



# Bostadsbolaget Sustainability Report 2010



Bostads  
bolaget





This Sustainability Report presents Bostadbolaget's work in the fields of environmental impact, social responsibility and human resources. It also describes Bostadbolaget's economic impact on the social economy.

The Sustainability Report covers the whole of 2010 and is the second of its kind in the company's history, following the report published for 2009. The report is produced annually and covers the entire company. If you have any questions about the report, please contact Bostadbolaget's Communications Manager via the switchboard on +46 31 731 50 00.



This is our **Communication on Progress** in implementing the principles of the United Nations Global Compact.

We welcome feedback on its contents.

## Achieving sustainability is a continuous process

Bostadsbolaget is the oldest public housing company in Gothenburg, so we have great experience of ecological, social and economic sustainability issues. They are a part of our assignment.

Our owners are the people of Gothenburg. Their representatives at the City of Gothenburg have formulated the assignment for Bostadsbolaget and the other municipal housing companies thus:

- The activities of the housing companies shall strengthen the development of Gothenburg.
- The housing companies shall enable tenants to exert long-term influence over their homes and neighbourhoods.
- By having greater involvement in, and responsibility for, their homes, tenants will be able to develop their own wellbeing.

Each day, our staff contribute to the social and environmental development of our housing areas. Our activities in the past year included building a passive house, opening premises for homework, offering summer jobs for young people, arranging jumble sales and helping the library bus to visit more places. Furthermore, we have continued working on competence development and fitness activities for our employees. Each activity is part of a larger commitment to ecological, social and economic sustainability in our housing areas, and to Gothenburg as a whole.

In recent years we have begun to report sustainability issues in a more structured and systematic way. Last year was the first time we brought everything together in a sustainability report. This year, hopefully, we have managed to improve the report even more. One stage in this work has involved more distinct goals for our work concerning the environment, ethics and social responsibility.

“ I must admit that when I see our activities presented in this report, I am very proud of what our competent and committed employees are achieving. ”



Both the report and daily activities develop continually, often in collaboration with our partners – tenants, suppliers and other stakeholders in our community.

In this sustainability report we explain how we work with sustainability issues, describe the key areas for us as a company and present our results. We are not finished now and we will never be finished with this work, but it feels good that we can see the overall picture and show the direction we are taking.

I must admit that when I see our activities presented in this report I am very proud of what our competent and committed employees are achieving. It gives inspiration to everyone working at Bostadsbolaget and I have great expectations of what we can achieve together with our tenants and partners.

Göteborg, January 2011

Bertil Rignäs,  
CEO





## A structured approach to sustainability

Bostadsbolaget affects people, the environment and society in general in many different ways. Three areas are considered to have special significance in terms of sustainability – environmental impact, social responsibility and responsibility for our own staff.

The areas defined by Bostadsbolaget are also in line with the three dimensions identified by the City of Gothenburg in their prioritized goals. The ecological dimensions include the environmental impact, while the economic and social dimensions match Bostadsbolaget's ideas concerning social responsibility. The City of Gothenburg also sets goals concerning employee issues, which in this report is referred to as responsibility for staff.

### Key issues concerning sustainability

Bostadsbolaget's impact on the **environment** comes mainly from using energy to provide heating and electricity to properties. Consumption of water also has a large impact on the environment. In addition there is limited impact in the form of waste handling, selection of materials, use of transport and machinery and activities in indoor and outdoor environments.

Bostadsbolaget measures its environmental impact primarily by measuring and following up the use of district heating, electricity and water.

**Social responsibility** is an important issue for Bostadsbolaget as a public housing company. The company has a contribution to make to the development of Gothenburg, to take defined responsibility for the provision of housing in the city and to create the conditions for tenants to improve their quality of life.

Bostadsbolaget is carrying out two special development projects in two challenging areas – Hammarkullen and Norra Biskopsgården. Just like most other Bostadsbolaget activities, these two projects are being carried out in close co-operation with local public and commercial organizations.

Relations with employees, i.e. Bostadsbolaget's **responsibility for staff**, are for example monitored through annual staff surveys and measured in the form of an employee satisfaction index, sick leave and staff turnover. The company also works with issues such as equality and diversity. All of Bostadsbolaget's activities take place within the City of Gothenburg.

### Governance and management

Bostadsbolaget's activities are guided by a balanced set of goals chosen within four different perspectives – the tenant perspective,

staff perspective, operational perspective and economic perspective. See page 8 of the annual report.

Environmental issues are covered by the operational perspective and employee issues by the staff perspective. Issues concerning social responsibility are covered by the tenant perspective, and also by the operational perspective.

The key objectives within each area are presented on the following pages. Goal-fulfilment is monitored continuously and is a part of Bostadsbolaget's operational planning. An operational plan is adopted during the final quarter of each year by the board of directors.

The Board also takes decisions concerning the policies that guide work on sustainability:

- Environmental plan
- Environmental policy
- Purchasing policy
- Graffiti policy
- Sponsorship policy
- Information policy

Responsibility for environmental issues is built into the line organization. There is also an environmental co-ordinator to ensure proactive monitoring of key issues. Responsibility for the working environment is delegated in agreements with each individual department manager.

Measures to address issues of social responsibility are integrated in Bostadsbolaget's daily activities. These measures are reinforced in Hammarkullen and Norra Biskopsgården by specific organizations for development projects.

During 2010 Bostadsbolaget reviewed its organization to identify potential risks for corruption. The review did not reveal any signs that the company or its staff had acted in contravention of any of Bostadsbolaget's guidelines. Also during the year the company introduced new ethical guidelines for suppliers. Bostadsbolaget also continually educate its staff to ensure that guidelines are followed. All staff have signed agreements concerning employment or engagement outside Bostadsbolaget.

### Working environment policy and guidelines

The overall goal for the working environment within Bostadsbolaget is that staff should not suffer illness or injuries due to their work.

**EMAS.** The EU's Eco Management and Audit Scheme.

**ISO 14001.** An international environment management standard developed by the International Organization for Standardisation.

#### UN's Global Compact.

An initiative to make companies aware of, and to take active responsibility for, ten internationally recognised principles within four areas: human rights, employment rights, environment and anti-corruption.



Furthermore, work assignments shall be varied, provide opportunities for social interaction and teamwork as well as possibilities for development and the exercise of responsibility. In the event of illness or disability, the aim shall be to help the individual get back to work as soon as possible. The head of human resources has responsibility for ensuring that working environment guidelines are accessible for all employees.

#### Crisis management and safety

Bostadsbolaget is covered by the safety policy of the City of Gothenburg. This policy covers employees, contractors, temporary staff, consultants and suppliers. Based on this policy, Bostadsbolaget has developed its own programme for work on safety.

An internet-based safety manual is available for all employees and covers shared routines and guidelines for safety work as well as checklists and descriptions of the safety organization, along with responsibilities and delegation of authority. Bostadsbolaget's environmental database includes guidelines for identifying and preventing environmental risks.

Responsibility for work on safety rests with the line organization. This means that each manager has responsibility for ongoing risk management and safety procedures. In addition there is a safety co-ordinator who have responsibility for co-ordinating activities regarding safety, which means providing support and creating structures for continued activities.

Within the Group there is a joint crisis management plan. This provides directives, support and guidance for Bostadsbolaget's planners. Bostadsbolaget has a fixed organization for the city's crisis management system, KSG. At the time of writing, Bostadsbolaget was not involved in any disputes or legal proceedings associated with sustainability issues.

#### Certificates

Bostadsbolaget has an environmental management system that is certified in accordance with ISO 14001. The company also has EMAS registration.

Bostadsbolaget was awarded a health diploma in January 2010. The diploma process is a method for developing activities that promote good health among staff.

#### Affiliations

Bostadsbolaget is a member of the UN Global Compact in support of human rights. This means that the company formally recognises the UN's ten principles and is committed to publicly announcing each year how it has acted to improve conditions with regard to human rights, working conditions, the environment and the battle against corruption.

Bostadsbolaget is also a member of the Corporate Social Responsibility initiative in west Sweden.

### Dialogue with stakeholders

Bostadsbolaget maintains a continuous dialogue with key stakeholders, tenants, staff, owners and financiers.

Bostadsbolaget also maintains regular dialogue with organizations connected with the property owned by the company. In its development projects Bostadsbolaget co-operates with municipal departments, schools, businesses, other landlords, housing associations and security organizations.

|                                     |  |
|-------------------------------------|--|
| <b>Tenants</b>                      | The most comprehensive dialogue is with tenants and it takes place via a variety of channels. A key forum is the annual customer survey. Tenants have personal contact with Bostadsbolaget's staff every day.  |
| <b>Staff</b>                        | Bostadsbolaget performs continuous career appraisals. Development of staff competence includes continuous dialogue and communication between staff and the company.  |
| <b>Owners</b>                       | Dialogue with the company's owner, City of Gothenburg, mainly involves the parent company, which reports to the municipality. Bostadsbolaget reports to the parent company. Continuous dialogue within the Group forms a shared vision for most major issues.  |
| <b>Financiers</b>                   | Subsidiaries of the Framtiden Group handle financing and loans via the parent company and the company's finance departments. Reports to ratings institutions go via the parent company. Bostadsbolaget meets regularly with banks and other financiers.  |
| <b>The Swedish Union of Tenants</b> | Rent negotiations between Bostadsbolaget and the Swedish Union of Tenants are held annually. These partners also co-operate in a number of projects for various housing areas and negotiate regularly on rebuilding, management and tenant influence.  |
| <b>Contractors/suppliers</b>        | As a municipal housing company, Bostadsbolaget follows the Swedish Law on public procurement. Bostadsbolaget sets ethical guidelines for its suppliers. Agreements not signed by the City of Gothenburg's Procurement Company are managed by the company's purchasing department.                          |
| <b>External consultants</b>         | External consultants are assigned when necessary. Contacts vary between dialogue and advice to direct action.  |
| <b>Trade unions</b>                 | Bostadsbolaget's staff are represented by three trade unions – Ledarna, Unionen and Fastighetsanställdas Förbund. The latter two supply worker representatives on the Board of Directors.  |
| <b>Authorities</b>                  | Bostadsbolaget has regular contacts with public authorities and politicians. As a wholly owned subsidiary of the City of Gothenburg, and one of the largest landlords in the city, the company has continuous dialogue with several City departments, the housing office, social services department, etc. |





Just like all businesses, Bostadsbolaget affects the environment in different ways. Within the company there are continual discussions about how to improve the environmental management system. This is what it takes to ensure that the company's environmental efforts have the desired effect.

# Environmental impact

## Working for the environment on a broad front

Bostadsbolaget's activities affect the environment in various ways. The company's environmental work follows the environmental plan that is a part of the overall business plan. The environmental plan is divided into two principal areas. One area focuses on the points where Bostadsbolaget's impact is greatest and here the company has established general objectives. The other area focuses on points where Bostadsbolaget has a large direct or indirect impact, but measureable targets are hard to set.

The first area includes consumption of energy (district heating and electricity) and water. The second area includes waste, selection of materials, use of transport and machinery and indoor and outdoor activities. Measurement of district heating, electricity and water is automated, with data fed into budget calculations and monitored continuously. It is also important for Bostadsbolaget to be able to help tenants make good environmental choices.

### National targets

In Bostadsbolaget's judgement the company has a large impact in seven of the 16 areas included in national environmental targets. These seven areas are:

- A Non-Toxic Environment
- A Well-Built Environment
- Reduced Climate Impact
- Clean air
- Good-Quality Groundwater
- Zero Eutrophication
- A Protective Ozone Layer

### Energy

The biggest impact Bostadsbolaget has in the energy field is in two areas – heating and electricity. District heating is used to heat property and tap water. Electricity refers to that used by the property and not the electricity consumed by tenants, apart from a few exceptions. The national environmental targets mostly affected are *Reduced Climate Impact*.

Since 1999 Bostadsbolaget has implemented a successful energy saving process, which among other things has reduced energy consumption corresponding to heating for 10,000 homes. Annual carbon emissions have been reduced by 10,000 tons, or 60 per cent, since 1999. The energy saving process involves technical installations, quality assurance of processes and staff education.

Property is heated by district heating, around one third of which is based on waste heat from industrial processes. The aim is to reduce consumption of district heating. One of the ways this will be achieved is via an in-depth analysis of each building's energy usage.

Degree day-adjusted usage of heating (including tap water) increased in 2010 by 4 per cent to 160.4 kWh/m<sup>2</sup> (154.7), which

### Some environment-related measures carried out in 2010

- Low-energy house completed and opened at Stapelbädden
- First residents moved into Bostadsbolaget's first passive house
- Greater opportunities for sorting waste with weight-based fees
- Pilot project for individual charging for hot water
- 1,275 radon measurements completed

was above the target of 147 kWh/m<sup>2</sup>. The increase was mainly due to newly installed control equipment that required continuous optimisation during the year.

On top of efficiency improvements for existing property, Bostadsbolaget works continuously to identify new technology for new homes. In 2010, construction of a low-energy house and a passive house were completed at Eriksberg. The low energy house has been built so that energy consumption is around 40 per cent below the norm established by the Swedish National Board of Housing, Building and Planning. The passive house is nearly 50 per cent below the same norm.

The passive house has thicker, better insulated walls than normal houses. The windows have 35 per cent better insulation capability than a normal house. Around 75 per cent of the heat entering the ventilation system is recycled.

Some of the technology used in the low-energy and passive houses may also be used in existing buildings. In the long term this would provide the biggest improvement.

Electricity consumption is primarily property electricity, i.e. the electricity that is not used by tenants. In some cases tenant electricity is included in rents, which affects Bostadsbolaget's electricity consumption. In 2010 electricity consumption was 21.1 kWh/m<sup>2</sup>, which was slightly higher than the previous year, despite providing extra lighting for security reasons and new production with several technical installations. However, the target of 19.3 kWh/m<sup>2</sup> was exceeded.



## Did you know...

*Bostadsbolaget is training its staff in eco-driving.*



To reduce electricity consumption Bostadsbolaget, among other things, uses energy-efficient fittings and white goods as well as on-the-spot control of lighting. To further reduce climate impact, Bostadsbolaget also uses green electricity.

Bostadsbolaget aims to introduce individual measurement of all apartments. In 2010 Bostadsbolaget continued the switch to electricity distribution measurement in the final areas where electricity measurement is included in the rent.

### Water

Water usage has an environmental impact in the form of consumption, emissions of contaminants, etc. The main environmental target affected here is *Good-Quality Groundwater*.

Bostadsbolaget and its tenants consumed around 2.6 million m<sup>3</sup> of water in 2010, of which 35 per cent was tap water. This corresponds to 1.72 m<sup>3</sup>/m<sup>2</sup>. This small increase compared with 2009 is partly explained by leakages. The target for 2011 is 1.64 m<sup>3</sup>/m<sup>2</sup>.

Bostadsbolaget works continuously on environmental information to tenants. Increased awareness of energy consumption by the individual tenant also means that they reduce their consumption of tap water. In 2010 Bostadsbolaget reached agreement with the tenant association to start a pilot project with individual debiting of hot water in some properties.

### Waste

Bostadsbolaget generates waste in its activities, with most of the waste generated by tenants. Waste is connected to environ-

mental issues in different ways. If waste is not handled correctly there is a risk of dangerous emissions to the environment.

A reduction of waste also means a reduction in consumption of resources and energy and thus a reduction in hazardous impact on the environment. The national target here concerns *A Non-Toxic Environment*.

By the end of 2010, nearly all of Bostadsbolaget's tenants had access to composting. Today, most of the company's tenants can sort batteries, light bulbs, low-energy lamps and minor electronics prior to disposal. Efforts to improve sorting of waste at source continued along with work on informing tenants about sorting of waste.

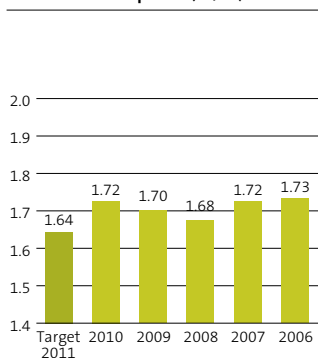
It remains difficult to judge the trend in waste volumes because waste contractors must first introduce weight-based charges in all areas. In 2011, however, the weight-based waste fee will be introduced in four of Bostadsbolaget's areas, and in a further three areas in 2012.

### Selection of materials

Selection of materials is associated with the national environment targets called *A Non-Toxic Environment*, *A Well-Built Environment* and *A Protective Ozone Layer*.

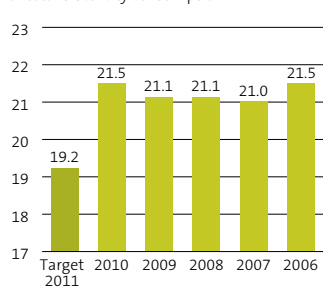
In its purchasing, Bostadsbolaget is obliged to follow the rules in the agreements established by the City of Gothenburg, and the environmental aspects of purchases are audited by the municipal purchasing company. The company must also comply with instructions in its own environmental management system.

#### Water consumption (m<sup>3</sup>/m<sup>2</sup>)



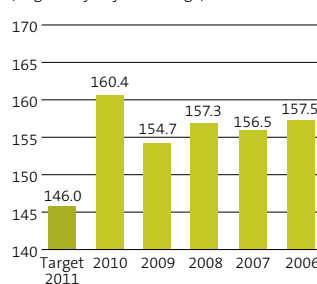
#### Electricity consumption (kWh/m<sup>2</sup>)

(Property electricity and operations electricity)  
Operations electricity comprises around 8% of total electricity consumption.



#### Energy consumption, district heating (kWh/m<sup>2</sup>)

(Degree day-adjusted usage)



Degree day-adjusted usage:  
To be able to compare energy consumption year by year between different companies, consideration has to be given to fluctuations in outdoor temperature. The figures are adjusted for temperature differences using the Swedish meteorological institute's degree days and normal annual values. If a year's temperatures deviate significantly from the norm, the degree day adjustment may be misleading.





Bostadsbolaget's purchasing department encourages the purchase of eco-friendly products and services. This includes requiring suppliers to respond to an environmental survey. Checks on suppliers include visits and audits.

Bostadsbolaget is committed to the phase-out list established by *Avgifta Byggandet*, a programme set up by the industry. The company's own list includes around 70 permitted products. In 2010 Bostadsbolaget continued to phase out hazardous substances. The company carried out training programmes and information courses in the handling of chemicals in all districts. Two environmental audits of suppliers and contractors were also carried out.

### Indoor environment

For tenants, the indoor environment is just as important as the outdoor environment. The indoor environment falls under the *A Well-Built Environment* national target.

Inside a home there are textiles, wallpaper, plastics and other materials that can affect health and wellbeing. Ventilation, temperature and noise also affect the indoor environment.

The key question for the indoor environment is the occurrence of radon in the foundations and surrounding bedrock. By 2020 radon radiation must not exceed 200 Becquerels. In 2010 Bostadsbolaget carried out measurements in 1,275 apartments and implemented activities in a number of properties to reduce radiation. Up to 2010, Bostadsbolaget has carried out 5,040 measurements in collaboration with the Environment Administration. These measurements will be completed by 2012.

### Outdoor environment

Many of the factors described in this report affect the outdoor environment. Furthermore, the surrounding environment is affected directly by Bostadsbolaget's activities. Bostadsbolaget does not use chemical fertilisers outdoors. This means the company contributes to achieving the national goal of *A Non-Toxic Environment*. By using its own compost or organic fertilizer, and through the eco-adaptation of machinery, the company also reduces transport. Outdoor lighting is planned so as to reduce energy consumption while ensuring that outdoor areas are perceived as being safe.

### Transport and machinery

Transport affects the environment primarily through emissions of carbon dioxide and acidifying substances, which come under the national targets for *Clean Air*, *Good-Quality Groundwater* and *Zero Eutrophication*.

Bostadsbolaget's transport involves the company's own vehicles and machinery, as well as transport owned by suppliers. The company's own fleet meets the strict environmental requirements of the City of Gothenburg.

When purchasing transport services, Bostadsbolaget sets clear ecological demands. For shorter distances, Bostadsbolaget supplies bicycles as well as bus and tram cards to enable staff to make eco-rational choices. Rail travel is encouraged for longer journeys. Future efforts will focus on enabling tenants to make smarter choices for the environment.

In 2010 Bostadsbolaget continued its focus on eco-driving (fuel-efficient car driving in line with the Road Administration's criteria) for staff who travel by car frequently. The company is also investigating opportunities to develop car and bicycle pools for tenants.



This BoVist information unit enables tenants to book laundry times, receive information from Bostadsbolaget and monitor their own energy consumption.





# Social impact

For Bostadsbolaget, the tenant is always the key focus, and the company works hard to ensure that tenants are satisfied with where they live. This involves many factors, such as security, employment projects and technical solutions. Bostadsbolaget works in all of these areas as part of its social responsibility.



## Development with a focus on young people

Bostadsbolaget takes far-reaching social responsibility in its own housing areas. This involves contributing to the development of Gothenburg, offering tenants extensive opportunities to exert their influence and to develop their own quality of life.

Several of the prioritised goals established by the City of Gothenburg have a clear link to Bostadsbolaget's activities and a number of the goals are linked to social responsibility, which is a prioritised area for Bostadsbolaget. The company works pro-actively to help young and old people to have meaningful employment and social lives.

### Employment

In 2010, Bostadsbolaget participated in various projects aimed at creating temporary employment for young people. In total, over 100 young people received temporary jobs during the summer.

The company's own projects employed around 60 young tenants, the City of Gothenburg employed around 30 young people and a further 20 young people were given shorter summer jobs working with cleaning and gardening.

Bostadsbolaget also performs employment projects together with other municipal departments. Some of these projects provide support directly. The company has employed four fire safety officers in a three-year project organised together with sister companies in the Framtiden Group. This project is aimed at the long-term unemployed, especially women immigrants.

The Värdskapet project, also run together with sister companies in the Framtiden Group and Göteborg & Co, provides opportunities for around 200 young people aged between 16 and 25 to work as volunteers during the Gothenburg culture festival. This project started in 2009 and participants are recruited from all the housing areas.

Another scheme, called Backa BASE, aims to give young people aged 18-25 job support and opportunities to find their own home. Other actors in this project include Poseidon, Familjebostäder, Stena Fastigheter and Backa municipal district administration. At Hammarkullen, Bostadsbolaget is participating in the BASE Lärjedalen project and will invite a number of young people to take part.

Bostadsbolaget also offers a number of trainee places for students at professional vocation schools and always has 10-15 students gaining work experience.

### Neutral Youth and United Sisters

Bostadsbolaget and other landlords are working together with the municipality, social services, police and the Ung & Trygg organization in the Lotsarna Angered project, which aims to help young people in the Nordost district to avoid social exclusion.

At Biskopsgården, Bostadsbolaget is supporting the Neutral Youth association by providing premises and extra work. This association offers leisure activities, help with homework, etc. to young people. White architectural firm and IFK Göteborg football club are also involved.

At Kortedala, Bostadsbolaget works with other landlords and the United Sisters association to support young women and help build their self-confidence. United Sisters organises night-time patrols and organizes coaching events.

### Cramped living and homework help

Bostadsbolaget provides premises where children can do homework. There are four such premises in Biskopsgården and two in Hammarkullen. This project is being carried out in partnership with tenants. Bostadsbolaget also supports the homework help activity arranged by tenants at Kortedala library.

Help with homework is specially important in areas where there are cramped living conditions where it can be hard to create a peaceful study environment. Bostadsbolaget works in other ways to tackle cramped living conditions. In Hammarkullen, for example, apartments are being converted to create more rooms.



### Youth panel

Bostadsbolaget aims to be the best landlord for young people. In 2010 the company organised a youth panel that aims to help and inspire the creation of better

housing for young people. The panel comprises young people aged 12 to 19 from different parts of the city. They meet four

times a year to generate new ideas and enable Bostadsbolaget to transfer successful concepts from one region to another. The company can also hear what young people think of Bostadsbolaget's own ideas. The first meetings focused on the immediate neighbourhood. Young people want attractive and safe areas. These views match the results of a survey of 1,000 young people living in the company's apartments.



### Did you know...

*Bostadsbolaget was the first company to label its apartments regarding accessibility.*

### Next Step Living

Bostadsbolaget is not only focused on young people. At Majorna, the company has produced a concept called Next Step Living. New accommodation was opened in 2010 and features community spaces that include a library, living room and computers. Several other activity rooms focused on health and wellbeing will be completed by May 2011.

At Södra Biskopsgården, Bostadsbolaget offers accommodation for seniors aged 55 to 75 in two buildings. The apartments and common areas have technical adaptations for the elderly. The company also provides a meeting place for the 55 club, which strengthens solidarity among the tenants. Similar accommodation for seniors is available at Hammarkullen.

### A sharper focus on safety

Tenants of all ages want to feel safe in their neighbourhood, which was an important issue noted in Bostadsbolaget's survey of young people. Unfortunately, the company lost points on questions of safety in the 2010 survey of customers. Bostadsbolaget will therefore intensify efforts to improve safety. This covers areas such as outdoor lighting and clean, attractive areas void of graffiti.

Work on safety requires technical solutions and social initiatives. Bostadsbolaget is involved in a special project called Ung & Trygg i Göteborg to prevent young people in risk zones falling into criminality, abuse and social exclusion. Other participants include local authorities, the police, prosecutors, education officials and housing companies. The company is involved in other such schemes and provides premises for neighbourhood watch activities.

Technical improvements can include new locks and the removal of obscure bushes and trees. At Hammarkullen, Bostadsbolaget has focused sharply on safety and improved lighting. At Norra Biskopsgården, camera surveillance has been introduced at the bequest of tenants.

### Tackling segregation

Segregation can take many forms and can be based on ethnicity, age or an unbalanced form of housing.

In areas where few or no tenants own their own apartments, Bostadsbolaget can offer a selected group of tenants the opportunity to buy their own apartment and form a tenant-owner's association. Due to the economic recession, no such schemes were operated in 2010.

Bostadsbolaget also works to create commercial services and jobs in exposed areas. At Hammarkullen, Bostadsbolaget and other organization run a scheme called Urbameco aimed at bringing social and economic growth around centres in outlying districts. Ten other European cities are involved in this project.

### Other efforts

Bostadsbolaget works with the City of Gothenburg property office to provide social and medical help to people outside of the normal housing market. A total of 81 apartments were made available in this way in 2010, while a further eight apartments have been offered to voluntary organizations including Stadsmissionen, etc.

Bostadsbolaget provides premises for a municipal day centre for young people with psychological difficulties. These people have also taken part in outdoor environment schemes.



### Lively neighbourhoods

One way to improve tenant satisfaction is to promote social interaction between people. Bostadsbolaget has arranged jumble sales in a number of housing areas.

In addition to creating a good atmosphere these activities help to reduce consumption of resources.

Another good example of how Bostadsbolaget helps tenants

to interact socially is Hagas Kaponjärer, a project to involve children aged 9 to 18 in planting flowers, sweeping up leaves and arranging a jumble sale. The young people receive payment and, just as important, get to know their neighbours.

In co-operation with the City Library, Bostadsbolaget has helped to achieve more visits by the library bus to outlying regions. Book bus stops have become permanent at Hammarkullen, Norra Biskopsgården and Rannebergen.





### Development areas

Some areas require greater efforts than others. These are areas where tenants risk social exclusion due, among other factors, to unemployment. There are further problems associated with cramped living conditions, language difficulties and crime.

Bostadsbolaget has identified two such areas, Hammarkullen and Norra Biskopsgården, where it makes extra efforts to create a safe and positive living environment. The company is also involved in projects aimed at creating jobs or improving living conditions in other ways for tenants. The complexity and long-term nature of this work means that specific organizations have been established for these projects.

In Norra Biskopsgården, Bostadsbolaget is a part of the “Bo Bra process” started in 1993 to promote a better quality of life. The goal for the “Bo Bra process” is to create an attractive city district so that residents can feel pride in their neighbourhood, and that their voice is heard, so that they will want to remain living there. Activities include building more homes, increasing employment, providing meaningful leisure activities for young people, increasing safety and supporting clubs and groups. Bostadsbolaget is also involved in building a new sports centre at Norra Biskopsgården.

Bostadsbolaget is involved in a gender equality project with a special focus on women and improving their feeling of security. A number of women’s groups have participated and proposed improvements, many of which have been implemented.

Tillväxt Biskopsgården is the name of an EU project within Sustainable City Development and using regional structural funds to boost competitiveness and employment opportunities. This project will last for several years and involves local businesses, the public sector, voluntary organizations and the residents of Biskopsgården.

At Hammarkullen, Bostadsbolaget co-operates with tenants and organizations to develop the neighbourhood. There is a partnership with the School of Design and Crafts (HDK) to develop smart storage solutions and thus improve living conditions.

Architecture students at Chalmers University have also been involved in helping tenants to suggest improvements to the neighbourhood at Hammarkullen.

The annual Hammarkullen carnival is a much-loved event and Bostadsbolaget has been involved in it for several years, providing financial support and organization.

It is difficult to measure the effects of these efforts as development depends on many factors. However, in its 2010 customer survey Bostadsbolaget noted several encouraging signs.

| Norra Biskopsgården         | 2010 | 2009 | 2008 |
|-----------------------------|------|------|------|
| Satisfied Housing Index     | 54   | 55   | 56   |
| Landlord Satisfactory Index | 64   | 62   | 64   |
| Influence                   | 65   | 60   | 62   |
| Safety                      | 40   | 44   | 45   |
| Hammarkullen                | 2010 | 2009 | 2008 |
| Satisfied Housing Index     | 65   | 62   | 63   |
| Landlord Satisfactory Index | 69   | 67   | 70   |
| Influence                   | 67   | 65   | 70   |
| Safety                      | 57   | 58   | 58   |

Landlord Satisfactory Index, which includes how tenants perceive Bostadsbolaget as a landlord, increased in both districts. The marks for Influence also rose. The general Satisfied Housing Index increased at Hammarkullen, but fell slightly at Norra Biskopsgården. The latter was mainly due to a decline in the Safety rating, over which Bostadsbolaget has limited influence.



### Supporting local clubs

Clubs and local associations play an important role for the environment and provide a meaningful social life for many young people. Bostadsbolaget gives

priority to sponsoring local bodies, primarily sports clubs. Many of these clubs award a prize for good friendship each year.

During the summer, Bostadsbolaget arranged various activities for young people, including football academies, summer camps

and bus trips to the beach. These events were often arranged in association with local clubs, but also with large organizations.

For the second year, the company supported an exhibition that promotes sustainability at the annual culture festival in Gothenburg.

The arts also have a prominent position in the city. Bostadsbolaget has a large collection of artistic works, some of the company’s buildings are also recognised and protected works of art in themselves.

A man with short blonde hair and glasses stands outdoors with his hands on his hips. He is wearing a dark blue t-shirt with the Bostadsbolaget logo on the left chest and blue cargo pants. The background shows a brick building, a blue building, and green foliage.

# Human resources

Bostadsbolaget aims to employ satisfied staff and the company makes efforts to be perceived as an attractive employer who can help staff develop. During recruitment the company aims to promote the diversity that exists in the city and to support greater equality between men and women.



## Staff who make a difference

Bostadsbolaget and the common good are constantly evolving. Formerly, the main focus for Bostadsbolaget was on property, while now the relationship with tenants and society are central. Bostadsbolaget's employees meet customers and other stakeholders every day of the year. These meetings determine how well the company will succeed in its mission.

A good example of how Bostadsbolaget is working with relations with tenants and the surrounding community, is the focus on children that was given practical expression in 2010. The background is that City of Gothenburg aims to be a child-friendly city. Bostadsbolaget has taken up the challenge and set the goal of being the best landlord for children and young people.

During the year, therefore, Bostadsbolaget's employees were engaged in a large number of working groups to develop ideas and proposals to achieve this goal. This involved completely new ideas, but also learning from each other through the exchange of knowledge between districts. This work has been a natural extension to the change process that commenced in 2007.

### A stimulating workplace

Working in groups to create good results for customers is a part of Bostadsbolaget's efforts to create a workplace where everyone feels that they can grow and develop. Nobody should feel excluded, and everyone should be involved in the company development. A good summary of this is "it is everyone's responsibility to ensure that everyone is on board."

This approach has previously helped Bostadsbolaget receive very good results in the Employee Satisfaction Index up to and including 2009. The index was previously based on an employee survey also used by the City of Gothenburg. In 2010, however, a new survey was ordered, which will be carried out in 2011.

### A further fall in sick leave

While there was no employee survey in 2010 there were other results that show that Bostadsbolaget is a good place to work.

One such example is that sickness absence continued to decline from 4.5 percent to 4.4 percent. In two years, sick leave has decreased by 2.5 percentage points. In 2008 it stood at 6.9 percent. One explanation for the decrease is that Bostadsbolaget monitors and analyzes all absences in order to offer employees the best help. In particular, repeated short-term absence is followed up to reduce the risk of extended absence. Bostadsbolaget also offers its employees regular health surveys. In addition, all employees have access to subsidized massage three times a year.

An important development occurred in January 2010 when Bostadsbolaget was awarded its health diploma. Working to achieve the diploma has helped to develop health promotion within the company. The emphasis is on planned health promotion with a focus on the different needs of different working groups.

Work-related accidents or illnesses are uncommon at Bostadsbolaget. The company concentrates on prevention in the form of a risk inventory record produced twice a year in all areas. The inventory is followed up with an action plan.

### Proactive healthcare

Low levels of sick leave are best created through proactive health initiatives. Bostadsbolaget's staff are therefore given opportunities to participate in a large number of recreational activities.

This includes offering subsidies for activities that foster good health and one paid hour each week for exercise.

Exercise activities are arranged in large parts of Bostadsbolaget's districts. As a part of the health diploma project each district



### Did you know...

*Bostadsbolaget provided over 100 summer jobs for young people in 2010.*



has produced a healthcare plan aimed at encouraging staff to take regular exercise. Activities include seminars on how to improve fitness, group-based bicycle trips and choirs.

### A learning organization

Competence improvement is a central part of individual employee development and this is a way for Bostadsbolaget to meet new demands from tenants and other stakeholders. Individual competence development is based on annual career appraisals as well as individual and company goals. The result is individual development plans.

In addition, Bostadsbolaget performs central training. For example, in 2010 a course was arranged to help staff deal with threats and violence in the workplace. Courses were also held in fire prevention and other technical areas.

A further form of competence development is the Framtiden Group-wide leadership programme which focuses on best practices. The aim is for best practice to be a natural part of daily activities for all employees.

Leadership development includes securing a supply of managers for the company over the long term. This means identifying management potential among existing employees.

Separately reported costs for education in 2010 amounted to SEK 1.3 million (1.5 m).

### Equality and diversity

Competence and leadership development involves increasing knowledge in gender and diversity issues. It is one of the City of

Gothenburg's priorities to develop knowledge in gender issues.

Gender and diversity are central components of Bostadsbolaget's ambition to make the most of each individual employee's skills and qualities. This can best be achieved when all employees are offered equality of opportunity, irrespective of gender, age, sexual preference or ethnicity. The company also believes strongly that mixed teams are best for development and job satisfaction.

Competence is always the decisive factor when recruiting new staff, but Bostadsbolaget also considers the municipality's goal that the staff structure shall reflect the make-up of the population of Gothenburg.

Bostadsbolaget has an equality advisory board comprising representatives of the company and the trade unions. This advisory board meets twice a year to follow up the annual action plans.

Another way to improve equality is to give parents opportunities to combine work and parenthood. Bostadsbolaget offers flexible working hours and encourages staff to come into work during longer periods of leave.

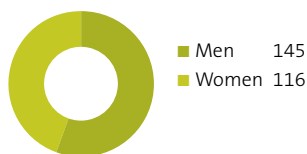
### Disputes

In 2010 Bostadsbolaget was not involved in any legal disputes associated with work conditions or similar issues.

### Cultural activities in Öster

In the district of Öster, employees participate in cultural activities several times a year. Together, employees agree on

Distribution of women and men

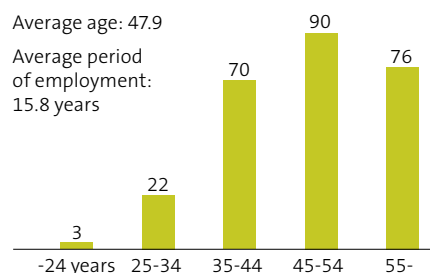


Total number of full-time employees at year-end: 261

Distribution between white collar and blue collar employees



Age structure (numbers)



44% of Bostadsbolaget's part-time employees are women.  
29% of the senior management team are women. 60% of Board members are women.





what they will do. This helps to build team spirit while also enabling people to try things they otherwise might not have done.

"It started four years ago," says Johan Wilck, District Manager. "The idea was to make it easier for employees to get involved in a cultural activity, to give them a little kick start. It has proved very popular and since then we have asked every year if we should continue and the answer was a clear yes."

Literature circles are a regular event. Before the summer employees receive a book that they then discuss after the summer holidays. The same thing has been done before the Christmas holidays, when everyone gets to select their own book. The books are then gathered in a joint library at the district office where anyone who wants to, may borrow a book.

Overall, the cultural initiative has involved six to eight activities each year. Employees have been to the movies together, gone to the theatre and visited the Gothenburg Opera.

"We try to select shows or movies that have a bearing on what we do in everyday life. At the cinema we saw a film called *Svinalängorna* which has a clear link to our social work and our efforts for integration," says Johan.

For the convenience of employees, some activities are carried out during daytime and others in the evening. Daytime activities are mandatory, while the evening activities are optional.

"We are also working to maintain a broad perspective on culture, so we've even included sports activities such as playing ice hockey in Kortedala. In addition, we have watched matches played by Frölunda Indians and IFK Göteborg."

Staff have been asked whether they wish to continue these

cultural activities in 2011. The answer was positive, as usual.

Several employees felt that this was the best activity they did in their district. Among the requests for activities was doing something where you work with your hands. Some form of craft in clay may be the activity that gathers members of the district in the coming year.

### Choir song in the centre of Gothenburg

In addition to the company's joint staff activities such as exercise and shared Christmas lunch, the Central city district organizes its own arrangements.

"We organize team building," says District Manager Thomas Magnusson. "We are a team of 35 persons working in various areas, and common activities are a great way to get to know each other. These activities are held in high regard by many people."

In recent years, employees have had several get-togethers based on different themes. In 2009 organized activities focused on nutrition, exercise and health, and the spring's activities ended with a 35-km bike ride from Gothenburg to Onsala. Twenty-five people from the district took part.

In mid-May 2010 all district staff attended a conference at Hindås where in addition to business planning, they carried out joint exercise activities and sang songs.

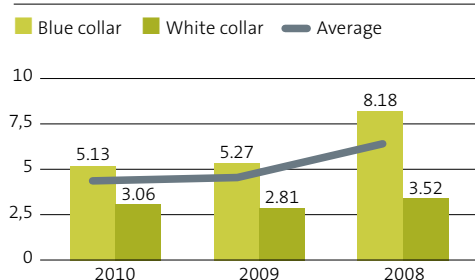
"The theme for 2010 was singing, and the conference in May was the start of the choir practice that continued throughout the year," says Thomas.

Six choir practices were held under the guidance of professional choir master. The final event consisted of a concert performed at Bostadsbolaget's Christmas party – something that both surprised and cheered the company's other staff.

"The choir has been great fun. Some employees have been active in choirs before, but the majority had no previous experience. During the year we found several unexpected talents with wonderful voices."

Several employees in the district have expressed their desire to continue with choir practices in 2011, but the year's theme has not yet been decided. What is certain is that the district will continue to arrange joint activities for employees.

Sick leave (%)



Bostadsbolaget is one of few property companies that employs its own cleaning staff. This group's sick leave has fallen from 15.75% in 2006 to 8.46% in 2010.

The background of the page features two tall apartment buildings. The building on the left is yellow with a red-tiled roof and has several balconies with metal railings. The building on the right is red with a similar design. The sky is blue with some clouds. The title 'Economic impact' is written in large white letters across the middle of the image.

# Economic impact

Like other companies, Bostadsbolaget's activities contribute to the state, municipality and county council through taxes and other fees. Bostadsbolaget also makes a contribution to society through economic assistance given to selected organizations.





### Did you know that...

*While providing an important service to the community, Bostadsbolaget is fully self-financing.*



## A large contribution to society

Bostadsbolaget's activities affect society in many different ways. One way of measuring this is to consider Bostadsbolaget's economic impact on society.

While providing an important service to the community, Bostadsbolaget is fully self-financing. The company does not receive any financial support from the City of Gothenburg and its population. Profits generated are mostly invested back in the business.

### Taxes and mandated fees

Bostadsbolaget contributes directly and indirectly to the Swedish state, the county council and the municipality. The largest contribution is through the various taxes paid by the companies and its employees. In 2010 the largest items were as follows:

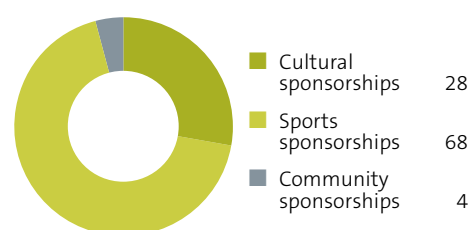
| Taxes and fees                                    | SEK m |
|---|-------|
| Corporation tax                                   | 5     |
| Property tax                                      | 33    |
| Salary overheads and social costs                 | 37    |
| Employee income tax                               | 26    |
| Tax on purchased services (electricity tax, etc.) | 9     |
| Debit tax   | 12    |
| Total   | 122   |

### Support for organizations, clubs and projects

Another form of economic impact is the sponsorship paid to organizations, clubs and projects supported by Bostadsbolaget. The company also sponsors various projects that are described in greater detail in the above sections.

As a public housing company, Bostadsbolaget aims to create good and safe homes for its tenants. This involves social initiatives of various types and differing economic impact. Something that might appear to be a cost in the short term often proves to be an investment over the longer term.

### Bostadsbolaget's support for organizations and clubs (Distribution %)



Bostadsbolaget aims to be an active partner for local associations and clubs. The company's sponsorship commitments include support for activities that promote a sustainable society over the longer term. This assistance amounted to SEK 0.9 million in 2010.

## GRI index

Since 2009, Bostadsbolaget has reported its work on sustainability in accordance with the Global Reporting Initiative (GRI) guidelines, level C. Definitions of the contents of the report are based on the questions that are assessed internally to have priority.

The data and information presented here was gathered in 2010, and the report includes all property owned and managed by Bostadsbolaget.

In instances where quantitative measurement of sustainability activities is required, and Bostadsbolaget reports such measurements, the measurements are considered reported. Since Bostadsbolaget conducts activities in Sweden in the City of Gothenburg only, issues relating to human rights are considered to be irrelevant.



The following table contains all of the core indicators and additional indicators that Bostadsbolaget considers to be relevant. Compared with 2009, this year's sustainability report excludes a number of additional indicators since careful analysis has confirmed that they have minimal relevance for the company and are not required to fulfil GRI level C. The measurement methods, meanwhile, remains the same as last year. No other changes have been made that affect comparability.

|                                    | GRI REFERENCE   | REPORTED | REFERENCE                 |
|------------------------------------|---|----------|---------------------------|
| <b>1. Strategy and analysis</b>    |   |          |                           |
| 1.1                                | Statement from the CEO  | ●        | 3, AR p. 2-3              |
| <b>2. Organizational Profile</b>   |   |          |                           |
| 2.1                                | Name of the organization  | ●        | Back cover                |
| 2.2                                | Primary brands, products, and/or services   | ●        | AR, inside of front cover |
| 2.3                                | Operational structure of the organization   | ●        | AR p. 83                  |
| 2.4                                | Location of organization's headquarters   | ●        | Back cover                |
| 2.5                                | Number of countries where the organization operates                                       | ●        | 20                        |
| 2.6                                | Nature of ownership and legal form  | ●        | AR, inside of front cover |
| 2.7                                | Markets served  | ●        | AR, inside of front cover |
| 2.8                                | Scale of the reporting organization   | ●        | 16                        |
| 2.9                                | Significant changes during the reporting period   | ●        | -                         |
| 2.10                               | Awards received in the reporting period   | ●        | 15                        |
| <b>3. Report Profile and Scope</b> |   |          |                           |
| 3.1                                | Reporting period  | ●        | 2                         |
| 3.2                                | Date of most recent previous report   | ●        | 2                         |
| 3.3                                | Reporting cycle   | ●        | 2                         |
| 3.4                                | Contact point   | ●        | 2, AR p. 87               |
| 3.5                                | Process for defining report content   | ●        | 4-5, 20                   |
| 3.6                                | Boundary of the report  | ●        | 2                         |
| 3.7                                | Specific limitations on the scope of the report   | ●        | 2                         |
| 3.8                                | Basis for reporting that can significantly affect comparability                           | ●        | 20                        |
| 3.10                               | Explanation of the effect of any re-statements of information provided in earlier reports | ●        | 20                        |

|  | GRI REFERENCE  | REPORTED | REFERENCE       |
|--|--|----------|-----------------|
| 3.11   | Significant changes from previous reporting periods in the scope, boundary, or measurement methods | ●        | 20              |
| 3.12   | GRI index  | ●        | 20-21           |
| <b>4. Governance, Commitments, and Engagement</b>        |  |          |                 |
| 4.1  | Governance structure of the organization   | ●        | AR p. 83        |
| 4.2  | Position of chairman in organization   | ●        | AR p. 83-84     |
| 4.3  | Number of independent, non-executive Board members   | ●        | -               |
| 4.4  | Mechanisms for making recommendations to the Board   | ●        | AR p. 84        |
| 4.14   | List of stakeholder groups   | ●        | 5               |
| 4.15   | Basis for identification of stakeholders   | ●        | 5               |
| <b>5. Management Approach and Performance Indicators</b> |  |          |                 |
| <b>EC. Economic indicators</b>                           |  |          |                 |
| EC1 (C)  | Direct economic value  | ●        | AR p. 45-79     |
| EC3 (C)  | Coverage of the organisation's defined benefit plan obligations                                    | ●        | AR p. 68-69, 74 |
| EC4 (C)  | Significant financial assistance received from government  | ●        | 18-19           |
| EC8 (C)  | Development of social infrastructure and services  | ●        | 10-13           |
| <b>EN Environmental indicators</b>                       |  |          |                 |
| EN1 (C)  | Materials used   | ●        | 6-9             |
| EN2 (C)  | Percentage of materials used that are recycled   | ●        | -               |
| EN3 (C)  | Direct energy consumption  | ●        | 6-9             |
| EN4 (C)  | Indirect energy consumption  | ●        | -               |
| EN5 (A)  | Energy saved   | ●        | 6-9             |
| EN6 (A)  | Initiatives to provide energy-efficient products and services                                      | ●        | 6-9             |
| EN7 (A)  | Initiatives to reduce indirect energy consumption and reductions achieved                          | ●        | 6-9             |
| EN8 (C)  | Total water withdrawal by source   | ●        | 6-9             |



**KEY TO ABBREVIATIONS AND GRI COMPLIANCE**

● Reported ● Partially reported ● Not reported ● Not relevant

**ABBREVIATIONS**

(C) Core indicator, (A) Additional indicator, AR – see annual report (only in Swedish)

| GR REFERENCE  | REPORTED | REFERENCE |
|---|----------|-----------|
| EN11 (C) Location of land owned and areas of high biodiversity value                        | ●        | -         |
| EN12 (C) Impacts on biodiversity  | ●        | -         |
| EN16 (C) Total direct and indirect greenhouse gas emissions                                 | ●        | 6-9       |
| EN17 (C) Other relevant indirect greenhouse gas emissions                                   | ●        | 6-9       |
| EN18 (A) Initiatives to reduce greenhouse gas emissions and reductions achieved             | ●        | 6-9       |
| EN19 (C) Emissions of ozone-depleting substances  | ●        | -         |
| EN20 (C) Emissions of NO <sub>x</sub> , SO <sub>x</sub> and other significant air emissions | ●        | -         |
| EN 21 (C) Total water discharge   | ●        | -         |
| EN22 (C) Total weight of waste by type and disposal method                                  | ●        | 6-9       |
| EN23 (C) Total number and volume of significant spills                                      | ●        | -         |
| EN26 (C) Initiatives to mitigate environmental impacts of products                          | ●        | 6-9       |
| EN27 (C) Percentage of recycled products  | ●        | -         |
| EN28 (C) Significant fines and sanctions for noncompliance with environmental laws          | ●        | 5         |

| LA       | Labour practices and working conditions                             | REPORTED | REFERENCE          |
|----------|---|----------|--------------------|
| LA1 (C)  | Total workforce   | ●        | 14-17, AR p. 68-69 |
| LA2 (C)  | Total number and rate of employee turnover                          | ●        | 14-17, AR p. 68-69 |
| LA4 (C)  | Percentage of employees covered by collective bargaining agreements | ●        | 14-17              |
| LA5 (C)  | Minimum notice period regarding operational changes                 | ●        | -                  |
| LA7 (C)  | Rates of work-related injury, occupational diseases                 | ●        | 14-17              |
| LA8 (C)  | Measures to support employees during sickness                       | ●        | 14-17              |
| LA10 (C) | Average hours of training per year per employee                     | ●        | -                  |
| LA11 (A) | Programs for skills management                                      | ●        | 14-17              |
| LA12 (A) | Percentage of employees receiving regular performance reviews       | ●        | 14-17              |
| LA13 (C) | Diversity indicators for Board, management team and employees       | ●        | 14-17 AR p. 68-69  |
| LA14 (C) | Ratio of basic salary of men to women by employee category          | ●        | -                  |

| HR      | Human Rights Performance Indicators   | REPORTED | REFERENCE |
|---------|---|----------|-----------|
| HR1 (C) | Investment agreements that include human rights clauses                             | ●        | -         |
| HR2 (C) | Suppliers screened concerning human rights  | ●        | -         |
| HR4 (C) | Total number of incidents of discrimination and actions taken                       | ●        | 5         |
| HR5 (C) | Operations in which freedom of association and collective bargaining may be at risk | ●        | -         |
| HR6 (C) | Operations in which child labour may occur, and measures taken                      | ●        | -         |
| HR7 (C) | Operations in which forced labour may occur, and measures taken                     | ●        | -         |

| SO      | Society Performance Indicators  | REPORTED | REFERENCE |
|---------|---|----------|-----------|
| SO1 (C) | Programmes that manage the impacts of operations on society                 | ●        | 10-13     |
| SO2 (C) | Operations analyzed for risks related to corruption                         | ●        | 4         |
| SO3 (C) | Employees trained in anti-corruption policies                               | ●        | 4         |
| SO4 (C) | Actions taken in response to corruption                                     | ●        | 4         |
| SO5 (C) | Public policy positions and participation in lobbying                       | ●        | -         |
| SO8 (C) | Significant fines and sanctions for noncompliance with laws and regulations | ●        | -         |

| PR      | Product Responsibility Performance Indicators  | REPORTED | REFERENCE |
|---------|--|----------|-----------|
| PR1 (C) | Life cycle stages in which health and safety impacts of products and services are assessed for improvement | ●        | -         |
| PR3 (C) | Type of product information and percentage of products subject to information requirements                 | ●        | -         |
| PR6 (C) | Programmes for adherence to voluntary codes related to marketing communications                            | ●        | -         |
| PR9 (C) | Significant fines for noncompliance concerning services  | ●        | -         |



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Bostadsbolaget is a limited company, wholly owned by the City of Gothenburg  
and with Förvaltnings AB Framtiden as the parent company

[www.bostadsbolaget.se](http://www.bostadsbolaget.se)