

Explore the opportunities in project development and construction

Worldwide #3·11

SKANSKA

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Photograph: Morten Uglum

Now...

None of the buildings in Oslo can claim to be the tallest “structure” in the city—that title now belongs to the giant crane in Fornebu, west of the Oslo city center, where Skanska is constructing new offices for Norwegian energy giant Statoil. The crane is currently 140 meters (459 feet) tall – 23 meters (75 feet) higher than the Oslo Plaza – but may be as tall as 226 meters (741 feet) when fully erected. Hoisting heavy concrete beams into position has never been easier. The crane’s maximum capacity is a full 1,250 tons, and the heaviest load for the Statoil project is about 130 tons. The crane is operated by a team of three: one to handle the levers and two to give directions by radio.

The outlines of Statoil’s new offices are beginning to take shape. The design of the 66,800 sq m (719,029 sq ft) building sets it apart on the skyline, and *Worldwide* will be returning with more news when the project is completed in 2012. By then, the crane will have moved on to new hoisting assignments. A total of 46 trailers are required to transport the crane between its projects in the Nordic region.

Statoil is one of the largest companies in Norway, a member of OPEC, and Skanska will be building additional Statoil offices in Bergen.

Editor’s Letter

Alf Lindström



Safe as milk

In this issue you can take a look into future – the Hows and Whats on the way to 2015 as outlined in the 2011- 2015 Business Plan for Profitable Growth. And Pia Sundhage, Head Coach for the US Women’s National Soccer Team, reveals the secrets behind creating a winning environment for teamwork.

You can also take a look at some of our projects. Great projects that will contribute to improvement of the societies in which we live and work. You will gain a feel for the size and complexity of what we are doing.

Zero accidents is one of the targets of the Business Plan. To reach this aggressive target a new systematic approach has been developed. The Safety Road Map that has now been implemented is proof of Skanska’s serious ambition to make construction “Safe as milk” as Captain Beefheart would have put it.

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There are great opportunities and Skanska has the strength, capability and patience to explore new horizons. President and CEO Johan Karlström looks into the future.

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Zero accidents is a tough target but is achievable. Petrobras, the world’s third-largest energy company, has achieved what Skanska is aiming for.



Worldwide

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Stretching talents

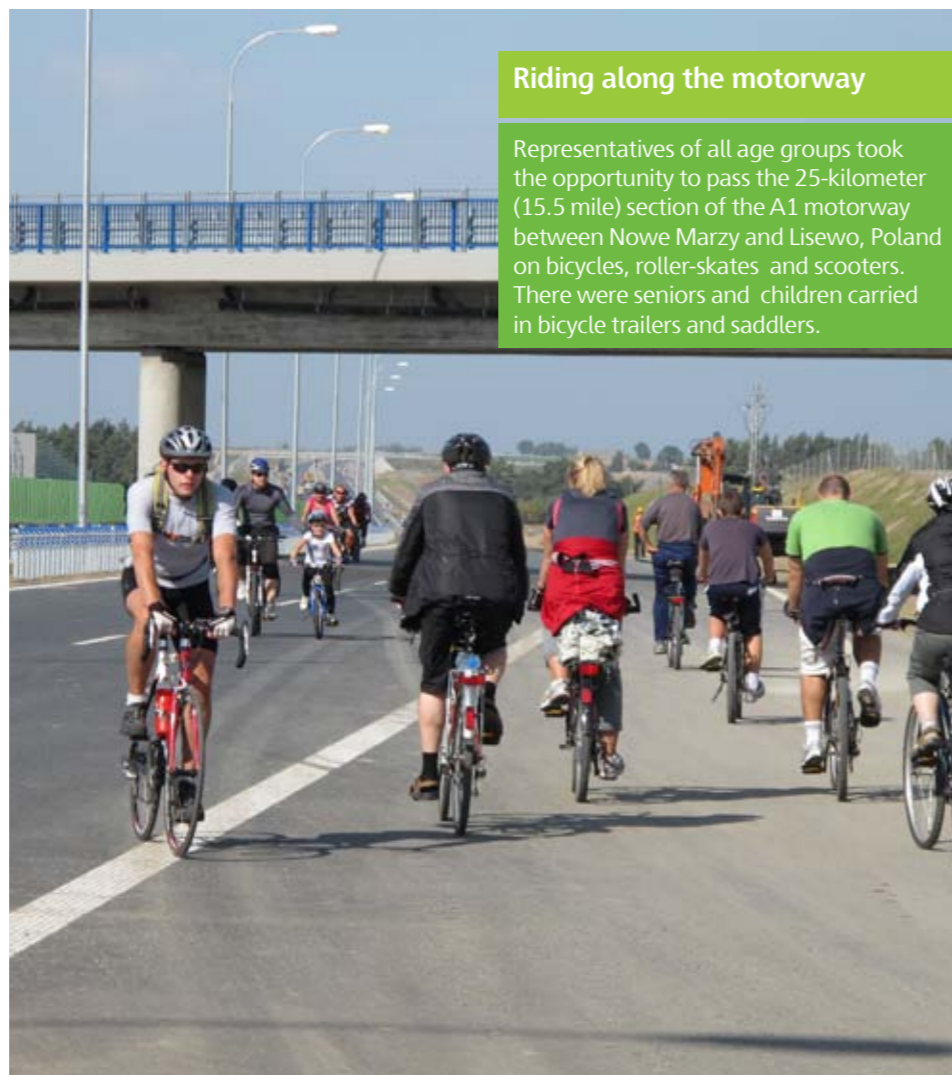


Skanska Stretch is the new global development program for Skanska's top talents early in their careers. The objective of the program is to develop great leaders with a good understanding of Skanska and management in an international context. The program will also support the ambition to be a leader in people development and to attract the best people in our markets. The participants are a selected group of Skanska employees with 2-6 years Skanska experience and ready for leadership roles. The Skanska Stretch training activities will consist of three modules and the participants will continue to work in their home Business Unit. The program has a strong international focus, and the participants will work abroad for at least six months after the program. The first Skanska Stretch will start this fall with 28 participants representing all Business Units and business streams.



The IDEA of ethics

Skanska Latin America President Hernán Morano was the only corporation president invited to speak about ethics at the Internal Auditing Event 2011, arranged by the Argentine Institute for Business Development (IDEA). Morano explained the importance of the internal auditing department in preventing actions that contravene Skanska's Code of Conduct. In his speech, he touched upon how the company had faced an ethical issue and the lessons learned from it. People in the auditorium were heard to say, "Our perception of Skanska has changed now." Hernan Morano has also been recognized by the Young Leaders Foundation with an award for setting an example of dignity, ethics, passion and commitment for coming generations. Morano was honored in connection with the International Young Leaders Summit held in Buenos Aires earlier this year. The summit gathers young leaders from all over the world to debate and learn for the future.



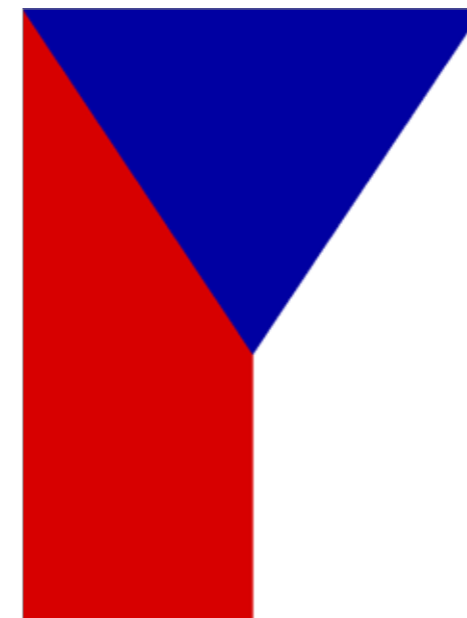
Riding along the motorway

Representatives of all age groups took the opportunity to pass the 25-kilometer (15.5 mile) section of the A1 motorway between Nowe Marzy and Lisewo, Poland on bicycles, roller-skates and scooters. There were seniors and children carried in bicycle trailers and saddlers.



Chilean toll road on track

Skanska recently sold 50 percent of its stake in the Antofagasta highway concession in Chile for a profit of around USD 7.6 million, but the company will remain an active owner. The divestiture relieves Skanska of some USD 52 in interest-bearing debt needed to finance the construction of the much-needed project that runs through the middle of the Chilean mining district. The contract to design, construct, operate and maintain the toll road was won by Skanska in 2010, and the road is estimated to be open to traffic by December 2012.



Home run for Czech residential

Skanska will be taking full aim at the Czech residential market by increasing its focus on project development. To maximize income, differentiate products, and create value, Mikael Matts will be heading up the business unit as president starting January 2012, taking over after Björn Mattsson. Business goals see sales reaching 600 homes by 2015, and "Mikael's solid experience in residential development will support this," says Executive Vice President Richard Hultin. "Thanks to Mattsson for his dedicated hard work in the Czech Republic. Now, we are looking forward to his development of the residential business in Poland."



It's a wind-wind project

Green power is a new niche in Skanska's Green initiative. A new wind farm will be one of the largest onshore plants in Sweden.

Green offices, hospitals and homes are growing Skanska niches, and green power is the next in line. Wind power is clean, renewable and profitable. It's a wind-wind situation. Skanska Infrastructure Development, wind farm developer O2 and the Swedish energy company Jämtkraft jointly own and develop the Sjisjka Wind Farm in the north of Sweden. "Combined, we can offer all the expertise for a successful project," says Göran Carlberg, Project Development Director at Skanska Infrastructure Development. "In the long run, it will enable us to offer green power for our office and home buyers."

The project comprises 30 wind turbines with an annual output of around 200 GWh, enough to supply electricity for 43,000 households. The three blades on each turbine measure 50 meters (164 feet) in length, and the total height of the towers is 130 meters (426.5 feet). Wind speeds of 3 m/s (6.7 mph) are required to start the blades turning and generating power. The average wind speed at Sjisjka is 7.2 m/s (16.1 mph). The low mountainous area in the Municipality of Gällivare is exposed to winds from the north Atlantic all year round.

The remote mountain area has no roads, and only one person lives in this wilderness, about 30-45 kilometers (19-28 miles) from the towns of Gällivare and Kiruna.

Jemtska, a joint venture of Skanska Sweden and Jämtkraft, is the contractor for civil and electrical works. The turbines need strong and heavy

foundations. Skanska Teknik has developed a new design that halves the concrete required and enables prefabrication.

A total of 24 of the 30 turbines will have the new foundation. Instead of 340 cu m (445 cu yd) foundation blocks cast on-site, the prefab model comprises 16 pieces totaling 140 cu m (183 cu yd). The new model is produced off-site and transported there by train. The first ones are being put in place in 2012.

"It is a compressed schedule due to the harsh winter in northern Sweden. We're preparing groundwork and some foundations this year, and we'll finish mounting the foundations and the turbines next summer. We'll be able to sell the first kWh in autumn 2012, when we test drive the plant," says Carlberg, who also promises that more potential wind-power projects are being evaluated.

Facts about Sjisjka Wind farm

- The investment totals around SEK 1.1 billion (USD 160.4 million). Skanska owns 50 percent, and the other parties each own 25 percent.
- 30 turbines with a capacity of up to 78 MW
- Annual output of around 200 GWh
- Minimum wind speed for generation 3 m/s (6.7 mph)
- Maximum generating capacity at 7-8 m/s (15.7-17.9 mph)
- Average wind 7.2 m/s (16.1 mph)



Turning Gold into Platinum

City Green Court is first to achieve LEED Platinum in Czech Republic.

Text Alf Lindström Photos Holger Staffansson

Skanska is raising the green standard in Prague. City Green Court is the first pre-certified LEED Platinum office in Prague and in the Czech Republic.

“City Green Court’s LEED Platinum pre-certification demonstrates tremendous green building leadership,” says Rick Fedrizzi, President, CEO & Founding Chairman of the U.S. Green Building Council. “The project serves as a prime example of how much we can accomplish.”

It is almost fully pre-leased a year before completion, which is remarkable in a market that many would consider quite challenging. The international consulting firm PwC has signed a 10-year contract for approximately 75 percent, or 12,000 sq m (129,167 sq ft), of the space.

“We are very pleased to welcome PwC as our anchor tenant in City Green Court,” says Alexandra Tomášková, head of Skanska’s leasing activities in the Czech Republic. “Besides the right location and elegant design, our efforts in green and safety also work very well with what PwC represents.”

Facts about City Green Court

Location: Prague 4, Pankrác business district
Size: 16,000 sq m (172,223 sq ft)
Leased to PwC 75 percent
Construction duration: 2010–2012
LEED Core and Shell, version 3 Platinum pre-certified
Investment phase: EUR 38 million (USD 51 million)
Construction: Skanska Czech Republic and Slovakia

Green facts

Energy needs reduced 22 percent (33 percent compared with local standard)
Carbon footprint calculation in place
Water consumption down 46 percent
Waste nearly 90 percent recycled

A safety model

Moreover, the construction of the project is a role model for safety. Luck is not the only reason that the project is reaching its full eight-story height without injuries. The work site safety culture is improving in Skanska’s Czech construction and development units.

“Communication is very important. You have to involve the workforce at all levels and encourage them to take ownership and pride in their workplace,” says Steve Iddon, a long-time UK safety expert who was asked to share training and learning with the Central European units.

It is not surprising that Britta Cesar-Munck is proud of her first Czech “baby” – office development project – since she became President of Skanska Property Czech Republic in 2010.

“I have a fantastic development team, and the construction team from Skanska Czech and Slovakia Republic has deep commitment and takes a cooperative approach,” says Cesar-Munck. “It’s a true joy to see the site. Of course, us being a demanding client also helps. Skanska CS has done a great job in getting all workers, including contractors, to adapt to our safety requirements.”

A green journey

Tenants in the Czech Republic have been a bit slow to join the green journey.

Green has not been on the public agenda here. But our efforts in the green field are helping to raise interest in the issue. We know we have followers, so we’re working hard to increase the pace. At City Green Court, we present a pilot carbon footprint calculation – the first one in our market. We should always be a step ahead of our competitors,” Cesar-Munck adds.

Skanska acquired the land with a building permit from a developer that had been hit by the 2008 financial crisis. The original project was designed by renowned American architect Richard Meier. The strong bonds between Skanska and Richard Meier inspired an attractive design.

However, the project’s energy performance did not live up to the brilliant design, as it was not requested by the previous owner. Rapid development of green construction made the heating, cooling and ventilation systems outdated. But by incorporating Skanska requirements and quality solutions, the project’s energy needs were instantly cut in half.

One such green factor is the project’s 100,000-liter (21,997-gallon) tank for harvesting rainwater. Water from the



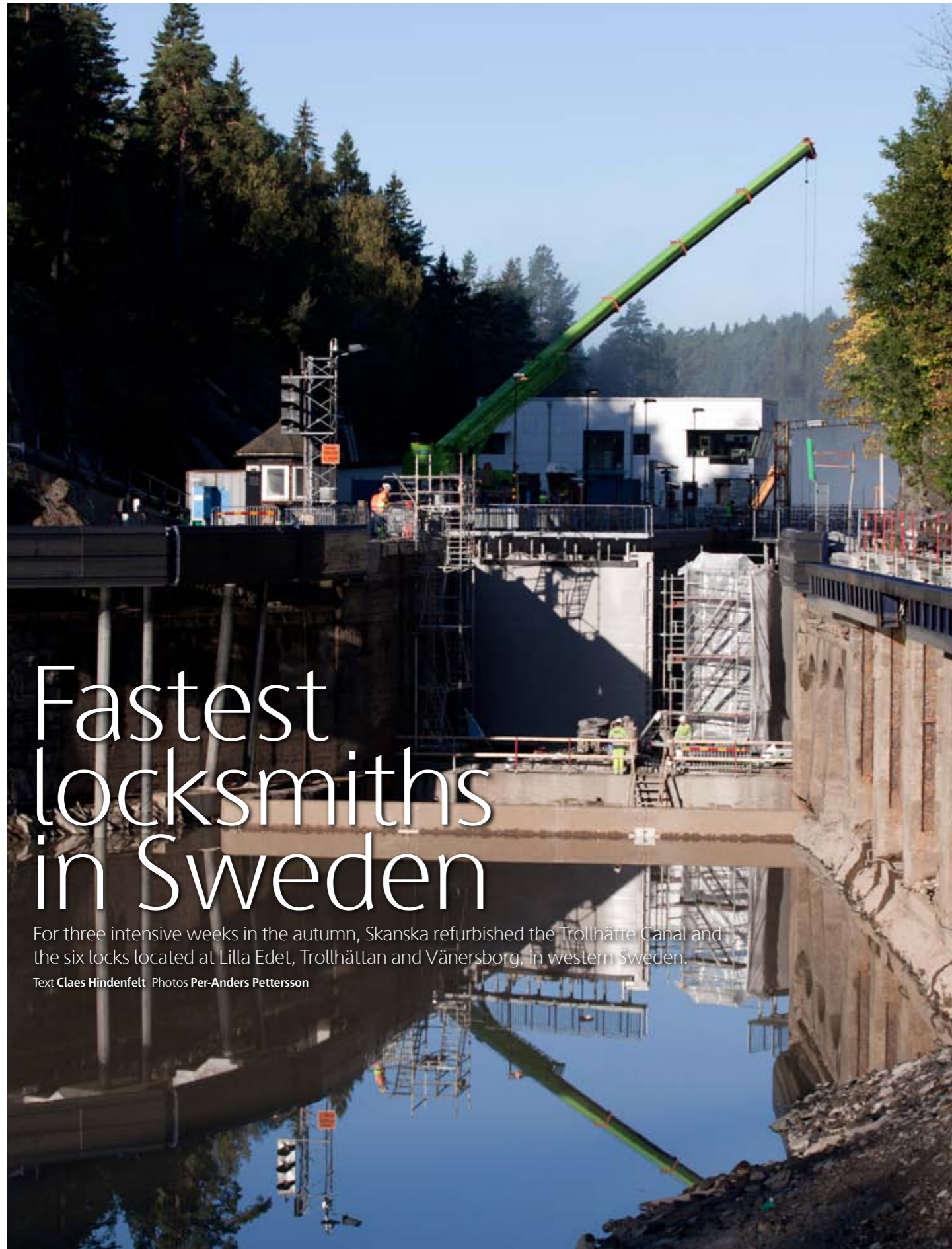
“City Green Court’s LEED Platinum pre-certification demonstrates tremendous green building leadership.”

On-site photo:

- 2 ● Britta Cesar-Munck, President, Skanska Property Czech Republic
- 3 ● Pavel Knezu, Project Manager CDE
- 6 ● Henryk Mandrysz, Site Manager CS
- 1 ● Steve Iddon, Health&Safety Director CDE
- 4 ● Vaclav Matousek, Project Leader CDE
- 5 ● Alexandra Tomaskova, Leasing Manager CDE

tank will be used for the cooling system and watering plants. “Originally, we aimed to reach LEED Gold, but when we noticed that Platinum was achievable, we went for it. Having several LEED Accredited Professionals on the team is a true advantage for us,” Cesar-Munck concludes.

City Green Court is a great green step forward towards deep green. Nordica, a project that was completed in 2009, achieved EU GreenBuilding certification as the first project in the Czech Republic. Recently the same success is also certain for an upcoming Ostrava project, just recently LEED Platinum pre-certified.



Fastest locksmiths in Sweden

For three intensive weeks in the autumn, Skanska refurbished the Trollhätte Canal and the six locks located at Lilla Edet, Trollhättan and Vänersborg, in western Sweden.

Text Claes Hindenfelt Photos Per-Anders Pettersson



On September 19, the work was completed and slightly more than 50,000 cu m³ (11 million gallons) of water was released into the lock area, where two merchant vessels were waiting to pass into Lake Vänern.

This is not the first occasion Skanska has been in Trollhättan. Skanska Cementgjuteriet was on-site back in 1911, when construction of the existing locks commenced.

Now, a century later, the locks are being refurbished. The sidewalls of the lock chambers and the wickets are being strengthened, and the floors of the lock chambers and the lock gate cills are being refurbished. In parallel with the above, the five-kilometer (three-mile) canal is being dredged, and a new puddle layer constructed.

“The walls of the actual lock chamber are constructed of granite, poured concrete and exposed rock. Much of our work comprises the removal of all the degraded concrete, strengthening works through rock bolting, cement grouting and shotcrete and supplementing defective joints to prevent leaks,” says Göran Rehn, Acting Site Manager at Skanska.

The floor of the lock chamber actually comprises two floors: one poured concrete floor furthest down, with a space of 1.5–3 meters (4.9–9.8 feet) above, and a double bottom. Water is released through tunnels in the space between these two lock floors to create an even flow in the lock. Renovation of the double bottom required substantial metalwork and carpentry.

A number of the lock gates, which have been in place since the opening in 1916, have also been replaced. This required much coordination, and the work entailed many heavy lifts.

The work was precisely planned to make the deadline achievable. Skanska set up on-site one week before the canal was evacuated so that operations could start as soon as the locks were empty. Approximately 300 men worked in two shifts at the various locations. Some work was even performed at night.

“We had the weather against us. It poured down rain, which caused problems, but we’ve completed all the essential portions of the assignment and much more besides,” says Göran Rehn.

Facts

The Trollhätte Canal is 82 kilometers (51 miles) long, 10 kilometers (6.2 miles) of which is blasted and excavated canal and the remainder formed by the natural waterway of the Göta River. The rise from sea level to Lake Vänern is 43.8 meters (143.7 feet). The lock at Lilla Edet has a rise of 6 meters (19.7 feet). The four locks in Trollhättan have a combined rise of approximately 32 meters (105 feet). 10 kilometers of blasted and excavated canal lead through Trollhättan. The lock at Brinkebergsskulle has a rise of 6 meters (19.7 feet), and the Karls grav canal covers the final stretch to Vänern. The Lilla Edet lock, the first in Sweden and on the Trollhätte Canal, was completed in 1607. The current canal and lock system was inaugurated in 1916. Every year, approximately 3.5 million tons of goods are transported on the Canal, and during the summer approximately 3,000–4,000 pleasure craft pass. The maximum dimensions for vessels passing through the Canal are:
Length: 88 m (288.7 ft)
Beam: 13.2 m (43.3 ft)
Mast height: 27 m (88.6 ft)
Draft: 5.40 m (17.7 ft)
 The depth of water maintained in the waterway is a minimum of 6.3 meters (20.7 feet).



Prepare for hard times – go for good times

Richard Hultin is the man for office and home. As a new member of the Senior Executive Team SET, he will be responsible for Skanska's Residential Development and for the Commercial Property Development business in Central Europe.

Text Alf Lindström Photo Torben Andahl

I am very proud to be entrusted with this task. It is a great honor with great responsibilities. I am looking forward to getting to know the people and the Residential Development business," comments Richard.

However experienced Hultin may be, with his 30 years in Commercial Property Development, the company's Residential Development is a new field for him.

"The overall goal is the same for both business streams. Competition is increasing, but strong as we are, I am convinced that there will also be new opportunities for us."

He is taking on his new responsibilities just as the world is suffering from financial turmoil and Skanska is one year into the company's 2011–2015 Business Plan for Profitable Growth.

Worldwide asked Richard Hultin how this affects the Profitable Growth strategy.

"We will stick to the long-term strategy. Both regarding Residential Development and Commercial Development Europe the way forward is profitable growth. At this point the primary focus is to secure profitability," says Hultin.

Sales of homes are slowing. What can you do?

"First we must focus on selling. Second, we must adapt and consolidate the Residential Development Nordic business. We have to find a sustainable level of sales volume going forward. This will decide the size of our land bank and organization."

"In the UK and Poland we must adjust to a slower growth rate than we anticipated in the Business Plan."

"Based on our financial strength and anti-cyclical strategy work, we can bridge dips like we are experiencing now."

"The demand is still there. People will continue to move, cities will continue to grow. So it's a matter of having the right products in the right locations. We must bear in mind that the markets are very local - it is not the same in Oslo as in Tampere and Malmö."

How has the financial turmoil in Europe affected our home business?

"The residential market in the Nordics started slowing in August, especially in Sweden, while demand in Norway and Finland remains stable."

In the current situation how do we get a balanced risk profile?

"We have to follow the markets very closely, validate risks and opportunities and dare to make decisions based on our judgment. We have to make sure that we have the right offer in line with our customers' preferences. We have to have the right land and mix of sizes, etc. If we start one project on speculation, maybe the next should be pre-sold or pre-leased to a higher degree. This way we can balance the total risks we take on."

How do we ensure that there are enough homes and the right homes to sell to meet buyer demand?

"We shall make use of the slower market to develop future projects. Now we can plan and be ready for a fast start when we sense a change is coming."

Going forward, what is most important for the success of Residential Development?

"We'll ensure that we have the best offer and best functionality, which means, for example, that a home for a young family must be designed to meet their specific needs. We must keep close to our customers to know their preferences

"People will continue to move, cities will continue to grow. So it's a matter of having the right products in the right locations."

and really be able to deliver what they are looking for. The better we are, the better we sell. That solves most everything."

What is your primary view on the way forward in Residential Development?

"Capital efficiency is crucial. We must use our capital in a structured way and always safeguard profitability. It is a major challenge today. Profitability first, growth second."

Price, location or attractive homes – what is most important for our home buyers?

"It's a combination. The sales organization is sharp and creative. They have been very good at mapping our customer segments. The trick is to meet the customers' expectations while controlling costs."

So what can be improved?

"I think there is room for improvement in the execution of projects. Quality and cost control could be better. We must steer towards the right things. Costs must be predictable."

"To improve productivity and efficiency, we must improve the collaboration between RD developers and the construction units. We must enable the construction people to be involved early in the process. It is also a matter of having the right people with the right mind-set on both sides, as well as having the right agreements that enhance a common goal in residential production."

"Within Commercial Property Development there is a formula that has worked very well for many years. The construction units have designated office construction specialists. It is a bit trickier within residential construction but I am convinced that this can be managed, too."

The financial turmoil came just as Skanska had started to wind up residential businesses in Poland and in the UK. What happens now?

"The strategic plan remains. We know there is a need and it offers great opportunities for us. Poland has 38 million people and an increasing number of people will be looking for better housing. Moreover, the country has continued to grow through the crises, even in 2009. In Poland, we are currently establishing the organization and we have acquired the first land suitable for homes in Warsaw. We will also target Wroclaw and Krakow."

"Although the UK economy is slowing right now, there is a need for quality homes in good locations in our customer segment. We are starting the first phase of the first development at Clay farm in Cambridge."

"In Poland, we have the residential construction experience. The challenge in the UK is to build up the expertise we need jointly with the construction unit."



Nicklas Lindberg is the new President of Skanska Commercial Development Europe (CDE).

Ambitious expansion

The development of new green offices in Central and Eastern Europe is Nicklas Lindberg's new realm. He is the new President of Skanska Commercial Development Europe (CDE).

Text Alf Lindström Photos Holger Staffansson

In SET you are also responsible for Commercial Property Development business in Central Europe. How is the market situation?

"The office market is stable and demand remains on a good level, although the increase will be somewhat dampened."

"The need for new green modern offices is still high. The major cities where we are active are attractive to our prime customers, large international companies."

"I am convinced that Nicklas Lindberg [New President of Skanska Commercial Development Europe] will continue his success from Poland also in our other Central European markets."

So what is the success formula?

"The timing is very important. After the financial crash and the subsequent decision to stop all investments we went on with the development activities in order to be ready for a quick start when the time was right. That is why we could start so many new green office projects in Central Europe before the economy was back on track."

"This time we don't see the need to stop investments but, of course, some projects may be delayed depending on the results of our leasing activities."

"Size is another aspect that must balance. In Commercial Property Development, we have found that 12-15,000 square meters (130-161,000 sq ft) is an appropriate size for the separate phases. Starting projects in phases is a smart way to balance risk."

You have been active in office development for 30 years and are now joining SET with responsibility for the Group's Residential Development. What similarities do you see between the two businesses? How can you use your CD experience in the residential field?

"Both streams are driven by and are strictly steering toward financial targets based on strict risk management. Both operations live and thrive on successful sales. If we aren't profitable, if we don't sell our projects, we might as well close up shop. That goes for offices and homes alike."

What is the main difference between the residential development business and the commercial development business?

"The customer base is the big difference. The investors and tenants in the office market are few and quite easy to follow. We know what they are looking for both when it comes to quality and financial returns. The movement in the market is generally slower."

"Home buyers comprise so many individual people. They are very fast moving, and any changes in attitude or confidence show immediately. Also, much more emotion is involved in buying a home. It's a big decision for any family."

"My experience is mainly from business-to-business and not business-to-consumer but I know that our residential units have very good sales and marketing procedures and sales people that live close to the home buyers. I am pretty confident that they will pick up every signal from the market."

Richard Hultin, born in 1956 in Malmö, where he still lives a few blocks away from renowned Swedish soccer player Zlatan Ibrahimovic. Hultin joined Skanska in 1981. He and his wife Eva have two sons and a daughter. Golf and soccer are favorite family activities.

He has headed Skanska Property Poland since 2007. With an average age of just 33, Skanska Property Poland is the youngest Skanska organization. This ambitious company is currently expanding its CDE business to major cities across Poland.

Lindberg holds an MBA in Management from the University of Lund, Sweden, and joined Skanska in 2001. He has experience from construction and residential development as well as winding down operations in Russia.

Now his task is to grow profitable business in Central Europe. In addition to Poland, the Czech Republic and Hungary, Romania also holds opportunity.

"With his strong marketing and business focus, Lindberg will continue to expand our commercial development operations in the Central European markets," says Johan Karlström, President and CEO of Skanska.

Lindberg will be based in Warsaw and continue as President of the Residential Development Unit in Poland.

What trends do you see in the office market in Central Europe?

"There is still a demand for high-quality office buildings. Our green focus is really paying off; tenants value the business case from a financial standpoint. Besides, having a green office and being a socially responsible company help attract new employees."

How familiar are you with the Czech Republic, Hungary and Romania?

"I will meet as many people as I can in the different markets to

learn about Prague, Budapest and Bucharest. My aim is to generate as many synergies as possible and continue improving."

What are the main challenges for CDE going forward?

"The financial turmoil, of course, and identifying where markets are heading. We need to be even closer to the market to pick up the signals. In hard times, our financial stability will be even more important to clients who are choosing their next office location."

What will Skanska offer Polish home buyers?

"Skanska Residential Development will offer well-planned core and shell homes that will be in line with the Skanska brand. In Poland, we are known for our green focus. We will conduct placemaking, creating green areas, and look at the whole perspective of the project."

"With our financial strength, we will acquire sites that are large enough to create areas with a Skanska feel."

In which markets will this happen?

"We'll start in Warsaw, where we'll buy our first plot of land this year, with the aim of starting as early as 2012. In 2011 and 2012, we'll seek out investment opportunities in Krakow and Wroclaw."

"The start-up is benefiting from synergies with both the commercial business and Skanska Poland's construction unit. This is crucial for our ability to deliver the right product."



40 and still growing

It was 40 years ago today, in 1971, that Skanska first entered the U.S. – the world's largest construction market.

Text Alf Lindström Photos Per-Anders Pettersson and Holger Staffansson Illustration Anne Holmberg

Nixon was in office, the Cold War and the Iron Curtain were dividing the world, China was still Maoist, telephones were wired to the wall and if you had a computer it filled the room. Outlets from Detroit – Motor City and Motown – ruled the roads and topped the charts.

Skanska's first U.S. contract was the extension of the 63rd street subway line in New York City. This opened the gates to the underground and a second subway project, this time in Washington, DC.

While tunneling and bridges were the initial activities, operations soon expanded into the commercial building sector as well. In fact, there are even families living in Skanska built homes, although the U.S. home market is not in focus today.

Before long, Skanska advanced into building construction. Medical and bioscience, and telecom and health care companies were repeat customers. As were both private and public educational institutions, including the Ivy League universities.

While the initial success was "self-made," Skanska's continued expansion is based on the acquisition of well-managed, established, local specialty companies. Typically, the object of acquisition was a business partner from a joint venture.

This rocketed the company into a top position in the U.S. Today, Skanska has a nationwide footprint and is a leader in green construction and is the largest contractor in both New York and Florida (according to business weekly *ENR*). The green Skanska office in Empire State Building is proof of the green potential, even in historic buildings.

Stuart Graham, current vice chairman of Skanska's Board of Directors, joined the company in 1990 when Sordoni, a construction management company he co-owned was acquired by Skanska. Since then, Stu has been instrumental in Skanska's further U.S. expansion.

"Joining Skanska gave us the financial muscle to go for big projects. In a few years, we grew from a hundred-million-dollar business into a billion-dollar business," says Stu.

"I must stress that this is the result of the efforts of our dedicated and client-focused staff. Naturally, our subsequent development is also the result of capitalizing on our strengths in a more structured fashion. We developed global networking, synergies, common procedures and values."

"Our efforts in the fields of green, ethics and safety have really built trust for our brand. And this will also help us win new projects and an increased market share going forward."

"After 40 years of growth, we are one of the biggest players in the U.S. But we have yet to maximize our capacity. There are still more opportunities for us."

The initial U.S. underground success remains a solid source of income. Current Manhattan public transport projects include the 7 line and 2nd Avenue Subway extensions as well as the PATH station with its spectacular Calatrava-designed Oculus building. Bridges are another success area, especially those connecting Manhattan to its neighboring boroughs – the Triborough, Roosevelt Island, Queensborough, Williamsburg, Brooklyn and Manhattan Bridges were all built between 1880 and 1909 and have been routinely maintained by Skanska since 1980.

From its East Coast stronghold, Skanska is expanding its footprint across the nation. From west Florida, Georgia and Texas in the South, to the Rockies and further West in Arizona, California, Oregon and Washington State, Skanska is gaining ground.

In addition to its geographical expansion in the U.S., Skanska is now advancing into the PPP and commercial development sectors. The first Skanska developed offices are currently rising in Washington, D.C., and in neighboring Arlington. The first PPP projects are currently being developed.

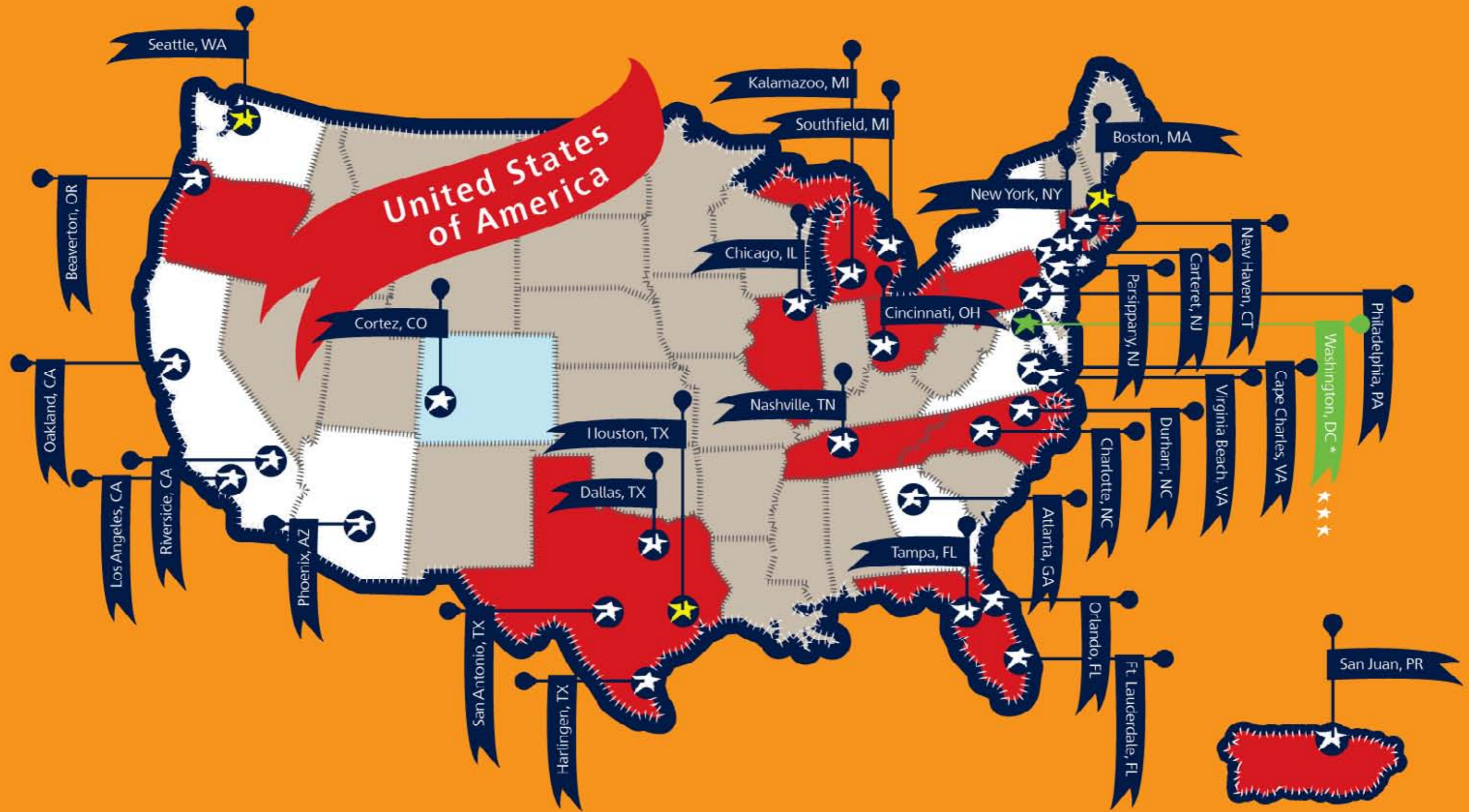
"We are still advancing. Although we are one of the largest contractors in the U.S., our market share is still less than 1 percent. The next step is to grow our civil construction footprint and 'do everything we do, everywhere we are'. There will be plenty of opportunities for us going forward," says Mike McNally, Skanska's executive vice president responsible for the American markets.

"We are also entering new segments. The U.S. PPP market will offer great future potential for us. And our first commercial property development project in Washington, D.C., will be a true show case for the One Skanska approach."



Some landmarks in the U.S. after our first 40 years





-  Skanska USA Civil
-  Skanska USA Building
-  Skanska USA Building and Skanska USA Civil
-  Skanska USA Commercial Development
-  Skanska USA Infrastructure Development

-  Washington, DC *
-  Alexandria, VA - Infrastructure Development
-  Arlington, VA - Commercial Property Development
-  Rockville, MD - Building

 Largest construction company in New York and Florida (ENR 2011)



Explore new horizons

There are great opportunities, and Skanska has the strength, capability and patience to explore new horizons. President and CEO Johan Karlström looks into the future.

Text Alf Lindström Photos Holger Staffansson

The 2011–2015 Business Plan for Profitable Growth stands firm. Despite unease in the global economy, we are aiming high.

“Skanska has the strength and patience to also endure the hard times,” says Johan Karlström, CEO and President of Skanska.

“There are great opportunities out there for us: we can do more for our existing customers, we can expand in our home markets and we can explore new horizons”.

“Of course, we must carefully monitor developments in our markets and act to secure our cash flow, just like we did after the crash in 2008.”

Karlström underlines the importance of financial synergies as a driver for growth. Growing the development business streams – Residential, Commercial and Infrastructure (PPP) – is part of the business plan.

“We are currently investing in land for residential areas in the UK and Poland, for office development projects in Central Europe and in four growth cities in the United States. Moreover, we will soon conclude our first PPP assignment in the United States and have initiated the first PPP wind power project in Sweden.”

What other new areas are in the pipeline?

“We are on the lookout for opportunities in the PPP markets in Brazil, Chile, Peru and Colombia. We have also established an office in Romania to examine the market for Green office development in Bucharest.”

Reports indicate that the construction markets are slowing in several of our home markets. How does that affect growth plans?

“Although some clients are naturally hesitant in a situation like this, there is still great potential for us if we decide to accept the challenge and take a more proactive approach. We must get out from behind our desks and go and visit our clients, learn about their needs and create solutions that will enhance their businesses.

“We must become a market maker.

“The competition is intense, but if we are not first to knock on clients’ doors, someone else will be. And being second is no consolation: winner takes all.

“The most recent order bookings prove this point. We have secured the Expo Line transit project in Los Angeles, two major subway contracts in New York, major road projects in Norway and Poland and another new office for ÅF in Sweden. We have sold offices and a share in our Antofagasta PPP highway in Chile. We are selling homes, although the pace is somewhat slower.

“Our Green Initiative is gaining ground in Central Europe. PwC has signed up for a major portion of the City Green Court project in Prague.

“We are also pioneers in green refurbishments. This business is currently bidding for more than 30 new projects and has landed new contracts totaling SEK 750 million (USD 113 million) in its first year, which confirms that we are making a market for green refurbishment.”

Is Green our strongest selling point going forward?

“We are strong, but competition is intensifying in this field. I would say that the One Skanska approach is our unique selling point. In addition to our financial strength, we have outstanding brain capacity. Our teams of global experts are unbeatable.

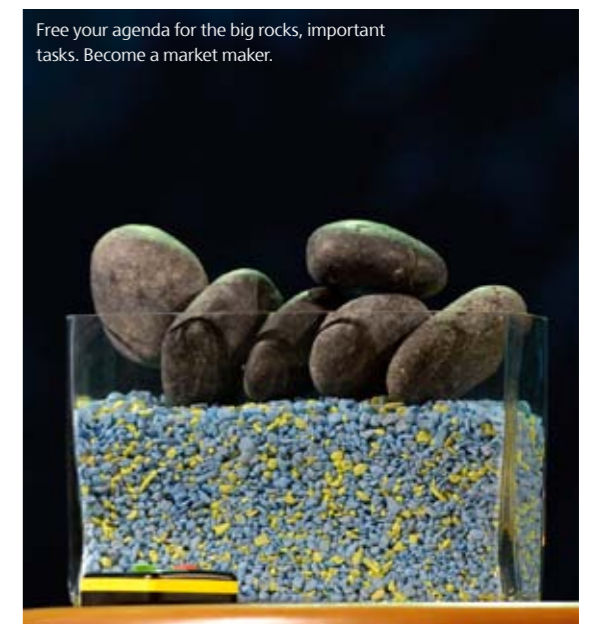
“Another proven winning strategy is for units to team up and work in clusters.

“Wherever we are, our global expertise is only a call away, whether it involves financing, green, safety, ethics or risk management, or the skills of our top-notch technical and engineering people.”



“The competition is intense, if we are not first to knock on clients’ doors, someone else will be. And being second is no consolation.”

Free your agenda for the big rocks, important tasks. Become a market maker.



Be a market maker

If customers don't come to you, go to the customer. Be a market maker.

Text Alf Lindström Photos Holger Staffansson

Skanska's Green Business Officer Cecilia Fasth takes green refurbishment to a new level by offering an Energy Performance Guarantee. Green makes good for both brand and bottom line, for Skanska and customers alike.

"We have created a new market, and it's a great opportunity. To date, we have landed contracts for SEK 750 million (USD 113 million)," Fasth says.

Skanska Norway has taken a leading green position having teamed up with Hydro and renowned architectural firm Snøhätta and investor Entra to create one of the world's first energy-positive office buildings. It is now under construction in Trondheim and will soon be a showcase project IRL.

Skanska's strong belief in the necessity to act for the future is presented to key clients, politicians and decision- and opinion-makers at Skanska Future Days held yearly in three cities in Sweden.

"Last year, we established 220 new contacts, resulting in 80 new business opportunities," says Anders Danielsson, President Skanska Sweden. The company aims to fill 85 percent of its order book with green projects by 2015.

Cecilia Fasth and Anders Danielsson



Skanska has been busy consolidating for a number of years now. A recent survey indicated that Skanska employees spend more time on internal issues than with customers. The tables are now turning – the focus is changing from internal to external. That is a cornerstone for profitable growth.

"Now more than ever, we need to be focused externally. We need to spend time with our clients. We need to understand our clients, their needs and their goals. Then we need to develop innovative solutions to help them achieve these goals," says Rob Ward, Skanska Commercial Development USA.

"We have to spend time with our clients."



In the Czech Republic, Skanska Commercial Development Europe is taking the lead by pushing the green market forward, together with demanding customers such as PwC. Recently they introduced carbon footprinting of new buildings, the first to do so in the Czech Republic. Bear in mind that this is a country whose president denied the existence of global warming.

"That's right, Green is not at the top of the agenda in the Czech Republic. But this gives us pole position," says Britta Cesar-Munck, Country Manager Czech Republic, Skanska Commercial Development Europe. **"Location used to be all that mattered. We shifted the focus to location AND sustainability. We offer green offices in the right location."**

The aggressive approach of Skanska Commercial Development US is bringing tenants to the signing table even before development has started, such as in Seattle, one of the top five growth areas in the United States.

"We have to have passion in what we do and talk to tenants about what is most important to them. Tenants can then see that we care about them. Anyone can present hard facts, but that won't calm their fears or get them to anticipate joy," says Lisa Picard, heading Skanska Commercial Development USA in Seattle. **"We secured a major tenant ahead of other developers purely with our passion, well before we had a plan. The tenant called us back and told us they trusted us and wanted to be in our building."**



"To sell is to listen. We sell dreams. We sell products that do not yet exist."



Skanska Residential Development Nordic has thousands of customer contacts every year.

"To sell is to listen. We sell dreams. We sell products that do not yet exist," says Anette Frumerie, President Skanska Residential Development Nordic. **"Nonetheless, we must show that we have a better offering than our competitors."**

The newly established Customer Relations Expert Group will help open doors and strengthen customer focus.

"We want everyone to take advantage of what makes Skanska special – our global network of experts that can follow and serve customers in all our home markets," says Helvi Väisänen of Skanska Finland.

"The importance of performing and delivering on our promise cannot be exaggerated. Most clients buy from experience and recommendation. We can create new business from existing clients like we just did with ÅF in Sweden."

"We have a shortcut to our existing clients. They are familiar with us, and we should be able to understand their needs."

This is clearly demonstrated by Skanska Commercial Development Nordic. Their close relationship with ÅF will soon result in a second project for the international consultant firm.

A brand must be managed. The Green Initiative made Skanska a leader in Green in most markets. Now competition is intensifying.

Writing history

Growth by capturing market shares and expanding into new segments or new territories has been an integral part of Skanska's history since the very beginning.

These new horizons are currently being targeted.

Text Alf Lindström Illustrations Anne Holmberg



Green offices

Skanska Commercial Development Europe is currently looking for opportunities in Romania. LEED Platinum offices are being developed in Warsaw, Wroclaw, Prague and Budapest. Skanska Commercial Development US is also established in the U.S. market. Two projects are currently being developed in the Washington D.C., area and the first steps have also been taken in Boston, Houston and Seattle.

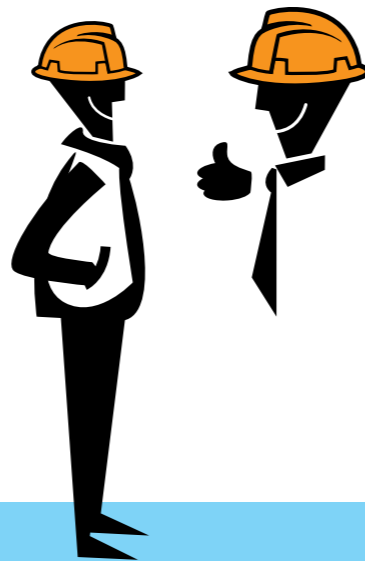


Old horizons with new potential

Bundled construction is an established Skanska specialty and involves using the Company's financial strength to secure construction assignments. KKH Malmö (Congress Concert Hotel) and a Radisson Blu Hotel in Gothenburg are currently being developed and built in Sweden.

Homes

Skanska Residential Development is launching operations in the UK and Poland. Contracts covering the first land acquisitions for new residential areas have been signed.



PPP

Public-private partnerships (PPPs) offer fantastic opportunities in terms of new products and new geographies. The wind power project under way in Sjisjka in northern Sweden is a first for Skanska (see page 5). A task force including Skanska Infrastructure Development and Skanska Latin America is on the lookout for PPP opportunities in Brazil, Chile, Colombia and Peru. Another "first" is on the cards: The Midtown Tunnel in Virginia – Skanska's first PPP project in the U.S. market.

Construction

Skanska USA is aiming to "do everything we do everywhere we are." In practical terms, this means that civil construction will go west and team up with Skanska USA Building. Civil operations have now been established in Seattle, Oakland and Phoenix. The Los Angeles office was recently assigned responsibility for the USD 500 million Expo Line transit project. Skanska Poland, Czech Republic and Slovakia are teaming up in clusters to leverage their competitive edge in Central Europe. To date, they have successfully secured more than 20 new contracts by joining forces. The units could not have won any of these if they had acted alone.



Petrobras – A leader in safety

Zero Accidents achieved

Zero accidents is a tough target but is achievable. Petrobras, the world's third-largest energy company, has achieved what Skanska is aiming for.

Text Alf Lindström Photos Holger Staffansson

A systematic and disciplined approach, patience and prayers have made Petrobras a leader in safety. More than 10 years of focused work have reduced the lost-time accident rate (LTAR) from 15, down to zero at the Alberto Pasqualini Refinery (REFAP) in Porto Alegre, Rio Grande do Sul. Petrobras did so in environments that involve flammable products, high-pressure gas and thousands of miles of pipeline – on land and offshore. About 1,500 people are working at the REFAP refinery in southern Brazil.

In Brazil, Petrobras is one of Skanska's largest clients. Roberto Ken Nagao, President of REFAP, explains how Petrobras changed its safety work.

"I think two thirds is about having the right systems and a standardized environment. To improve, we adopted a safety system developed by the chemical company DuPont. One third is about people, mindset and discipline," Nagao says.

When you have a system you have to have the discipline to use it and follow it, he notes.

"We have monthly meetings where we bring up all safety issues with our people, suppliers, everyone. We discuss the risks and how we will work together to be safe. So far, we have had 124 meetings. We never cancel – ever."

Regardless of the system, your result will depend on the people involved.

"You have to know the culture, how to touch people's hearts, if you want to change behavior. For example, in Brazil there are big differences between the north and the

south. You have to take that into account."

At Petrobras, safety is being addressed along two lines: safe procedures, regarding construction and installations, for example; and occupational safety, which relates to people, their commitment and how they act and work.

Safety is important when signing up a supplier or contractor.

"It's always part of our contracts. But what is crucial is to work and plan together."

For Petrobras a safe business is important for a number of reasons.

"If you're not conducting business in a sustainable way, society will be against you, and your business will be harmed. Therefore, we dedicate ample funds to continually looking for better and safer solutions.

"Also, for everyone working at Petrobras it is important to have a sense of doing a good thing, that you care and do everything you can to enable people to be safe and sound at the end of the day."

Nagao is a Catholic and includes safety in his prayers, but he leaves no stone unturned in his worldly efforts to improve safety, either.

"A colleague once told me that even if we have reached zero LTAR, we must prepare for the worst. I pondered this for many days. Finally, I found that Saint Augustine had the answer: 'Pray as though everything depends on God. Work as though everything depends on you.'"



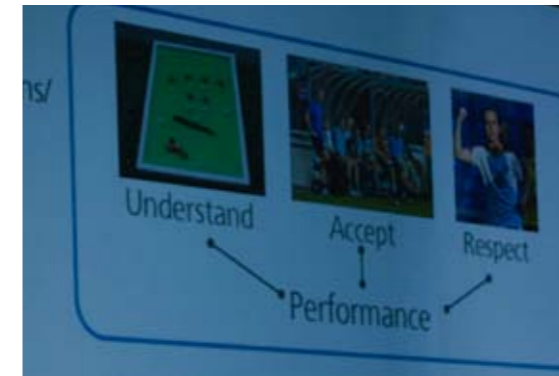
"You have to know the culture, how to touch people's hearts, if you want to change behavior."

Footnote: Augustine of Hippo (354–430) was a philosopher and theologian who lived in Roman North Africa.

World class team building

Coaching soccer and managing a project have a lot in common. Soccer is not a single-player game, and construction and project development are certainly not, either. It takes a team and leadership to create a winning mindset. Pia Sundhage, Head Coach for the U.S. Women's National Soccer Team, is a World Champion at team building – and she is willing to share.

Text Alf Lindström Foto Holger Staffansson



Seven carrots, one whip - seven encouraging remarks to one criticism. Play to your strengths. Change is built on mutual trust.

These are cornerstones in Sundhage's philosophy for creating a winning team.

Pia Sundhage has lived and breathed soccer since she was a little girl. But there were no girls' leagues, so she had to take a boy's name – "Pelle" – to be able to play.

She has a track record as both a player and a coach. In Sweden she was a pioneer in women's soccer and still holds many records. Her titles include the European Championships in 1984. Since 2007, she has been the head coach for the U.S. Women's National Soccer Team and has an Olympic Gold medal and a World Cup silver medal in her trophy case.

With her winning mindset, you can be certain that there are more to come. Sundhage gladly shares all of the psychology behind her journey, from the first time she entered the locker room as the new head coach.

She covers every aspect of her journey and when she's done, you not only feel energized but also mesmerized. She generously shares advice and is humble about her own role.

"I am just a soccer coach. I don't know how this translates into your business."

The response from the Skanska crowd at the recent Management Meeting in San Antonio, Texas, indicates that it translates very well.

When she first assumed control of the U.S. team with a mission to change it, she broke the ice by singing, "The times they are a-changing..." in her sonorous and gentle voice. That paved the way for change. She knows what she wants but goes after it in small strides.

"Everyone is a bit scared of change. You can't change too much right away, but you can't be too tame, either."

To secure a commitment from your players that will ensure change in the field, you must be sure that the team – everyone included – understands, takes responsibility for and respects both the decisions made and their teammates.

"I want everyone to be responsible. It is not just about a few stars."

"I want everyone to be responsible. It is not just about a few stars."

One approach that she has applied in an attempt to improve responsibility and team building is person-to-person talks between players who are paired together, using herself as the moderator.

"Abby, tell Alex what you expect from

her. Alex, tell Abby what you want to see from her."

This allows you to build mutual understanding and respect.

So what about the carrots and the sticks?

"I have come to the conclusion that for every negative comment you give as a coach, you have to give seven positive comments. It's much better to build on the positive aspects."

Her coaching team uses video extensively when analyzing a game or preparing for the next game.

"We pick sequences where we have taken the right approach."

"That is great. Do that again!" I say.

"We often watch the same sequences over, and over and the players often start talking about things that I haven't even noticed. I learn a great deal as well."

Play to your strengths is another one of Sundhage's mantras.

"Pass to the best foot is a way of making your fellow teammates successful. A responsible player does what is best for the team."

You must act as a team, but there must also be room for the individual. A clip from the U.S. team's locker room before a World Cup game shows a group of players dancing and singing along to the latest hit song, building up energy in a collective war dance. At the same time, other players are closed off from the group and concentrated on their own world.

"This is respect. Everyone has the right to maintain his or her own method."

The fundamentals come last. You have to believe in the team, believe in the mission.

"In the World Cup, when one of our players was sent off the field, we didn't bring on an extra defense player, we switched to a player to go on the attack, thus sending a strong signal that we believed in the team."

"And you must be sure to also signal this using body language."

Having fun is very important whatever happens. It's contagious. And it takes leadership to create the environment that is the foundation for performance.

"Don't forget, we create our own environment."

"Kicking down the cobble stones...and feeling groovy..." Sundhage sings, borrowing a verse from Simon & Garfunkel. You can tell that she is a believer and that she is feeling groovy.

"Soccer is life!"

The Skanska Safety Road Map

Can construction ever be safe? The answer must be Yes! The new Safety Road Map will guide you forward.

Skanska is taking action to improve safety based on its Zero Accidents vision. The Safety Road Map, developed by the Skanska Global Safety Leadership Team, is a new systematic step to reach the Business Plan goals for 2015. The overall ambition is to achieve the 2015 strategic goal of a lost time accident rate (LTAR) of 1.0, or a maximum of 1.0 lost time accident per one million working hours. "To eliminate fatalities and achieve zero accidents we must organize, educate, manage and inspire in new ways. That's why we have developed the Safety Road Map," says Neil Moore, Senior Vice President Safety Skanska.

The Skanska Safety Road Map tool will enable business units to manage their safety efforts in a structured manner. "By managing safety throughout the construction process, the business units can meet their 2015 milestones." The Skanska Safety Road Map focuses on five key topics: culture, competence, communication, controls and contractors. Each topic is provided with guidance and best practice examples for four different stages of safety development: non-compliant, compliant, good practice and best in class. Safety levels have improved year-by-year but vary across Skanska's business units.

"The Skanska Safety Road Map will help us achieve a common and improved safety performance throughout Skanska," says Moore. "It will help senior managers and safety specialists to assess where their unit is on the Road Map and enable them to reach the next milestone. This improvement is not only for Skanska employees. Our contractors must be included if we are to succeed in our efforts."

Our contractors must be included if we are to succeed in our efforts."

In October, more than 200,000 people in 18 countries participated in the seventh Skanska Safety Week – the world's largest workplace safety initiative organized by a single company. Some of the highlights were:

As part of the Skanska Safety Week theme "Empower Everyone to Act", thousands of people worldwide took part in safety events during which they contributed their ideas, big or small, to improve workplace safety.

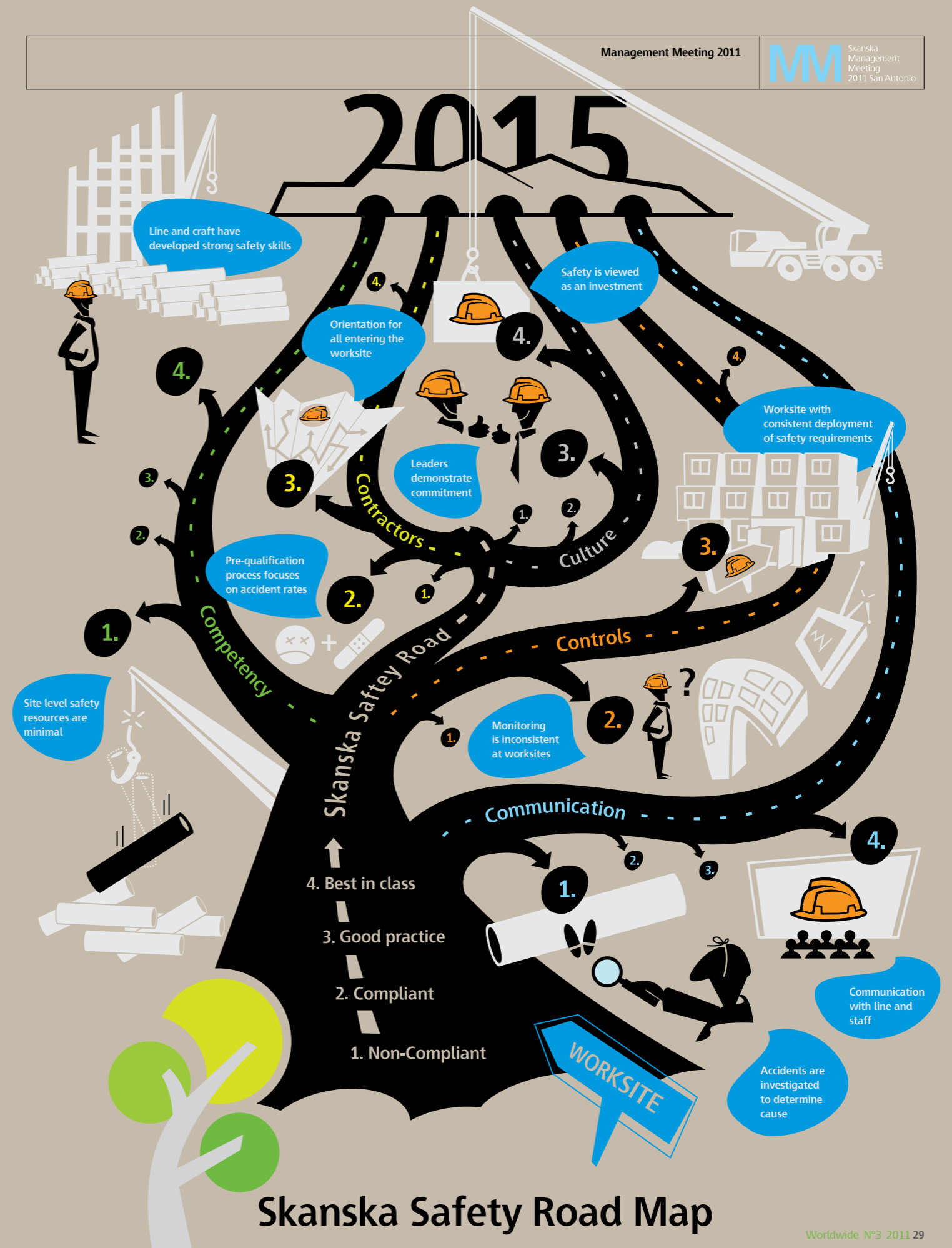
In Sweden, Safety Week began with a discussion with Government ministers to encourage them to share Skanska's vision of safety in the construction industry and show their support for the zero accidents program.

Clients, designers and supply chain partners engaged in various activities, such as safety seminars and conferences. Skanska Poland launched a series of seminars to share their safety expectations with their contractors.

The Nordic Procurement Unit (NPU) joined with its supply chain in Finland, Sweden and Norway to communicate the Skanska safety vision.

More details about the activities during Skanska Safety Week are available on www.skanska.com/safetyweek. However, the week ended with two fatal accidents.

"The tragic events of this week must reinforce the importance of our work to achieve our goal of an accident-free workplace. We need to show leadership," said Johan Karlström, Skanska's President and CEO.



Skanska Safety Road Map

Best of the Best

For the ninth consecutive year, Skanska's best of the best were honored. In tough competition between thousands of projects and 60,000 colleagues, the best projects and the best people of 2010 were selected, rewarded and fanfared in San Antonio, Texas.

Text **Alf Lindström** Photos **Holger Staffansson**

And the winners are...



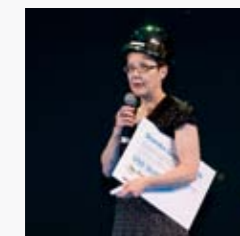
Golden Hard Hat Project Manager, Construction
Miguel Fraire, Project Manager oil & gas O&M services in Argentina, Skanska Latin America
 Miguel Fraire joined the company in 1979 and since 2005 he has turned the Rincón de los Sauces region into an outperforming model business, achieving record margins for several consecutive years. His client-focused work has also won new contracts from the same client throughout

Argentina. Fraire is also acknowledged for his willingness to develop the people around him.



Golden Hard Hat Estimator
Markéta Štroblová, Senior Estimator, Railway Division, Skanska Czech Republic
 Štroblová and her team always deliver precise and well-prepared bids, resulting in always competi-

tive pricing reflecting all technical and technological aspects. Markéta has proven her technical expertise and flexibility when faced with new circumstances through a number of bids for Slovak projects and cluster cooperation between Skanska Czech Republic and Skanska Poland.



Golden Hard Hat Project Manager, Development businesses
Satu Ryyänen, Skanska Residential Development Nordic, Finland
 The customer is always No. 1 for Ryyänen, and her dedication and positive spirit make her a

motivating team leader, a role model for all colleagues and the best mentor for younger colleagues.



Golden Hard Hat Staff employee
Ilpo Vänskä, Procurement Manager, Skanska Finland
 As a top specialist in the chain responsible for concrete elements, Ilpo is a key person for cost-efficient residential construction. He has also been instrumental in the development and

establishment of the Finnish procurement instrument HanSka. Ilpo has ten years within Skanska and is committed to training and developing younger colleagues. The Nordic Procurement Unit, NPU, has awarded Ilpo the Best Project Purchase Award 2011.



Golden Hard Hat Production Manager
John Crecco, Project Executive at Skanska USA Civil
 With 20 years under his belt at the company, John's track record includes every type of project – all of which are in the category 'most complex'. He has achieved record margins combined with an exemplary safety record. One of his main strengths is his ability to build teams for success and to mentor and develop young people. He has been instrumental in the success of such mega projects as JFK AirTrain,

the World Trade Center transit station rebuilding, FDR Drive (Project of the Year 2007) and BQE reconstruction, the New Jersey Metro Mall and Croton Water Filtration Plant.



Dirty Boots Award
Stuart Graham Lifetime Achievement Award
Magnus Eriksson, Senior Vice President Skanska Infrastructure Development

The award winner was taken by surprise and was almost speechless. "I am so grateful to Skanska. I enjoy going to work every day and there are plenty of new challenges."

Magnus Eriksson has been instrumental in winning the largest PPP projects over the past 10 years, including the South West Water Treatment Plant in St Petersburg (when Skanska still was active in Russia), the A1 in Poland, the E39 in Norway and Antofagasta in Chile. He also led the winning Dream Team that secured Skanska's largest project ever: New Karolinska Solna. Magnus is currently working on the Midtown Tunnel Project in Virginia, the United States.

Business Unit of the Year Development Category
Skanska Infrastructure Development

2010 was an outstanding year for ID. Through the New Karolinska Solna and Autopista Central projects, the BU demonstrated its outstanding ability to win and complete assignments.

"This is fantastic recognition for a fantastic team. We are a mere 150 people spread over nine different countries and with 20 different nationalities among us. We are small, so collaboration is crucial. Together with Skanska Financial Services and the construction units, we create projects in almost every home market," said Steve Sams, Business Unit President of Skanska Infrastructure Development.



Green Solution
Skanska ID and Skanska UK
The energy-efficient street lighting Central Management System, UK

This new remote-control management system identifies lamp performance, adjusts lighting levels and monitors the energy consumption of street lighting.

This helps to reduce energy use and CO2 emissions and drive down whole life cycle costs – an outstanding green solution with potential in all home markets. Chris James, Brian Wright, Mike Saraty and Deirdre Murphy picked up the prize before heading back to Surrey to install another 60,000 lampposts.

Business Unit of the Year Construction Category
Skanska Poland



In a year marked by increasingly intense international competition, Skanska Poland successfully maintained its high margins while defending its market share. The unit also embarked on a journey to expand its business. "This is a very special moment. I am both proud and humbled that we have won this award for the second time. I want to thank all of my 7,200 Polish colleagues for

their outstanding efforts and also my predecessors Jan-Gunnar Glave and Roman Wiczorek," said Business Unit President Krzysztof Andru lewicz.



Health and Safety
Skanska UK IFE program

Skanska UK geared up its efforts to enhance its training and supply chain engagement. Building on the Skanska USA experience of Injury Free Environment, (IFE), the unit initiated surveys and workshops to create an IFE program with the aim of training people, including the supply chain, to

make the right and safe choices. The achievement, with more than 2000 people having undergone IFE training, is enhanced commitment and a year-on-year reduction in accidents. Dylan Roberts, Sarah Wills, Nick Card and Hendrik van Brenk are winners together with their teams.



Civil construction
SL Södertälje Depot, Sweden

An innovative approach to this project generated a number of additional orders, thus multiplying the project value. The client praised Skanska's positive, ingenious and flexible approach to its needs. The project was

completed with high customer satisfaction ratings, zero LTIs and excellent profitability.

Mats Lindahl, Jonas Persson and Hans Fransson said that they were only doing what was expected of them by Skanska.



Development or Services project
Police Building for operating units, Toftanäs, Malmö, Sweden

"Cooperation between Skanska Commercial Development Nordic and Skanska Sweden resulted in profitable and safe execution, a strong margin and zero lost time accidents" read the citation for the award. Skanska Commercial Development Nordic's Martin Persson and Gert Sjöholm (a Golden Hard Hat Award winner in 2006) and Skanska Sweden's Lars Edpalm, Daniel Arvidsson, Gert Sjöholm and Martin Persson picked up the check.

development Nordic's Martin Persson and Gert Sjöholm (a Golden Hard Hat Award winner in 2006) and Skanska Sweden's Lars Edpalm, Daniel Arvidsson, Gert Sjöholm and Martin Persson picked up the check.



Building construction
MetLife Stadium, formerly known as The New Meadowlands Stadium, New Jersey, U.S.

The joint Skanska USA Building and Skanska USA Civil team surpassed themselves in multiple areas. Some 4.7 million man-hours were completed at an LTI rate of 0.57. This USD 1.1 billion

project was completed at an excellent profitability level and five months ahead of schedule. Bob Koch, Todd Sutton, Tom Webb and Sean Szatkowsky kept the score at the stadium and thanked their 125 committed Skanska colleagues at the project.

“I hope I’m able to provide them with good service.”

The art of shopping

Finns, Swedes and Norwegians don’t just have fun when they get together. They also save money!

Text Sören Viktorsson Photos Susa Junnola

“A lot can be gained through joint purchasing,” says Ilpo Vänskä at Skanska Finland.

The aim of Skanska’s Nordic Procurement Unit (NPU) is to benefit from the larger volumes of the Nordic market and to learn from one another’s procurement.

“Our standard elevators present a prime example. We buy these from three international companies to supply all of the Nordic countries. These common agreements enable us to substantially lower our prices in each country,” says Vänskä, who represented Finland in the negotiations.

Ilpo Vänskä, a trained construction engineer, has been with Skanska Finland since it was founded in 1994 and with NPU since it was established in 2009. He works as a specialist purchaser in many categories, including concrete elements, which has demanding markets in Finland and Estonia. He has also been a key person in the development of the Finnish procurement tool Hanska.

“This software enables us to define every detail in the procurement process and provides us with all of the data in real time,” he explains.

This year has been a successful one for Vänskä, when it comes to prizes. He won the award for the best employee in Finland, and NPU granted him the Best Nordic Project Purchaser Award 2011.

“I regard the prize as recognition of the work done by all of us on procurement,” Vänskä says.

NPU has about 260 employees, with around 60 of them in Finland, serving construction as well as residential, commercial, civil and PPP units.

“At NPU, we maintain a constant dialogue regarding procurement at the local as well as international levels,” says Vänskä, who also trains younger colleagues.

What makes you feel satisfied?

“I love to work with other people and I hope I’m able to provide them with good service.”



“You must always be extremely attentive to the customers’ needs.”

The art of serving

Treat your customers as you would like others to treat you.

Text Sören Viktorsson Photos Susa Junnola

That’s the credo behind the success of Satu Rynnänen, Project Manager at Skanska, Finland.

Satu Rynnänen holds an engineering degree from the Technical University in Otaniemi, outside Helsinki. She has spent her whole working life in the field of residential construction, and in 2008 she was headhunted for Skanska.

“I hope my long years of experience shine through in the projects,” she says.

They do indeed. In short time, Rynnänen has gained a reputation for creating outstanding results and many highly rated projects, such as the residential project Romeo on the island of Lauttasaari, outside of Helsinki. (As you might have guessed, Juliet is to follow.)

“A project is like a puzzle. You have to optimize profitability, safety and concern for the environment,” says Rynnänen, who is especially proud of Skanska’s Adjutantti project in the neighboring city of Espoo. This will be ready in 2012 and will provide residents with advanced tools for tracking their consumption of energy, water and heating as well as facilities for electric vehicles and extensive solar panels for energy production.

As everyone knows, the customer is always right. To Rynnänen, this is more than a slogan.

“You must always be extremely attentive to the customers’ needs. Don’t forget that they are the ones who pay our wages.”

Throughout our interview, Rynnänen lauded the excellent teamwork of her colleagues. But what kind of philosophy lies behind her reputation for solving the most complex tasks?

“On aina ratkaisu!” (There is always a solution.) Indeed.





Recent Building Blocks graduate pose with Skanska personnel at a recent graduation ceremony in Atlanta

Giving a competitive edge

Skanska's Construction Management Building Blocks program (CMBB) helps small, minority- and women-owned contractors to become qualified and competitive for construction projects.

Text **Scott Berman** Photo **Skanska USA**

"People empowering people." A "powerful" program. "A win-win situation." Throw in upbeat, worthwhile, strategic and locally based, and you begin to get a sense of what Skanska's Construction Management Building Blocks program (CMBB) is all about.

CMBB, which began in 2006, is "a 12-class program offered free-of-charge to small, minority- and women-owned contractors," says Skanska National Senior Director of Diversity James Threalkill. CMBB has an important goal: "Educating and mentoring small-business owners so they can be more competitive for construction projects" and in so doing, opening doors for them that would not otherwise be available."

Professionals at participating Skanska offices organize and teach CMBB classes, in many cases partnering with local industry leaders. The locales: New York, which conducted the inaugural CMBB program and just kicked off the sixth program in the region, Atlanta, Nashville, Cleveland, Detroit, San Antonio, Houston, Austin, Philadelphia, Orlando, Tampa, New Jersey and Dayton, Ohio. Things are happening. About 80 Skanska employees have participated in these CMBB programs, with about 300 subcontractors graduating so far. They've explored everything from doing business with the public and private sectors, to construction accounting, marketing, legal contracts, IT and more.

Healthcare work accounts for nearly 30 percent of Skanska USA Building's revenue, and to support that work, Skanska has created a healthcare-specific building blocks program that equips subcontractors with the specific skills needed to work in an active healthcare environment. Skanska offices in Cleveland and Detroit, with support from leading local healthcare systems, have led the way, holding the first of such programs. Skanska's Nashville office is kicking off its first Healthcare CMBB this fall.

According to Skanska Detroit's Director of Client Services Kirstin Goodchild, the Healthcare CMBB program in

her city includes modules on interim life safety measures, patient safety, procurement and purchasing. Attendees have toured the construction site of the Detroit Medical Center, and Goodchild says the experience "really showed them what it's like to work in the healthcare environment."

There's more. Subcontractors met key executives of Detroit Medical Center and Henry Ford Health System at a CMBB graduation ceremony last June, with the encounter leading to subcontractors being pre-qualified for upcoming work. "That's how powerful the program is," says Goodchild, "It provides so much value and it has a domino effect."

Participating subcontractors are praising such real-world experiences of CMBB. In New York, for example, Skanska Project Manager Rufus van Thompson, a CMBB organizer, describes the work of his colleagues and other participants, including leading general contractors, as energetic and practical. "This is not just theoretical," says van Thompson, "These are people who are in the trenches." He adds that as a result, participants have described their "very positive" impressions of a "genuine teaching" learning experience.

Enthusiasm is also evident in Atlanta, where a recent CMBB session on business development and marketing "was packed with 33 highly interactive and participatory small business owners and their employees," reports Rachel Hendrix, Skanska Atlanta's diversity manager. "After the class, a minority-business enterprise owner turned to me and said, 'This program is even more than I had ever expected it to be.'"


As Hendrix adds, CMBB boils down to "sharing how we do business every day, what inspires our company and what shapes our core values." Practicality, inspiration and core values creating a people-oriented, win-win situation: That's what CMBB is really all about.



Then...

It was 100 years ago, and the industrialization of Sweden was accelerating. Already then transport infrastructure was crucial for economic development. Skanska was instrumental for the construction of infrastructure on land and at sea.

Here is a raft with a drilling machine for underwater blasting on the Göta Älv river by Lilla edet in Western Sweden in 1911.



“This is probably the first construction blog in Britain to be regularly updated through the full duration of the project.”

The Weymouth way

In Weymouth, on the southwest "Jurassic Coast" of England, the Viking age has met the Internet era.

Text Alf Lindström Photo Holger Staffansson

While digging into cream-colored chalk ridges, Skanska road builders came upon 51 Viking skulls separated from their skeletons. The Vikings were decapitated around 950 AD for their bad habit of landing their long ships in Saxon territory uninvited.

The area is often referred to as the “Jurassic Coast,” slicing through 150 million years of geological time and holding fossils of plants, shellfish and dinosaurs.

Now to our main story. All of this, and presumably everything else you want to know about the progress of the Weymouth Relief Road, has been posted on the project’s own news blog.

Every new move – traffic management, lanes opened, closed or moved, road blocks, disruptions and technical data as well as general information such as progress reports and news items big or small – can be found – and commented – on the site’s blog, web site and picture gallery on Flickr.

Ambition was high on the part of Dorset County Council and Skanska.

“We updated the site twice a week. Kerry Hall, the County Communications Officer, and I met with the project people every week to plan what to post the following week,” says Emma Banwell, Management Engineer at Dorset County. Helen Jenkins, Skanska’s Environmental Manager and Community Liaison, was the main source of information from the construction side.

“This is probably the first construction blog in Britain to be regularly updated through the full duration of the project. It’s been running for nearly two and a half years now,” says Skanska’s Project Manager, Willie McCormick. “We’ve built many miles of roads, but this one takes public communications to a higher level.”

- Client: Dorset County Council
- Total contract: GBP 65 million (USD 103 million)
- Start: August 2008
- Road open: March 2011
- Final completion: September 2011
- Eight kilometers (five miles) of new carriageway
- Nine bridges, including five concrete arches
- Five major roundabouts
- 18 kilometers (11 miles) of new footpaths, bicycle lanes and bridleways
- 3.5 kilometers (2.2 miles) of environmental barriers
- A park-and-ride car park with 1,000 spaces
- Eight ponds for collection and sedimentation of storm water
- Underground tunnels for badgers and other wildlife to pass through
- Protection of rare marsh harriers during nesting
- Web site: www.weymouthreliefroad.co.uk