

SKANSKA

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# Skanska Group Diversity and Inclusion Vision 2020

## – Q&A





Front cover

## New Karolinska Solna (NKS)

– the university hospital of the future – is the largest contract in Skanska’s history.

Improve the lives of people, communities and companies.

We are dedicated to building what society needs. Thanks to our engagement and reach – both locally and internationally – we take part in some of the most interesting projects of our time. This allows us to make a real difference in many people’s everyday lives.

The New Karolinska Hospital in Sweden is a good example – of stringent environmental requirements both during construction and in future operation. This state-of-the-art hospital and its activities will play an important role in society and drive the development of healthcare, research and education in Sweden and beyond. With more than 1,500 people from over 30 countries working on the hospital construction, the work to secure an inclusive culture is key to the project’s success.

# Diversity and Inclusion Vision 2020

Vision

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**We are recognized as a leader in diversity and inclusion in all home markets.  
We mirror the diversity in society on all levels of our organization.  
Our leaders are excellent in fostering an inclusive culture.**

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As a consequence;

- We have an open culture, respectful of differences, that seeks the sharing of experiences and perspectives and results in more productive and innovative ways of working
- We attract, recruit and develop highly skilled people with an inclusive mindset from the largest pool of talent possible
- We win more business by having a deeper understanding of different customer groups and a greater ability to build long term relationships with different stakeholders



**Johan Karlström**  
President and CEO  
Skanska AB

What does it mean?  
Making the vision visible

# Why is Diversity and Inclusion business critical?

We are a people company: our competitive advantage lies in attracting, developing and retaining the best people. A key component for success is our ability to offer an inclusive work culture that allows everyone to contribute to their full potential. In addition, societies are changing, and we need to stay in tune with those changes.

What does the future bring? The only thing we know for certain is that things will not stay the same. The only constant is change. However, what we do know is that already today competition is fierce. In the future we expect it to be even tougher. Globalization means an increasing number of international companies on all our home markets, which will increase competition. This in turn creates a demand for more cost efficient and innovative ways of working. The work force available - as well as our customers and end-users of our products and services - will be increasingly diverse from a gender, age and ethnicity perspective. In addition there is an increasing competition for people with the competences and experiences we need, particular engineers. And these people prefer employers who offer them growth opportunities as well as work-life-balance. In addition, there is a growing interest for sustainability among our customers, talent pool and in societies at large. Companies are expected to do more than making profit.

Our diversity and inclusion vision helps addressing these trends and turning them into competitive advantages.

By 2020 diversity and inclusion has proven to be fundamental to

- our value- and business proposition to customers, suppliers and other stakeholders and our ability to understand different customer groups and build sustainable relationships with a wide range of stakeholder groups

- our value proposition to employees, and our ability to attract, recruit, and fulfill the potential of skilled people with an inclusive mindset from a wide pool of talent
- the success of our teams, their high engagement, collaborative capabilities, capacity for innovation and ability to identify and leverage new market opportunities

What will we look like once we reach our vision?

Once we reach our vision we mirror the diversity in society. We find more women and ethnic minorities among our employees, and the percentages of women and ethnic minorities at senior levels (including BUP level) are equivalent to the percentages at entry levels. In addition we also have a more diverse mindset.

Positions are openly posted. Our transparent recruitment processes unlock networks and encourage all employees to take active responsibility for their professional development. Together with our effective succession planning this result in high quality, as well as high diversity, among candidates hired. All people moving into new positions, including those who are recruited from outside Skanska, are offered support to succeed. We evaluate people extensively before they are recruited, once onboard we do what we can to ensure their success.



We fully capitalize on being an international company and there are processes in place to support cross-BU movements. In 2020 successful persons in our organization have, in addition to hierarchical movements, also made horizontal career movements. These movements are important for sharing knowledge across projects, costumers, countries and BU:s and fundamental to our learning culture.

We continue to have a culture of pride and appreciation for our achievement. Persons, who do not act in line with our values, get immediate and constructive feedback in order to grow and learn. All employees take a collective responsibility for securing an inclusive work culture. Our leaders are excellent in managing diverse teams, comfortable in addressing exclusion behaviors and role models in building inclusion.

Increased inclusion has made us more proactive in many ways: we prevent rather than solve problems. The increased transparency, tolerance and sharing of experiences and perspectives have also had a positive impact on our risk management and safety work.

Our diverse work force and inclusive work culture are prerequisite for several of our successful community involvement initiatives supporting our business.

In 2020 we are recognized as a leader in diversity and inclusion in all home markets. Our successful change journey in diversity and inclusion is often told as inspiration to others.

# Q&A

Question	Answer
<b>1</b> Why do we have a common vision?	<p>Increasing diversity and inclusion is a change journey and for any change journey to be successful a clear goal is needed.</p> <p>Although many of the challenges we face in different home markets are unique, quite a few challenges are similar across countries, regions and business stream.</p> <p>We are a people company: our competitive advantage lies in attracting, developing and retaining the best people. A key component for success is our ability to offer an inclusive work culture that allows everyone to contribute to their full potential</p>
<b>2</b> Why do we have such a strong focus on inclusion?	<p>Diversity is who we are in terms of representation; inclusion is how we interact with each other.</p> <p>Research and experience shows that it is the combination of diversity and inclusion that brings benefits to an organization such as:</p> <ul style="list-style-type: none"><li>• Ability to attract, retain and develop the best people from a large pool of talent</li><li>• Ability to fully understand future and present clients as well as their customers</li><li>• Creditability as a business partner and employer</li><li>• Ability to be innovative and creative</li></ul> <p>Diversity without inclusion results in problems such as conflicts, harassment, employee turnover etc. Inclusion without diversity results in low capacity for change, low creativity and increased risk of making major mistakes because of “group think”. Therefore we need to be both diverse and inclusive.</p>

Question	Answer
<b>3</b> How will we work to meet the vision?	<p>The vision comes with a strategy. Starting 2014 each Business Unit President has appointed a member in their BU management team to take on the role as an Inclusion Advocate. The Inclusion Advocate together with HR have developed a BU specific analysis followed by targets and actions in line with group strategy and integrated in the people strategy in each BU.</p>
<b>4</b> What are the main areas of action in our strategy?	<p>The foundation for our strategy is our Code of Conduct, Five Zeros and business plan. A fundamental component is our managers' commitment, awareness and skills in diversity and inclusion. If we are to reach our vision this can never be compromised.</p> <p>The strategy focuses on four main areas that are critical for our business success. These are:</p> <ul style="list-style-type: none"><li>• Attract and recruit from a large and diverse pool of talent</li><li>• Develop a diverse pool of talent</li><li>• Securing and Inclusive work culture</li><li>• Using Diversity and inclusion as a competitive advantage in the marketplace</li></ul> <p>With the strategy comes a suggested measurement focusing on important stakeholder groups' experiences of today as well as desired experiences in 2020, within each strategic area. Departing from the strategy each BU will define actions and targets that will help them move forward.</p>

## What is Diversity and Inclusion?

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### What is diversity?

*Diversity says something very fundamental about as individuals as well as the societies we live in.*

Diversity as a concept refers to variation. In other words, diversity by default means you have more than one (of something) otherwise you are not able to detect any potential variations. In the case of diversity and inclusion work, diversity means human variations and differences between people.

From a broad perspective diversity is about everything that makes us unique as individuals – anything that makes me different from you. From a slightly more narrow perspective diversity refers to common social categories in societies such as gender, ethnicity, age, sexual orientation etc.

These social categories typically come with historical, societal status hierarchies that result in inequalities. Thus, in a given society at a given time we not only find specific shared perceptions on for example what women and men are like, there is also an evaluation of women and men as social categories. According to this evaluation (status hierarchy in society) what is considered to be masculine or characteristics of men are more or less higher valued than what is being labeled as feminine etc. Note that is not the same as saying that all men are higher valued than all women. Obviously there are exceptions on individual level.

In many countries there are similar status hierarchies at play in relation to other social categories such as ethnicity, age, and sexual orientation. As countries become more and more equal less of these unfair evaluations is taking place. In many countries there is legislation in place that supports companies in preventing and abolishing these kinds of inequalities, for instance discrimination due to gender and race etc.

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## What is inclusion?

*Inclusion is how to deal with diversity.*

Inclusion is the concept used to describe a desired culture/mindset/approach to diversity, in other words a prescription on how we as individual and members of an organization should deal with diversity. Some people might find it difficult to understand what inclusion is, as it typically not is something we think of when we experience it. One way of understanding what inclusion is is to think of its' opposite: exclusion. An excluding culture is a culture in which some people are marginalized, not listen to, made fun of, bullied and harassed. This could be an openly sexist, racist, homophobic culture. Such a culture could still be inclusive to the majority, but not to others. An excluding culture/ mindset/approach is not in line with Skanska's values and Code of Conduct.

An inclusive culture is a culture where also minority groups feel welcomed, acknowledged and comfortable in showing who they are and enables everyone to contribute. It is a culture where everyone treats each other with respect and care. An inclusive culture does not mean that "anything goes" rather the opposite: often it is characterized by strong values but those values focus on everyone's equal worth as human beings and how we treat each other (with respect and care).

Full inclusion goes beyond securing that people do not harass each other or treat each other badly. Full inclusion means scrutinizing the way we are organized, how we cooperate, how we incentivize, how we acknowledge and promote in order to find more inclusive ways of working. Research (for instance Rutherford 2001, 2011) have pinpointed a number of aspects in culture that could unintentionally exclude certain groups:

- Background to Organization
  - Physical Layout and Artifacts
  - Management Style
  - Informal Socializing
  - Diversity Awareness
  - Work Ideology and Time Management
  - Sexuality
  - Language and Communication
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**Skanska AB**  
[www.skanska.com/diversity](http://www.skanska.com/diversity)  
SE-112 74  
Stockholm  
Sweden  
Phone: +46 10 448 0000