



WE SEE
TALENT



samhall

SAMHALL ANNUAL AND SUSTAINABILITY
REPORT 2019



Samhall: Sweden's most important company

THIS IS SAMHALL

Samhall's assignment is to create work that furthers the development of people with functional impairment. By matching the right person to the right task, in competitive client assignments, we create new work opportunities each year for thousands of people who formerly were far removed from the labour market. At the same time, we provide services to companies and organisations throughout the country.

Samhall creates a unique combination of employee benefit, client benefit and society benefit. That is why we consider ourselves to be Sweden's most important company.



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ABOUT THE REPORT

The audited annual report for Samhall AB (publ) 556448-1397 consists of the governance report and accompanying financial statements on pages 1-7, 9-24 and 52-95. The summary reviewed sustainability report consists of pages 1-49 and 99. The annual and sustainability report is published in Swedish and English. The Swedish version is the original.



Samhall creates a unique combination of employee benefit, client benefit and society benefit."

VISION

Samhall's vision is to contribute to a Sweden where everyone is considered an asset to the labour market.

This vision guides Samhall's long-term aims and targets. That means focusing on building competitiveness and working capacity in our employees, while clearly demonstrating to society the hidden power and ability of our employees. We do this by delivering sustainable, high-quality services. Everybody can work, given the right support.

MISSION

Our mission is to develop and demonstrate the employability of our workers with functional impairment. By providing work in client assignments, we can combat social exclusion and contribute to a sustainable Sweden.

Our solutions consist of a broad, high-quality range of services in personnel-intensive sectors such as cleaning, healthcare, laundry, warehousing, logistics and manufacturing; all based on the needs of our clients. We see possibilities where others see hindrances. By providing our employees with real jobs and skills, we create competitiveness and employability.

25,637
EMPLOYEES

24
OCCUPATIONAL ROLES

9.3
BILLION SEK IN INCOME



Only functional.
No impairment."

The year in brief

2019 was a successful year for Samhall: all the owner's targets were achieved and, at the same time, Samhall welcomed a record number of employees to the company.

Expanded assignment for 2019

An extraordinary general meeting in January expanded Samhall's assignment to cover the employment of an additional 1,000 people with functional impairment in 2019. In total, 8,193 people got a new job or traineeship at Samhall during 2019.



729 new client contracts

In 2019, 729 new contracts were signed with clients. This included new contracts with Coop, Ahlsell and ÖoB. Also in 2019, a new contract was signed between Samhall and Swedavia, showing Samhall's 400 employees renewed confidence in cleaning Arlanda airport. The assignment was also expanded to cover Bromma airport.



Training record

4,496 training courses were conducted over the year by the Samhall school, Samhall's training organisation. Better skills and occupational training improve opportunities for Samhall employees, who can develop and get matched to jobs at Samhall and beyond.



More recruitment from Samhall

In 2019, a grand total of 1,507 people left their work at Samhall for employment with another employer. That makes Samhall one of the largest recruitment partners in the country.

8,193

NEW EMPLOYEES

729

NEW CLIENT CONTRACTS

1,507

TRANSITIONS

Samhall Innovation Days

In May, we arranged Samhall Innovation Days together with Microsoft. For 52 hours, experts and innovators were tasked with developing new digital tools that can help people diagnosed on the autism spectrum in the labour market.



New sustainability targets

In April, Samhall launched a comprehensive sustainability programme aiming to decrease the climate impact of all company operations. One of the targets is for Samhall to halve CO₂ emissions by 2025.



Samhall highlights the importance of diversity

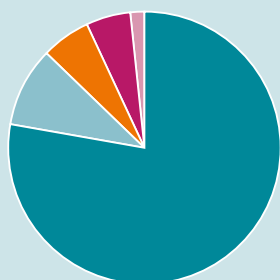
Samhall's annual general meeting was held 26 April. In conjunction, a well-attended seminar was arranged with the title "Samhall: a reflection of Sweden", which showcased the company's diversity.



Pathfinder Prize awards inclusive employers

In October and November, Samhall's Pathfinder tour visited nine cities around the country to highlight employers and passionate individuals who have successfully opened up the labour market to people with functional impairment. At a gala in Stockholm, Grönsakshallen Sorunda was awarded employer of the year and the individual award went to Lars Lerin. Employer Partykungen was awarded a special prize.

Employee categories at year-end




- Employees in the core assignment
- Positions with wage subsidy for employees under development (WED)
- Trainees
- Professional employees
- Persons with 75% sickness benefit

THE YEAR IN NUMBERS

	2019	2018	2017
Wage hours, core assignment (million)	31.9	30.5	29.7
Wage hours, WED (million)	4.25	4.08	4.30
Transitions	1,507	1,492	1,295
Prioritised recruitment	73%	67%	60%
Employees with 75% sickness benefit ¹⁾	360	351	357
Trainees in Labour Market Services	1,513	1,510	1,679
Net sales, SEK million	3,050	2,952	3,036 ¹
State compensation for additional costs, SEK million	6,080 ²	4,975	4,405
Profit for the year, SEK million	74	92	-237

¹⁾ 2017 has not been recalculated according to the new RFR2 accounting standard

²⁾ From 2019 inclusively, compensation for WED is included in the compensation for additional costs



A year of success and focus on the future

Samhall is a fantastic company. Every day, we create enormous value for Swedish trade and industry, as well as the public sector; at the same time, we contribute to help more people, those with a weak position in the Swedish labour market, get the opportunity to develop themselves through work. For 40 years, we have more or less had the same assignment, but I would say that Samhall has never been as good as it is today.

SAMHALL IS A FANTASTIC COMPANY. Every day, we create enormous value for Swedish trade and industry, as well as the public sector; at the same time, we contribute to help more people, those with a weak position in the Swedish labour market, get the opportunity to develop themselves through work. For 40 years, we have more or less had the same assignment, but I would say that Samhall has never been as good as it is today.

As we look back at 2019 we can state that Samhall achieved the targets set by the owner. Our finances remain balanced with good growth, and we surpassed the target for the number of wage hours in the core assignment.

One of the clearest measures that Samhall's operations are effective and fit for purpose is when our employees leave us for new jobs. When employees make that step, it means they have developed their abilities and self-confidence at Samhall. In many cases, it is also a consequence of good contacts between Samhall and the local business community. This is why I am especially happy that 1,507 employees left Samhall for new jobs last year. It is one of the highest figures in the company's history.

That Samhall fulfils the labour market policy assignments so well is largely due to our ability to think anew. As the world around us changes, so too must Samhall. During the year, Samhall laid the foundations for an extensive digitalisation transition with the implementation of a new business system, HR system and sales-support system.

In the articles of association, a document regulating Samhall's operations, it is written that we must regularly find new business opportunities in new sectors. This is something Samhall has traditionally been very good at. Not only because it has been profitable for the company, but because it is a prerequisite to finding new work that develops our employees.

With a societal assignment that has expanded in scope for several years, Samhall has carefully analysed where the labour-intensive jobs of the future will be. The new growth strategy, adopted in late 2019, clarifies and states in practical terms Samhall's work in finding future jobs and new sectors. It covers the need to establish ourselves in new growth sectors and expand in existing areas, such as Samhall's laundry operations.

We see significant business opportunities in the areas of reusing and recycling, where Samhall can provide services with a small ecological footprint: for example sewing, reconditioning and disassembly. This is interesting because Samhall, as a state-owned company, has a particularly large responsibility to conduct its operations in a sensible manner and contribute to sustainable development within planetary boundaries.



As the world around us changes, so too must Samhall. "

Samhall is an important initiative, but we are not the only one. In discussions about society, Samhall is sometimes portrayed as the only solution to all the challenges facing the labour market. Since Samhall began, there have been many other initiatives established, which offer new opportunities to people who previously could only work at Samhall. Obviously, it is positive that people with functional impairment have received a greater number of support programmes to choose from, but it has also led to a wide-ranging discussion about which initiatives and what support are available to which target group. This discussion also raises the question of a review concerning who gets referred to Samhall.

For me, this is completely natural. As society changes, so too does Samhall's workforce. Over the previous decade, we have seen a change in the type of functional impairments of our employees. All in all, the proportion of people with physical impairments has diminished as a share of the workforce, in contrast to persons with mental, cognitive or multiple impairments.

This somewhat new target group affects the kind of work Samhall can take on and requires different types of adaptations and support than previously. A wheelchair ramp or lower rate of work are still important adaptations, but today Samhall's new employees also need a clear framework, instructions and supervision.

I welcome scrutiny and revision of Samhall's assignments and operations. We exist only in order to respond to societal challenges; the more knowledge we have about workers and processes, the better development support we can provide.

As we now enter Samhall's fifth decade, we do so stronger than in a long time. We are more workers than in 20 years and we offer more and better jobs than maybe ever before. I look forward to continuing Samhall's important work together with everyone at Samhall, as well as union representatives, clients and our many stakeholders and partners.

*Monica Lingegård
February 2020*

Chairman's statement

8 193. That is how many new workers were welcomed to Samhall in 2019. Not only is it a fantastic number, but also one of the highest figures in the company's 40-year history.

THAT SO MANY PEOPLE, all around our country, are given the opportunity to leave social exclusion and become part of a working community clearly shows Samhall's ability and how this company gives enormous value back to Swedish society. Every day we educate, train, match and demonstrate the talents and skills of people who were previously outside the labour market. This makes us Sweden's most important company.

As we leave 2019 behind, we can look back over a year of high target fulfilment. We greatly surpassed targets regarding how many employees Samhall must have and the proportion of these coming from specially prioritised groups. At the same time, an entire 1,507 employees moved on to a position with another employer, which is the highest number in more than 30 years. But it was also a year of looking ahead and important decisions and considerations for Samhall's future.

As a state-owned company, we have a particularly great responsibility. Not only to administer and put to good use, as best we can in terms of our assignment, tax payers' money that funds operations, but to also achieve long-term sustainability in all the arenas where we are active. Money invested in Samhall should not only contribute to employment for more people with functional impairment, but also actively support a reasonable and fully sustainable development of society. Therefore in 2019, Samhall has made great strides in reducing the company's environmental impact. This includes a decision to halve the company's CO₂ emissions by 2025 and reduce the ecological footprint of our services.

At Samhall, we know that new challenges are seldom solved with old solutions. As we now enter our fifth decade, we do so as a completely different company, but with the same vital societal assignment. What started 40 years ago, as a state foundation for more than 400 protected workshops, is today a leading service provider with few premises of its own. Structural transformations and a change in economic conditions meant Samhall had to think differently and be bold. That company, which was once a leading maker of batteries and produced furniture, with sales offices in both Tokyo and New York, chose to clearly focus operations on what we were best at: employee development. Tens of thousands of workshop

employees got new occupational training and today they work in completely different sectors than before. This transition is without precedence in Swedish industry and has today made that readiness to change and reconsider old decisions a part of Samhall's DNA.

I am both happy and proud to be entrusted to lead Samhall. As we now enter 2020, we do so with greater ambition than perhaps ever before. The transformation continues at great pace with both more and higher targets set for our sustainable enterprise. We have also laid out a new strategy for how Samhall can find even more jobs that will develop our workers in tomorrow's labour market.

With a clear focus on the possibilities and abilities of every employee, Samhall now enters its fifth decade with the same dedication, strength and readiness to change that has made this company strong and turned us into Sweden's most important company.

Cecilia Schelin Seidegård
February 2020

Our agenda: an inclusive adaptation

For Samhall, long-term sustainable development means contributing to the fulfilment of the UN's global sustainability goals, running a company within planetary boundaries and reducing our impact on the climate in accordance with the Paris Agreement. Agenda 2030 emphasises that no one be excluded and perhaps Samhall's most important task is to ensure that the opportunities of this adaptation are available to everyone.

Increased focus on sustainability

Sustainability at Samhall is about not wasting resources: to make use of, and develop, our employees' abilities in a manner well within planetary boundaries. In April 2019, Samhall launched a comprehensive environmental initiative focused on reducing climate change and a faster adaptation to a circular economy. During the year, an in-depth analysis has been made on Samhall's contributions to Agenda 2030 and new long-term sustainability goals have been established.

Three areas of strategic sustainability

Samhall's most significant sustainability issues are grouped into three strategically important areas: Development and inclusivity, Circular and fossil free, and Sustainable partnerships. Each area has its own objectives and targets that aim to maximise our positive impact and minimise risks of the negative, so we can create as much benefit as possible for employees, clients and society.

Strategic area	Our actions	Our targets ¹	
Development and inclusivity We create development through work and show the way to an inclusive society	<ul style="list-style-type: none"> We build competitiveness and working capacity in our employees and create the conditions that allow everyone to work We create dedicated workplaces and workplace environments that are safe and developmental We show society the hidden powers and abilities of our employees 	<ul style="list-style-type: none"> Employees in work (E.I.W): 2.5 by 2024 (3.3) Dedicated employees: Dedication index >70 over time (71) Occupational accidents: Halve accidents by 2023 compared to 2018 (-19%) Recruitment: Half of transitions due to long-term recruitment collaborations 2025 (15%) 	   
Circular and fossil free We manage our operations within planetary boundaries	<ul style="list-style-type: none"> We reduce our impact on the climate in line with the commitments of the Paris Agreement We develop service offerings that suit a circular economy; they must have small ecological footprints and we must identify and package new services that accelerate an adaptation to a circular society 	<ul style="list-style-type: none"> CO₂: Halve CO₂ compared to 2018 in 2025 (-1%). Fossil-free fleet of vehicles 2030 (25%) Sustainable service delivery - ecological footprint: 100% reusable, recyclable, renewable, biologically degradable or eco-label materials used in services by 2030 (-) 	 
Sustainable partnerships We are a dependable business partner that takes responsibility for our value chain	<ul style="list-style-type: none"> We attain our targets and drive change by working together with our stakeholders We use our influence to shape and take responsibility for our value chain 	<ul style="list-style-type: none"> Satisfied clients: Client recommendations > 8.5 by 2025 (7.7) Responsible supply chains: Proportion by spend of central suppliers analysed for sustainability within three years: 100% latest by 2022 (55%) 	

¹) This year's result in brackets. More about targets and results on page 18

Our value creation

As a group, people with functional impairment who have a reduced working capacity face particular difficulties in the Swedish labour market. Their competencies are wasted, which leads to social exclusion and inequality.

Focus on value creation

Samhall's business concept is to give people with functional impairment the opportunity to develop their skills through a unique way of working and matching method that enables them to work in real client assignments. Our business logic is the opposite of most companies; we start with a set number of employees for who we need to create meaningful jobs. We create value by developing our employees' skills and working capacity, maintaining and developing client relationships, meeting market demand and utilising all our resources in a long-term, sustainable manner.



Employment at Samhall

People with functional impairment, far outside the labour market, are assigned, by the Public Employment Service, a job at Samhall.



Introduction, training and traineeships

The employee receives introduction and training to enable work and development in various occupational roles, as well as establishing the right skills for client assignments.



Matching to the right job

The employee's working capacity and skills are matched to the demands of Samhall's client assignments.



Employee benefit

- Joins a working community
- Financial security
- Personal development
- Occupational skills



Client benefit

- Good service
- Sustainable services
- Increased diversity in the workplace



Society benefit

- More people can work
- Less social exclusion
- Reduced welfare costs
- Increased tax revenues in the whole country



We create value by developing employees, relationships and client offerings."



Work in client assignments

The daily work on client assignments allows employees to develop their skills. For each occupational role, there are various training phases and the possibility of traineeships.



New job after Samhall

One of the goals of Samhall's operations is for our employees to find new jobs outside Samhall, either with our clients or another employer.

Created value 2019

8,193

new employees

1,507

transitions

36.15

million wage hours

729

new client contracts

3

SEK billion in client revenues

34,438

training places

74

SEK million in profit reinvested in the company

Trends in our world

Samhall has identified three current trends that affect us and the sectors we work in. Analysing these trends allows us to continue our assignment and contribute to a sustainable Sweden.

Digitalisation

Digitalisation changes the conditions of working life. Almost all services and workplaces require you to know how to use a computer, tablet or other digital device. New demands are placed on employees' digital skills and the opportunities offered by digitalisation and automatisisation change the services needed by clients. Technical developments occur rapidly and are game changers in how our society works and how companies do business.

Samhall's response

In the beginning, Samhall built wheelchair ramps that made workplaces accessible. Today the need for support has changed considerably and we need to create the digital working aids of tomorrow. In 2019, we hosted, together with Microsoft, a 52-hour innovation race with the vision of developing new digital tools that can help people diagnosed on the autism spectrum enter the labour market.

By harnessing the opportunities of digitalisation, we can also minimise our administration, streamline operations and improve the client experience; all in order to create work that develops our employees. Samhall has commenced a comprehensive digitalisation transition. Several major IT systems were implemented during the year.

Circular economy

That climate change is one of our era's great challenges has become increasingly clear in 2019. The challenge is how to create prosperity and quality of life while remaining within planetary environmental boundaries. Success requires the world to switch from a linear to a circular economy in order to diminish the consumption and production of new goods by extending the lifespan and usage of existing goods and those entering the market. Quite simply, the old way of producing, consuming, using and disposing is no longer working. It demands and makes viable completely new business models.

Samhall's response

We view such environmental adaptation as an opportunity to create new jobs that develop our employees. Therefore, we are striving to develop new client offerings aimed at companies that want to contribute to a circular economy. We already conduct assignments for the recycling sector and work with reuse and recovery, including mending clothes at quite a few of our laundries, repairing laptops and mobile phones, and distributing food that would have been thrown away otherwise. Our objective is to contribute to an adaptation where both people and the environment are better utilised. Quite simply, an inclusive adaptation. Read more about our assignment for Godsintösen AB on page 37.

A labour market in development

In recent years, the Swedish labour market has grown steadily and unemployment has fallen. However, this does not apply to all categories. People who have a functional impairment, who are born abroad or who did not complete their education, encounter an ever more difficult situation in the labour market and account for most of the unemployed. With few jobs open to people with low education levels or working capacities, people with a weaker foothold in the labour market face considerable difficulties. This leads to a two-tier labour market where the proportion of people needing greater support increases.

Samhall's response

Samhall provides protected and adapted employment for people who, as a consequence of functional impairment, have reduced working capacity and cannot assert themselves in the regular labour market. In hiring Samhall, other employers are able to take social responsibility by offering people with functional impairment a path into the labour market, while at the same time Samhall provides the workplace support, vacancy fulfilment and other employer-related matters. Our efforts to secure long-term recruitment collaborations are another way for even more organisations to employ people with functional impairment.



Samhall's assignment

Our assignment is to create meaningful work for people with various functional impairment causing reduced working capacity.

PEOPLE WITH FUNCTIONAL IMPAIRMENT causing reduced working capacity face particular difficulties in the Swedish labour market. Our assignment is to create meaningful work that develops the skills of our employees through the production of goods and services that are in demand.

Our core assignment

Samhall's assignment from the state is to develop and demonstrate the employability of its employees. The state determines, on an annual basis, the number of positions Samhall provides, expressed as a minimum volume of wage hours. The state's target for the number of wage hours in the core assignment for 2019 was 31.7 million hours. Samhall delivered 212,000 hours above the owner's target. It means even more people were given the opportunity to develop their skills through work.

The target group is people whose working capacity is so reduced that they cannot find other work and whose needs cannot be met by other labour market policy initiatives.

Positions with wage subsidy for employees under development

Samhall must provide time-limited positions with wage subsidy for employees under development (WED). These positions are offered to people with functional impairment who have been out of work for a long time. Young adults under 30 are prioritised. At least 25% of time at work must be spent on various development activities: e.g. introduction to working life, skills training at the Samhall school or traineeships with another employer. The period of employment is normally one year and may not be longer than two years. For positions with wage subsidy for employees under development the target was 4.25 million hours, which was achieved.

Transitions to another employer

Samhall's assignment includes preparing employees and giving them the right prerequisites to seek employment in the regular labour market beyond Samhall; this is called a transition. It is measured by the number of people

5 IMPORTANT THINGS TO KNOW ABOUT SAMHALL

1. We do not decide who gets a job with us.
2. We want our employees to find new jobs outside Samhall.
3. Our number of employees drives our need for business, not the other way around.
4. We cannot retrench employees due to a shortage of work.
5. We remain in areas with fragile labour markets.

and covers employees in the core assignment and positions with wage subsidy for employees under development. The target for 2019 was 1,00 persons. In accordance to the owner's directives, Samhall must "act to increase the proportion of female employees leaving the company for regular work."

When someone leaves Samhall for a new job, Samhall has room to employ new people who are outside the labour market.

The number of transitions to employment outside Samhall was 1,507 (1,492) of which 661 (667) were people with wage subsidy for employees under development. The proportion of women in all transitions was 31% (33%).

Permanent employees in the core assignment who make a transition are entitled to return to Samhall within one year. Known as "returns", this entitlement is included in the state's directives and regulated in the collective agreements for employees in the core assignment. Positions for employees under development (WED) are time-limited contracts and have no right of return.

The number of returns was 471 (337). Most returns were due to the temporary employment position coming to an end.



When someone leaves Samhall for a new job, Samhall has room to employ new people who are outside the labour market."

EMPLOYEE TURNOVER IN THE LABOUR MARKET POLICY ASSIGNMENTS

IN	NUMBER OF EMPLOYEES 2019		OUT		
Number of new employees recruited in 2019	4,592	Core assignment	19,950	Transitions	1,507
		Employees with 75% sickness benefit	360	Time-limited position ended WED	1,050
Number of trainees in the job and development guarantee	3,601	Positions with wage subsidy for employees under development	2,433	Time-limited traineeships ended in the job and development guarantee	3,184
				Other transitions	2,104
Total number of new employees and trainees	8,193	Total number employees	22,743	Total number of employees and trainees who left	7,845
		Number of trainees in the job and development guarantee / project with the Employment Service	1,513		

Need guides our operations

THE PUBLIC EMPLOYMENT SERVICE assigns people a position with us. Our collaboration with the Public Employment Service is crucial at all phases. An established proportion of Samhall's employees must be recruited from specially prioritised groups whose functional impairment creates particularly difficult problems in entering the labour market.

Prioritised groups

Prioritised groups cover people with mental impairments, people with generally diminished learning abilities, people with specific cognitive impairments in combination with impaired hearing or vision or mental impairments, as well as people with multiple impairments that together cause a comprehensive reduction in working capacity according to particular specifications. The definition is agreed between Samhall and the Swedish Public Employment Service and applies to recruitment for the core assignment. The Public Employment Service assesses who belongs to these prioritised groups.

The proportion of employees at year-end from prioritised groups was 73% (67%) of the number of new employees in the core assignment. The owner's target is at least 40%. The proportion from prioritised groups among women was 74% (69%).

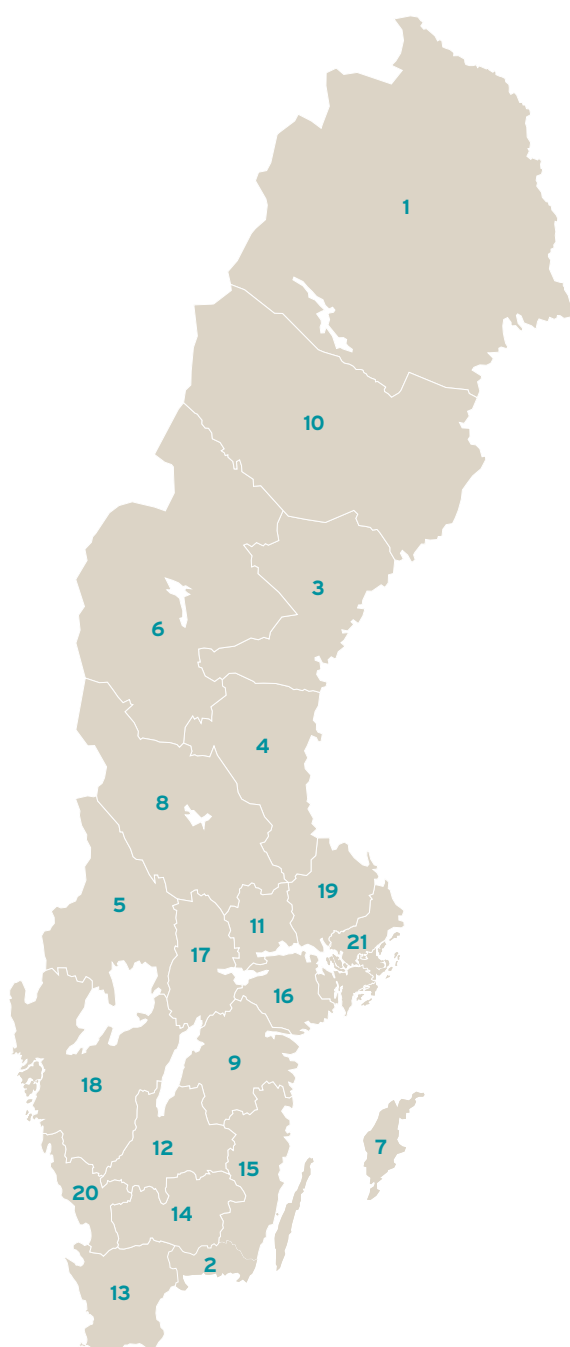
We are where the need exists

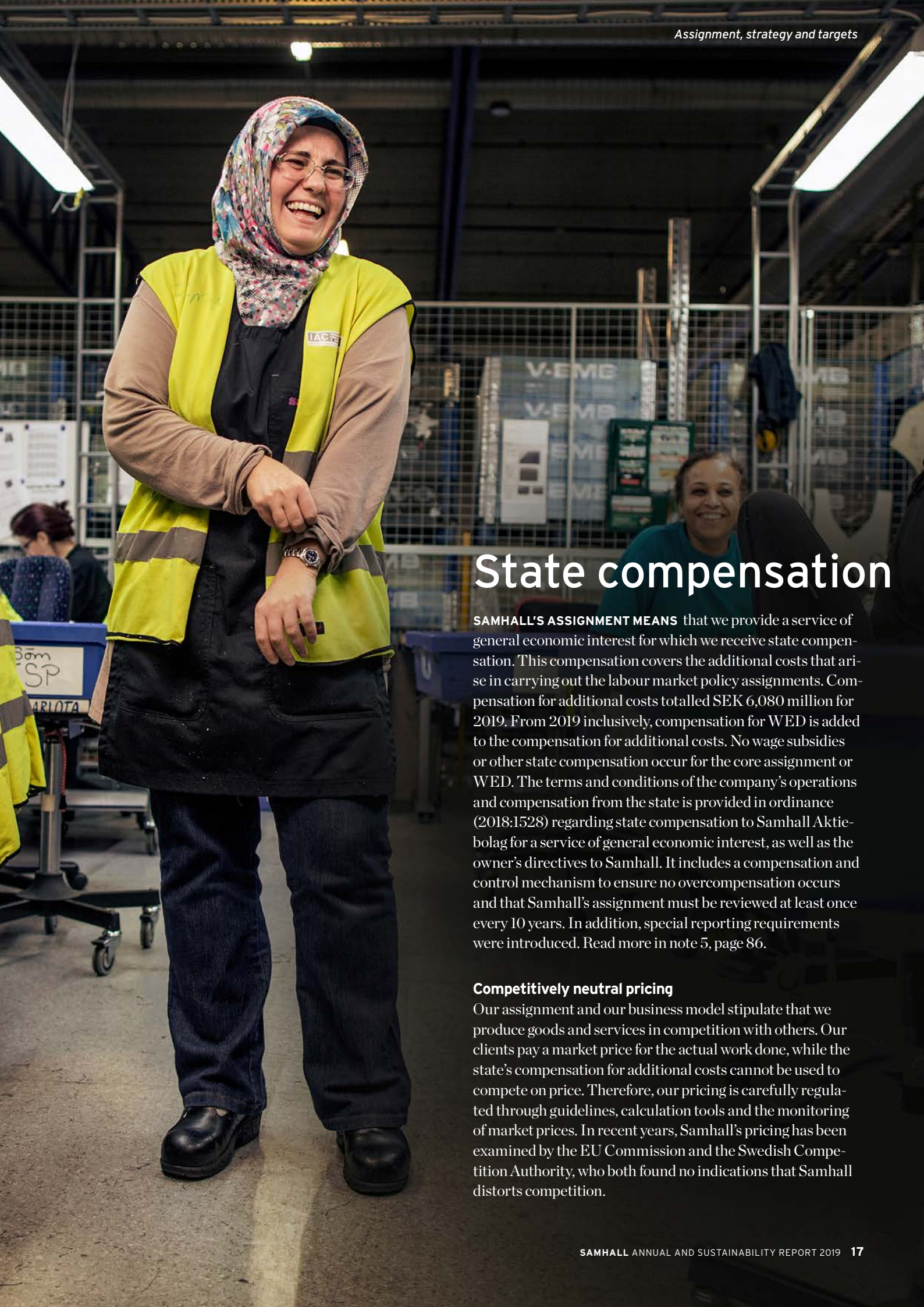
Samhall must be present nationwide, where the need exists. The allocation is agreed annually with the Public Employment Service that assesses the need. The country distribution of employees in Samhall's labour market

policy assignments on 31 December 2019 is shown in the diagram below. As Samhall must avoid retrenching employees in areas with vulnerable labour markets, the geographical distribution has been relatively stable over time, which partly reflects conditions in the labour market of the 1980s and 1990s. When Samhall's assignment expands, the number of employees increases in areas where the need is deemed the greatest.

EMPLOYEES IN SAMHALL'S LABOUR MARKET POLICY ASSIGNMENTS PER 1,000 PERSONS IN THE WORKFORCE

1. Region Norrbotten	8.5	12. Region Jönköping	4.6
2. Region Blekinge	7.8	13. Region Skåne	4.6
3. Region Västernorrland	7.0	14. Region Kronoberg	4.6
4. Region Gävleborg	6.4	15. Region Kalmar	4.4
5. Region Värmland	6.0	16. Region Södermanland	4.3
6. Region Jämtland Härjedalen	5.8	17. Region Örebro	4.2
7. Region Gotland	5.6	18. Västra Götalandsregionen	3.8
8. Region Dalarna	5.3	19. Region Uppsala	3.2
9. Region Östergötland	5.0	20. Region Halland	2.8
10. Region Västerbotten	5.0	21. Region Stockholm	2.4
11. Region Västmanland	4.8	National	4.1





State compensation

SAMHALL'S ASSIGNMENT MEANS that we provide a service of general economic interest for which we receive state compensation. This compensation covers the additional costs that arise in carrying out the labour market policy assignments. Compensation for additional costs totalled SEK 6,080 million for 2019. From 2019 inclusively, compensation for WED is added to the compensation for additional costs. No wage subsidies or other state compensation occur for the core assignment or WED. The terms and conditions of the company's operations and compensation from the state is provided in ordinance (2018:1528) regarding state compensation to Samhall Aktiebolag for a service of general economic interest, as well as the owner's directives to Samhall. It includes a compensation and control mechanism to ensure no overcompensation occurs and that Samhall's assignment must be reviewed at least once every 10 years. In addition, special reporting requirements were introduced. Read more in note 5, page 86.

Competitively neutral pricing

Our assignment and our business model stipulate that we produce goods and services in competition with others. Our clients pay a market price for the actual work done, while the state's compensation for additional costs cannot be used to compete on price. Therefore, our pricing is carefully regulated through guidelines, calculation tools and the monitoring of market prices. In recent years, Samhall's pricing has been examined by the EU Commission and the Swedish Competition Authority, who both found no indications that Samhall distorts competition.

Targets and target fulfilment 2019

The Swedish state, as owner, sets the targets for Samhall's operations each year. Samhall's board establishes the company's sustainability targets.

OWNER'S TARGETS

31.7
million
hours

Wage hours in the core assignment

The state determines, on an annual basis, the number of positions Samhall provides, expressed as a minimum volume of wage hours. The target for the number of wage hours for employees with protected work in the core assignment for 2019 was 31.7 million hours. This was an increase of 1.2 million hours compared to 2018, meaning approx. 1,000 more people could be offered developmental work with us. Prior to 2020, the assignment was expanded again by a further 1 million wage hours.

4.25
million
hours

Wage hours for positions with wage subsidy for employees under development

For positions with wage subsidy for employees under development the target was 4.25 million hours. Previous years expressed the target as a number of employees. For 2020, the assignment is for 4.07 million wage hours.

1,500
people

Transitions

Samhall's assignment covers at least 1,500 people making transitions to work in the regular labour market. In addition, Samhall needs to increase the proportion of female employees leaving the company for a regular job, and decrease the proportion of people returning to the company having tried a job in the regular labour market.

>40%
from prioritised
groups

Prioritised recruitment

The owner's mandated target is that at least 40% of Samhall's new recruits for the core assignment come from prioritised groups. People in these prioritised groups have the greatest need of a position at Samhall. A more detailed description is given on page 16.

30%
Equity ratio

Financial target: Equity ratio

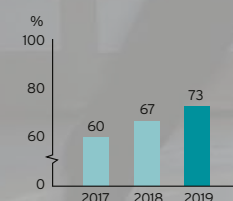
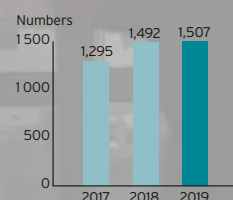
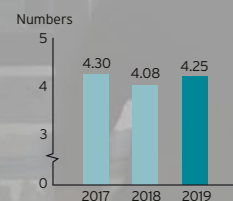
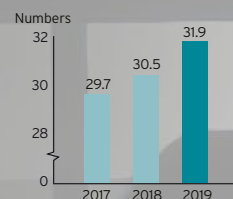
Samhall is set an equity ratio of at least 30%.

7%
Return

Financial target: Return on average equity

Samhall is set a return on average shareholders' equity of 7% over a business cycle.

2019



35%

(2018: 36% 2017: 35%)

6%

(2018: 8% 2017: -18%)

SUSTAINABILITY TARGETS

2.5 by
2024**Employees in work (E.I.W.)**

E.I.W. is a key performance indicator that measures our ability to provide all employees with the opportunity to develop their skills in real jobs based on their own circumstances. It puts demands on our ability to train, prepare and match our employees to the right tasks, to grow our competitive assignments that provide appropriate tasks and maintain a geographical coverage that meets the needs of the labour market. E.I.W. is also affected by how well we prevent accidents at work and illnesses.

When M.I.A. falls, it means more employees have jobs all day long. This year, M.I.A. has stayed at the same level as 2018. This is mainly due to the state's assignment expanding, which places greater demands on us to create more jobs.

> 70
over time**Dedicated employees**

Dedicated employees is an important factor concerning employee development that also leads to even more satisfied clients. The key indicator comes from the dedication index in the annual employee survey. This year's result is an improvement on the previous year. Since 2013, the index has improved by eight percentage points.

> 30%
over time**Self-financing**

The degree of self-financing indicates to what extent income from client assignments covers the costs of Samhall's labour market policy assignments. Considering Samhall's assignment and level of compensation for additional costs, Samhall constantly needs to drive growth and resource efficiency in order to keep its finances balanced. When the degree of self-financing increases, Samhall provides even more benefit per tax kronor.

8.5
by 2025**Satisfied clients**

Satisfied clients are a prerequisite in creating jobs that develop our employees. This year's client survey shows a positive change of direction towards our long-term target. The target is calculated as a weighted average on a scale of 0-10.

Halve CO₂
by 2025**Climate impact**

Samhall has a long-term target to halve its impact on the climate by 2025, compared to 2018 figures, as well as switching to a fossil-free fleet of vehicles by 2030.

- This year, emissions decreased somewhat despite operations growing, both in terms of employees and revenue.

Fossil-free
fleet
2030

- The proportion of environmentally friendly vehicles in the fleet increased from 20% to 25%.

2019

2018

2017

3.3

3.3

3.4

71

70

68

32%

32%

32%

7.7

7.3

-

4,275

4,308

4,447

25%

20%

-

Strategic direction

Samhall has been assigned by the state to create jobs that develop the skills of people with functional impairment. To conduct the assignment and fulfil the targets, Samhall has identified five strategic priorities.

1 Culture and leadership

Why it is important to Samhall

Samhall has an important, yet complex assignment. It characterises our culture and our leadership ideals. We need to develop the skills of people with functional impairment. Our clients and business are prerequisites for fulfilling our vital assignment. We cannot succeed without strong leadership and a culture that creates behaviour needed to attain our goals. It is essential that everyone at Samhall understands our assignment and can balance our commitments to employees, clients and society.

Our values and leadership ideals

In a company with approx. 25,000 employees throughout the whole country, local leadership is essential. Our leadership ideals come from working with the assignment we have been entrusted with at Samhall. Our leaders see abilities and create the conditions for employees to develop through their work by taking responsibility, being present and building participation. Introductory training and the

leadership programme are vital components in establishing and reinforcing our company culture. For example, all new professional employees meet senior management in a two-day introduction course.

Our core values guide how we behave towards each other and our clients: to be dependable, attentive and dedicated is the responsibility of everyone at Samhall.

2 More jobs

Why it is important to Samhall

Being able to provide our employees with real jobs, across the entire country, all day long, is a precondition for our success. It is the client assignments that provide development for our employees. Samhall's assignment expanded to include almost 2,000 new employees 2018–2019, which means we need even more business so more people can be offered real work that develops their skills. Historically, our success has been built on a unique ability to transform our business and constantly develop our employees in new sectors, occupational roles and tasks.

Growth strategy

secure enough work for all employees to develop their skills all day long. To achieve this, we need to focus on sectors and services that provide jobs today and in the future, have a broad portfolio of tasks that suit our employees, a geographical coverage of business that matches needs across the entire country and a clear and competitive market offering. In 2019, Samhall expanded its laundry operations, among other initiatives. Two current factors bearing the greatest significance for our future competitiveness are the increased requirements for sustainability and digitalisation. We will therefore continue to develop our services with a small ecological footprint and expand our offerings in reusing and recycling, where manual phases such as sewing, reconditioning and disassembly suit Samhall very well.

DEDICATED

Being dedicated is to be present and always caring that little bit extra about the client and the work; it also includes how you and your colleagues are feeling. A strong sense of dedication easily transfers itself to others and makes life and work better and more enjoyable.

ATTENTIVE

Being attentive is to see everything a little clearer. Receiving attention is to be seen and recognised. At Samhall, we must be the best at seeing things others don't. We always try harder to be attentive to the individual's talent and the needs of the client. At Samhall there are no obstacles, only opportunities!

DEPENDABLE

Being dependable is to take responsibility. To keep promises made to clients and colleagues. Samhall must be trustworthy and so too everyone who works here. We take responsibility for everything we do at Samhall. You can depend on that!

3 Clients at the centre

Why it is important to Samhall

It is through work that we develop our employees: without our clients there is no employee development. Only by focusing on clients can we reduce the underemployment that has been one of Samhall's challenges for many years. Through good relationships and qualitative delivery, our clients stay with us for a long time. A satisfied client provides the best possible conditions for our employees to enjoy their work and achieve their full potential.

Continue to build relationships

This year's client-relationship survey was the biggest so far, dispatched to nearly 2,900 clients and receiving about 1,300 responses. Results show what our clients consider most important and how well we live up to their expectations. At all levels in the company, we follow up that client feedback and translate it into the ongoing improvement programme: from the client's nearest contact, who responds and discusses matters with the client, to senior management who identify company-wide initiatives. We have seen a positive shift compared to the previous year, which confirms our improved way of working with follow-up and feedback is getting results. During the year, we also began measuring client satisfaction when starting up new assignments.

4 Development through work

Why it is important to Samhall

The basis of all Samhall operations is to develop employee working capacity and skills. We achieve this by our employees performing work that is in demand. For us, it is important that "everyone in the team gets to play" and that each employee has tasks to do all through the working day. Introduction, training at the Samhall school and practical work experience in our assignments are vital in our employees' preparation. Good matching between employee and client assignment is crucial. Not everyone needs a lower

work rate, but everyone needs well-planned work. That our employees find jobs outside Samhall is evidence that our employee development works.

Recruitment challenge 2019

In 2019, 32 companies and organisations took part in Samhall's recruitment challenge. They all have one thing in common: they want to employ skilled workers from Samhall. Samhall helps them find the right person for the right position. Activities included field trips, recruitment meetings and interviews. In 2019, 147 employees got the chance to try a new job outside Samhall, thanks to these collaborations.

5 Sustainable operations

Why it is important to Samhall

Sustainable operations are about utilising all resources in a responsible manner for long-term sustainability. For us it is about both safeguarding our most important resource – our employees' skills – and running a business within the limits of planetary boundaries. It also means acting in a professional manner and ensuring the client gets the agreed quality at the right time. Delivering sustainable services will be increasingly important and we therefore need to constantly develop our own operations and client offerings.

Digital and operational development

Much of Samhall's operational development revolves around creating new digital support tools for everyday management: as an integrated part of our services and offerings, and as part of communications with clients and employees. In 2019, a new planning system was procured which will improve conditions for good planning and delivery. Digital innovations enable smarter ways of working and increased operational efficiency. In pace with the implementation of new systems, there will be an increased focus on developing and implementing new ways of working and methods that can improve our management of operations.



Samhall is an important part of Swedish labour market policy."

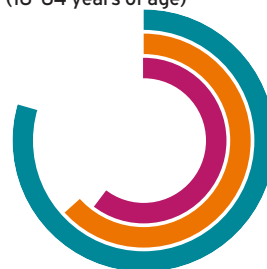
Our role in society

People with functional impairment who have a reduced working capacity face particular difficulties in the Swedish labour market. Therefore, Samhall plays a crucial role.

IN TOTAL, THERE ARE MORE THAN 500 000 PEOPLE in the age range 16-64 with functional impairment causing reduced working capacity in Sweden. Of these, nearly 40% were without employment in 2018.

So too, unemployment is much higher for people with functional impairment than the rest of the population. Among those with functional impairment who have a job, it is more common for it to be a time-limited or part-time position than the rest of the population.

Employment 2018
(16-64 years of age)



The proportion of people with functional impairment with a job is vastly different from the rest of the population.

- Swedish population 79.6%
- People with functional impairment 63.6%
- People with functional impairment and reduced working capacity 60.3%

Source: Statistics Sweden 2018

The need for adapted working conditions

Among employed people with functional impairment and reduced working capacity, 80% require adaption or support to be able to work. The most common form of adaption is a customised work tempo. Among unemployed people with functional impairment and reduced working capacity, 63.5% state they could perform a job if they received one or more types of adaption or support. Samhall's labour market policy assignment gives people who need a customised tempo and workplace environments the opportunity to work based on their own conditions.

One of several measures

Samhall constitutes a major part of state labour market policy. Of the total number of people at the end of 2019 who took part in specific initiatives for people with functional impairment and reduced working capacity, 24% were employed at Samhall in the core assignment or with wage subsidy for employees under development at Samhall. However, as a proportion of the total number of people with support, Samhall's core assignment has decreased its share since the 1990s. During this time, several other initiatives have been established for the same target group.

Samhall's core assignment

The person is employed on a permanent basis in Samhall's core assignment. The Public Employment Service decides who gets employed.

Employment with wage subsidy

The employer can get a wage subsidy for recruiting an employee with functional impairment. The position must be on the same terms as others in the workplace.

Public sheltered work

The employer in the public sector can get a wage subsidy for recruiting an employee with functional impairment. The position must be on the same terms as others in the workplace.

Employment with wage subsidy for security in employment

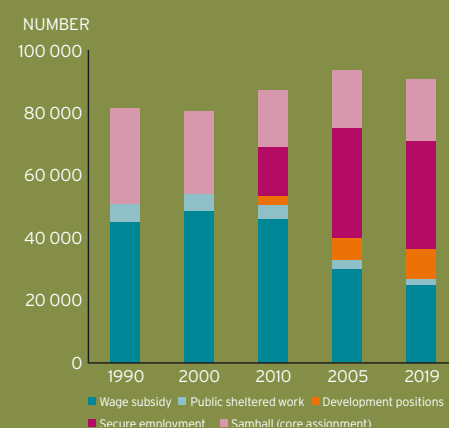
A position that enables wage support for an employer who employs people with a particular need for a secure workplace.

Positions with wage subsidy for employees under development

A development position facilitates work combined with other developmental activities simultaneously, e.g. training and instruction. A time-limited development position can also be offered at Samhall.

Labour market policy initiatives

Labour market policy programmes with employment for people with functional impairment



Source: The Public Employment Service weekly statistics 52/53



An inclusive labour market

ONE OF SAMHALL'S IMPORTANT TASKS is disseminating knowledge and showcasing good examples. As part of Samhall's work for a more inclusive labour market, Samhall profiles other employers and individuals who set good examples in the labour market. The Pathfinder Prize recognises local and national employers and passionate individuals throughout the country who have made particularly outstanding contributions to a more inclusive labour market during the year. The award goes to those employers and individuals who understand it is more important to see what people can do, instead of what they can not. Quite simply, to those who are wise enough to see a person's functional sets. Not just to be nice and do good, but for the best interests of their own enterprise.

Large effects for society and individuals

When a person, previously far outside the labour market, is given the opportunity to move from social exclusion to employment, large positive socio-economic effects are created. At the same time as welfare expenses can decrease, so tax revenues increase. For the individual, new opportunities are created in the form of improved self-esteem, better working capacity, social interaction and secure earnings.

Attitudes and prejudices

Samhall conducts extensive efforts to influence negative attitudes and prejudices about people with functional

impairment. Samhall is present in the public debate on these issues and organises seminars and events to highlight the positive aspects of greater diversity in the workforce. Samhall also examines, through surveys, the attitudes of business to employing people with functional impairment. Based on the responses, Samhall acts to highlight the benefits and opportunities of more inclusive recruitment. This year's survey indicated there are still negative attitudes to employing and working with people with functional impairment.

International collaboration

Samhall's work has gained an international following. In the past five years alone, representatives from governments, companies and organisations from 55 countries have visited Samhall to learn about our way of working. Since 1987, Samhall is also an active member of Workability International.

Samhall is a participant in the international research project "European Observatory for Inclusive Employment and Sustainable Development Goals", which aims to find the factors of success regarding the inclusion of people with functional impairment in the labour market. The project is led by a group that includes Samhall and organisations in Spain, France, the Netherlands, Belgium and Slovenia. The UN specialised agency, International Labour Organisation, and the European Disability Forum participate in the project as observers.

Employer of the year 2019:

At a new job

At Grönsakshallen Sorunda every worker is equally important

Grönsakshallen Sorunda delivers fruit and vegetables to many of Sweden's finest restaurants and discerning bistros. It is a profitable company with a bright future and fantastic diversity that delivers products of the highest quality each day. Everything has to be delivered in perfect condition: each stem of dill, every grape, every blackcurrant leaf.

To succeed takes about 300 workers in premises in an industrial area in southern Stockholm. About 80 of them come from Samhall.

"We have also employed several of those who came here via Samhall because it worked so well," says Christer Läckgren, CEO at Grönsakshallen Sorunda.

As a business with a great variety of tasks, there is the opportunity to match the task to a huge range

of talents and abilities. It is apparent that those working here are both proud and happy in their work. The atmosphere is open and inclusive.

"With us here, every worker is enormously important, otherwise our deliveries fail to impress all the demanding chefs. This creates immense satisfaction in the work and pride among employees, and we are very pleased and proud of them," says Christer Läckgren.

Everyone wears the same work clothes and all get breakfast every morning. It creates wonderful unity and variety; something that won Grönsakshallen Sorunda the Pathfinder Prize as employer of the year 2019. H.R.H. Prince Daniel, who awarded the prize, has also visited the company.



OBS
STÄNG
LISSDÖRREN

Our employees

Samhall's assignment is to further the development of employees through work. Our objective is that all employees develop their working capacity based on their individual considerations and abilities, and ultimately find work outside Samhall. This occurs through matching and development in clear occupation roles.



We have developed a matching process that highlights each individual's strengths and abilities."

DEVELOPMENT THROUGH WORK

The target and development dialogue clarifies the short- and long-term development goals of the employee, and the client assignments establish the framework for which occupational roles the employee can work and develop in.

The development journey is different for many employees, but the work process is the same. We have developed a matching process that highlights each individual's strengths and abilities in order to match the right person to the right tasks, and build teams where employees complement each other. To increase the opportunity to develop their skills, Samhall's employees are offered individually customised tasks and work rates.

The daily work provides employees with opportunities to meet clients, perform tasks, collaborate with colleagues and receive support and feedback. Samhall's broad and varied range of services create a variety of tasks and development opportunities for employees. Through Samhall, they make work contacts and get the opportunity to demonstrate their skills and eventually move to a position outside Samhall.

Occupational roles: clarifying competencies

Samhall's occupational roles support goals for learning skills and clarify which competencies Samhall can offer clients both as a supplier and recruitment partner. Developing and following up occupational roles also gives information enabling proactive work in matching employees to current and new client assignments.

At year-end 2019, 81% of all employees had documented skills in one or more occupational roles. For example: 12,181 trained cleaners, 3,554 trained assemblers and 3,955 trained stockroom workers.

24 OCCUPATIONAL ROLES

- Administrator
- Assembler
- Attendant
- Care assistant
- Cleaner
- Customer-service clerk
- Driver
- Forester
- Garbage collector
- Instructor
- Internal teacher
- Janitor
- Laundry worker
- Machinist
- Property caretaker - indoor
- Property caretaker - outdoor
- Receptionist
- Service attendant
- Shop assistant
- Stockroom worker
- Superintendent
- Team leader
- Waiter/waitress
- Window cleaner



1,507
people got jobs outside
Samhall 2019

Occupational training and traineeships

Samhall's training programme is called the Samhall school. It provides training that supports the entire development journey through Samhall: from introduction to training for a new job with another employer. This year, the Samhall school offered 4,496 courses connected to the company's 24 occupational roles, as well as courses for professional employees. Major training areas have centred on cleaning, facility management and healthcare, as well as leadership and diversity. Basic training is provided for all occupational roles. There are also traineeships outside Samhall that help develop practical occupational skills.

In total, more than 34,438 training places were offered and taken in 2019, which is almost 3,000 more than 2018. Samhall also trains other employers in how to set aside hindrances and open their workplaces to people with functional impairment. Not least by influencing attitudes and developing leadership. This can also occur in development collaborations with major clients.

Labour Market Services combat social exclusion

Samhall offers the Public Employment Service positions for work training and other kinds of labour market services at many of our workplaces. Via the Public

Employment Service, unemployed people with functional impairment can participate in reinforced work training programmes and receive in-depth assessment conducted by Samhall.

MANY MORE GOT JOBS OUTSIDE SAMHALL

We want our employees to get the chance to continue their development beyond Samhall. One of our targets is that a minimum of 1,500 people per year must find a new job outside Samhall, and it is our task to support these employees with this. We help in arranging traineeships and contact with the Public Employment Service regarding a possible wage subsidy. In 2019, 1,507 people took a new job outside Samhall. This is the highest figure since 1988.

During the year, we have continued to develop long-term recruitment collaborations with selected companies across the country and to highlight Samhall as a professional recruitment partner. We want even more organisations to see our employees' skills and be bold enough to hire people with functional impairment.

Permanent employees who make a transition are entitled to return to Samhall within one year. Known as "returns", this entitlement is an important condition for many to try working outside Samhall and gives the employee security.

At a new job

*Attendo:***Samhall cures skills shortage in healthcare**

Ten years ago, Emma Guse hardly dared go out her front door. Her autism severely limited her life. Now she challenges herself every day. It has led to a job in elderly care where she plays an important role. Emma joined Samhall in 2013 and worked in cleaning.

"When I first came to Samhall it was very scary. I worked slowly and diligently because I really wanted it to be nice and clean. But gradually, I learned not to get stuck and just move on."

In December last year, Emma had the chance to try a completely new job. It was thanks to Marie Hinderiksson, manager at one of Attendo's care homes in Växjö. She had long been wondering what to do about the large number of pending retirements in healthcare.

"In the next few years, about 200,000 healthcare workers will retire from the sector. So we need to become more attractive in order to both retain the younger workers we already have and encourage new people to join us," she says. Marie's solution was to bring in Samhall employees as care assistants, for tasks such as cleaning, laundry and cooking. It also gives more time to care for the elderly and sick. Time the regular staff were sometimes too busy to give.

"It's a win-win for everyone. Our elderly see that staff members are not so stressed anymore. The assistant nurses get more room to do what they are actually trained for: the health-related tasks. And those coming from Samhall get a chance to work and develop their skills in the healthcare sector."





Workplace environment and health

It is crucial that Samhall has a safe workplace environment where employees can develop their skills, which is accessible and adapted to employees' needs and prerequisites.

GOOD WORKPLACE ENVIRONMENT AND HEALTH contribute to the attainment of operative targets and are prerequisites in creating as much employee benefit as possible. Leadership development and a values-based company culture have great importance in creating a healthy workplace environment where employees thrive, develop and feel well. All Samhall employees are covered by collective bargaining agreements. As in all personnel-intensive companies, there are various degrees of workplace environment risks and we work constantly to minimise the risks through a systematic workplace environment programme. The workplace environment programme is co-ordinated by the central HR organisation, which is

also responsible for the workplace environment process. In recent years, Samhall has clarified and highlighted the workplace environment organisation. More people are involved in the workplace environment programme: from the individual employee, to managers and health and safety representatives, to trade union parties and senior management, which has led to the number of reports rising. Samhall conducts annual follow-up of the workplace environment programme, where results are handled company-wide and at scheduled improvement days, as well as in local workplace environment committees. Suggestions for improvement and action plans are based on the situation in the local organisation.



Samhall's target is to halve the number of serious incidents by 2023 compared to 2018 levels."

2019 in health

The work in promoting health and health-enhancing activities in the workplace has shown many benefits: for example, improved performance at work, reduced absences due to illness and increased well-being within the group. Samhall's health programme includes creating the conditions for employees to develop and maintain good health. During the year, extra focus was placed on three themes: motion and mobility, diet, and rest and recovery, with packaged activities such as health-bingo and training films, as well as other information material.

Occupational accidents and absences

Occupational accidents with absences increased to 446 compared to 405 the previous year, but stayed at roughly the same level in relation to the number of employees. The most common causes are noted as "injury due to a fall" and "injury due to being struck, caught or bumping into something." Samhall's target is to halve by 2023, compared to 2018 levels, the number of serious incidents that require reporting to the Swedish Work Environment Authority. During the year, the number of serious incidents decreased by almost 25%: from 138 to 104.

Total absences due to illness this year decreased for both women and men. For employees in the core assignment it decreased to 14.9% (15.3%). Primarily, it is the figure for long-term absences (>59 days) that has fallen. Absences due to illness for professional employees rose slightly to 4.0% (3.8%). Absences are measured as a percentage of time according to the employment contract.

Equality and diversity

Samhall must promote equal rights and opportunities, as well as combat discrimination. 152 nationalities work as Samhall. We take pride in our diversity and consider it a competitive advantage. By being a leader and working with diversity, we show the way for other companies.

Samhall has a clear policy of zero tolerance concerning discrimination and harassment, and works in accordance with our diversity and equality plan. At Samhall, these issues are discussed in training and regularly within the organisation as part of the systematic workplace programme. The annual employee survey is another way of monitoring the issue. A wage survey takes place in conjunction with the wage review. In 2019, no unjustified wage differences were noted.



Our promise to our clients:
we make you better."

Our clients

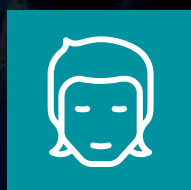
It is through our clients that we enable the development of our employees, combat social exclusion and contribute to a Sweden that accommodates everybody in the labour market.



Packing and
assembly



Property
services



Services



Warehousing
and logistics



Recycling



Cleaning
services

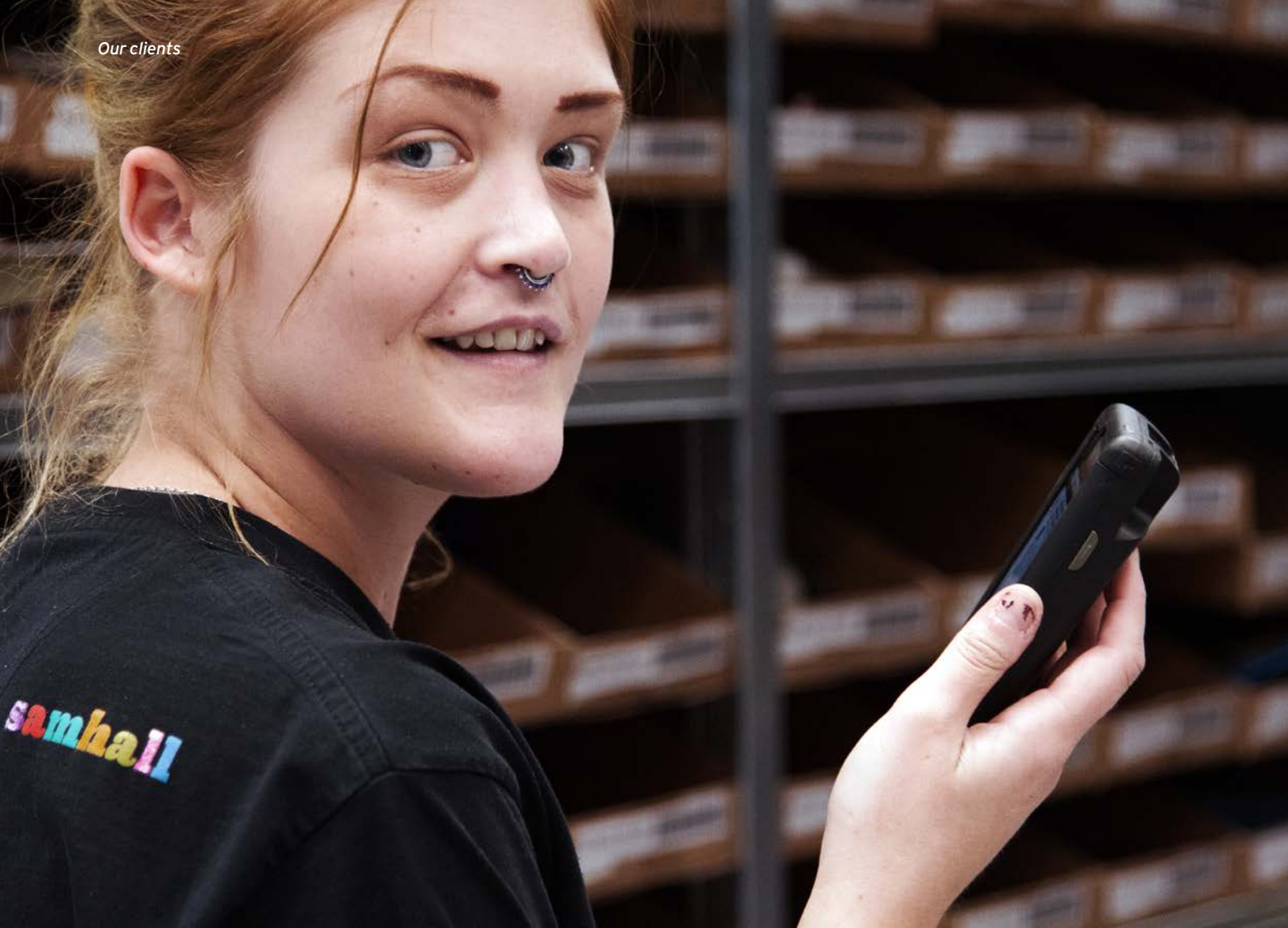


Industry and
production



Laundry
services





Samhall: a sustainable deal

When Samhall began almost 40 years ago, all work was conducted in Samhall's own premises. Nowadays, most of our employees work in a client's workplace.

THIS HUGE TRANSFORMATION started in the late 1990s. Around the same time, there was a shift away from jobs in the industrial sector, where production was increasingly moved abroad, to jobs in the service sector. To maintain and create new jobs, Samhall needs to constantly adapt its operations to structural changes and expectations. Sustainability and digitalisation are driving developments in all the areas Samhall operates in.

Samhall specialises in labour-intensive services and goods production. We cover everything from cleaning, laundry and services to facility management, logistics and manufacturing, and we are proud of our broad range. Assignments are conducted as services, sector solutions at the client's or through industrial operations and packing/assembly in-house.

An informed choice

Many of our clients choose to collaborate with us because they share our values and want to build a more inclusive society. But the basis for working with Samhall is always that we satisfy the client's needs and help improve their competitiveness, whether it is hiring or recruiting our personnel. Our clients view our employees' competence exactly as we do. Many of our clients also witness our employees' dedication and how they contribute to a positive culture in the workplace, which in turn strengthens the brand and builds pride among the staff. By challenging and abolishing prejudices and focusing on everyone's abilities, we make each other better.

OUR CLIENT OFFERINGS

Nordic Ecolabel cleaning services

We provide cleaning services all over Sweden. Besides standard cleaning, our expertise also extends to floor care, housecleaning and window cleaning. We work in most places: from offices, shopping centres and schools, to care homes, stairwells and hotels. Our cleaners are among the best trained in Sweden, thanks to the Samhall school and many supplementary courses.

Samhall's cleaning services and floor care are Nordic Ecolabel approved, meaning they have low environmental impact. We only use Nordic Ecolabel's approved chemicals, measure doses properly and strive to reduce the use of plastic bags. We continually work to develop our cleaning services and in 2019 conducted a project on chemical-free cleaning methods. To guarantee good quality, we use the INSTA 800 standard or Samhall's own quality assurance model to follow up. Samhall's share of the cleaning market is approx. 5%.

Laundry and sewing services

Samhall has some 20 laundries nationwide. We manage everything from the laundry of households to the municipal care sector to work clothes for many companies, as well as providing other textile services. In 2019, Samhall joined the Swedish Laundry Association. This means our laundries comply with the association's requirements on professional skills, good enterprise and efficient resource use. We carefully monitor our consumption of water and energy and primarily choose ecolabel detergents. Our laundries have employees with occupational training from the Samhall school. We also provide mending and other sewing services in conjunction with the laundries. By extending the life of our clients' clothes, we reduce the environmental impact involved in textile production.

To meet rising demand and create even more jobs that develop our employees, Samhall plans to invest in several new laundries around the country in 2020.

Property services

Regular maintenance is the key to a well-run property, decreasing the necessity of expensive repairs and creating a welcoming environment for employees and visitors. We have our own trained property caretakers with experience in most jobs in the sector. Among many other tasks, we can help to look after gardens, keep things tidy in the car park and pathways and assist with the recycling and simple kinds of repair work. We also have broad experience with various



**Samhall's employees
contribute to a positive
culture for clients."**

kinds of inspections, for example checking the lighting and fire safety.

Services

Samhall performs a broad range of services in a variety of sectors throughout Sweden. The common denominator is the added value we create for our clients by helping them every day to solve their challenges. Our services for retail cover everything from order fulfilment to managing shopping baskets and inventory. We can also look after the surroundings outside by managing shopping trolleys, for example, and taking care of the plants. In office and conference services, we have many appreciated employees who are used to greeting visitors in the reception or as floor hosts.

When Samhall provides services to care homes, the professional staff can focus fully on what they are trained to do, while we help with the cleaning, laundry, purchasing and delivering food and other goods, helping in the kitchen or ironing and mending clothes. It has many positive effects, both for the staff and those in the home.

Sector solutions in warehousing and logistics

Samhall currently works with a large range of e-retailers and third-party logistics warehouses. Many clients hire us for good results in personnel-intensive phases such as pick and pack, returns and processing services. Many of our employees have a unique ability to provide this service with exceptional accuracy, making it a good match between employee and client assignment. Due to the trend of automatisisation within the sector, new tasks are emerging that suit our employees. Besides the practical warehousing work, Samhall has also developed more strategic competencies in third-party logistics, e-retail, retail logistics, recycling logistics and consumer packing, meaning we can improve clients' operations.

Sector solutions in recycling

Samhall presently collaborates with a number of recycling companies and sees great potential for more jobs in the ongoing shift to material recycling and reuse. In



addition to traditional recycling companies, there is a growing number of companies that repair, disassemble or otherwise reclaim resources. Such work has many manual processes and it is here that Samhall has an opportunity to contribute to a circular economy.

Sector solutions in the manufacturing industry

Samhall is a supplier of sector solutions to Swedish industry. Our breadth of competencies in manufacturing means Samhall can satisfy client needs in many areas. Assignments cover everything from basic industries to high-tech manufacturing. We often work within our client's support processes in pre- and sub-assembly, cementing, package handling, as well as quality control. Prior to major collaborations, our production technicians review the best way to set up the work and decide the workflow, layout and equipment. We evaluate

any investments needed and present a cost proposal, measures required, key performance indicators and safety. Regarding our own industrial production, we constantly work to develop productivity and quality. We have our own certificate programme to certify our assignments at clients' production facilities. To further guarantee the quality of our work, we are ISO certified in a number of areas.

Industry and packing/assembly

Samhall has vast experience in manufacturing, packing and assembly operations in our own premises or at the client's. Examples of work at industrial units include the assembly of towing cables, packing medical products and assembly work for Swedish industrial companies. Over the past decade, industry and packing/assembly has decreased.

At the client's

Godsinlösen:

The circular economy in practice

At Godsinlösen, used and damaged items get a new lease of life and find new applications. Everything from broken mobile phones and computers to scrapped bikes and lawnmowers are fixed and brought back to life in the 5,000 m² premises in Staffanstorp.

The circular economy is at the very heart of this business with clients including insurance companies, transport and logistics firms and e-retail. 15-20 Samhall employees work at Godsinlösen's various departments for recycling mobile phones and obsolete IT equipment, as well as shipment management and claims settlement.

92% of all items arriving at Godsinlösen find new owners through Godsinlösen's store and web shop. The goods for sale are put on the web by Niclas Björkendal and his colleagues in the web team. They photograph and write about the products for the web shop.

"No two working days are the same, you're always learning something new here and I like that," he says.

In another department, recovered computers and mobile phones get a new life. Here, Allen Faisal can do his favourite hobby in working hours.

"I find out what's wrong with mobile phones and computers and then fix them. It feels good to repair something that would otherwise be thrown away," he says.

Even shoes the worse for wear become like new again in the shoemaker's workshop, also staffed by Samhall employees. And a stone's throw away in the same building is the bicycle workshop. Mirsad Mujcin has worked here for five years. He enjoys repairing the different kinds of bikes. It's just as fun as playing around with the kids who come to fix their bikes.



Our responsibility in the value chain

It is vital that Samhall has a trustworthy reputation. Our clients, suppliers and owner expect us to act in an exemplary manner and to take responsibility for our actions in the whole value chain.

RESPONSIBLE SUPPLY CHAINS

We work to create as much benefit as possible throughout the entire company. That means minimising the negative impact and maximising the positive impact of the whole value chain.

Samhall is chiefly a company that produces services with purchasing and leasing from wholesalers and retailers active in Sweden. The 2018 environmental analysis of Samhall clearly demonstrated that much of its environmental impact came from the production of goods used in our services. In the same way, it is well known that supply chains, for example in IT equipment and textiles, are associated with the risk of violations in human rights and substandard working conditions. Therefore the primary sustainability risks are judged to be upstream in the supply chain where production takes place.

Our work is based on the UN's guiding principles for businesses and human rights. By accepting Samhall's code of conduct for suppliers, our suppliers commit to these requirements and refer them through the supply chain. In 2019, we developed a process for supplier qualification and follow-up through new sustainability analysis. Therefore, the work with responsible supply chains helps drive, beyond our own operations, target fulfilment regarding Agenda 2030.

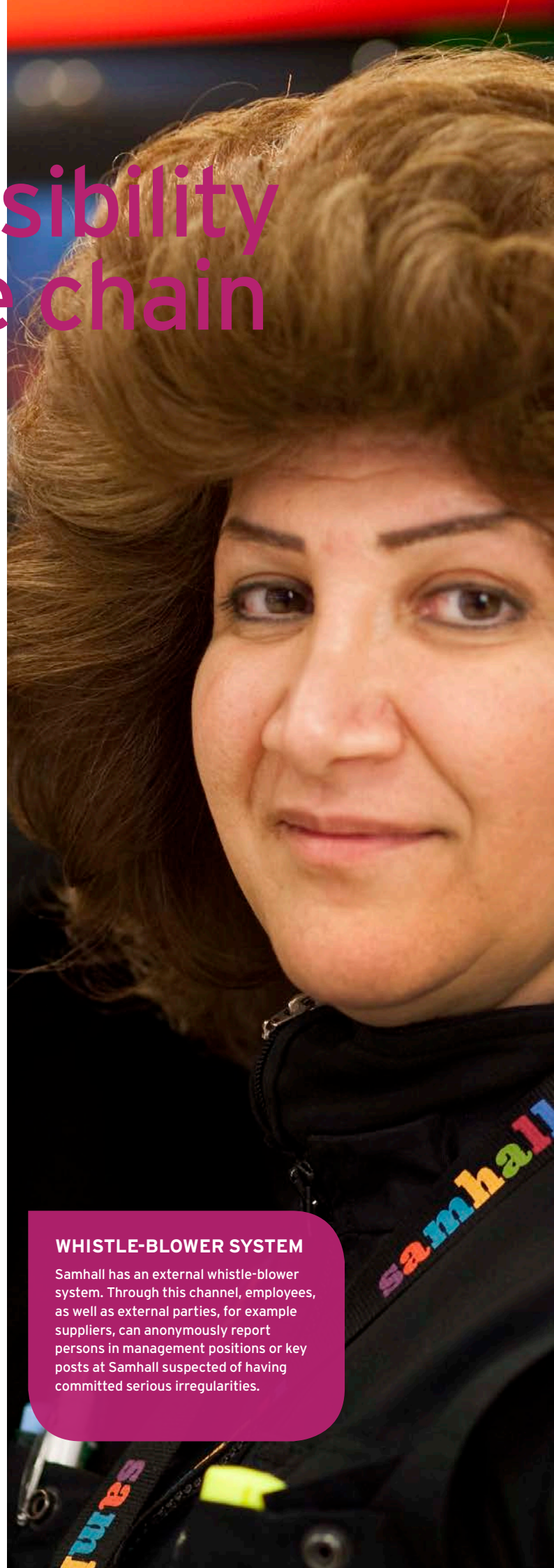
BUSINESS ETHICS

Samhall has an absolute zero tolerance of bribes and corruption. Samhall's sustainability policy states that operations must be characterised by a high degree of ethical business behaviour.

Both company introduction and leadership training cover our core values and rules on business ethics and anti-corruption measures. Even though Samhall does not operate in sectors generally prone to major risks, it is still important to strive for a transparent culture where ethical dilemmas are regularly discussed. A new e-training programme on business ethics was launched in 2019.

WHISTLE-BLOWER SYSTEM

Samhall has an external whistle-blower system. Through this channel, employees, as well as external parties, for example suppliers, can anonymously report persons in management positions or key posts at Samhall suspected of having committed serious irregularities.





More than half of Samhall's suppliers have undergone a comprehensive sustainability analysis."

Circular and fossil free

When Samhall was founded almost 40 years ago, the work took place in Samhall's own premises. Nowadays most employees work at a client's workplace.

OUR OVERRIDING AMBITION is to run a company well within the boundaries of our planet's limits. For Samhall, it is both a responsibility and an opportunity to improve the competitiveness of our service offerings. Samhall's strategy is to integrate environmental concepts into the work, so these matters become part of daily operations. Environmental training is included in all occupational roles, for example environmentally friendly cleaning and the correct use of chemical products. For us, it is also natural to recycle and reuse resources as much as possible.

In late 2018, Samhall conducted an analysis of the company's direct and indirect impact on the environment. The largest factor is emissions from transportation and business travel. Another significant factor derives from Samhall's production of goods used in Samhall's services in the form of plastic, chemicals, IT equipment and clothing. Based on this, Samhall works on three areas of focus: halve CO₂ emissions, reduce plastic's negative impact and make circular choices.

Halve CO₂ by 2025 - fossil-free fleet 2030

Samhall aims to halve CO₂ emissions by 2025, compared to 2018. The target is based on the "carbon law" meaning that emissions need to halve each decade to remain in line with the Paris Agreement. A key factor will be the transition of our fleet of vehicles, and in 2019 the proportion of environmental vehicles increased from 20% to 25%.

Reduced plastic use

The use of plastic bags by Samhall's cleaning and property services is a significant element in our ecological footprint. Therefore, we have decided to reduce their use and replace virgin plastic with recycled or biobased alternatives.

In 2019, Samhall replaced a number of articles calculated to reduce annual plastic consumption by approx. 80 tonnes, which is equivalent to about 15% of total consumption.

Circular choices

We are continually developing our service offerings so they suit a circular economy. For example, we work to diminish chemical use, we only purchase electricity from renewable sources and we use ecolabel and recycled products. Our thoughtful choices mean we can provide services with a low ecological footprint to our clients: for example, our Nordic Ecolabel cleaning services.



Samhall aims to halve CO₂ emissions by 2025."



Sustainability information in detail

Samhall, for the twelfth year running, reports its sustainability work, in accordance to GRI guidelines. The report has been prepared in accordance with GRI Standards: core. Reporting covers Samhall's financial year, meaning 1 January to 31 December 2019. Samhall's operations are conducted nationwide throughout Sweden. The general scope of reporting is not to comment on local or regional differences, but to give an overall report on the whole organisation.

ABOUT SAMHALL'S SUSTAINABILITY REPORTING

The GRI index lists page references for the relevant information in the annual report. The compilation of the report is in accordance with GRI principles, meaning it gives a complete picture of the company, with content determined by the issues most significant to Samhall's operations and the company's stakeholders. The materiality analysis, described on page 31, provides the basis for selecting GRI indicators, where every material topic has been matched to at least one GRI indicator and this is presented in the GRI index on pages 49–50. We continue to report non-financial indicators that reflect key monitoring of operations and only apply GRI indicators that add value to our sustainability management. Exceptions or deviations from GRI Standards are described in the reporting of the respective GRI indicator.

All historical values have been recalculated using the same methods as 2019 to allow for comparison over time, unless stated otherwise.

Data collection

Data appearing in the report are collected through various internal systems depending on the type of task. Financial data is based on Samhall's financial reporting. Personnel-related data come from Samhall's HR system and business system. The compilation and quality assurance of the sustainability report's company-specific key performance indicators and GRI indicators are made by

Samhall's controllers and Samhall's Sustainability Manager. Target numbers and comparable figures are reported where applicable. When figures from previous years' reports have been changed for comparison, a note is made on the actual indicator.

Independent review and attestation

Samhall has commissioned Deloitte to conduct a summary review and attestation of the sustainability report. The independent examination focuses on the most material sustainability aspects, but also includes assurance that the report complies with the reporting criteria of GRI Standards: see page 50.

Statutory sustainability report

Samhall complies to statutory sustainability reporting in accordance with the requirements of the Annual Accounts Act. The statutory sustainability report is an integral part of Samhall's Annual and Sustainability Report and covers reporting requirements on the environment, social responsibility, employees, human rights and anti-corruption: see the following sections.

- Targets and results, pages 18–19
- Employees, pages 27–31
- Business model and value creation, pages 10–11
- Risk management, pages 60–61
- Internal governance, pages 56–59
- Anti-corruption, pages 38, 40, 47
- Responsible purchasing, pages 38, 47
- Environment, pages 40, 46

STAKEHOLDER AND MATERIALITY ANALYSIS

Stakeholder dialogue

Our aim is to continually evolve in order to optimise the Samhall benefit, i.e. create benefit for employees, clients and society as a whole. Samhall has a complex assignment and the work of maximising the Samhall benefit requires balanced trade-offs, as our stakeholders value various results and activities differently.

To survey and analyse our stakeholders' expectations is a prerequisite for achieving our objectives and creating the greatest possible benefit.

Stakeholder groups have been identified and defined: partly based on the various components of the state's assignment, partly from general conditions applicable to a

service company. Samhall's most important stakeholders are employees, clients, the state as owner and financier, the Swedish Public Employment Service, suppliers and societal organisations. In general, the stakeholder groups have not changed in recent years, but the various significance of sub-groups within the main groups is monitored regularly in order to facilitate relevant dialogue. The expectations of stakeholders are captured through stakeholder dialogue that takes place continually, both in formal and informal forums and in surveys of employees, clients and brand metrics.

The following table lists our stakeholders, the topics they have in focus and the forums and tools used for the dialogue.

Stakeholder group	Topics in focus	Dialogue and follow-up
Employees	<ul style="list-style-type: none"> • Workplace environment, health and safety • Working conditions and adaptation • Leadership • Employee development and increased employability • Combat social exclusion in the labour market 	<ul style="list-style-type: none"> • Annual employee surveys • Individual target and follow-up dialogues • Workplace meetings • Meetings with the main unions • Local and central workplace environment committees
Clients	<ul style="list-style-type: none"> • Combat social exclusion in the labour market • Workplace environment, health and safety • Environmentally friendly services • Business ethics and competitive neutrality • Delivery quality 	<ul style="list-style-type: none"> • Annual client surveys • Client and sales meetings • Quality follow-up • Requirements in purchasing negotiations • Participation in seminars and events
Owner and financier: the Swedish state through the Ministry of Enterprise and Innovation and the Ministry of Employment	<ul style="list-style-type: none"> • Formulation and implementation of the societal assignment • Combat social exclusion in the labour market • Business ethics and competitive neutrality • Equality • Employees' workplace environment, health and safety • Transparency 	<ul style="list-style-type: none"> • Dialogues with the owner, meetings with representatives from the ministries • Annual general meeting • Target project and sustainability analysis • State ownership policy and guidelines
The Public Employment Service and other authorities	<ul style="list-style-type: none"> • Formulation and implementation of the societal assignment • Combat social exclusion in the labour market 	<ul style="list-style-type: none"> • Quarterly co-ordination with the central Public Employment Service • Regional and local co-ordination with the Public Employment Service • Participation in the Council for Work-Oriented Rehabilitation
Societal organisations	<ul style="list-style-type: none"> • Formulation and implementation of the societal assignment • Combat social exclusion in the labour market • Competitive neutrality • Transparency 	<ul style="list-style-type: none"> • Meetings with political representatives of all levels, as well as the parliamentary committee on the labour market • Dialogue forum for handling the ethical and commercial matters related to labour market initiatives for people with functional impairment in Almega • Meetings with organisations protecting the rights of the functionally impaired • Participation in seminars
Suppliers	<ul style="list-style-type: none"> • Responsible supply chains • Environmental impact • Quality 	<ul style="list-style-type: none"> • Evaluation in conjunction with purchasing negotiations • Supplier dialogues and follow-up

Materiality analysis

Samhall's priorities and reporting are based on a materiality analysis conducted in 2015. This included a survey of around 100 stakeholders, along with complementary information provided by internal representatives. Sustainability issues were ranked from one to five, where issues with a score above four were judged as material. In 2018, a supplementary survey was conducted of around 60 Samhall clients. Over the course of the year, Samhall has had detailed discussions with the owner, major clients, suppliers and internal forums, which laid the foundation for a more qualitative analysis. Previously identified sustainability

aspects have been sorted, evaluated and validated to reflect GRI Standard's viewpoint of materiality. On the one hand, Samhall must consider its impact on sustainable development from a social, environmental and economic perspective; on the other hand, it must weigh up the relative importance of these issues to our stakeholders. This materiality analysis has resulted in the definition of Samhall's three most important strategic areas: Development and Inclusivity, Circular and Fossil Free, and Sustainable Partnerships. Each area has at least one specific key performance indicator and GRI indicator. In total, 12 GRI indicators have been judged material enough to be reported.

SIGNIFICANT TOPICS

	GRI aspects	Indicators	Company-specific indicators
Development and Inclusivity	Work environment Training and employee development Diversity	401-1 403-9 404-1 404-3 405-1	EIW Dedicated employees Absences
Circular and Fossil Free	Energy consumption CO2 emissions	302-1 305-1 305-2 305-3	Proportion of fossil-free vehicles in the fleet
Sustainable Partnerships	Financial results Anti-corruption Competitive neutrality	201-4 205-3 206-1	Satisfied clients Degree of self-financing

DEVELOPMENT AND INCLUSIVITY

All stakeholders incontrovertibly confirm that Samhall's most essential contribution to sustainable development is connected to the execution of the labour market policy assignment and the opportunity of creating pathways to employment for people with functional impairment. Therefore, of great relevance to stakeholders are those factors

that influence employee development such as occupational skills and increased employability, workplace environment and health, as well as employee throughput (new hires and transitions) which means even more people can be recruited and develop their skills for the labour market and therefore combat social exclusion.

Read more about Samhall's initiatives on pages 27–31.

EMPLOYEES AND DIVERSITY PER 31 DEC 2019

	Total number	Women	Men	Average age
Management				
Board	8	62%	38%	58
Senior management	11	45%	55%	55
Employees				
Core assignment	19,950	44%	56%	49
WED	2,433	34%	66%	28
75% sickness benefit	360	70%	30%	52
Professional employees	1,381	53%	47%	47
Total number of employees	24,124			
LMS	1,513	43%	57%	
Total number of workers	25,637			

Training and Employee Development

A crucial part of Samhall's employee process is the target and development dialogue between employee and manager, which sets concrete goals for the position. Together, the employee and manager agree on the activities and follow-up required during the year for this development to proceed in the right direction.

Our employees prepare for employment through training programmes in our occupational roles and have the opportunity of a traineeship to help get the right conditions to make a transition to another employer. For positions with wage subsidy for employees under development at least 25% of working time should be allocated to various development activities.

KEY PERFORMANCE INDICATORS FOR EMPLOYEE DEVELOPMENT AND TRAINING

	Women	Men	Total
Target and development dialogue	79%	77%	
Training, core assignment (hours/employee)			14
Training, development positions (hours/employee)			194
Transition traineeship, development positions (hours/employee)	5	7	
Transition traineeship, development positions (hours/employee)	55	63	
Transitions, core assignment	288	558	
Transitions, development positions	217	444	
Number of training courses			4,496
Number of training places			34,438

Scope, measurement and calculation

The report uses the term employees, which includes all those employed, as well as trainees participating in work training or positions with Labour Market Services as of 31 December 2019. The term "professional employees" applies to all employees not part of the labour market policy assignments. Not included are employees covered by specific collective agreements for professional employees in Samhall's labour market policy assignment. Reporting covers employees from all assignments from the state, except those categories with fewer than 500 people. For clarity, the various personnel key performance indicators are not reported per age group. Instead, a more relevant presentation is provided by the average age.

Training for professional employees is not reported, as it is considered less significant and many of these initiatives for professionals take forms that cannot be reported as

separate training.

Workplace environment and absences due to illness

Samhall's policy regarding workplace environment and health is described on pages 30–31. Both the total number and proportion of reported accidents increased somewhat in 2019, which is due in part to a higher rate of reporting. However, the number of serious incidents decreased by 19%. Absences due to illness decreased for both women and men. Among women, the figure decreased by 0.7 percentage points, which is positive.

OCCUPATIONAL ACCIDENTS AND ABSENCES DUE TO ILLNESS

MSEK	2019	2018	2017
Total number of accidents at work	1,370	1,123	955
causing absence	446	405	375
serious incident reported to the Work Environment Authority	108	134	-
Total accidents causing absence per 1,000 workers	17	16	15
Fatal accidents	0	0	0
Work-related injuries (per 1 million hours)	32.5	-	-
Absences (total for all) % of contracted time			
Women	16.5	17.2	17.2
Men	12.7	12.8	12.8
Absences per employee group			
Core assignment	14.9	15.3	
WED	15.7	15.7	
Professional employees	4.0	3.8	

Scope, measurement and calculation

New this year is that Samhall's internal key performance indicators for the workplace environment have been complemented with another indicator in accordance with GRI 403-9 (2018): Work-related injuries. Reporting is based on the number of wage hours in the core assignment and WED, and for professional employees on hours worked. For trainees, a flat rate per day has been used. Reporting does not include occupational diseases or travel accidents to and from work. Regarding serious workplace accidents, the GRI indicator is not used; instead the Swedish Work Environment Authority's definition of serious incidents is applied, which is significantly broader in scope. Reporting includes all employees, i.e. even trainees at Labour Market Services.

CIRCULAR AND FOSSIL FREE

In 2019, society became much more aware of environmental and climate issues. These issues are raised by an increasing number of Samhall's stakeholders who expect Samhall to deliver environmentally friendly services. The materiality analysis also considers scientific evidence that shows the need for all companies to decrease their impact on the environment and transition towards a circular economy.

Read more about Samhall's initiatives on page 40.

Energy and Climate

In 2019, Samhall adopted new, more ambitious environmental targets and updated the environmental section of the sustainability policy. The overall target is for Samhall to halve CO₂ emissions by 2025 and have a fossil-free fleet of vehicles by 2030. A mix of initiatives is being put in place to achieve this target.

The company's own fleet of vehicles accounts for two-thirds of emissions; therefore, great focus is put on electrifying the fleet and increasing the use of biofuel, primarily biogas. Other important initiatives are route optimisation and an increase in the use of digital meetings. In 2019, new guidelines for company cars were developed, along with a more environmental range and infrastructure for recharging electric vehicles has started to be built.

Samhall's energy consumption mainly derives from transportation. The number of own properties has steadily decreased in recent years. Almost all operations are con-

ducted in rented premises or at the client's workplace. To reduce CO₂ emissions from own properties and premises, Samhall only purchases certified environmental electricity and works with energy-efficiency measures based on frequent energy monitoring.

Samhall's plans to develop new laundries and other growth initiatives could lead to increased energy consumption in the near future; therefore, they are designed to be energy efficient.

CLIMATE IMPACT AND ENERGY

	2019	2018	2017
Energy consumption in the organisation (MWh)			
Renewable fuel	7,113	6,137	5,685
Fossil fuel	11,438	12,031	12,304
Own properties, electricity and heating total	8,608	9,235	9,352
Renewable energy electricity	4,969	5,050	4,781
Renewable energy, district heating	3,102	3,465	3,786
Non-renewable energy, district heating	70	78	81
Rented premises, renewable energy	7,608	7,791	7,299
Rented premises, non-renewable energy	13,504	12,973	10,728
Total	47,804	47,488	44,665

	2019	2018	2017
CO₂ emissions (tonnes)			
Scope 1 - Own energy production and vehicles	3,114	3,147	3,216
Scope 2 - Electricity and district heating	102	100	84
Scope 3 - Business travel and transportation	1,059	1,061	1,147
Total fossil emissions	4,275	4,308	4,447
Decrease of CO ₂ emissions	- 1%	Target: 50% decrease by 2025 compared to 2018	
Proportion fossil-free vehicles	25%	20%	Target: 100% till 2030

Emissions of CO₂ have decreased in all categories, except business travel, due to a rise in the use of rental cars. Despite business growth, emissions have decreased somewhat partly due to the proportion of fossil-free production vehicles increasing to 25%.

Scope, measurement and calculation

Scope 1 covers the company's own energy production, own fleet of production vehicles and company cars. Scope 2 covers emissions from purchased electricity and district heating. Scope 3 covers business travel by air, rental car, private vehicles in service, taxis and freight. Reporting does not include employees' travel to and from work. Property-related data cover own properties and electricity and district heating for which Samhall has a direct contract.





Conversion values for calculating emissions come from the Swedish Environmental Protection Agency, Swedish District Heating Association and Samhall's fuel and power suppliers. Energy for rented premises is calculated with standard values based on own premises. Information for calculating energy and emissions from travel and transportation come from internal data systems and suppliers' statistics. Calculations are primarily based on fuel bought and secondly the mileage.

Sustainable partnerships

As Samhall is financed by the state, stakeholders greatly expect us to be a dependable business partner that takes responsibility for the entire value chain. Transparency about compensation for additional costs and competitively neutral pricing are particularly important and described on page 17.

The greatest difference in the materiality analysis of previous years is the influence of sustainability on supply chains; both social and environmental aspects have become more important and these are described more thoroughly. Read more about Samhall's initiatives on pages 38–40.

Responsible supply chains

Sustainable purchasing is part of the work conducted by the central purchasing department and guided by the sustainability policy and purchasing guidelines.

2019 saw the introduction of a new tool to monitor compliance to our code of conduct and to judge the maturity

of a supplier's sustainability. The system involves self-assessment questionnaires, a country-based rating, support of audits, follow up and action plans. All central suppliers will be evaluated prior to signing a contract and there will be regular follow-up and prioritisation based on risk analysis and spend. So far, 55% of our central suppliers have been analysed. As a long-term goal, we aim for all central suppliers to be analysed by the system every third year at least.

	Result 2019	Prognosis 2020	Target 2023
Proportion of central suppliers (calculated by spend) analysed regarding sustainability	55%	75%	100%

Business ethics

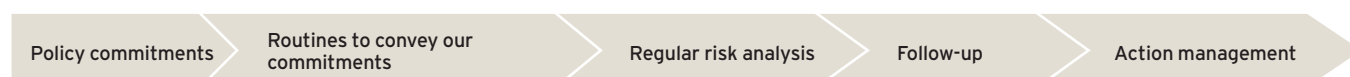
Samhall's sustainability policy states that operations must be characterised by a high degree of ethical business behaviour. The policy is complemented by specific anti-corruption guidelines based on the Business Code by the Swedish Anti-Corruption Institute. As we are financed by the state, there are restrictions regarding all types of gifts, representation and entertainment.

Whistle-blower system

Samhall has a whistle-blower procedure managed by an external party. According to current routines, all incoming notifications are categorised and those not applicable to the whistle-blower system are referred back to ordinary reporting channels. The remaining notifications are examined under the leadership of a group consisting of Samhall's internal auditor, the sustainability and legal manager and the company's chief negotiator. The internal auditor informs the CEO about incoming notifications and reports to the audit committee. During the year, 73 notifications were received, of which five were categorised for examination. One of these was considered to have breached rules regarding second jobs. There were no cases of suspected corruption.

For cases not examined by the whistle-blower procedure, ordinary reporting channels apply, along with opportunities to contact support functions, as well as human resources or the sustainability and legal department.

Our process for responsible supply chains involves:







THE CONTACT PERSON REGARDING THE
SUSTAINABILITY REPORT IS:

Anna Hagvall,
Sustainability Manager.

THE CONTACT PERSON FOR THE ANNUAL
REPORT AND GENERAL INFORMATION
ABOUT SAMHALL'S OPERATIONS IS:

Albin Falkner,
Director of Communications.

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Production: Samhall in collaboration with Narva

Photo: Samhall

Printing: TMG Sthlm, 2020



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important company**