

ÅF's work towards sustainable development

ÅF contributes to sustainable development by exerting a positive influence on society, stakeholders and its own business operations. Sustainable development is predicated on financial, social and environmental change, and there is a social dimension to ÅF's mission statement in that the company's day-to-day operations promote and support the development of technology.

Social responsibility

ÅF is a knowledge company: it sells the skills and collective experience of its consultants and the ability to solve complex tasks and problems. Resolute, long-term work in areas such as competence development and corporate culture that are crucial to the company's ability to recruit and retain personnel has given ÅF a solid reputation as a good place to work. Survey after survey reveals that many people, particularly engineers, are eager to join the company.

Diversity leads to a broader exchange of experiences, new perspectives, increased creativity and innovative solutions. ÅF is convinced that a balance between the sexes creates a better working climate, which leads in turn to a more profitable company. The aim is that at least one ÅF consult in five will be a woman.

For more about ÅF's work in Human Resources, please see pages 16–20 of the Annual Report.

Sustainability and corporate social responsibility are high on the agenda in many assignments that ÅF undertakes for aid

organisations such as the Swedish International Development Cooperation Agency (Sida), the EU and the World Bank. Here ÅF helps companies and organisations to work proactively and in socially responsible ways in areas such as financial transparency, environmentally adapted production, equality and HIV/AIDS in the workplace. One example is the international Strategic Business Management education programme that ÅF conducts on behalf of Sida for managers of companies in Eastern Europe, Asia, Africa and Latin America. Sustainability is a key component in the strategic business plans produced for each participating company.

Environmental responsibility

ÅF is extensively involved in environmental consulting operations. Efforts focus on improving environmental performance and/or energy efficiency in clients' plants and businesses. In this way ÅF makes a positive contribution to society's environmental work.

AB Ångpanneföreningen and its subsidiaries are certified in accordance with ISO 9001 (quality) and ISO 14001 (environment). The most significant aspect of ÅF's environmental work is the effect that its consulting services have on clients' environmental performance. Other aspects are the company's own environmental impact in the form of business travel and electricity consumption.

Since autumn 2005 ÅF has two environmental targets, one for resource management in client assignments and one for travel. See page 22 for details.

Examples of energy-saving assignments

ÅF has been commissioned by Akelius Fastigheter AB to work with the project planning of heat and electricity-saving measures in the Centrumhuset premises in Lysekil. These date from the 1960s and host both office, commercial and residential proper-

ties. The project is estimated to reduce electricity consumption by 25 percent and heat by 33 percent after energy-efficiency measures have been implemented in 2008.

Since 2005 ÅF has been investigating energy use in certain premises on behalf of the Swedish Energy Agency. ÅF estimates, based on these studies, that the potential for energy savings in all Sweden's schools and pre-schools is approximately 1.4 TWh a year. This could be achieved by, for example, simply modernising lighting and ventilation without any adverse effects on the interior climate.

On behalf of Undervisningsbygg, the city of Oslo's educational buildings office, ÅF has conducted an energy-efficiency analysis of the total heated area of 10,200 sq.m. in Lamverseter School's nine buildings, most of which date from the mid 1950s. It is estimated that the measures proposed, which focus on improving the insulation, will slash energy use by around 40 percent after they are implemented in 2008.

Collaboration in organisations and networks

ÅF contributes actively to sustainable development through its involvement in a number of organisations and networks.

ÅF is, for example, actively engaged in assisting with the work behind producing the ISO 26000 global standard for corporate social responsibility and has entered into a long-term commitment to support the Swedish Childhood Cancer Foundation.

The Swedish Association of Environmental Managers (NMC), the country's largest network for companies and organisations eager to support and stimulate sustainable development, was established 14 years ago on the initiative of ÅF. Today ÅF still runs the NMC secretariat.

The NMC's overarching goal is to make it easier for its 300 or so member companies to actively pursue and develop their environmental and sustainability work. A further aim is to increase awareness in society about what trade and industry are doing in these areas. The association represents several industries and works to spread knowledge and experience among companies and organisations. Some 45 activities were arranged by NMC during 2007.

The Climate Network is an ÅF forum for climate issues that works to coordinate the various areas of expertise that the company possesses in this field. The aim is to highlight the climate issue so that it is given greater prominence throughout the ÅF Group.

ÅF can bring to bear both breadth and depth in climate issues, and these insights are of great benefit to the company's clients. Internal collaboration is important and is encouraged as it leads to increased knowledge and value added in climate-related undertakings. The network organized a very well attended seminar on emissions trading in May 2007.

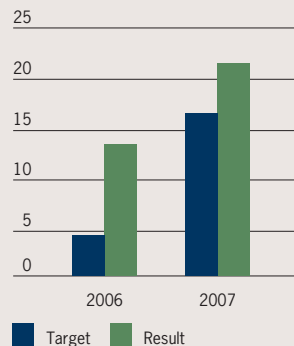
Environmental targets for resource management

In the ten largest energy-efficiency assignments during the period 2005–2007 the energy savings achieved must be:

- 2 percentage points greater in 2006 than in 2005
- 3 percentage points greater in 2007 than in 2006

This target means that ÅF must become better at proposing energy-efficiency measures to its clients. The key figures are measured as the energy saving proposed by ÅF divided by the client's total energy use.

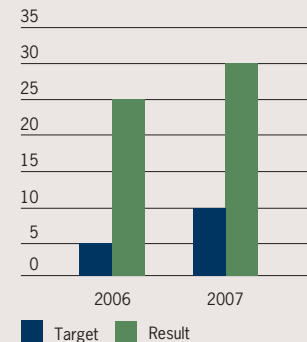
Energy savings for AF clients, %



Environmental targets for business travel

The proportion of environmentally adapted vehicles in the company's fleet of company cars and pool cars will rise to 50 percent by 2010. The target for 2007 was 10 percent, but a follow-up shows that the proportion of environmentally adapted vehicles was actually no less than 30 percent.

Environmentally adapted vehicles, %



Sustainable transport has grown in prominence and urgency over recent years with both private and public organisations now reviewing their transportation strategies. Thanks to ÅF's many years of experience and know-how in energy, the environment, traffic, logistics and fuel systems, the company is virtually unsurpassed in offering a truly holistic perspective in this field.

EcoDesign Center

ÅF is ideally placed to offer full-service solutions founded upon the three cornerstones of technology, economy and environmental sustainability. The EcoDesign Center is the latest new investment in environmentally adapted product development.

Initially this exists as a virtual competence centre to which "eco managers" and specialists are seconded to offer clients new services in environmentally adapted product development. ÅF already has five "eco managers", and the focus is now firmly on high-tech solutions that enable people to maintain or even increase their standard of living without any negative impact on the environment.

Sustainable ownership

Ångpanneföreningen's Foundation for Research and Development was established in 1983 as the heir to the Ångpanneföreningen organisation founded in 1895 that was the company's previous owner. Today the foundation is the company's largest shareholder with one sixth of the capital.

The foundation's strong involvement as an owner is directly linked to the company's commitment to the sustainable development of society.

Through research grants and scholarships that have averaged SEK 10 million a year over recent years, the foundation supports projects at Sweden's universities, colleges and research institutes in areas of relevance to sustainable development in energy, environmental engineering, security, forest processes and products, to name but a few.

For details about past and present research supported by the foundation, see www.aforsk.se.

