

HUFVUDSTADEN

# GRI REPORT 2012



# GRI Report 2012

Hufvudstaden's joint Sustainability Report comprises the Annual Report for 2012 and this Report. The Company's sustainability work is reported in compliance with the guidelines issued by Global Reporting Initiative (GRI). Reporting can take place on three levels and this year's Sustainability Report has been prepared in accordance with application level C.

## **THIS YEAR'S SUSTAINABILITY REPORT**

From 2011, Hufvudstaden has reported according to the GRI Sustainability Reporting Guidelines, Version 3.1.

Hufvudstaden has a working group made up of representatives from the finance, environment, energy, property development and HR functions at the Company. They identify and update sustainability aspects in the lead-up to work on the Sustainability Report.

## **SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY**

Sustainability work at Hufvudstaden has its starting point in the Company's vision and business concept. For us, sustainability work is about assuming long-term responsibility, both in terms of financial development and in environmental and social issues.

Sustainability work covers everything from the operation of our properties to redevelopment, business ethics and our human resource policy.

## **HUFVUDSTADEN'S VALUES**

The corporate culture is value governed and characterized by a firm commitment throughout the whole organization. Our four basic values are quality, attentiveness, honesty and commitment. These values form the basis for how our employees act in business situations and in their dealings with colleagues and suppliers. They help us to achieve our operating objectives and at the same time, they are vital to the development of more sustainable operations.

## **Hufvudstaden has identified the following five stakeholder groups who are affected by our work**

- Tenants
- Employees
- Owners
- Suppliers
- Community

## **Our values**

- Quality
- Attentiveness
- Honesty
- Commitment

# GRI Index 2012

## Abbreviations:

AR = Annual Report  
G = GRI Report

## \* Coverage key:

● = Reported in full  
◐ = Reported in part

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## About the GRI guidelines

In 1997, GRI produced international guidelines on how sustainability issues should be communicated in a credible, transparent manner, irrespective of organization, size or country. GRI guidelines now form the most widely recognized system for sustainability reporting.

# Comments on the indicators

## **2.10 AWARDS RECEIVED IN THE REPORTING PERIOD**

In the annual *Fastighetsbarometern* survey, Hufvudstaden came first in the Satisfied Customer Index among a number of the leading property companies.

In the worldwide survey Carbon Disclosure Project, which examines companies' climate work and climate impact, Hufvudstaden had the highest score of all Swedish companies.

## **3.6 BOUNDARY OF THE REPORT**

The report covers Hufvudstaden and all subsidiaries.

## **3.7 SPECIFIC LIMITATIONS**

Delimitations and specific limitations are shown in more detail in the presentation of each indicator.

## **3.8 REPORTING BASIS**

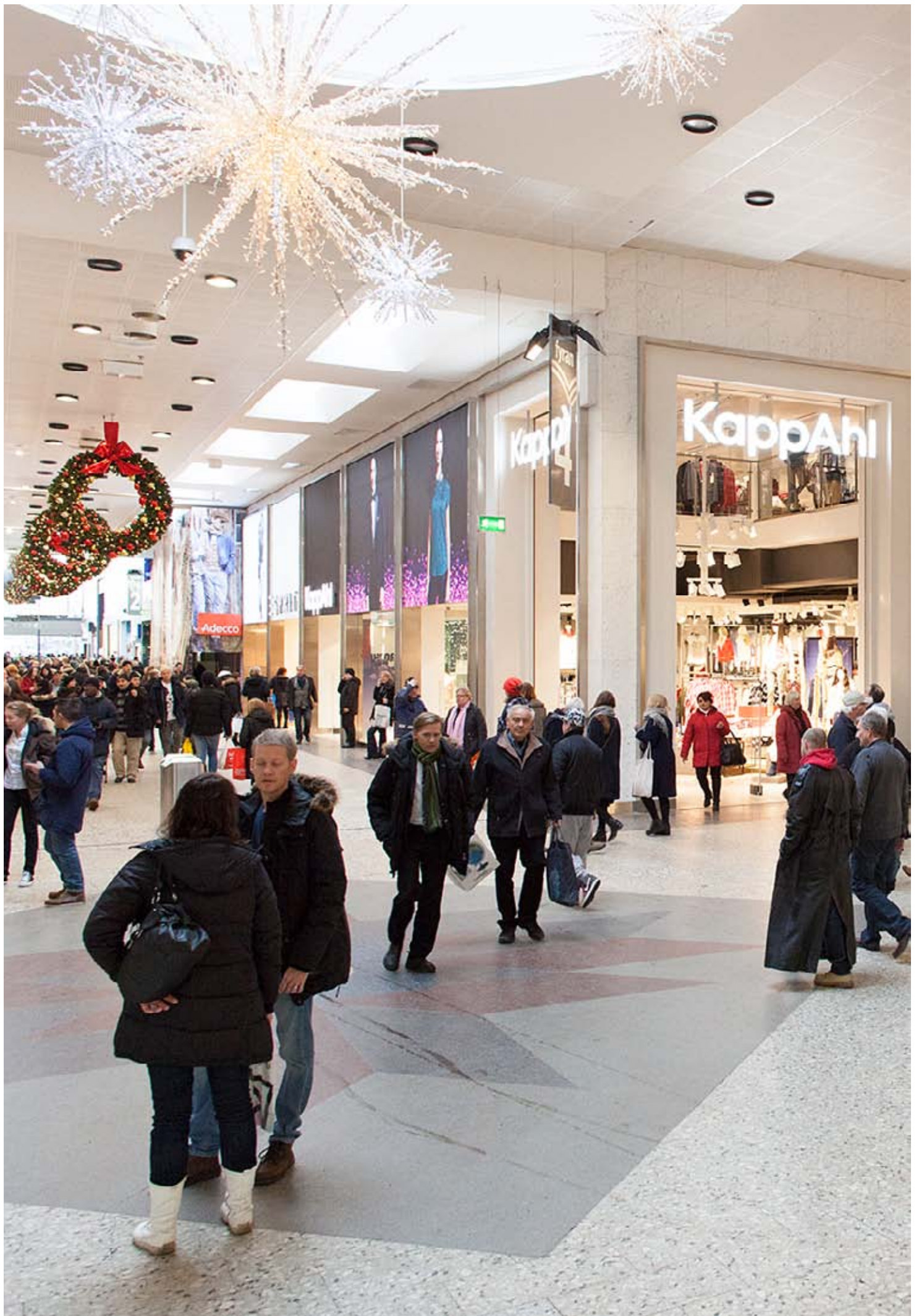
At present, there are no joint ventures or outsourced operations that could affect comparability.

## **3.10 EXPLANATION OF THE EFFECT OF ANY RESTATEMENTS OF INFORMATION PROVIDED IN EARLIER REPORTS**

To achieve comparability, energy consumption for 2008–2011 has been adjusted for comparable holdings.

## **3.11 SIGNIFICANT CHANGES**

Calculations of Hufvudstaden's carbon dioxide emissions have changed compared with the calculations for the previous year. The carbon dioxide factor for district heating and district cooling has been adjusted based on guidelines from the Heating Market Committee.



# Environmental indicators

## EN3 DIRECT ENERGY CONSUMPTION

At the NK department stores in Stockholm and Gothenburg, diesel is used as a backup power source for electricity. In 2012, 100 litres of diesel were used, equivalent to around 1,000 KWh.

## EN4 INDIRECT ENERGY CONSUMPTION

Energy consumption is presented as actual use and use corrected for a normal year. The use figures following normal year correction have also been adjusted for comparable holdings and do not include projects. Energy consumption following normal year correction is presented in KWh/m<sup>2</sup>.

The floor space used to calculate energy consumption per square metre is what is termed total space. Total space is the Swedish National Board of Housing, Building and Planning definition for the heated indoor area and is used, among other things, in energy declarations. Total floor space was recalculated and updated during the year.

The figures for 2009–2012 refer to use over a 12-month period, i.e. December of the previous year up to November of the current year.

In the NK department stores and in the Femman Shopping Precinct, Hufvudstaden is a party to a number of electricity contracts used by the tenants. This means that in addition to electricity use for the property, the reporting of energy consumption also includes electricity used in the tenants' operations. The department store tenants use substantial amounts of power, thus accounting for the relatively high energy consumption figures presented.

With completion in the middle of December 2011, Hufvudstaden acquired the properties Kåkenhusen 38 in Stockholm and Inom Vallgraven 12:2 in Gothenburg. The property Inom Vallgraven 20:4 in Gothenburg was divested in the middle of December 2011. The acquired property Inom Vallgraven 12:2 is an undeveloped property and thus has no energy consumption. Data in the energy summary has been adjusted for comparable holdings. This means that the years 2008–2011 have been adjusted with the energy use of the purchased property in 2012 and energy use for the property sold has been removed. Adjustment has also been made for the properties Inom Vallgraven 12:1 and Inom Vallgraven 12:9, which were acquired in March 2010. The years 2008–2010 have been adjusted for energy use for the properties in later years to ensure comparability between the years.



**EN5 REDUCED ENERGY CONSUMPTION**

In the Sustainability and corporate social responsibility section of the Annual Report, it is stated that energy consumption has fallen by approximately 12% over the past five years. The comparison year for calculation purposes is 2008.

**EN8 WATER WITHDRAWAL**

Hufvudstaden is a party to a number of the tenants' water contracts. Consequently, the reporting of water not only includes water used in property operations but also water used by the tenants in their operations. Water withdrawal is presented as actual withdrawal for comparable holdings. Withdrawal per square metre is calculated based on total space.

**EN16 TOTAL DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS**

Calculation of emissions of greenhouse gases follows the international Greenhouse Gas Protocol (GHG Protocol) guidelines. For electricity, 100 g CO<sub>2</sub>/kWh has been used, which is an average value for the Nordic electricity mix (Svensk Energi). Hufvudstaden's method for calculating greenhouse gas emissions has been verified by a third party.

**EN28 SIGNIFICANT FINES AND TOTAL NUMBER OF NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS**

Hufvudstaden has not been fined or been the subject of non-monetary sanctions due to non-compliance with environmental laws or environmental regulations.



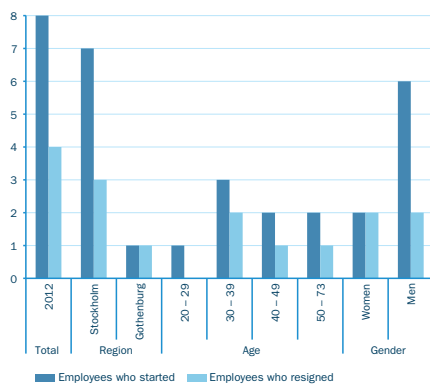
# Conditions of employment and working conditions

## LA1 TOTAL WORKFORCE BY EMPLOYMENT TYPE, EMPLOYMENT CONTRACT AND REGION

Employees and consultants on contract are not included in the compilation.

## LA2 EMPLOYEE TURNOVER

Employee turnover for the Stockholm and Gothenburg offices is shown in the graph below.



## LA3 BENEFITS

Staff benefits include individually adapted competence development, a contribution towards the cost of health and leisure activities, health checks, sickness insurance, parental leave with retention of up to 90% of salary, advice from an ergonomist and massage. All employees are covered by an occupational pension scheme. Temporary employees and hourly-paid employees are not covered by Hufvudstaden staff benefits.



## LA4 EMPLOYEES WITH COLLECTIVE BARGAINING AGREEMENTS

All employees are covered by collective bargaining agreements. Hufvudstaden is a member of the employer organization Almega.

## LA7 RATES OF INJURY, OCCUPATIONAL DISEASES

During the year, Hufvudstaden did not have any reported injuries or occupational diseases. Absenteeism due to illness amounted to 412 working days, equivalent to 1.79%, of which employees in Stockholm accounted for 401 days and employees in Gothenburg for 11 days. The division of absenteeism due to illness between men and women is 0.79% for men and 1.0% for women. There were no work-related deaths.

## LA11 PROGRAMMES FOR SKILLS MANAGEMENT AND LIFELONG LEARNING

The Company invests in individually adapted skills development within all parts of the organization. This takes various forms, including seminars and lectures. We also work with in-house and external training programmes. Hufvudstaden is linked to the outplacement service TRR.

## LA12 REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

In total, 98% of employees had an appraisal discussion during the year.

## LA13 COMPOSITION OF THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND EMPLOYEES

Diversity indicators are presented according to gender and age. Minority group membership is not reported.



# Human rights, social issues and product liability

## **HR4 NUMBER OF INCIDENTS OF DISCRIMINATION**

No discrimination incidents were reported during the year.

## **SO4 ACTIONS TAKEN IN RESPONSE TO INCIDENTS OF CORRUPTION**

No cases of corruption were reported during the year.

## **SO8 SIGNIFICANT FINES AND TOTAL NUMBER OF NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH LAWS AND REGULATIONS**

Hufvudstaden has not been found guilty of any non-compliance during the year and nor has it been ordered to pay any significant fines.

## **PR5 PRACTICES RELATED TO CUSTOMER SATISFACTION, INCLUDING RESULTS OF SURVEYS MEASURING CUSTOMER SATISFACTION**

*Fastighetsbarometern* is the annual analysis conducted by the CFI Group and the Swedish Property Federation to examine how Swedish office tenants perceive their landlord. The study shows what the tenants think of the premises and the property owner's service, how satisfied the tenants are overall and how loyal they are. The total level of satisfaction is presented as a Satisfied Customer Index on a 100-point scale. At the same time, the *Fastighetsbarometern* survey is run among the leading property owners in Sweden, which means that the CFI Group can calculate an average Satisfied Customer Index for the whole industry.

## **PR9 SIGNIFICANT FINES FOR NON-COMPLIANCE WITH LAWS AND REGULATIONS CONCERNING THE PROVISION AND USE OF PRODUCTS AND SERVICES**

Hufvudstaden has not been found guilty of any non-compliance during the year and nor has it been ordered to pay any significant fines.



# Addresses

*Hufvudstaden AB (publ)*

NK 100

SE-111 77 STOCKHOLM

Visiting address: Regeringsgatan 38

Telephone ..... +46 8-762 90 00  
Fax ..... +46 8-762 90 01  
E-mail ..... [info@hufvudstaden.se](mailto:info@hufvudstaden.se)  
Website ..... [www.hufvudstaden.se](http://www.hufvudstaden.se)  
Company reg. no. .... 556012-8240  
Registered office ..... Stockholm

This document is in all respects a translation of the Swedish original GRI Report.  
In the event of any differences between this translation and the Swedish original,  
the latter shall prevail.

## **Contact person in sustainability matters**

Anders Nygren  
Head of Property Development and Head of Environmental Affairs  
Phone +46 8-762 90 40  
[anders.nygren@hufvudstaden.se](mailto:anders.nygren@hufvudstaden.se)