's senior official on the importance of sustainability and the strategy for addressing sustainability issues	p. 3
102-16	Description of basic values and guiding principles within the organisation	p. 4
102-18	Management and organisational structure	AR p. 23
102-40	Stakeholder List	p. 5
102-41	Percentage of employees covered by collective agreements	Hifab AB is covered by collective agreements
102-42	Identification and selection of stakeholders	p. 5
102-43	Stakeholder Involvement Process	p. 5
102-44	Essential issues raised by stakeholders	p. 5
102-45	Operations included in the accounting / accounts	Hifab Group AB including subsidiaries
102-46	Process for defining significant sustainability issues and implementing accounting principles	p. 7
102-47	List of essential sustainability issues	p. 7
102-48	Corrections to reported information in previous annual reports	p. 10. Our services, correction of number of projects p. 13. Measurement indicator "Trained in code of conduct" moved to Business Ethics
102-49	Significant change in reporting compared to previous years	New materiality analysis, prioritisation of sustainability issues and indicators
102-50	Reporting period	1 Jan 2018 - 31 Dec 2018
102-51	Date of previously submitted report	April 2018
102-52	Accounting Cycle	Annually
102-53	Contact person for questions regarding sustainability recognition	Fredrik Holmström, Sustainability Manager fredrik.holmstrom@hifab.se, 010-476 60 00
102-54	Citation of how the accounts correspond to GRI Standard	The Sustainability Report has been prepared with Global Reporting Initiative standards as inspiration.
102-55	GRI index	p. 16
102-56	External verification of report	p. 17
103-1	Justification for essential sustainability issues and boundaries	p. 7
103-2	Description of how the organisation handles its essential sustainability issues	p. 10-12
103-3	Evaluation of the organisation's management of significant sustainability issues	p. 10-12

Auditor's opinion

Deloitte.

The auditor's opinion regarding the statutory sustainability report

To the Annual General Meeting of Hifab Group AB, corporate registration number 556394-1987

Assignment and division of responsibilities

It is the Board of Directors who is responsible for the Sustainability Report for the year 2018 and that it has been prepared in accordance with the Annual Report Act.

The focus and scope of the review

Our review was conducted in accordance with FAR's recommendation RevR 12 *Auditor's opinion on the statutory sustainability report*. This means that our review of the sustainability report has a different focus and a significantly smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides us with a sufficient basis for our statement.

Statement

A sustainability report has been prepared.

Stockholm

Johan Telander
Chartered Accountant

**Our vision is to be the
market's leading
project management company –
the first choice of our clients
and employees**

Hifab