

Annual and Sustainability Report 2023



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"In 2023, working together, we delivered railway maintenance, railway projects, power projects and machine services worth over SEK 2.8 billion. This is an impressive result and Strukton's highest sales figure ever.

Sofia Sartor, Managing Director, Strukton Rail AB

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About the report

This is Strukton Rail AB's (hereinafter Strukton) combined Annual and Sustainability Report for 2023. The Annual Report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board General Guidelines, BFNAR 2012:1 Annual and Consolidated Accounting (K3). The Sustainability Report has been prepared with reference to the Global Reporting Initiatives (GRI) Standards 2021, and is Strukton's fifth report prepared according to this regulatory framework. Strukton is covered by the provisions in the Swedish Annual Accounts Act regarding sustainability reporting. This Sustainability Report addresses Strukton's material sustainability issues, risks and how the company manages them, and describes company policies. Strukton reports annually on its sustainability efforts in the company's Annual and Sustainability Report.

Letter from the Managing Director

Strukton's employees are our greatest asset. Looking back over the year, our employees have once again done a fantastic job of finding creative, sustainable solutions to the challenges we have faced. It is our outstanding employees who make the difference and enable us to deliver safe, high-quality work around the clock, every day of the year. And our employees' competence and commitment are indispensable – as 2023 was an unusual year in many respects.

WE HAVE OPERATED, and continue to operate, in a turbulent period characterised by high inflation, rising global tensions, material shortages and high commodity prices. At the same time, investment in railways and railway maintenance is increasing. Demands for innovative projects and punctuality are increasingly figuring in political debate, and discussions about renationalisation of the Swedish operation and maintenance market have resumed in the media.

In 2023, working together, we delivered railway maintenance, railway projects, power projects and machine services worth over SEK 2.8 billion. This is an impressive result and Strukton's highest sales figure ever.

Despite very strong sales, profits lagged behind this year. The primary reasons for this were impairment of a major project, adjusted forecasts in contracts, increased machine maintenance and investments. In addition, the value of our pension liabilities was adjusted and we had to adapt to the Swedish Transport Administration's new planning system, which significantly disrupted our production efficiency. We also established four new maintenance contracts. This was an impressive achievement, although it proved costly for us during the start-up phase.

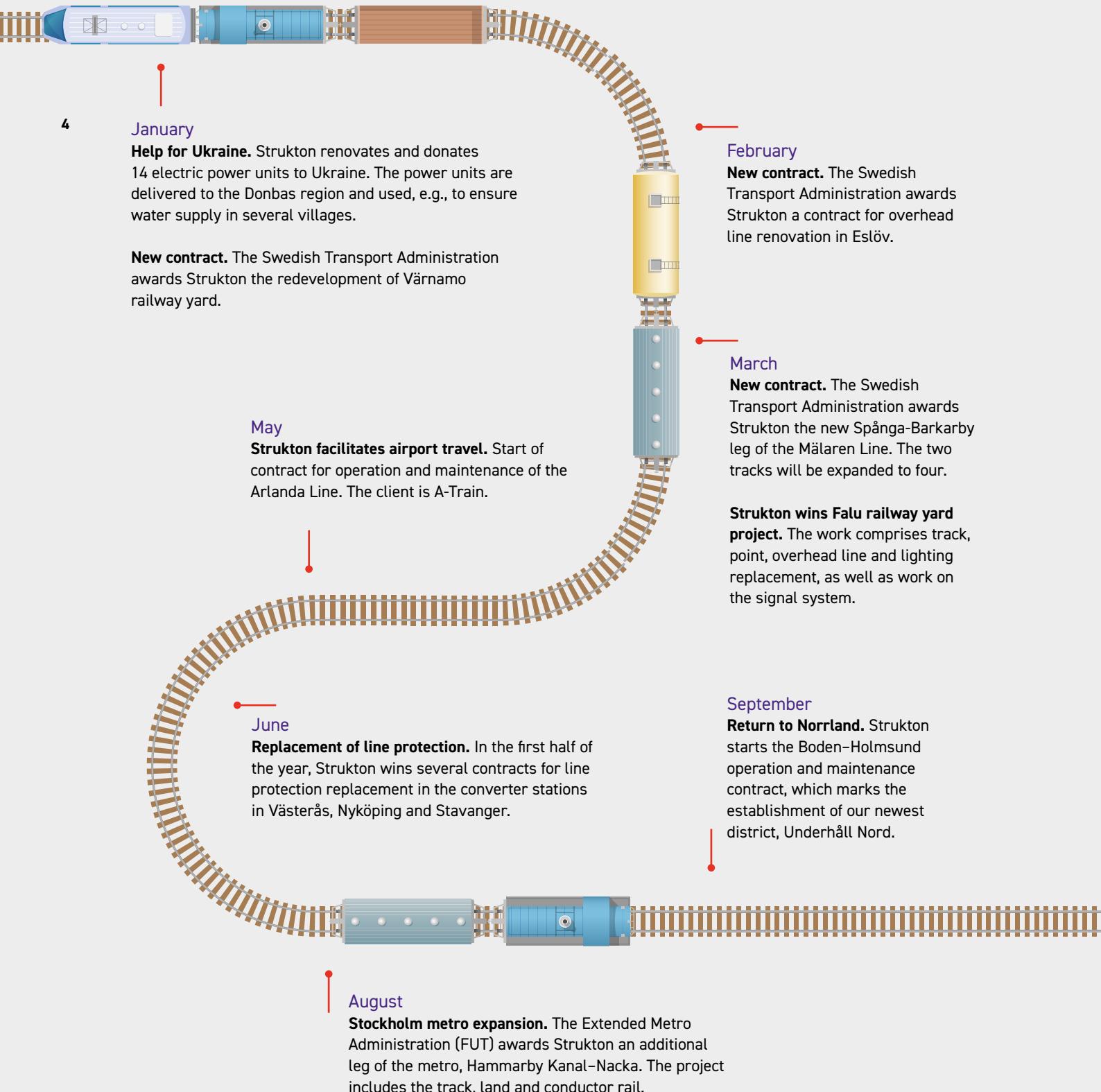
During the year, we have worked on a number of focus areas: Health and safety, Diversity, inclusion and leadership, Sustainable transport and Skills supply. We also worked hard on raising cost awareness, improving liquidity and promoting more efficient work processes. These streamlined work processes will be applied in 2024 as part of our intensified efforts to develop a strong, sustainable company.

I am hopeful about the future. We have come far on our journey towards sustainable railways in a sustainable society, but we still have a long way to go. High, stable punctuality is one of our key success factors going forward, and we know we can make a difference in this regard. With an order book of over SEK 6 billion and our skilled and dedicated employees, we are well equipped for the coming years.

A big thank you to all of you for contributing to our development in various ways.

Sofia Sartor, Managing Director

The year in brief



2808

MSEK
sales

-126

MSEK
operating profit/loss

6013

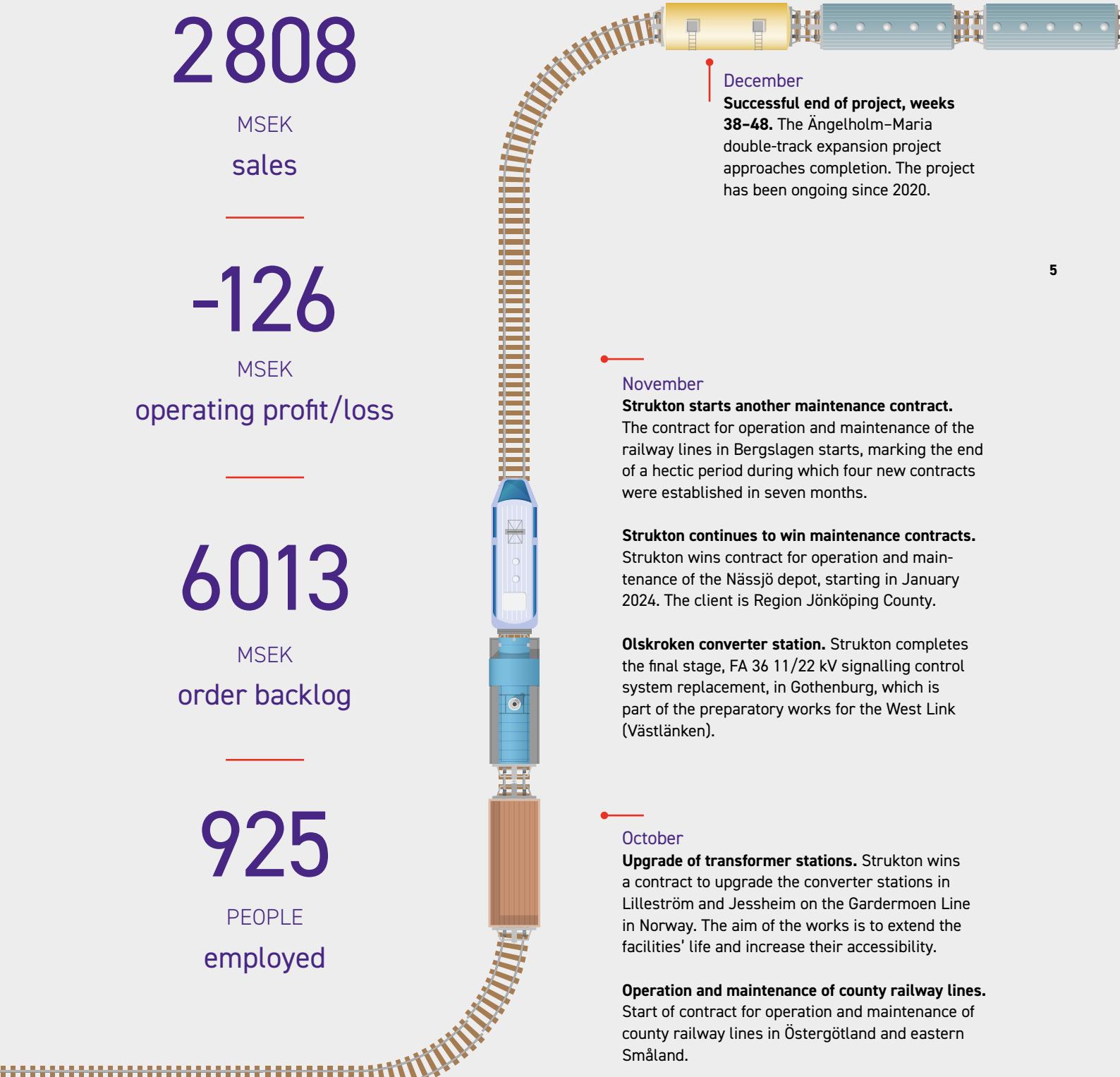
MSEK
order backlog

925

PEOPLE
employed

5787

track kilometres
maintained



December

Successful end of project, weeks 38-48. The Ängelholm–Maria double-track expansion project approaches completion. The project has been ongoing since 2020.

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November

Strukton starts another maintenance contract. The contract for operation and maintenance of the railway lines in Bergslagen starts, marking the end of a hectic period during which four new contracts were established in seven months.

Strukton continues to win maintenance contracts. Strukton wins contract for operation and maintenance of the Nässjö depot, starting in January 2024. The client is Region Jönköping County.

Olskroken converter station. Strukton completes the final stage, FA 36 11/22 kV signalling control system replacement, in Gothenburg, which is part of the preparatory works for the West Link (Västlänken).

October

Upgrade of transformer stations. Strukton wins a contract to upgrade the converter stations in Lillestrøm and Jessheim on the Gardermoen Line in Norway. The aim of the works is to extend the facilities' life and increase their accessibility.

Operation and maintenance of county railway lines. Start of contract for operation and maintenance of county railway lines in Östergötland and eastern Småland.

Capacity expansion of Western Main Line (Västra stambanan). Herrljunga bypass track project goes into operation.

Strukton wins two maintenance contracts.

The Traffic Administration in Stockholm awards Strukton two contracts: metro operation and maintenance, to start in September 2024, and high voltage operation and maintenance, to start in 2025.

About Strukton

Strukton is a private railway contractor and part of the Dutch group Strukton Groep NV. We design, build and maintain tram, railway, and metro facilities. Through our business, we contribute to attractive, climate-smart rail transport, a fossil-free society and attainment of the Sustainable Development Goals.

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The infrastructure of the future

Demand for sustainable rail transport of goods and people is greater than ever. This has been an ongoing and accelerating trend for many years. In less than thirty years, passenger rail transport has doubled while freight rail transport has increased by 12 percent. As travel has increased, supply has also grown, from 700,000 departures at the turn of the millennium to approximately 1,000,000 twenty years later. These rather incredible figures translate into four words: railways are the future. To increase the railway system's accessibility and robustness, grants for railway maintenance have progressively increased, and never before have such large investments been made. This is because no other mode of transport can match railways in terms of high capacity combined with low energy consumption and environmental impact. Strukton operates in this exciting industry for the future.

To meet the needs of a growing population, we ensure that track facilities are of a high standard – today and in the future. We equip and upgrade track facilities, provide them with power and offer technical and digital solutions for safe and efficient methods. We maintain the track systems proactively and over the long term. Strukton contributes to societal benefit by enabling safe, punctual, rail transport for operators, passengers, and purchasers of goods. Our main clients are the Swedish Transport Administration and the Traffic Administration in Stockholm.

"Together, we develop a sustainable railway for a sustainable society."

Operation and maintenance

Strukton is one of the main actors on the Swedish Transport Administration's tracks, maintaining important main lines and goods routes from north to south. On behalf of the Traffic Administration in Stockholm, we are responsible for operation, maintenance, development and planning of reinvestments in the Stockholm metro system, the Roslagsbanan line and the Lidingö Line (Lidingöbanan). Moreover, an enormous investment is under way in Stockholm to meet future demand by expanding the metro network, to enable even more people to travel by public transport. As new legs of the metro are added, Strukton will also be responsible for their

maintenance. Strukton is under contract with the Öresund Bridge Consortium for maintenance of the Öresund Bridge. The maintenance contracts run for between five and nine years. Strukton's operation and maintenance activities include services such as inspection, fault rectification, parts replacement, measurement, vegetation clearance, de-icing and other winter services. We also offer maintenance services to other owners of infrastructure in Sweden.

Investment projects

We carry out turnkey BEST (track, power, signal and telecommunications) contracts. We work on a project basis with new construction, maintenance, upgrades and improvements in standards in all areas of railway engineering. Examples include track and sleeper replacement, points replacement, signal system upgrading and power supply facilities.

Innovation and digital technology

Our ambition is to be a leader in digital railway maintenance in Sweden. Strukton sees digitalisation as an important tool, as the volume and complexity of information requires digital working methods and processes to increase efficiency and quality. On this basis, Strukton has invested in developing a digital production support system, and has started implementing this system in our maintenance contracts. The production support system is part of a long-term strategy to improve quality, control and follow-up and enable automation. Strukton also invests in production tools, for example POSS, an electronic monitoring system for fixed facilities such as points, which can measure and monitor the facility to assess its status and degradation, in order to plan preventive maintenance. Strukton is also involved in driving advances in the area of automated measurement, where we have developed technology that uses automated image recognition and laser measurement to perform measurements on overhead lines with high performance and precision, offering flexible, cost-effective mobile alternatives to manual inspection.

Strategy and governance

Strukton is managed and governed through the company's strategic plan, which is based on the company's core values, RÄLS (an acronym for the Swedish words meaning *Respect, Honesty, Trust and Safety*). The strategic plan involves four strategic themes:

Business concept

With commitment and expertise, we plan, build, and maintain rail systems in Scandinavia. Our operations are characterised by high expertise, responsibility and continuous striving for innovation.

Our vision

Together, we develop a sustainable railway for a sustainable society.

- Corporate Social Responsibility
- Commercial Efficiency
- Operational Efficiency
- High-performance Organisation

On the basis of these four themes, the company management sets overarching targets for the entire company, which are monitored continuously using a balanced scorecard.

Company Policy and Code of Conduct

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Our Company Policy is an overarching governing document that forms the basis for how we make decisions and conduct our daily business activities. The Company Policy sets out Strukton's basic principles, comprising our vision, business concept, overarching objectives and core values. Another vital governing document is our Code of Conduct. The Code of Conduct defines Strukton's core values and provides guidance on how employees and other parties commissioned by Strukton are to conduct themselves in various situations. Each manager is responsible for ensuring that employees receive training in the Code of Conduct every four years, and that our business partners are informed about the Code.

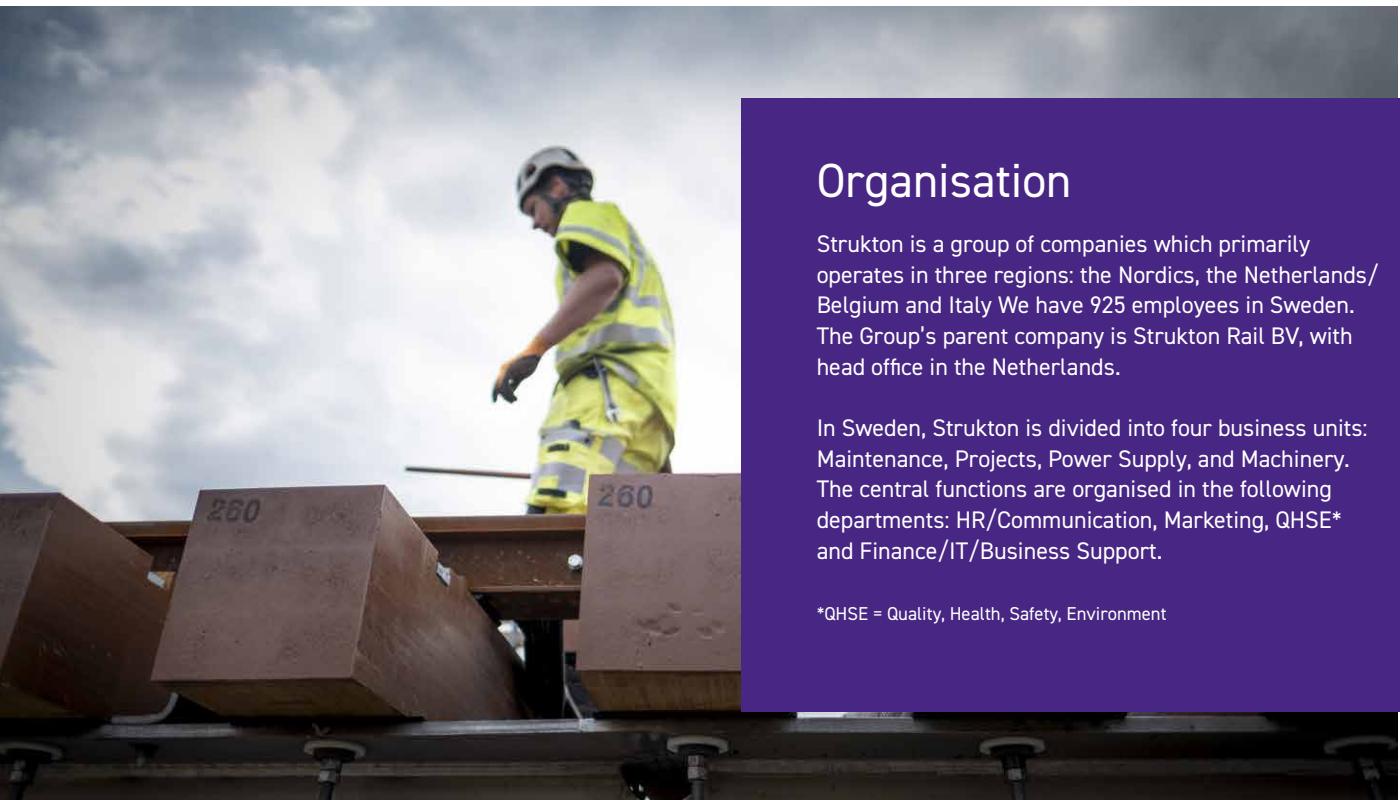
We also have practical tools such as internal company policies, procedures and instructions, which are included in Strukton's management system.

Certified management system

Strukton is certified according to ISO standards for quality, environmental management, health and safety, and welding. For us, these certifications are proof that we are working systematically and progressing towards continuous improvement. The company's certification bodies perform two periodic audits per year to monitor that Strukton Rail is managed in compliance with the requirements in the three standards. The purpose of the audit is to ensure that the management system is maintained, updated and efficient at meeting the organisation's goals.

Strukton also has ECM certification with regard to the management, development and control functions. ECM is an abbreviation of Entity in Charge of Maintenance. The purpose of ECM certification is to ensure that the entity in charge of maintenance has a certified management system and can guarantee that the vehicles the unit is responsible for meet ECM requirements.

Strukton became certified in May 2023 according to the Co₂ Performance Ladder. All companies in the Strukton Group are now certified according to step 5, the highest level.



Organisation

Strukton is a group of companies which primarily operates in three regions: the Nordics, the Netherlands/Belgium and Italy. We have 925 employees in Sweden. The Group's parent company is Strukton Rail BV, with head office in the Netherlands.

In Sweden, Strukton is divided into four business units: Maintenance, Projects, Power Supply, and Machinery. The central functions are organised in the following departments: HR/Communication, Marketing, QHSE* and Finance/IT/Business Support.

*QHSE = Quality, Health, Safety, Environment

Focus on corporate social responsibility

Since 2017, we have been employing a systematic and long-term approach with a focus on eight prioritised sustainability areas where we have the biggest impact and which are of the greatest significance for our stakeholders. Strukton contributes to community building and development by helping to keep rail systems running smoothly. We are proud to contribute to one of the most energy-efficient and most sustainable modes of transport available – trains.

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MANY FACTORS IMPACTED Strukton and the surrounding world during the year. These factors included war, climate change, energy crises and inflation, as well as political decisions. We have intensified our sustainability management in collaboration with our parent company, Strukton Groep. By jointly updating and identifying material issues in line with the upcoming Corporate Sustainability Reporting Directive (CSRD), we are equipping Strukton to contribute to a sustainable future in a long-term perspective.

Strukton's identified focus areas are: Anti-corruption, Safety, Occupational health and safety, Terms of employment, Transport emissions, Financial performance, Supplier relations, Gender equality and diversity.

Future requirements for transparency and comparability

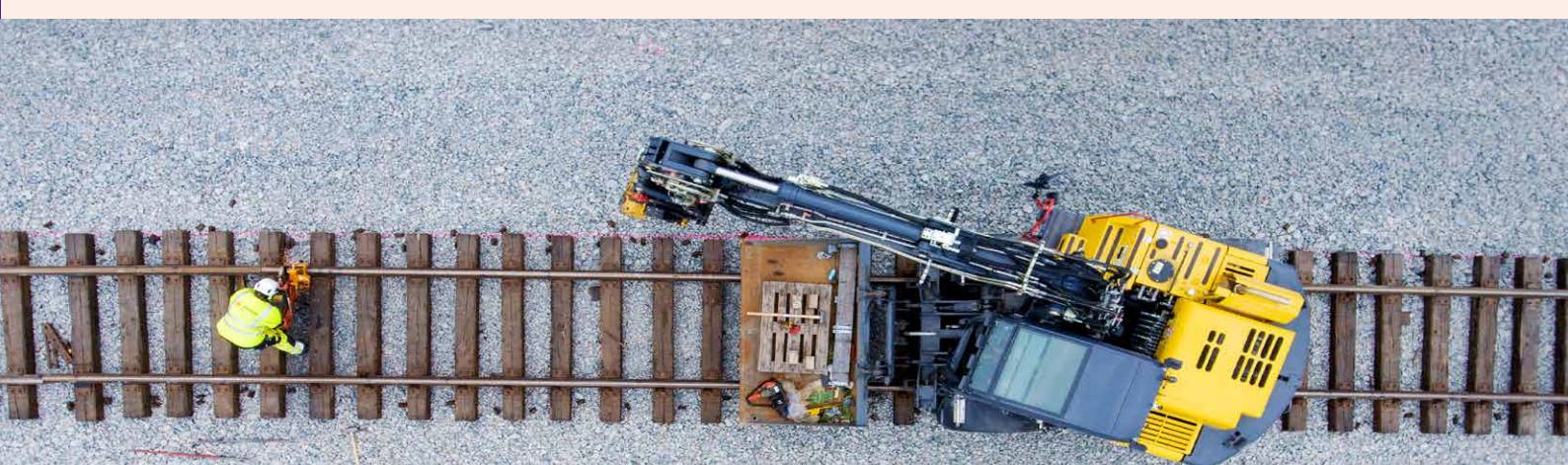
Under the new EU Corporate Sustainability Reporting Directive (CSRD), Strukton will be required to prepare a sustainability report in compliance with the new European Sustainability Reporting Standard (ESRS). The new directive aims to increase transparency and compara-

bility regarding companies' impact on people and the environment, as well as the way sustainability issues, in turn, impact companies. In response to the directive, our parent company, Strukton Groep, will prepare the Sustainability Report for the entire Strukton Group including Strukton Rail. The first report under the new directive will be the 2025 report, which will be published in the first half of 2026.

Stakeholder analysis and double materiality analysis

Materiality analyses will be carried out to identify the sustainability areas we should focus on. In 2023, we started working on a double materiality analysis in line with future CSRD requirements. The issues we prioritise in our sustainability efforts are determined by our stakeholders' views, our impact on people, the environment and society, and the way Strukton is, in turn, impacted financially.

We also conducted a stakeholder analysis during the year, which serves as a basis for the materiality analysis to be completed in 2024. The stakeholder analysis did not



result in any major changes to the focus areas compared to the previous year, and the identified key stakeholders remained the same.

Ongoing stakeholder dialogue

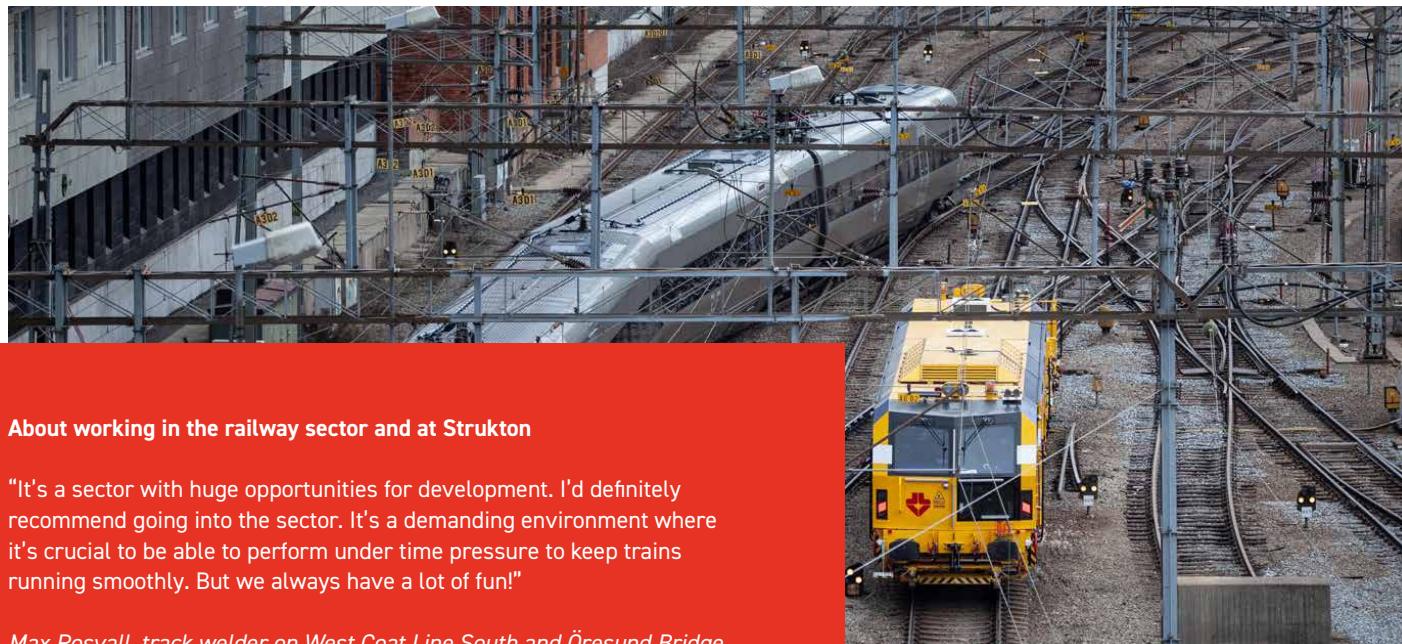
The work on our stakeholder analysis and the double materiality analysis resulted in a deeper dialogue with our stakeholders in 2023. We have sent out questionnaires and conducted interviews to understand and identify key sustainability issues. The final interviews will take place in early 2024. We also maintain ongoing dialogue with our stakeholders through ordinary communication forms and channels, such as employee surveys, supplier dialogues, and client surveys. The aim is to create an understanding of Strukton's internal needs, and of external demands and expectations regarding our business operations.

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This helps us to identify and review our challenges and opportunities in the area of sustainability.

Integrated, target-oriented work

Strukton works on sustainability in an integrated way, which means that sustainability is included in all functions' strategies. Our core values, Company Policy, and Code of Conduct form the overarching framework for our sustainability management. Our approach with targets, activities and follow-up is under constant development. The work is done according to a multi-year plan, with the overarching objective of improving Strukton's sustainability performance and promoting a sustainable society. To measure the progress of our sustainability work, we have defined measures and targets that we work towards.



About working in the railway sector and at Strukton

"It's a sector with huge opportunities for development. I'd definitely recommend going into the sector. It's a demanding environment where it's crucial to be able to perform under time pressure to keep trains running smoothly. But we always have a lot of fun!"

Max Rosvall, track welder on West Coast Line South and Öresund Bridge

Stakeholder group

Prioritised issues

Dialogue form

Owners	... Safety, Financial performance, Personal development/in-service training	... Board meetings, etc.
Clients	... Anti-corruption, Transport emissions, Gender equality and diversity	... Client value surveys, regular meetings, etc.
Public agencies	... Safety, Anti-corruption, Occupational health and safety	... Audits/inspections, training, etc.
Employees	... Safety, Occupational health and safety, Terms of employment	... Employee surveys, workplace meetings, etc.
Suppliers	... Occupational health and safety, Safety, Terms of employment	... Supplier meetings, audits, etc.
Trade unions	... Occupational health and safety, Safety, Financial performance	... Ongoing interaction, negotiations, etc.
Competitors	... Safety, Terms of employment, Occupational health and safety	... Sector organisations, joint representative bodies, etc.

Our common responsibility

Sustainable Development Goals

In 2015, the world's countries adopted Agenda 2030, with 17 Sustainable Development Goals. All businesses have an important role to play, and Strukton fully supports Agenda 2030. Through our work, we have an opportunity to actively contribute to several of the goals. In this report, we clarify our contribution by highlighting the goal(s) to which our prioritised sustainability areas are linked.



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Strukton's prioritised sustainability areas



Financial performance

Strukton is a limited company whose shareholders require that we deliver profits. Sustainable profitability over time also enables us to develop in our mission and improve our contribution to societal benefit.



Transport emissions

Climate emissions from transport and production vehicles are our most significant direct environmental aspects. We have a responsibility to reduce emissions and strive to achieve fossil-free operations.



Terms of employment

Good terms of employment are vital for recruiting and retaining employees. We are also responsible for ensuring that our suppliers and subcontractors offer good terms of employment.



Supplier relations

Our suppliers and subcontractors are an important part of what Strukton delivers. Consequently, they must meet the same stringent requirements as we do in terms of quality, ethics, safety and responsibility for people and the environment.



Gender equality and diversity

Our aim is to be an attractive and diverse workplace, where everyone feels involved and is treated equally. We operate in a male-dominated sector, and we work to encourage more women to apply to Strukton and the railway sector.



Safety

Building, operating and maintaining track and railway systems is associated with risks. Consequently, health and safety and a safe track environment are top priorities for Strukton.



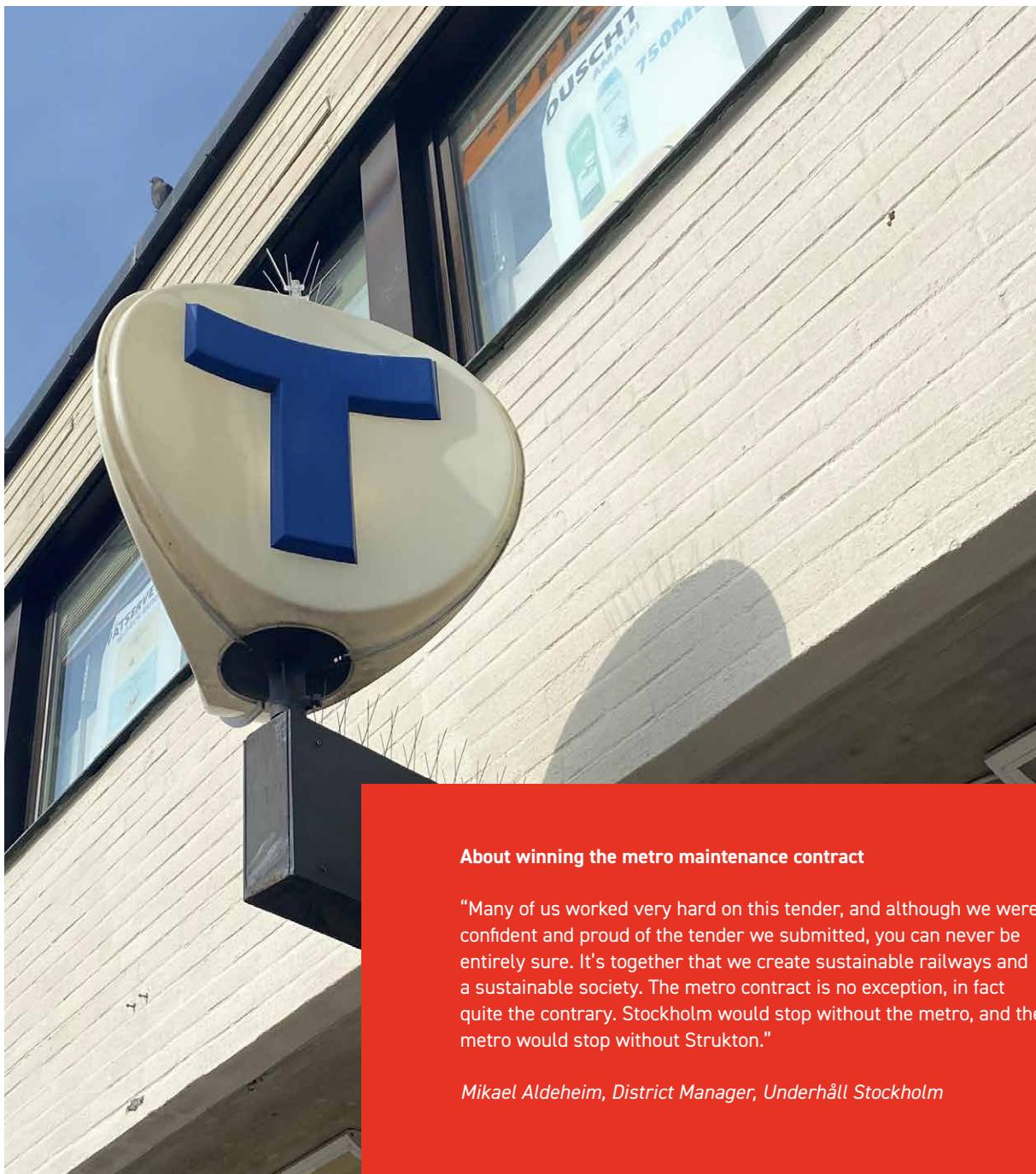
Occupational health and safety

Strukton is a service company, and the core of our business operations are our employee's skills. Ensuring a healthy work environment and securing our future skills supply are critical success factors.



Anti-corruption

Our operations should offer the best possible benefit to society, and our contracts are largely funded with taxpayers' money. With this comes a special responsibility to ensure good business ethics.



About winning the metro maintenance contract

“Many of us worked very hard on this tender, and although we were confident and proud of the tender we submitted, you can never be entirely sure. It's together that we create sustainable railways and a sustainable society. The metro contract is no exception, in fact quite the contrary. Stockholm would stop without the metro, and the metro would stop without Strukton.”

Mikael Aldeheim, District Manager, Underhåll Stockholm



Sustainable economy

For Strukton, a stable economy and long-term profitability over time are key to sustainable business. We work systematically to improve cost-effectiveness and achieve a sustainable profit level.

PROFITABILITY AND GROWTH give us greater opportunity to contribute to sustainable infrastructure and societal development. Our shareholders require us to be profitable in both the short and long terms. Through a clear focus on a commercial approach and on resource-efficiency, and by creating good conditions for everyone working on our contracts, we work continually to improve what we deliver, with more satisfied clients as a result.

2023 – a productive year

The financial year 2023 was a very productive year with high sales. Sales were SEK 2.8 billion, 8 % more than the previous year. Sales dropped by 4 % in the Maintenance business area but rose by 35 % in the Projects business area. External sales for the machine pool increased by 4 %. Operating loss was SEK -126 million (29 million 2022). The financial market turbulence had a negative impact on profit, due particularly to the revaluation of Strukton's pension liabilities but also to partial redemption

of personal pension liabilities. The profit was also affected by impairments due to cost rises and increased machine maintenance.

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In 2023, Strukton paid just over SEK 270 million in tax (payroll tax, corporate tax and VAT).

Strong order intake

Strukton's order backlog consists largely of long-term operation and maintenance contracts, which provides a stable basis for sustainable financial development. Operation and maintenance activities accounted for approximately 68 % of sales in 2023 (75 % 2022). Our order book grew significantly after Strukton won the 2024 metro maintenance contract and the Värnamo railway yard project. Combined with other contracts won in Power Supply and Projects and augmentation of existing contracts, the order intake was SEK 3.9 billion. At year end, Strukton's total order backlog was SEK 6 billion (4.9 billion 2022). This is an excellent foundation for continued sustainable development.

We continue to focus on systematic work processes for continuous improvement, as this is one of our long-term strategic goals. Numerous tools and work processes were digitalised during the year, and our production system was introduced in four new maintenance contracts. The system will continue to be optimised to achieve the desired effect and benefit. System support for financial planning was introduced in finance.

The higher requirement for reporting from internal and external stakeholders will continue to require further digitalisation and greater information security.



Outcome

Measurable targets and outcome

Long-term sustainable profit level, measured as operating margin

	Target 2024	Target 2023	Outcome 2023	Outcome 2022
	2.6 %	1.7 %	-4.5 %	1.1 %

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE





About contact with politicians regarding the situation prior to winter

"A number of representatives of the railway industry, including myself, met with Infrastructure Minister Andreas Carlson today to discuss the situation prior to winter 2023/2024. I took the opportunity to stress that snow removal is primarily about making room for the next snowfall, which means scheduling times on the track when work can be done safely and efficiently."

Lars Schylander, senior specialist, former Managing Director

Strukton as a workplace

Our employees and their competencies are the core of our business. A healthy work environment, strong, value-based leadership and clear skills development are key success factors in ensuring employee satisfaction and retention.

WITH A HIGH level of skills and expertise, modern technology and great responsibility, Strukton's employees help our clients achieve punctual, safe, climate-smart transport every day.

Our responsibility and our clear societal contribution

A healthy work environment and a strong supply of skills are key aspects of our business. Our most fundamental responsibility as an employer in the railway sector is to ensure the safety of those working on the tracks, where certain risks are present (read more about work environment safety on page 21). In addition to our responsibility for employees, Strukton has a clear role in delivering societal benefit by helping to keep railways operating

smoothly despite external challenges in a turbulent external situation with war in our vicinity and climate change.

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Skills development for employees and leaders

Strukton is continuing to develop and expand its leadership development programme, and several new modules were launched and implemented in 2023. Demand for the programme is high, and evaluations show a high approval rating for the courses. During the year, we implemented Strukton's leadership introduction, Strukton leadership 1, Labour law for managers at Strukton, and carried out training in management by objectives linked to our principles concerning pay and salaries. In addition, we launched two new modules in the leadership programme: Rehabilitation and substance abuse and Crisis management for managers.

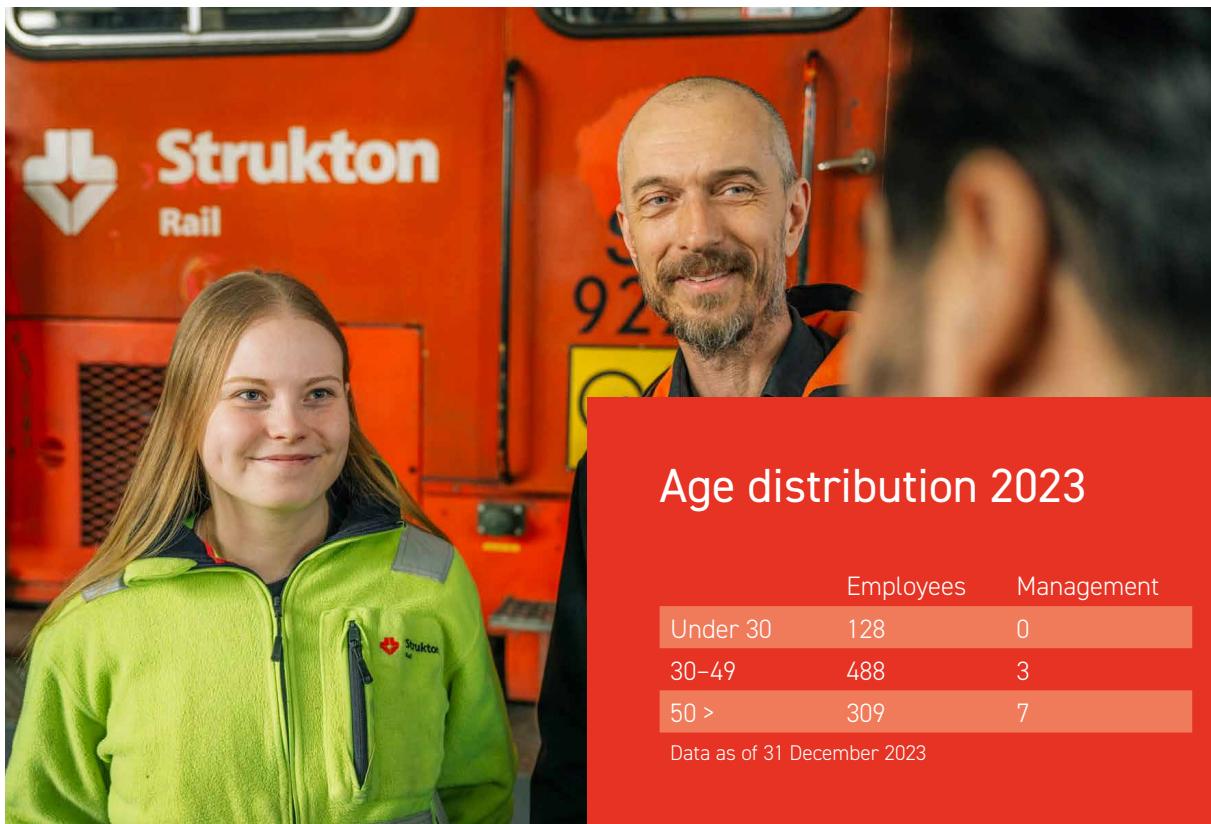
During the year we also produced a digital training in our salary setting for white-collar employees, which is targeted at all employees. We also provide a number of trainings targeted at various roles, e.g. in AMA/MER, finance, cybersecurity and health and safety.

Our training department provides railway-specific training courses for internal employees and external clients. We had a total of 4,625 course participants in 2023, of which 2,532 were internal employees and 2,093 were external clients. The courses were primarily traffic safety training courses for the Traffic Administration in Stockholm's facilities.



'Our training department provides railway-specific training courses for internal employees and external clients.'





Age distribution 2023

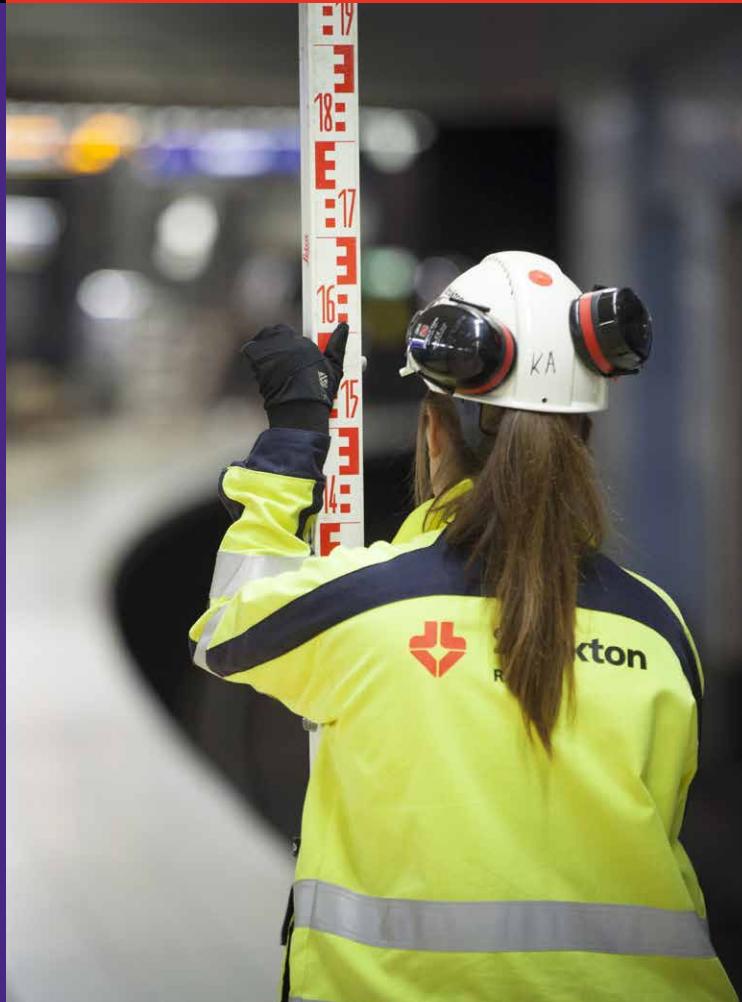
	Employees	Management
Under 30	128	0
30-49	488	3
50 >	309	7

Data as of 31 December 2023

Gender distribution



Gender distribution for all employment positions at any time during each calendar year. In 2023, the total number of employees was 925, of which 572 were skilled workers and 353 were white-collar workers.





Engaged employees

During the year, Strukton adopted a new method for employee surveys. The annual survey will be replaced with regular pulse surveys at two-week intervals with questions in nine areas such as leadership, work situation, participation and engagement. This provides important support for personal development and participation in the workplace, giving both employees and managers a simple, useful method for making ongoing improvements.

We set annual targets related to employee engagement, such as leadership and elimination of bullying, victimisation, discrimination and harassment. The 2023 targets were set using the old employee survey as a measurement method, which makes evaluation slightly difficult since the measurement method changed during the year. New targets linked to our new measurement method will be set for 2024.

As we recently launched the pulse surveys and the method requires a few rounds of questions before trends can be identified, we do not yet have sufficient data to be able to report with certainty on the current situation. However, we can see that some employees experienced victimisation and harassment during the year. We take this very seriously, and will continue to implement our diversity strategy, which includes training on how to treat each other and how we can learn and benefit from differences.

All employees are offered an annual performance and career development review to discuss their need for

development as well as occupational health and safety issues. During the appraisal, we also set targets for the coming year and evaluate achievement of the previous year's targets. For white-collar employees, this takes place through a specific process in which goal achievement, as well as fulfilment of our employee and (if applicable) leadership criteria, serve as a basis for salary progression. Skilled workers have a collectively agreed salary progression linked to their skills.

Diversity and inclusion

Strukton aims to set a good example in diversity and inclusion. We operate in a male-dominated sector, and we actively strive to attract more women to the railway sector and to be an inclusive organisation.

All employees at Strukton are covered by collective agreements, and we perform annual salary reviews to ensure equal pay. We actively work to ensure that everyone in the company has the same career opportunities, regardless of gender or background. Reported discrimination and harassment is always investigated using internal or external specialist expertise. During the year we launched a diversity game to facilitate discussion of these topics in work teams. It proved a highly popular tool, with just over 60 skilled workers and over 200 white-collar employees taking part in various rounds of the game.

The management team comprises four women and six men.

Big need for recruitment and attractive employer

Strukton continues to see great demand for recruitment and, like all other actors, must work actively to ensure a future supply of talent. We recruited almost 300 employees in 2023. This was significantly more than usual, due to the start-up of four new contracts. To meet the increasing demand, we have reinforced our recruitment department to be able to manage recruitment in-house. The EVP (employer value proposition) that we produced last year has proved extremely useful and beneficial. The EVP contains a summary of Strukton's vision, identity and values. Its purpose is to generate interest in Strukton, attract the best prospective employees and retain our existing employees. The content of the EVP is based on, and describes, the aspects that our target group finds most attractive about us as an employer, according to information we have gained through questionnaire surveys, focus groups and in-depth interviews with existing employees. The four principles at the centre of our offering are: we believe in you, we help and learn from each other, we work with our heart and we work safely and sustainably.

We have developed our job advertisements in social media, and have worked with external suppliers who sponsor these advertisements to reach a wider audience and reach our target group with greater accuracy. The number of job applicants has increased, so we can now handle roughly 90% of all our recruitment internally (compared to 80% previously). This is because we now attract enough candidates through our own advertisements to be able to recruit without using external recruitment agencies' candidate databases. Since the start of the year we have doubled the number of unique candidates, i.e. people who apply to us via our own advertisements.



We also measure engagement with our advertisements, i.e. how many people click, read or comment on the ads.

Since launching our EVP (and adapting our social media advertisements and presence accordingly), we can see that 50% of those who click on our ads are women, and we have increased the number of female applicants from 5 % to 13%. This contributes to our aim of increasing the proportion of female skilled workers and female managers.

There is high demand throughout the industry for vocationally trained skilled workers. In collaboration with other industry actors, Strukton drives various initiatives to promote our sector to lower and upper secondary school students, in order to encourage more people to apply for upper secondary school programmes from which they can go on to study railway engineering at vocational colleges. In late autumn, Strukton was named Career Company 2024, thus winning this title for the second consecutive year. The jury's statement:

"Strukton sets a good example in the industry and stands out as a highly appreciated employer thanks to a strong focus on employee satisfaction and development. The company creates a positive, inclusive corporate culture with collaboration and engagement as central components."

"Strukton invests in its employees' skills and career development, which creates a platform for professional growth and development in the organisation. Strukton's employees are not only staff, but a valuable part of the company."

"We recruited almost 300 employees in 2023. This was significantly more than usual, due to the start-up of four new contracts."



About working in the railway sector and at Strukton

"The railway industry is really on the rise. Railways are an environmentally friendly alternative that reduces environmental impact from the transport sector, and it's an area where you can really make a personal contribution. What's more, everybody I've met here is friendly, fun and knowledgeable. No two days are alike at Strukton. You're constantly developing and learning new things."

Heléne Lundholm, District Manager, Underhåll Nord



"Everyone who works in the track environment, both our own staff and suppliers, must be trained in safety."

Prioritised health and safety risks during maintenance work on tracks:

- Accidents related to traffic and electrical safety
- Heavy lifting and crushing injuries
- Slipping and stumbling injuries

Safe work environment

Railway work is always associated with certain risks. Ensuring a safe work environment for everyone who works on or near the railway tracks is our top priority.

Preventive risk management

Our safety work is governed by laws and regulations together with Strukton's safety policy. Before the start of each project, we prepare the work, assess risks and prepare health and safety plans. Workplace checks are carried out through health and safety rounds and inspections. In 2023, 354 internal workplace inspections of various types and 14 reviews of ongoing projects and operations were carried out.

To prevent accidents, it is crucial that everyone who works on track facilities has adequate knowledge and a high level of safety awareness. Everyone who works in the track environment, both our own staff and suppliers, must be trained in safety. In 2023, we continued developing a new protection and safety planning system to increase user friendliness and streamline the follow-up of work in track environments.

Local awareness crucial in track environment

When work is carried out in the track environment, the railway's signal system is used to protect the whole work site. Local awareness is needed in order for employees to identify where there are risks and be familiar with the safety system at every specific workplace. The railway infrastructure manager is responsible for ensuring that local information about the facility is made available. As a contractor, we are responsible for ensuring that the staff participating in the work receive the right information. Strukton has continued working on improving internal procedures regarding local awareness.

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Clear policy regarding alcohol and drugs

Strukton takes the issues of drugs and alcohol at workplaces very seriously. We have a random sampling programme in which 20% of our employees are tested annually by an external company through workplace visits. All Strukton employees, agency staff and subcontractors



About working in the railway sector and at Strukton

"It's an exciting and instructive sector with lots going on and many opportunities for learning from each other. If you love working in a team, you'll really enjoy it. The railway sector serves an important societal function, which makes it all the more rewarding to work in."

Lovisa Almespång, electrical technician

Outcome

Measurable targets and outcome

	Target 2024	Target 2023	Outcome 2023	Outcome 2022
Safe and healthy work environment (LTAR = Lost Time Accident Rate, number of work-related accidents per million hours worked)	4	4	5.8	4.1



are included in the sampling, and we take action if an employee needs support from the occupational health service or cannot have safety- or security-related duties for health reasons.

Follow-up and improvement work

We follow up on our safety work during regular workplace inspections, both at Strukton's and our suppliers' facilities. Procedures and processes to prevent risks that could cause personal injury are inspected particularly thoroughly. But we also follow up on minor deficiencies, e.g. in documentation, training and safety management, which could ultimately cause risks to arise. If more than three deficiencies are noted in a project during the follow-up period, rectifying measures must be taken, even in the case of minor deficiencies.

In 2023, we continued looking at how behaviour affects safety in our workplaces, and we continued training our employees in our crisis management procedures.

Reporting to the organisation

Even with high ambitions and thorough efforts, everyone can make mistakes. We see mistakes as an opportunity to develop and improve. Through monthly reporting on quality, environment and occupational health and safety, the organisation is kept informed on current status and incidents that have occurred. The follow-up also enables continuous sharing of experiences and active improvement work through the year. The monthly report includes KPIs for near-accidents, workplace accidents and undesirable events. The report also details the five most serious traffic and electrical safety incidents to have occurred during the month, such as collisions and derailments.



Work safely ... or not at all

Our safety platform is a compilation of ten key principles that we follow every day. The overarching motto is that everyone should return home safely – passengers, train staff and everyone working on the tracks. Everyone who works in the track environment, both our own staff and suppliers, must be trained in safety. Subcontractors must have a safety manager in order to perform works at our premises.

"We follow up on our safety work during regular workplace inspections, both at Strukton's and our suppliers' facilities."



- 1. We work safely... or not at all**
- 2. We teach new colleagues how to work safely**
- 3. We work preventively**
- 4. We plan our work well**
- 5. We have an orderly workplace**
- 6. We check and follow up**
- 7. We review our partners**
- 8. Everyone is entitled to stop a work process**
- 9. We follow up to learn**
- 10. We collaborate in the sector**



About the Ängelholm–Helsingborg double track

"The double track between Ängelholm and Helsingborg (Maria) is now connected, after a ten-week track closure. This was the final stage of a major project that we have been working on with Skanska since 2020. The connection was completed successfully, and we handed the track over to the Swedish Transport Administration in good time. Everyone involved made a fantastic contribution and did a great job on the project."

Mikael K. Nilsson, District Manager, Projekt Syd

Strukton's occupational health and safety management system

- Strukton has an occupational health and safety management system that is certified according to ISO 45001.
- Accidents, near-accidents and risk observations are registered in our FOA database and handled accordingly.
- Employees are involved in health and safety matters through the health and safety committee, the co-determination group and locally through staff meetings.
- Risk assessments are carried out prior to organisational changes and before all work in track environments.
- All staff undergo targeted and relevant training on risks that could be present at the work site. Staff with roles in railway safety are trained for their specific roles.
- All employees are covered by occupational health services, and wellness allowance is paid to promote employee health.
- Skills and qualification requirements are placed on both our own and agency staff. Work in the track environment is governed by extensive regulations. Workplace checks and follow-up are carried out through health and safety rounds and inspections.

Purchasing and supplier relations

We strive for long-term, stable supplier relations, and we place the same high requirements on our suppliers as we do on ourselves in terms of quality, safety and responsibility for people and the environment.

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SUPPLIERS AND SUBCONTRACTORS represent an important part of Strukton's operations and undertakings. In 2023, Strukton's total supplier purchasing amounted to just over SEK 2.2 billion, with the purchases primarily comprised of materials, external resources and subcontractors.

Improved purchasing process

All our suppliers must undergo an approval and qualification process. The requirements vary according to whether a supplier supplies materials or services, and whether or not they operate in a track environment. Our clients impose clear requirements on us to ensure the security of our supply chain. 100% of our Category A suppliers have passed a supplier assessment.

We introduced a digital procurement tool in 2023. This tool reduces administration and ensures via APIs (application programming interfaces) that our suppliers meet the requirements imposed by us and our clients in the supplier assessment, in real time.

Sustainability aspects in the supply chain

The risks that could arise in our supply chain mainly concern safety, occupational health and safety and the terms of employment of our external resources and subcontractors. As part of Strukton Rail's systematic purchasing, quality and safety efforts, we follow up on these risks by monitoring compliance with Strukton Rail's and our clients' requirements throughout the supply chain. In 2023,

this was done by means of supplier follow-up and review. As regards environmental impact from materials, most of the materials used in our contracts are purchased directly from our largest client, Swedish Transport Administration Logistics, and are thereby assured from a sustainability perspective. Other materials are inspected and checked by us based on equivalent criteria.

REQUIREMENTS AND ASSESSMENT OF SUPPLIERS

In our supplier assessment, we check the supplier's:

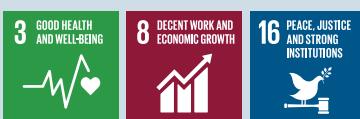
- Processes for assuring quality, safety, environmental responsibility, occupational health and safety and respect for human rights
- Financial position
- Collective agreements
- Certifications
- Insurance certifications

All Category A suppliers must have undergone supplier assessment

Outcome

Measurable targets and outcome

	Target 2024	Target 2023	Outcome 2023	Outcome 2022
All Category A suppliers must have undergone supplier assessment	100 %	100 %	100 %	100 %





About consolidation of electricity contract

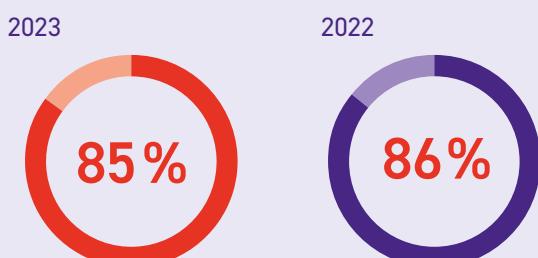
"We are delighted about the consolidation of Strukton Rail's electricity supply contract to one supplier. Choosing 100% renewable electricity from hydropower is a given for us, and means we contribute to a more sustainable society. The effects of the consolidation have exceeded all expectations. This also made the years 2022 and 2023 sustainable from a financial perspective, even though the price of electricity per Kwh reached record levels. We were less severely affected. This means the company really lives up to its motto, *We develop a sustainable railway for a sustainable society.*"

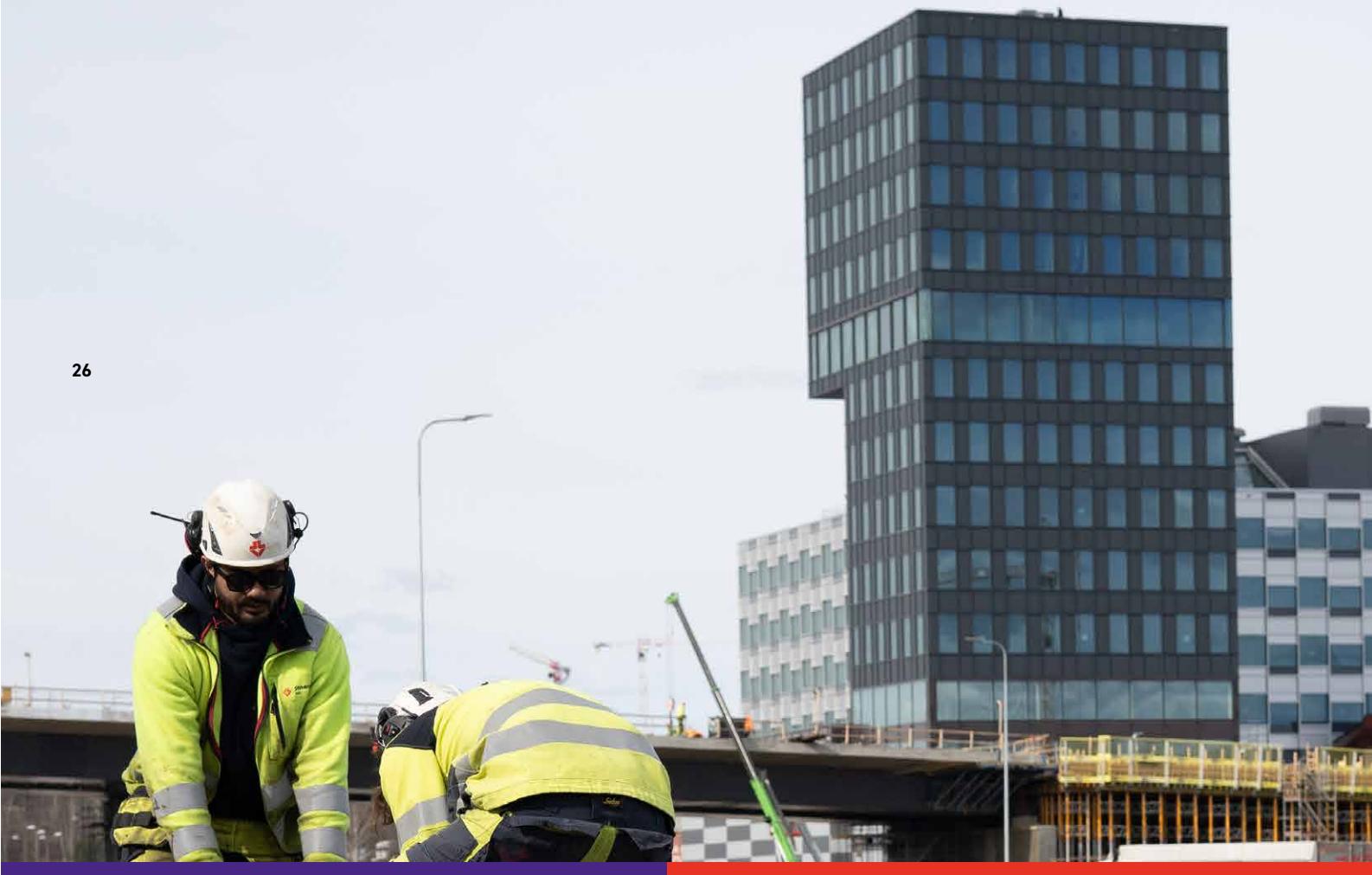
Kristina Halm, strategic buyer

Goal: Increase volume from our contract suppliers

Ambition: To transfer volume to our contract suppliers to increase contract compliance and reduce the number of suppliers. We had 412 contract suppliers in 2023, who together represented 85% of purchase volume.

Proportion of purchases from contract suppliers





EXCERPT FROM THE CODE OF CONDUCT

Business ethics

We want to be known for our honesty and integrity. This should characterise our conduct in everything we do.

Human rights

We respect and protect human rights. It is of the utmost importance that everyone concerned acts in accordance with the accepted standards stipulated by national and international agencies and UN standards.

About collaboration with the Swedish Transport Administration over introduction of the new planning system

"We are in agreement that we can all help to improve the situation, and that a collaboration will enable us to achieve better and more frequent access to the tracks. This is vital in enabling us at Strukton to perform our important maintenance contract. The Swedish Transport Administration has promised to make it possible for contractors and operators to work more closely with the Swedish Transport Administration and with each other to get this to work in the best way possible."

*Lars Schyllander, senior specialist,
former Managing Director*

Business ethics

Strukton stands for good business ethics and takes a clear stand against all forms of bribery and corruption. Our clients, collaboration partners, suppliers and other stakeholders should have confidence in the way we work.

STRUKTON'S GOOD REPUTATION is vital to our long-term success. Even if our operations are largely regulated by law and must comply with many stringent requirements, it is important that we work preventively against corruption. All forms of corruption undermine trust in society and damage both societal and economic development. We therefore need to collaborate with our clients and other stakeholders in combating corruption, and maximise awareness of risks and challenges that arise.

"All forms of corruption undermine trust in society and damage both societal and economic development."



Core values and Code of Conduct

Our core values and Code of Conduct guide us in the way we conduct our business activities and our actions towards our clients, suppliers, competitors and each other. Our core values are the basic principles that guide Strukton's actions, and the Code of Conduct is a living document that is continuously updated according to applicable law, and is a fixed agenda item at our workplace meetings. The Board of Directors and managers are responsible for ensuring compliance with the Code of Conduct, but it is crucial for everyone in the organisation to be familiar with and understand it, and to apply it in their daily work.

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Misconduct

Our employees are encouraged to report any suspected violation of our Code of Conduct or core values. The report should be made to the employee's immediate supervisor wherever possible, or otherwise to the HR department or our chief legal officer.

Zero tolerance of corruption

Our Code of Conduct sets out our rules about bribes and corruption. Our employees may neither offer nor accept gifts, rewards or other benefits

Training for all employees

All employees complete an e-training course on our Code of Conduct, which includes a section on anti-corruption. Refresher courses are carried out every four years.

Whistleblower function

Any suspected cases of misconduct in Strukton's operations can be reported via a whistleblower function. Reports are received and handled by Interaktiv Säkerhet, which acts as an external representative for Strukton. Four reports were received in 2023, which have been investigated and closed.



Environment and climate

We work systematically to reduce our environmental impact and aim to ensure long-term sustainable use of natural resources. Our material environmental issues primarily concern climate-impacting vehicle emissions, management of waste and handling of chemicals.

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OUR ENVIRONMENTAL EFFORTS should be characterised by a circular approach and reduction of environmental impact. We apply the precautionary principle in all decisions that could impact people or the environment. The work is carried out within the framework of our ISO 14001 certified environmental management system. Our routine procedures include imposing environmental requirements on all subcontractors, monitoring compliance with them and performing audits. All employees undergo mandatory online environmental training to learn about their own role in our environmental management.

Compliance with environmental legislation

Strukton uses an online legislation monitoring system to ensure our compliance with applicable environmental laws. Legal compliance is checked annually. Strukton was not served any environmental sanction fees or injunctions in 2023. Strukton's activities do not require any statutory permits or reporting.

Environmental policy and environmental aspects

Our environmental policy underwent a review in 2023 to ensure that it still meets Strukton's and our stakeholders' requirements. Strukton's environmental chart illustrates

Distribution of electric and fossil-fuelled vehicles

Production cars	2023	2022	
Electric		14 %	3 %
Electric hybrid		13 %	14 %
Fossil		73 %	83 %
	100 %	100 %	

Company cars	2023	2022	
Electric		49 %	20 %
Electric hybrid		51 %	80 %
Fossil		0 %	0 %
	100 %	100 %	

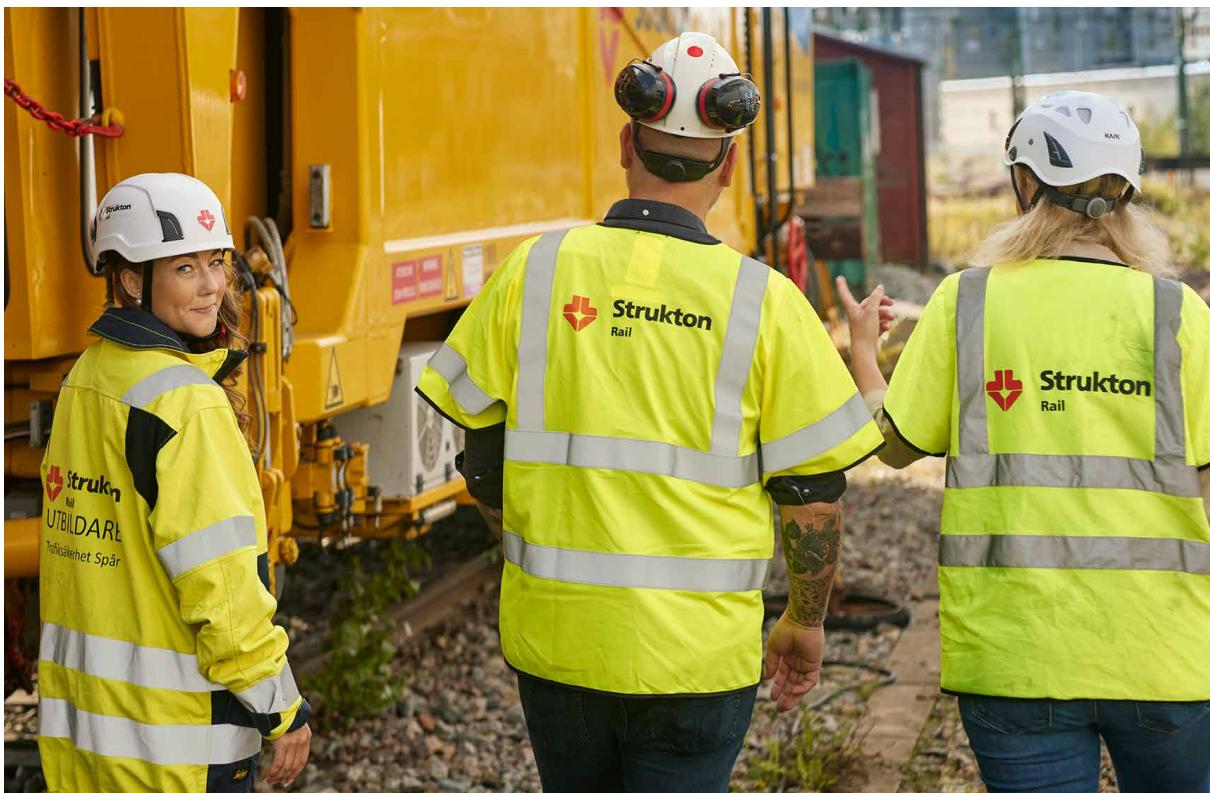
Strukton's activities from an environmental perspective and serves as a tool for identifying and assessing our environmental aspects. As Strukton's activities did not change significantly during the year, the previously identified environmental aspects are deemed to be the same for 2023. Our most significant environmental aspect is emissions from vehicles, machinery and transport. Other significant environmental aspects, although of a lower grading, are our use of chemicals and management of waste.

New certification – CO₂ Performance Ladder

The CO₂ Performance Ladder is a certification system whose primary aim is to encourage organisations to improve their understanding of their carbon emissions and continually seek opportunities to reduce these emissions in their organisation and, consequently, in projects. Our parent company, Strukton Groep, has been certified for many years, and Strukton Nordic was also examined for the certification in 2023. Strukton Nordic met the criteria and obtained the certification. The CO₂ Performance Ladder has 5 levels, and certification can be awarded from level 3. All companies in the Strukton Group are now certified at level 5, which is the highest level.

Target and ambition – fossil-free vehicle fleet by 2030

Strukton has been a member of the Fossil Free Sweden initiative since 2019, and is covered by the roadmap for the construction sector. This entails a commitment to implement tangible climate measures in pursuit of the aims of the Paris Agreement and the 1.5 degrees Celsius target. In our operations, we are focusing on reducing climate impact from vehicles and transport, which is by far our most significant environmental aspect. Since 2021, Strukton has had an environmental target to have a fossil-free vehicle fleet by 2030. Strukton's vehicle fleet comprises cars, light and heavy trucks, work machinery and large, heavy rail-based vehicles. We are in the process of replacing our cars and light trucks with electric equivalents, which is going according to schedule. Replacing our construc-



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Reporting according to the Greenhouse Gas (GHG) Protocol

Greenhouse gas emissions (CO₂e) are reported according to the GHG Protocol, distributed between Scopes 1–3.

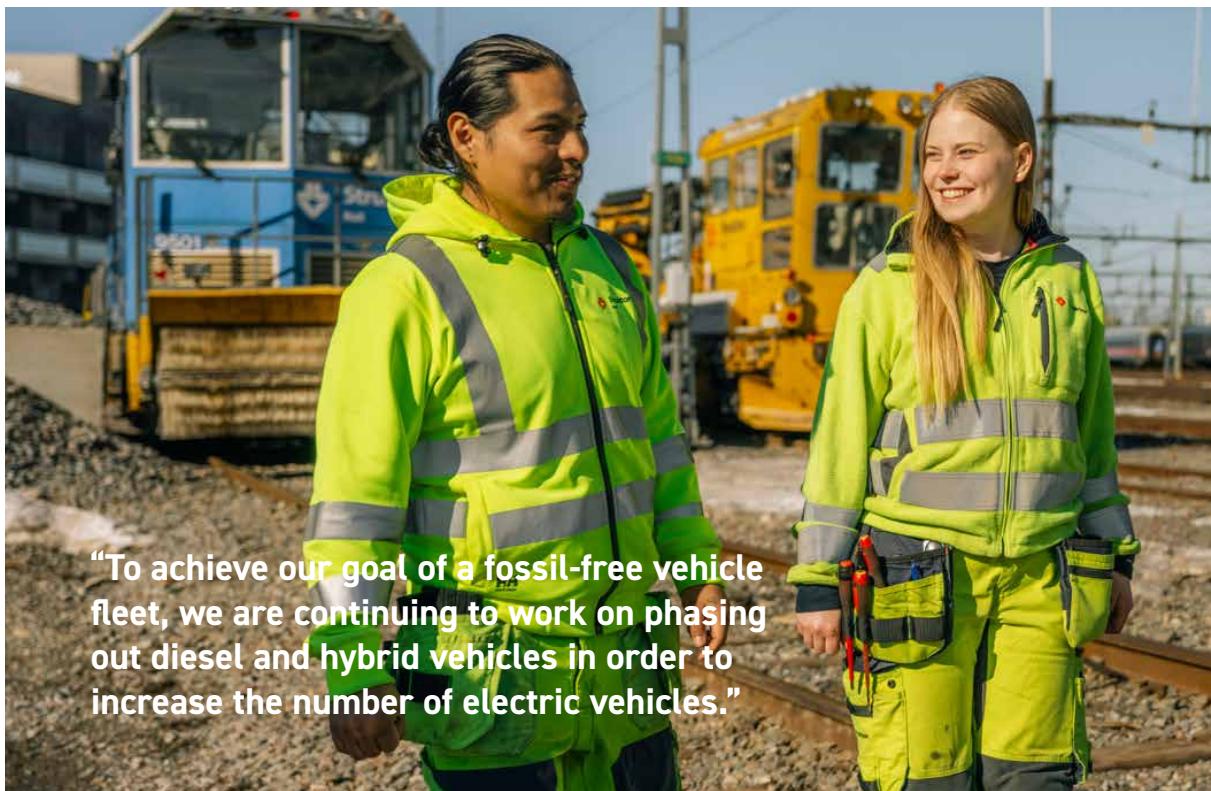
- **SCOPE 1:** All fuel used for the company's production, in the company's own vehicles and machines. For company cars, only fuel used for work-related travel is included. Alkylate petrol used for various tools is excluded, as we currently lack statistics for this. The company produced none of its own heating or cooling during the year.
- **SCOPE 2:** Electricity for properties and vehicle charging facilities that we have control over.
- **SCOPE 3:** Business travel, air, rail, hotel, sea. Everything booked via our travel agent is included.

The result for the year in Scope 1 was 1.21 tonnes CO₂e/MSEK*, an increase of 3% compared to 2022. One of the reasons for this is that we were not able to use the planned amount of HVO100 to fuel vehicles.

	2023	2022	2021
● Scope 1	3,393 tonnes CO ₂ e	3,070 tonnes CO ₂ e	3,546 tonnes CO ₂ e
● Scope 2	3.6 tonnes CO ₂ e	7.71 tonnes CO ₂ e	9.5 tonnes CO ₂ e
● Scope 3	88.9 tonnes CO ₂ e	85.5 tonnes CO ₂ e	89.1 tonnes CO ₂ e

*tonnes of carbon dioxide equivalent (CO₂e) per million SEK of sales.

Note: The Swedish Energy Agency's emission factors were used for calculation of Scopes 1 and 2. Emissions in Scope 3 were calculated using emission factors from the British Department for Environment Food and Rural Affairs (DEFRA).



"To achieve our goal of a fossil-free vehicle fleet, we are continuing to work on phasing out diesel and hybrid vehicles in order to increase the number of electric vehicles."

Waste categories

Waste	2023 (tonnes)	2022 (tonnes)	2021 (tonnes)			
Incineration	3,029.2	50 %	3,188.2	65.0 %	1,728.7	70 %
Recyclable	2,873.8	48%	1,624.8	33.1%	508	20.6%
Landfill	29.2	0.5 %	36.3	0.7 %	33.9	1.4 %
Hazardous waste	87.5	1.5%	56.9	1.2%	1–99.9	8.1%
Total	6,019.7	100 %	4,906.2	100 %	2,470.5	100%

The amount of waste generated in our operations depends on the number of contracts performed by Strukton during the year, which varies. We aim to reduce the amount of waste, and will continue to increase the proportion of separated and recycled waste.

Outcome

Measurable targets and outcome

	Target 2024	Target 2023	Outcome 2023	Outcome 2022
Vehicle emissions are Strukton's most significant environmental aspect. Our target is therefore based on Scope 1 of the GHG Protocol. Because we had a different calculation model in 2021, its values have been recalculated based on the GHG Protocol to allow comparability with 2022.	-10 %	-10 %	3 %	-22 %



tion machinery and rail-based vehicles poses more of a challenge at present. It takes time to develop these vehicles, and the ones available are extremely expensive and have limitations in terms of, for example, power output and capacity. Our aim is for vehicles that have not been replaced with electric equivalents by 2030 to only be powered with renewable fuels. In cases where Strukton has control over an electricity contract, only renewable electricity will be used.

Challenges

A lack of access to fast charging, both at our work sites and on railway facilities, is still a challenge. All-electric vehicles require access to fast charging points, primarily during emergency call-outs and on-call duty. But access to slow charging is also essential. Strategic collaboration with external actors is needed to solve this challenge. Installing charging points at our own work sites is also a challenge, both because we do not own the properties and because we move fairly often. In response to this challenge, in 2022 we developed our own mobile charging point. It made charging easier in 2023, and means we can take the charging point with us when work at the site is completed. The light trucks on the market today cannot cope with the distances required for transport applications in rural areas and northern parts of Sweden. Electric rail-based machines are currently in very limited supply, and are very expensive. Most of Strukton's diesel-powered vehicles and machines can currently be fuelled with HVO100, a better environmental choice. HVO100 is still significantly more expensive than diesel, which means we cannot make maximum use of it.

Systematic climate work and follow-up

To achieve our goal of a fossil-free vehicle fleet, we are continuing to work on phasing out diesel and hybrid vehicles in order to increase the number of electric vehicles. Our proportion of renewable fuel grew slightly in 2023 and is expected to rise further in the coming years. We calculate our greenhouse gas emissions according to the GHG Protocol, a recognised global standard. Our number of business trips by air was roughly equal to the previous year, 442 trips in 2023 compared to 444 in 2022. Strukton has a strict travel policy under which travel by train or other public transport modes must be prioritised. Our progress in reducing air travel was hampered by the fact that in 2023, we started work on the Boden–Holmsund contract in Norrland, where air is sometimes the most time- and cost-effective travel mode. We continue our work on reducing emissions by adhering to our travel policy, progressively transitioning to electric vehicles and using more renewable fuel.

Environmental adaptation of work vehicles, tools and fuel

Work machines and rail-based vehicles carry out much of the work on tracks. They pose a significant environmental risk in the event of diesel or hydraulic oil leaks. No major emissions or leaks were reported during the year. Through our ongoing investment programme for machinery, we

are gradually improving our performance in terms of safety, occupational health and safety and environmental management. In 2023, we invested in engine replacement (to EU Stage V), primarily for rail trolleys but also for a tamping machine. We also purchased small electric and battery-powered machines and tools to reduce use of diesel and alkylate petrol.

Energy audit EKL 2.0

In 2021, in accordance with the Swedish Swedish Act on Energy Audits in Large Enterprises (EKL), a new overall energy audit was performed by a certified energy auditor. The audit confirmed that fuel use is the most material environmental aspect in Strukton's operations. A detailed energy audit was carried out in 2022 with regard to this point. Our plan of action is to continue transitioning to electric cars to reduce the amount of energy consumed through fuel use. This is in line with Strukton's environmental goals. Savings potential was reported to the Swedish Energy Agency in 2023. Pursuant to EKL 2.0, the end result of the energy savings must be reported in 2024.

Improved waste management

The waste generated in Strukton's operations is primarily construction and demolition material from our work sites. In order to satisfy the increasingly stringent statutory requirements and ensure we have control over all generated waste, we collaborate closely with a nationally procured partner. In addition to waste collection, they help with training, waste separation guides and statutory reporting to the Swedish Environmental Protection Agency, regarding, for example, hazardous waste. The hazardous waste mainly comprises chemicals, scrapped electrical equipment and batteries. The incineration category primarily comprises spent sleepers. The total amount of waste in 2023 was approximately 6,019 tonnes, of which approximately 88 tonnes was hazardous waste and 29 tonnes went to landfill. A lower proportion of waste went to landfill and incineration than in 2022. We aim to raise the proportion of our waste that is recycled, and will prepare an action plan in 2024. We monitor waste volumes in four waste categories, as shown in the table on the previous page.

Handling of chemicals

The chemicals handled in our operations are primarily maintenance chemicals such as lubricants and marking paints, but also small quantities of construction chemicals such as cement. Our clients impose strict environmental and health and safety requirements regarding the chemicals we may use. Strukton has clear procedures and quick guides to facilitate the purchasing of approved products. All our chemical products are registered in a web-based chemicals system that is also accessible through a phone app. This gives all employees and subcontractors direct access to safety data sheets and risk assessments for each product via computers and phones. In 2023 we switched completely to a Swedish welding materials supplier. This reduces transport and removes the need to report to the Swedish Chemicals Agency.

Risk Management

Strukton's operations are exposed to both internal and external risks. Active risk management is therefore an important and natural part of our corporate governance. Strukton works continuously to identify and evaluate relevant risks. An extensive risk analysis is performed once a year covering the cross-company risks identified by Strukton that could have serious consequences if they materialise.

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OUR EXTERNAL ENVIRONMENT, both in and outside Sweden, continues to be marked by uncertainty. At Strukton, we see a continued need to be well prepared for external security risks. The war in nearby areas and inflation are risk factors that are difficult to assess and that impact our business.

Protecting information and facilities from potential threats is more imperative than before. The railway system in Sweden has so far been spared from serious incidents, but preparedness is part of our systematic safety management to minimise risks and prevent accidents.

We continuously review our risk management processes, both to streamline and improve them and to meet increasing external demands.

Risk process

Risk management is a learning process that contributes to our strategic work and helps us make well-founded decisions and attain our goals. We are constantly developing our risk process in order to continue to maintain an aggregate risk picture that ties in clearly with the organisation's overarching objectives. The sustainability perspective is an integral part of Strukton's risk management, where risks are assessed and managed on an ongoing basis.

Strukton's risk management

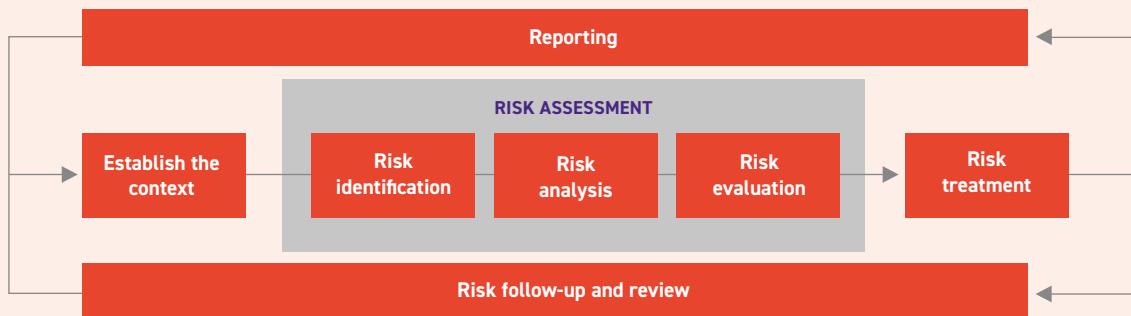
We identify and analyse risks and opportunities based on the principles and processes in the guideline standard for risk management, ISO 31000. We base our work on the method shown below.

Risk overview

Strukton's overarching risk compilation comprises a total of 33 risks, which are evaluated based on the probability of the risk materialising and the consequences if it does. Of the 33 risks, 8 are identified as significant. Environmental risks are managed within the framework of Strukton's environmental management system ISO 14001.



Strukton's risk management process





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2023

33 *of*
which 8

Risks

Significant risks

Risk areas

OVERARCHING COMPANY RISKS

Financial

- Financial reporting
- Interest rate changes
- Creditworthiness
- Liquidity
- Negative margin shift in projects/contracts

Market and external

- Business ethics/Corruption

Operational

- Workplace accidents
- Downtime IT system

“We continuously review our risk management processes, both to streamline and improve them and to meet increasing external demands.”

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders
in Strukton Rail AB, corporate identity
number 556571-9449

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2023 on pages 9–33 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard *RevR 12 The auditor's opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

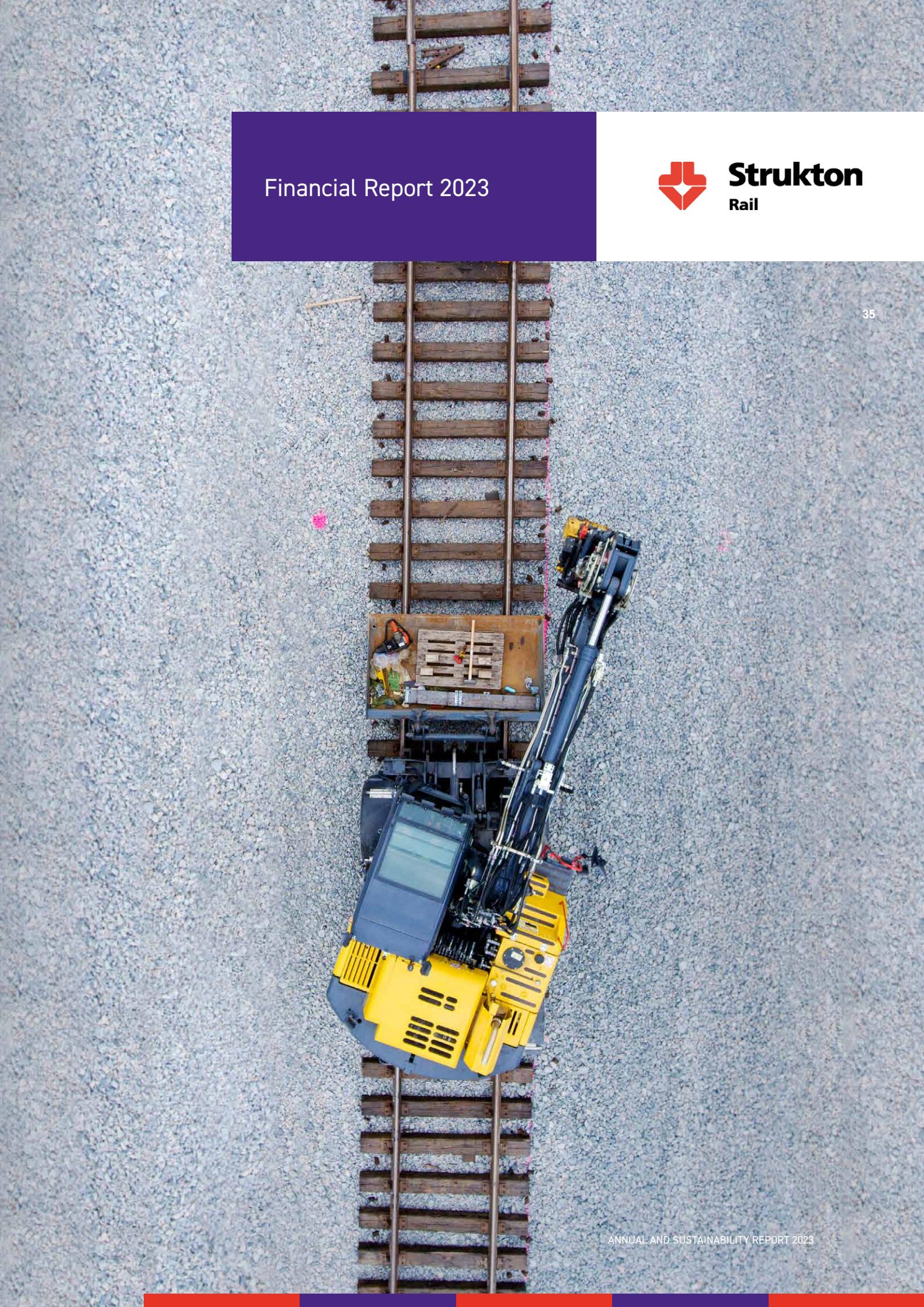
A statutory sustainability report has been prepared.

Helsingborg and Stockholm on 3 June 2024

Mazars AB

Andreas Brodström
Authorized Public Accountant

Johanna Strandroth
Authorized Public Accountant



Financial Report 2023



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Annual Report for the 2023 Financial Year

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The Board of Directors and the Managing Director hereby present the following annual report.

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Balance sheet	41-42
Statement of changes in equity	43
Cash flow statement	45
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Unless otherwise stated, all amounts are presented in thousands of kronor.
Data in brackets refer to the previous year.

Administration Report

Information about the business operation

The Board of Directors and the Managing Director of Strukton Rail AB hereby present the Annual and Sustainability Report for the 2023 financial year. The company was formed on 12 May 1999. The registered office of the company is in Stockholm municipality and, since 2015, the head office of Strukton Rail AB has been in Västberga, south of Stockholm. The company is a wholly owned subsidiary of Strukton Railinfra AB (556634-6747), which in turn is owned by Strukton Rail BV Netherlands.

Strukton Rail AB is a private contractor with a focus on track and railway systems. The company's main clients are the Swedish Transport Administration and the Traffic Administration in Stockholm. The average number of employees during the financial year was 925 (912).

Johan Oscarsson stepped down from the post of Managing Director to assume new challenges and on 15 May 2023 Lars Schyllander took over as the new MD. At the same time, CFO Sofia Sartor became the new Managing Director. Lars Schyllander was previously Business Unit Manager in the Maintenance unit.

In May 2023, the Norwegian subsidiary JPL Rail AS went into bankruptcy. The value of the shares was written down to 0 during the year, which had an impact of SEK 15 million on earnings.

Market

In 2023, the demand for sustainable transport of goods and people by rail continued to grow on the already heavily burdened infrastructure. To improve the accessibility and resilience of the railway system, funding for railway maintenance has steadily increased, with unprecedented levels of investment in recent years. It is now clear that funds will continue to be allocated at this high level, as stated in the Swedish Transport Administration's national plan for transport infrastructure 2022–2033.

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With large investments, the capacity of the facility is a critical factor. Planning, coordination, and synchronisation are crucial success factors for achieving a sound balance between rail traffic, maintenance work, and reinvestment. Together, we can increase productivity, find new ways of doing things, and discover innovative solutions to maximise the value of our investments.

Both clients and contractors are acutely aware of the external factors influencing the sector: climate change poses fresh challenges, escalating raw material costs, shortages of materials and spare parts, and heightened security concerns. In response to these challenges, industry dialogue is underway to jointly address new circumstances.

Multi-year review (kSEK)

	2023	2022	2021	2020	2019
Net sales	2,805,871	2,627,520	2,363,715	2,242,475	2,521,099
Operating profit/loss	-126,320	29,414	50,285	69,616	125,116
Income after financial items	-150,579	-32,581	42,564	-60,305	23,433
Total assets	1,274,382	1,319,474	1,130,744	1,092,761	1,124,645
Number of employees	925	912	953	949	947
Equity ratio (%)	21.7	21.8	21.8	21.4	13.1
Return on equity (%)	neg	neg	17.3	neg	15.9
Cash flow from operating activities	-211,089	244,401	9,122	-22,573	6,027

Performance indicators are defined in note 1.

Significant events during the financial year

BUSINESS OPERATIONS

At the end of the year, Strukton was responsible for 12 of the Swedish Transport Administration's basic maintenance contracts. Basic maintenance started up during the year for the Bergslagen lines (Banorna i Bergslagen), Östergötland and Östra Småland County lines (Länsbanorna i Östergötland and Östra Småland) och the Southern Boden–Holmsund line (Boden–Holmsund Södra), including light railways. For the Stockholm Traffic Administration, option year two is underway for maintenance of the Metro, the Roslag Line (Roslagsbanan), the Lidingö line (Lidingöbanan) and Spårväg City. In the south, Strukton provides maintenance for the Öresund Bridge.

The Projects business unit mainly carries out BEST contracts for the Swedish Transport Administration, the Stockholm Traffic Administration and private operators such as Skanska and Peab. The Power Supply business unit delivers power supply systems for railway infrastructure to the Swedish Transport Administration and BaneNor in Norway. Some exports also go to South Korea.

Significant changes in equity

The value of equity in Strukton Rail AB decreased by SEK 11.4 million. During the year, Strukton received five unconditional shareholder contributions totalling SEK 141.8 million, of which SEK 75.2 million was received in cash and the remainder by Strukton Railinfra AB taking over the EUR 6 million loan from Strukton Groep N.V. and converting it.

Order intake, order book

Strukton saw a strong flow of incoming orders during the year. In 2023, the Maintenance business unit was awarded a maintenance contract for the Metro as part of UH-2024. The contract starts in October 2024 and runs for seven years.

The Projects business unit was awarded a number of major projects, including renovation of the Värnamo and Falu railway yards. As part of the Metro expansion, the Projects unit was also entrusted with the Hammarby–Nacka project. Other major projects that can be mentioned include the Eslöv overhead line upgrade and Duvbo–Spånga phase 1 of the Mälarbanan railway.

Order intake was SEK 4.9 billion at the beginning of 2023 and the order book at the end of the year was SEK 6.0 billion, an increase of 22 %. The order book in the Maintenance business unit increased by 24 % compared with the previous year.

Sales, profit, cash flow

Net sales increased by 6.8 % compared to last year and totalled SEK 2,806 (2,628) million. Approximately 68 % of sales involved operation and maintenance activities, the majority on commission from the Stockholm Traffic Administration and the Swedish Transport Administration. Sales increased in the Projects business unit and

decreased somewhat in the Maintenance business unit. The increase in Projects is mainly related to an ongoing double-track expansion in Ängelholm and two new bypass tracks in Herrljunga.

The operating loss totalled SEK -126.3 (profit: 29.4) million with an operating margin of -4.5% (1.1 %). The result was affected by several contracts in the start-up phase with lower profit margins, along with impairment losses taken for projects in both Maintenance and Projects.

Because of the high inflation, the result is also affected by the pension liability managed in-house through PRI that increased by SEK 28.8 million as of 1 January 2023. The cost of special payroll tax also had a negative impact of SEK 7 million on the operating loss for the same reason.

In 2023, the pension liability with KPA Pension was redeemed, which had a negative impact on the result of SEK 24.8 million including special payroll tax.

Cash flow from operating activities totalled SEK -211.1 (244.4) million. The net flow of acquisitions and disposals of non-current assets totalled SEK -43.5 (-136.8) million.

Cash and cash equivalents at the end of the year totalled SEK 197.5 (340.9) million, of which SEK 180.8 (193.4) million is in blocked accounts. Strukton has an approved overdraft facility of SEK 75 (75) million. Loans of EUR 3.75 million (EUR 6 million) have been borrowed from Strukton Groep N.V. in the Netherlands. Other performance indicators are shown in the Multi-year review.

Significant risk factors

Strukton is exposed to operational, client and external risks, as well as financial risks. Since Strukton works primarily with state and municipal clients, there are also market and political risks. Decisions beyond our control can have major consequences for Strukton's ability to act. In railway contracts, safety is paramount and with the link to safety and health, there are also major regulatory compliance risks.

The greatest risks are mainly in the operational activities, accompanying the contracting process from the procurement stage to completion. Significant risks are associated with resource planning, procurement of subcontractors, attracting and retaining employees, as well as in efficiency in production planning and governance. Safety is a top priority in our operations. Strukton's safety work is conducted systematically to minimise risks and prevent accidents. The management system at Strukton includes processes for managing risks in operational activities.

Strukton applies the percentage of completion method, which means that the profit is recognised based on the stage of completion of the contract and the final cost forecast. This requires reliable forecasts and detailed follow-up. Forecasts are followed up on a monthly basis according to a process developed to ensure correct

valuations and minimise risks and fluctuations in the production of results. Contract expertise linked to finance is an area that is always relevant, with continuous training programmes forming a crucial part of Strukton's efforts to achieve its long-term growth targets.

Financial risks such as currency risk, credit risk and liquidity risk are relatively limited. Strukton is exposed to currency risks to only a minor extent, because most purchases are made in Swedish kronor. In an industry with clear seasonal variations, there is always a liquidity risk. Strukton limits this risk through liquidity planning and by always discussing the possibility of prompt invoicing with our clients. Financial market turmoil has affected the result during the year through factors such as higher interest rates and higher inflation affecting everything from credit, leasing costs, material costs, and more.

The global situation, with conflicts in nearby regions, poses difficult-to-assess risks that may affect our operations, including potential increases in material costs and delayed deliveries. Active and systematic risk management is at the core of our corporate governance. Nevertheless and despite significant risks, Strukton looks to the future with confidence. This optimism is to be considered given the stable economy, sound operations, a solid order book and an increased focus on sustainable travel in the world at large, where the railway is a key.

Strukton is insured against property, business interruption and liability risks arising from its business activities.

Strukton Rail has conducted an extended risk analysis in conjunction with its sustainability efforts.

Expected future developments

Investment in sustainable transport will remain high and it does not appear likely that investment in railways will decline in the future. The Swedish Transport Administration's main lines need further maintenance to reinforce the robustness of the system, while new construction will be carried out across the country to increase capacity. The company has a well-filled order book, mainly consisting of long-term maintenance contracts. As a result, future developments are expected to be favourable.

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Proposed appropriation of profits

The Board of Directors proposes that the available profits (SEK):

Profits	
Profit brought forward	413,070,072
loss for the year	-153,180,734
259,889,338	

Allocated so as to transfer to a new account 259,889,338

The company's profit/loss and position in general are shown in the following income statement and balance sheet, as well as in the cash flow analysis with notes.

Sustainability Report

Strukton is subject to the requirement to prepare a sustainability report as set out in Chapter 6, Section 11 of the Swedish Annual Accounts Act. The company has chosen to prepare and present the sustainability report integrated in this annual report. The company has conducted a materiality analysis to identify its material sustainability areas.

The area of human rights is integrated into many of the material sustainability areas that Strukton has identified, but is not presented as a separate section in this

materiality analysis, as the issue is integrated into many parts of the business. Respect for human rights in Strukton's operations concerns requirements placed on suppliers and contractors, but also includes active safety work on the job, encompassing our own employees, contractors, partners, clients and the public. Strukton's active work on gender equality and diversity is also part of the work on respecting human rights. The sustainability report in accordance with the Swedish Annual Accounts Act is presented on the following pages.



Income statement

(kSEK)

	Note	1 Jan. 2023- 31 Dec. 2023	1 Jan. 2022- 31 Dec. 2022
Operating income			
40 Net sales	2, 3, 4	2,805,871	2,627,520
Other operating income		2,112	465
Total operating income		2,807,984	2,627,985
Operating expenses			
Materials and subcontractor expenses		-1,574,028	-1,429,956
Other external expenses	5, 6	-310,790	-236,604
Personnel costs	7	-1,020,010	-903,779
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	8, 10, 11	-29,475	-28,232
		-2,934,304	-2,598,571
Earnings before financial items & income tax (EBIT)		-126,320	29,414
Profit/loss from financial items			
Interest income and exchange gains	13	6,314	2,855
Interest expenses and exchange losses	14	-15,537	-64,850
Impairment of shares in subsidiary		-15,037	-
		-24,259	-61,995
Income after financial items		-150,579	-32,581
Appropriations	15	-	4,374
Income before tax		-150,579	-28,207
Tax on profit for the year	16	-2,601	-
Net earnings for the year		-153,181	-28,207

Balance sheet

(kSEK)

	Note	31 Dec. 2023	31 Dec. 2022
ASSETS			
41			
Non-current assets			
<i>Intangible assets</i>			
Accumulated expenditure for development works	8	4,912	4,317
Intangible assets in progress	9	2,375	285
		7,287	4,602
<i>Property, plant and equipment</i>			
Equipment, tools and fixtures	10	14,441	12,711
Machinery and other technical equipment	11	154,690	157,278
Construction in progress and advance payments	12, 17	32,046	17,780
		201,177	187,768
<i>Financial assets</i>			
Participations in group companies	18, 19	131,190	146,227
Other non-current receivables		1,323	1,323
		132,513	147,550
Total non-current assets		340,978	339,920
Current assets			
<i>Current receivables</i>			
Accounts receivable		384,539	316,413
Receivables in group companies		110,397	123,551
Other receivables		5,806	10,286
Income accrued but not invoiced	20	155,223	110,382
Prepaid expenses and accrued income	21	79,894	77,972
		735,860	638,603
<i>Cash and bank</i>	22	197,544	340,951
Total current assets		933,405	979,554
Total assets		1,274,382	1,319,474

Balance sheet

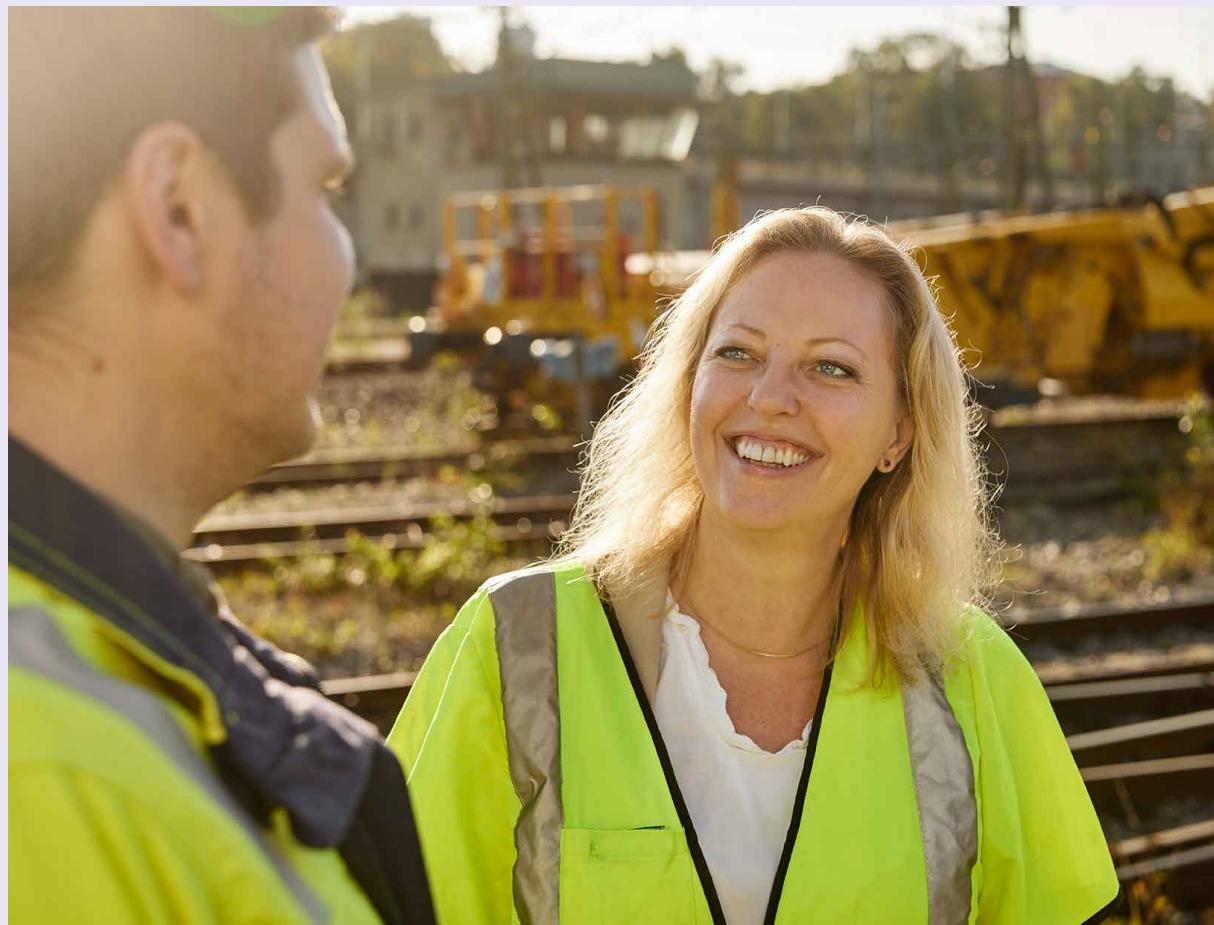
(kSEK)

	Note	31 Dec. 2023	31 Dec. 2022
EQUITY AND LIABILITIES			
42			
Equity	23, 24		
Restricted equity			
Share capital		100	100
Statutory reserve		20	20
		120	120
Non-restricted equity			
Retained profit or loss		413,070	299,522
Net earnings for the year		-153,181	-28,207
		259,889	271,314
Total equity		260,009	271,434
Untaxed reserves	25	20,741	20,741
Provisions			
Provisions for pensions and similar obligations	26	301,055	328,617
Other provisions	27	35,801	2,266
Total provisions		336,856	330,884
Current liabilities			
Accounts payable		243,089	166,268
Liabilities to group companies		118,091	147,523
Current tax liabilities		2,973	771
Other liabilities		24,415	28,257
Invoiced but not accrued revenue	28	78,393	143,780
Accrued expenses and prepaid income	29	189,814	209,816
Total current liabilities		656,776	696,415
Total equity and liabilities		1,274,382	1,319,474

Statement of changes in equity

(kSEK)

	Share capital	Statutory reserve	Accumulated profit or loss	Total equity
Opening equity 1 January 2022	100	20	226,165	226,285
Unconditional shareholders' contributions received			73,357	73,357
Net earnings for the year			-28,207	-28,207
Closing equity 31 December 2022	100	20	271,314	271,434
Opening equity 1 January 2023	100	20	271,314	271,434
Unconditional shareholders' contributions received			141,756	141,756
Net earnings for the year			-153,181	-153,181
Closing equity 31 December 2023	100	20	259,889	260,009





Cash flow statement

(kSEK)

	Note	1 Jan. 2023- 31 Dec. 2023	1 Jan. 2022- 31 Dec. 2022
Operating activities			
Earnings before financial items		-126,320	29,414
Adjustments for items not included in the cash flow	30	94,817	77
Interest received		3,447	2,039
Interest paid		-6,761	-19,264
Income tax paid		-2,601	4,998
Cash flow from operating activities before change in working capital		-37,417	17,264
Cash flow from changes in working capital			
Change in group receivables		13,154	75,785
Change in trade receivables		-68,126	91,325
Change in current receivables		-42,283	-3,537
Change in trade payables		76,821	16,126
Change in group liabilities		-64,007	-17,251
Change in current liabilities		-89,231	64,689
Cash flow from working activities		-211,089	244,401
Investing activities			
Investments in intangible assets		-4,528	-324
Investments in property, plant and equipment		-41,063	-122,517
Sale of property, plant and equipment		2,112	465
Investments in subsidiaries		-	-14,400
Investments in financial assets		-	-1,323
Cash flow from investing activities		-43,479	-138,099
Financing activities			
Amortisation of loans from group companies		-33,370	-
Dividend received from group companies		1,406	-
Shareholder contribution received		75,180	73,357
Loans from group companies		67,945	66,731
Cash flow from financing activities		111,161	140,088
Cash flow for the year		-143,407	246,390
Cash and cash equivalents at beginning of year			
Cash and cash equivalents at beginning of year		340,951	94,561
Cash and cash equivalents at year-end		197,544	340,951

Notes

(kSEK)

NOTE 1 ACCOUNTING AND VALUATION POLICIES

General disclosures

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Strukton Rail AB's annual report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board General Guidelines BFNAR 2012:1: Annual and Consolidated Accounting (K3)

The accounting policies are essentially unchanged from the previous year.

Consolidated accounts have not been prepared, in accordance with the exemption provision in Chapter 7, section 2 of the Swedish Annual Accounts Act. The company is a wholly owned subsidiary of Strukton Railinfra AB, Corporate ID number 556634-6747 with registered office in Stockholm. Strukton Railinfra AB prepares the consolidated financial statements for the Nordic group.

Assets, provisions and liabilities have been valued at cost unless otherwise stated below.

Intangible assets

Intangible assets in Strukton Rail AB consist of development costs for business systems.

Property, plant and equipment

Property, plant and equipment are recognised at cost after deductions for accumulated amortisation and impairments.

Financial assets

Financial assets in Strukton Rail AB comprise participations in group companies and, where relevant, in associated companies.

Impairment testing of financial assets

At each balance sheet date, Strukton Rail AB assesses whether there is any indication of a need for impairment in any of the financial assets. Impairment occurs if the decrease in value is deemed to be permanent. The need for impairment is tested individually for shares and participations and other individual financial assets that are significant. Examples of indications of a need for impairment are negative financial circumstances or unfavourable changes in sector terms in companies in which Strukton Rail AB has invested in shares. Impairment of assets valued at accrued cost of acquisition are calculated as the difference between the asset's carrying amount and the present value of the company management's best estimate of the future cash flows, discounted with the asset's original effective interest rate. If shares

are impaired, the impairment amount is determined as the difference between the carrying amount and the highest of the fair value, less selling costs, and the present value of future cash flows.

Financial instruments

Financial instruments are recognised in accordance with the rules in K3 Chapter 11, which means that valuation is based on cost. A financial asset or financial liability is recognised in the balance sheet when Strukton Rail AB becomes a party to the contractual terms of the instrument. A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, are settled or when the company loses control over it. A financial liability, or part of a financial liability, is derecognised when the contractual obligation is discharged or otherwise extinguished.

On initial recognition, current assets and current liabilities are measured at cost. Non-current receivables and non-current liabilities are initially measured at amortised cost. Borrowing costs are amortised as part of the interest cost of the loan using the effective interest method (see below).

For measurement after initial recognition, current assets are measured at the lower of cost or net realisable value at the balance sheet date. Current liabilities are measured at nominal value.

Non-current receivables and liabilities are measured after initial recognition at amortised cost.

Amortised cost

Amortised cost means the amount at which the asset or liability was initially recognised less amortisation, plus or minus the cumulative accrual using the effective interest method of the initial difference between the amount received/paid and the amount to be paid/received at maturity, less any impairment losses.

The effective interest rate method is the rate that, when discounting all future expected cash flows over the expected term, results in the initial recognition of the financial asset or financial liability.

Impairment testing of financial assets

At each balance sheet date, Strukton Rail AB assesses whether there is any indication that one or several financial assets has decreased in value. Examples of such indications include significant financial difficulties of the borrower, a breach of contract, or that it is probable that the borrower will enter into bankruptcy. For financial

assets measured at amortised cost, impairment is calculated as the difference between the asset's carrying amount and the present value of management's best estimate of future cash flows, discounted at the asset's original effective interest rate. For assets with variable interest rates, the current interest rate as of the balance sheet date is used.

Additional expenses

Additional expenses that meet the asset criteria are included in the carrying value of the asset. Expenses for continual maintenance and repairs are reported as costs when they are incurred.

Depreciation

Depreciation is done on a straight-line basis over the estimated useful life of the asset, because this reflects the expected consumption of the asset's future financial benefits. The depreciation is recognised as a cost in the income statement.

Useful life	
Machinery	10–20 years
Equipment, tools and fixtures	5 years
Technical installations	10 years

Operating leases

Lease payments under operating leases, including initial rent increases but excluding expenditure on services such as insurance and maintenance, are recognised as an expense on a straight-line basis over the lease term. All leases are recognised as operating leases.

Foreign currency

Foreign currency items

Monetary items in foreign currency are translated at the exchange rate in effect on the balance sheet date. Non-monetary items are not translated, and are instead recognised at the exchange rate in effect at the time of acquisition. Exchange rate differences that arise in adjustment or translation of monetary items are recognised in the income statement in the financial year in which they arise.

Employee benefits

In the company, there are both defined-benefit and premium-based pension plans. Strukton is currently covered by collective bargaining agreements on ITP occupational pensions for white-collar employees and SAF-LO pensions for blue-collar workers.

Defined-benefit pensions

For white-collar employees with ITP 2 pensions, retirement pension with obligatory credit insurance is reported as a liability. The pension liability with PRI was frozen

as of 31 December 2020. Nowadays, premiums are paid monthly. The liability is recognised under "Provisions for pensions and similar obligations". In addition, there is a commitment (pension liability) from the time when parts of the company were covered by the municipal pension plan. This pension liability with KPA Pension was redeemed in 2023.

Premium-based pensions

For blue-collar workers and white-collar employees with ITP 1 pensions, premium-based pensions apply, with payments to pension insurance schemes according to the respective collective bargaining agreement. No pension liability arises here.

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Tax

Tax on the profit/loss for the year as shown in the income statement comprises current tax and, where applicable, deferred tax. Current tax is income tax for the current financial year that relates to the year's taxable profit, and income tax from previous financial years that has not yet been recognised. Deferred tax is income tax on taxable profit relating to future financial years as a result of earlier transactions or events.

Deferred tax liability is recognised for all taxable temporary differences, but deferred tax attributable to untaxed reserves is not recognised separately. Untaxed reserves are instead reported as a separate item on the balance sheet. Deferred tax assets are recognised for deductible temporary differences. The valuation is based on how the recognised value of a corresponding asset or liability is expected to be recovered or settled. The amounts are based on the tax rates and tax regulations that are adopted before the balance sheet date, and have not been given present value.

Deferred tax assets have been valued to a maximum of the amount that will probably be recovered based on current and future taxable profit. The valuation is reviewed on every balance sheet date.

Provisions

A provision is recognised in the balance sheet when the company has a legal or informal obligation as a result of a past event, and when it is probable that an outflow of resources will be required to settle the obligation and when it is possible to make a reliable assessment of the amount. On the first reporting occasion, provisions are valued at an amount that corresponds to the best estimate of the payment required to settle the obligation on the balance sheet date. The provisions are reviewed on every balance sheet date.

Contingent liabilities

A contingent liability is a possible obligation resulting from events that have occurred, and whose occurrence is only confirmed if one or more uncertain future events that are not completely within the company's control occur or do not occur; or when there is an existing obligation

that is not reported as a liability or provision because it is not likely that an outflow of resources will be required to settle the obligation or because it cannot be estimated with sufficient reliability.

Revenue

Revenue is reported as the fair value received or that the company will receive for its own account, after deductions for value added tax, discounts or similar deductions. Revenue is recognised only if it is probable that the economic benefits will fall to the company. In cases of uncertainty, a bad-debt loss is reported under costs in the income statement.

For investment projects and operation and maintenance contracts, the company applies the percentage of completion method, measured as the expenses paid in the project in relation to the estimated costs for the entire project. One requirement for this principle is that the project can be forecast in a reliable way. If there is uncertainty about this, revenues are recognised to cover expenses paid. On the balance sheet, the difference between accrued revenue and invoicing is recognised as a current asset, and accrued revenue that is not invoiced is reported as a current liability.

A possible loss in both operation and maintenance contracts and investment projects is reported as soon as it becomes known. A possible loss is reported as a cost. Costs for tenders are not capitalised.

Leasing of machinery is reported on a straight-line basis over the leasing period.

Dividends

A dividend is recognised when the Board of Directors has decided that a dividend will be paid.

Appropriations

Changes in untaxed reserves are reported as year-end appropriations in the income statement. Group contributions are recognised as year-end appropriations.

Shares and participations in subsidiaries

Shares and participations in subsidiaries are reported at acquisition cost after deduction for any impairments. The acquisition value includes the purchase price paid for the shares and acquisition costs. Any capital contributions are added to the acquisition cost when they are made. Dividends from subsidiaries are recognised as income from shares in subsidiaries.

Equity

Equity is divided into restricted and non-restricted equity, in accordance with the division in the Swedish Annual Accounts Act.

Untaxed reserves

Untaxed reserves are reported as a gross amount in the balance sheet, including the deferred tax liability attributable to the reserves.

Performance indicator definitions

Net sales

Main revenue from the operation, invoiced costs, revenue from other activities and revenue corrections.

Operating profit/loss (EBIT)

Profit after depreciation and amortisation but before financial items.

Income after financial items

Profit after financial revenue and expenses but before year-end appropriations and taxes.

Total assets

The company's total assets.

Equity ratio (%)

Adjusted equity (equity and untaxed reserves, with deduction for deferred tax) as a percentage of total assets.

Return on equity (%)

Profit after financial items as a percentage of adjusted equity (equity and untaxed reserves, with deduction for deferred tax).

NOTE 2 NET SALES BY BUSINESS UNIT AND GEOGRAPHICAL MARKET

	2023	2022
Net sales broken down by business unit:		
Operation and maintenance contracts	1,912	1,982
Investment projects	894	646
	2,806	2,628

Of the total net sales, 99 % (99 %) occurred in Sweden.

NOTE 3 ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimates and assumptions are reviewed on a regular basis, and are based on historical experience and other factors, including expectations regarding future events. The actual outcome may deviate from the assumptions made earlier.

The percentage of completion method is based on final-stage forecasts for the projects. This means there is always an uncertainty in assessing future forecasts. In order to increase reliability and control, the forecasts are regularly updated and assessed.

In the event of disputes with suppliers and clients, a plausibility assessment has been carried out based on the information that is known and considered in the accounts.

Guarantee commitments apply for certain performed services, so any future guarantee expenses have been estimated.

Trade receivables are recognised as the amount that is expected to be paid, after deduction for individually assessed possible credit losses. Every individual project is assessed individually, and reservations are made if there is a need for impairment.

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NOTE 4 RELATED-PARTY TRANSACTIONS

The share of the year's procurement and sales relating to group companies are shown below.

	2023	2022
Procurement	5.05 %	6.69 %
Sales	0.77 %	0.87 %

Management fee costs amount to SEK 9,837 thousand (SEK 12,107 thousand). Management fee revenue amounts to SEK 6,500 thousand (SEK 5,815 thousand).

NOTE 5 OPERATING LEASES

Lease costs for the year related to leases for vehicles and premises amount to SEK 85,780 thousand (SEK 68,721 thousand). Future minimum lease fees, regarding leases that cannot be terminated, are due for payment as follows:

	2023	2022
Within one year	75,061	66,263
Later than one year but within five years	112,290	91,017
After five years	1,929	1,929
189,280	159,209	

The future lease fees are based on agreements for vehicles and premises.

NOTE 6 FEES TO AUDITORS

The Annual General Meeting in May 2023 elected Mazars AB as new auditors.

	2023	2022
PwC		
50 Audit engagement	-223	-1,935
Tax advice	-	-58
Other services	-75	-
	-298	-1,993
Mazars		
Audit engagement	-1,755	-
Other services	-30	-
	-1,785	-

The item 'Audit engagement' includes quality assurance services and advice or other assistance resulting from observations made during such audits or the performance of such other tasks.



NOTE 7
EMPLOYEES AND PERSONNEL EXPENSES

	2023	2022	51
Average number of employees			
Women	110	107	
Men	815	805	
	925	912	
			51
Salaries and other benefits			
Board of Directors and Managing Director	-3,312	-2,517	
Other employees	-647,963	-603,933	
	-651,275	-606,450	
Social security costs			
Pension costs for the Board of Directors and Managing Director	-1,190	-908	
Pension costs for other employees	-122,645	-71,369	
Social security charges provided for by law and agreements	-228,767	-213,134	
	-352,602	-285,411	
Total salaries, remuneration, social security costs and pension costs	-1,003,877	-891,861	
Gender distribution among senior executives			
Number of women on the Board	1	1	
Number of men on the Board	3	3	
Number of women among other senior executives	4	5	
Number of men among other senior executives	6	6	

Agreement on severance pay

A mutual notice period of six months is agreed and applies in the event of termination at the Managing Director's request as well as in the event of termination at the request of Strukton Rail AB.

NOTE 8
ACCUMULATED EXPENDITURE FOR DEVELOPMENT WORKS

	31 Dec. 2023	31 Dec. 2022
Opening cost	27,839	24,461
Reclassifications	2,438	3,378
Closing accumulated cost	30,276	27,839
52		
Opening depreciation	-23,522	-21,561
Depreciation/amortisation for the year	-1,843	-1,961
Closing accumulated depreciation	-25,365	-23,522
Closing carrying amount	4,912	4,317

NOTE 9
INTANGIBLE ASSETS IN PROGRESS

	31 Dec. 2023	31 Dec. 2022
Opening cost	285	3,339
Procurement	4,528	324
Reclassifications	-2,438	-3,378
Closing accumulated cost	2,375	285
Closing carrying amount	2,375	285

NOTE 10
EQUIPMENT, TOOLS AND FIXTURES

	31 Dec. 2023	31 Dec. 2022
Opening cost	48,720	45,983
Sales/disposals	-5,591	-97
Reclassifications	7,122	2,834
Closing accumulated cost	50,251	48,720
 Opening depreciation	 -36,010	 -30,070
Sales/disposals	5,583	60
Reclassifications	254	-
Depreciation/amortisation for the year	-5,637	-6,000
Closing accumulated depreciation	-35,810	-36,010
Closing carrying amount	14,441	12,711

NOTE 11
MACHINERY AND OTHER TECHNICAL EQUIPMENT

	31 Dec. 2023	31 Dec. 2022	53
Opening cost	350,215	239,684	
Procurement	-	17,092	
Sales/disposals	-1,445	-1,163	
Reclassifications	19,661	94,602	
Closing accumulated cost	368,431	350,215	
Opening depreciation	-192,937	-173,676	
Sales/disposals	1,445	1,011	
Reclassifications	-254	-	
Depreciation/amortisation for the year	-21,995	-20,272	
Closing accumulated depreciation	-213,741	-192,937	
Closing carrying amount	154,690	157,278	

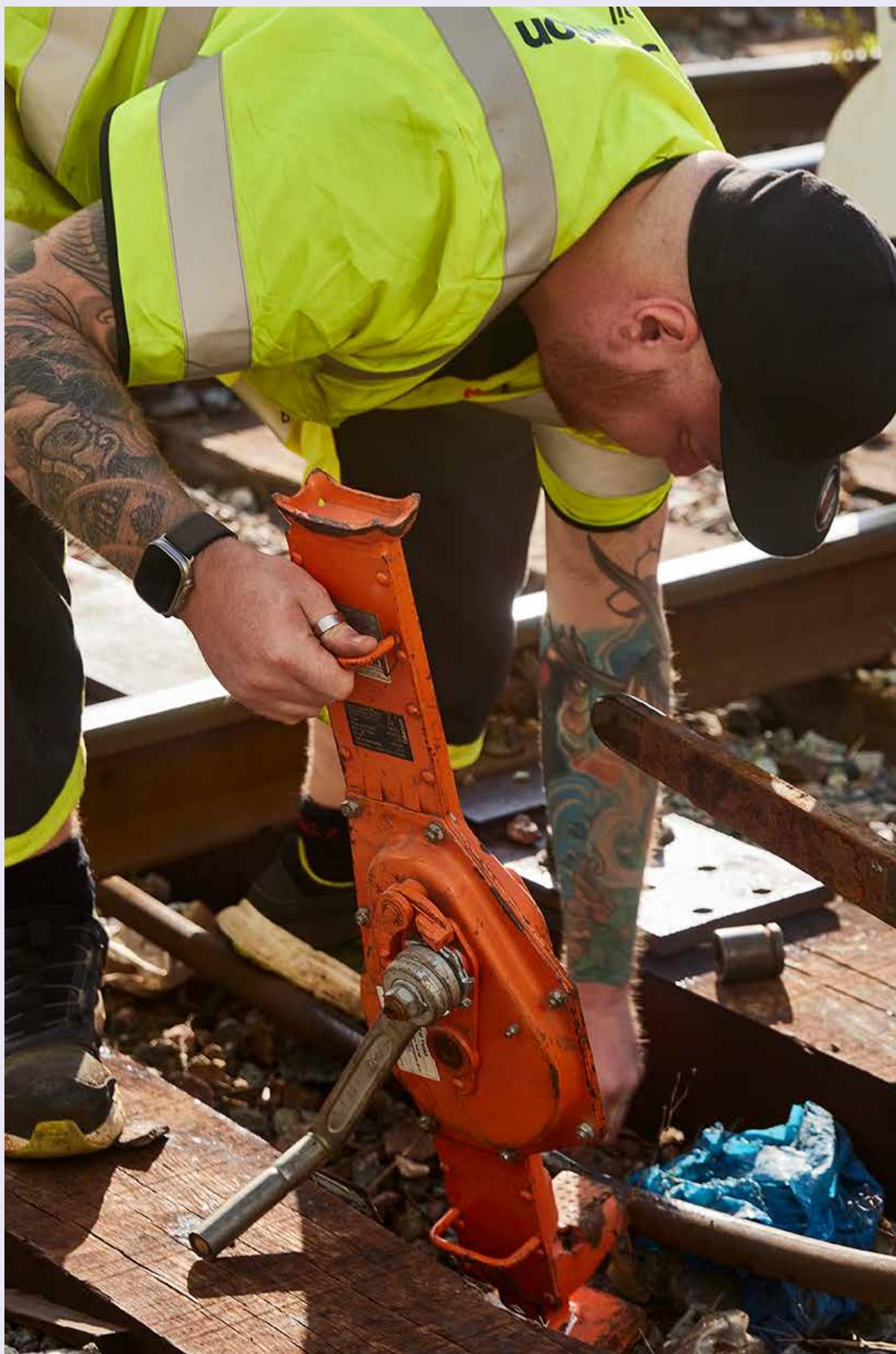
NOTE 12
CONSTRUCTION IN PROGRESS AND ADVANCE PAYMENTS

	31 Dec. 2023	31 Dec. 2022
Opening cost	17,780	9,791
Procurement	41,063	105,425
Sales/disposals	-14	-
Reclassifications	-26,782	-97,436
Closing accumulated cost	32,046	17,780
Closing carrying amount	32,046	17,780

NOTE 13
OTHER INTEREST INCOME AND SIMILAR ITEMS

	2023	2022
Dividends from group companies	1,406	-
Interest income from group companies	77	398
Other interest income	3,371	1,641
Currency exchange gains	1,460	816
6,314	2,855	

A dividend was received from Tri Stockholm AB during the year.



NOTE 14
INTEREST EXPENSES AND SIMILAR ITEMS

	2023	2022
Interest expenses to group companies	-3,794	-2,552
Other interest expenses incl. currency exchange losses	-1,411	-9,686
Financial expense pensions	-10,332	-52,611
	-15,537	-64,850
		55

In 2022, the item 'Financial expense pensions' included SEK 44.3 million related to the increase in pension liability as of 1 January 2022 as a result of the decision by the non-profit association PRI to change the calculation bases for old-age pensions in the ITP2 scheme.

NOTE 15
APPROPRIATIONS

	2023	2022
Reversal from accrual fund	-	4,374
	-	4,374

NOTE 16
CURRENT TAX

	2023	2022
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Tax on profit for the year

Current tax attributable to previous years	-2,601	0
Total recognised tax	-2,601	0

Reconciliation of effective tax

	2023	2022		
	Percent	Amount	Percent	Amount
Income before tax		-150,579		-28,207
Tax according to current tax rate	20.60	31,019	20.60	5,811
Non-deductible expenses		-264		-329
Non-taxable income		528		400
Loss carry-forwards		-31,283		-5,880
Taxable income		0		-2
Tax attributable to previous years in NUF		-2,601		-
Reported effective tax	-1.73	-2,601	0.00	0

NOTE 17 GOVERNMENT GRANTS

In 2022, a grant of SEK 180 thousand was received for the investment cost of charging stations at Strukton's workplaces.

NOTE 18 PARTICIPATIONS IN GROUP COMPANIES

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	31 Dec. 2023	31 Dec. 2022
Opening cost	353,947	339,547
Procurement	-	14,400
Closing accumulated cost	353,947	353,947
Opening impairment	-207,721	-207,721
Impairment for the year	-15,037	-
Closing accumulated impairment losses	-222,757	-207,721
Closing carrying amount	131,190	146,227

The shares in the Norwegian subsidiary JPL Rail AS were written down to 0, as the company went into bankruptcy proceedings. On 31 August 2022, 60 % of the shares in Tri Stockholm AB were acquired.



NOTE 19
SPECIFICATION OF PARTICIPATIONS IN GROUP COMPANIES

				31 Dec. 2023
Name	Share of capital	Share of voting rights	Number of shares	Carrying amount
Strukton Rail A/S	100	100	500	116,790
JPL Rail AS	100	100	108,000	0
Tri Stockholm AB	60	60	600	14,400
				131,190
	Corporate ID no.	Registered office		
Strukton Rail A/S	20 286 547	Denmark		
JPL Rail AS	998 086 221	Norway		
Tri Stockholm AB	556774-4452	Stockholm		

The Norwegian subsidiary JPL Rail AS went into bankruptcy in 2023. The value of the shares in JPL Rail AS were written down to 0. On 31 August 2022, 60% of the shares in Tri Stockholm AB were acquired.

NOTE 20
INCOME ACCRUED BUT NOT INVOICED

	31 Dec. 2023	31 Dec. 2022
Accrued income	179,379	181,491
Amounts invoiced	-24,155	-71,109
	155,223	110,382

NOTE 21
PREPAID EXPENSES AND ACCRUED INCOME

	31 Dec. 2023	31 Dec. 2022
Prepaid rents	13,589	11,901
Other prepaid expenses	60,555	59,873
Prepaid insurance premiums	5,751	6,198
	79,894	77,972

NOTE 22
BANK OVERDRAFT FACILITY

	31 Dec. 2023	31 Dec. 2022
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Approved overdraft facility amounts to	75,000	75,000
	75,000	75,000

At year-end, SEK 69.8 (83.4) million of the cash and bank balance is in blocked accounts with DanskeBank relating to guarantees as well as SEK 111 (110) million relating to PRI pension guarantees.

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NOTE 23
SHARE CAPITAL

Share capital consists of 1,000 class A shares with a nominal value of SEK 100.

NOTE 24
PROPOSED ALLOCATION OF PROFIT OR LOSS

	31 Dec. 2023
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Proposed appropriation of profits

The Board of Directors proposes that the available profits:

Profit brought forward	413,070
Loss for the year	-153,181
	259,889

Be disposed as follows:

To be carried forward	259,889
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NOTE 25
UNTAXED RESERVES

	31 Dec. 2023	31 Dec. 2022
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Accumulated accelerated depreciation	20,741	20,741
	20,741	20,741

NOTE 26
PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

	31 Dec. 2023	31 Dec. 2022	59
Provisions according to Pension Obligations Vesting Act			
- FPG/PRI pensions			
Opening carrying amount	328,617	284,984	
PRI extra inflation adjustment / change in calculation basis	28,829	44,265	
Other	260	-632	
Redemption of KPA pension liability	-56,651	-	
	301,055	328,617	

In light of the increased inflation, the change in calculation bases for old-age pensions in the ITP2 scheme resulted in an increase in the pension liability at PRI of SEK 28.8 million on 1 January 2023. The pension liability with KPA Pension was redeemed in 2023.

On 1 January 2022, the pension liability increased by SEK 44.3 million as a result of the decision by the non-profit association PRI to change the calculation bases for old-age pensions in the ITP2 scheme.

NOTE 27
OTHER PROVISIONS

	31 Dec. 2023	31 Dec. 2022
<i>Guarantee commitments</i>		
The company provides guarantees on certain performed services, and undertakes to repair or replace parts whose performance is inadequate. A provision of SEK 600 (776) thousand has been recognised on the balance sheet date for expected guarantee claims, based on previous experiences of the level for repairs and replacement parts.		
At beginning of year	2,266	29,010
Additional provisions	134,657	14,968
Amounts utilised	-3,439	-43,682
Reversal of unutilised amounts	-97,683	1,970
	35,801	2,266

Provisions for bad-debt contracts

Provisions of SEK 35,202 (SEK 1,490) thousand have been recognised at the balance sheet date for expected bad-debt contracts.

NOTE 28
INVOICED BUT NOT ACCRUED REVENUE

	31 Dec. 2023	31 Dec. 2022
Accrued income	-34,403	-17,952
Amounts invoiced	112,796	161,732
	78,393	143,780

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NOTE 29
ACCRUED EXPENSES AND PREPAID INCOME

	31 Dec. 2023	31 Dec. 2022
Holiday liability including social security charges	64,066	59,805
Accrued salaries	18,768	14,844
Shortened working hours, including social security charges	14,277	13,786
Overtime liability, including social security charges	10,269	9,083
Expected penalties	9,471	849
Production-related costs	48,747	61,446
Administrative expenses	6,533	34,794
Social security charges	17,683	15,210
	189,814	209,816

NOTE 30
ADJUSTMENTS FOR ITEMS NOT INCLUDED IN CASH FLOW

	31 Dec. 2023	31 Dec. 2022
Depreciation	29,475	28,232
Provisions for pensions	18,757	-699
Provisions for bad-debt contracts	33,712	-24,813
Gain/loss on sale of non-current assets	-2,104	-275
Other provisions	-176	-1,931
Unrealised exchange rate differences	117	-438
Impairment of shares	15,037	-
	94,817	77

NOTE 31
PLEDGED ASSETS

	31 Dec. 2023	31 Dec. 2022
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For own provisions and liabilities

Chattel mortgages as collateral, Danske Bank	400,000	400,000
Chattel mortgages as collateral, PRI	50,000	50,000
	450,000	450,000

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Liabilities to credit institutions

Bank guarantees, Artradius	–	7,572
Bank guarantees, Danske Bank	57,707	78,672
Bank guarantees, Nordic Guarantees	2,084	2,168
	59,791	88,412

NOTE 32
CONTINGENT LIABILITIES

	31 Dec. 2023	31 Dec. 2022
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Contingencies

PRI pension guarantee	6,021	5,439
KPA pension guarantee	–	1,133
	6,021	6,572

The pension liability with KPA Pension was redeemed in 2023.

NOTE 33
EVENTS AFTER THE BALANCE SHEET DATE

Managing Director Lars Schyllander has given notice that he wishes to terminate his employment. Vice Managing Director Sofia Sartor therefore took over as Managing Director on 1 February 2024.

In light of the increased inflation, the change in calculation bases for old-age pensions in the ITP2 scheme resulted in an increase in the pension liability at PRI of SEK 19.1 million excluding the special payroll tax of SEK 4.6 million on 1 January 2024.

In March 2024, an additional investment in Tri Stockholm AB of SEK 3 million will be made in accordance with the agreement.

**The income statement and balance sheet will be submitted
to the Annual General Meeting for approval.**

STOCKHOLM 2024

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ROBERTUS PIETER VAN
WINGERDEN
Chairman

ARTHUR ERIK PIETER
VLAANDEREN

TROND BLOMBERG
Employee representative

MADELIEN ORVELAND
Employee representative

SOFIA SARTOR
Managing Director

OUR AUDIT REPORT WAS SUBMITTED 2024

Mazars AB

Mazars AB

Andreas Brodström
Auditor in charge

Johanna Strandroth
Authorised public accountant

Auditor's report

To the Annual General Meeting of Strukton Rail AB, Corporate ID no. 556571-9449

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Report on the annual accounts

Opinions

We have audited the annual accounts of Strukton Rail AB for the year 2023. The Company's annual accounts are included on pages 35–62 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and provide an accurate picture in all material respects of Strukton Rail AB's financial position as of 31 December 2023 and of its financial performance and cash flow for the year in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the Annual General Meeting adopt the income statement and balance sheet.

Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISAs) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of Strukton Rail AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information

The audit of the annual accounts for 2022 was carried out by another auditor who submitted an audit report dated 8 May 2023 with unmodified statements in the *Report on the annual accounts*.

Other information than the annual accounts

This document also contains information other than the annual accounts and can be found on pages 1–34 and 66–68. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts the Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error,

and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our

opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Strukton Rail AB for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the Annual General Meeting that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Strukton Rail AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organisation and the administration of the company's affairs. This includes continuous assessment of the company's financial situation and ensuring that the company's organisation is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and, among other matters, take measures that are necessary to fulfil the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibilities

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

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Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgement and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgement with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Our audit report was submitted in Helsingborg and Stockholm on the date indicated by our electronic signature.

Mazars AB

Andreas Brodström
Authorised Public Accountant

Johanna Strandroth
Authorised Public Accountant

GRI Content Index

Statement of Use	Strukton Rail AB has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023, with reference to the GRI Standards 2021.
GRI 1 version	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	REMARKS
General Disclosures 2021	2-1 Organisational details	6-8	
	2-2 Entities included in the organisation's sustainability reporting		The report regards Strukton Rail AB. The company is a wholly owned subsidiary of Strukton Railinfra AB (556634-6747), and has its head office in Stockholm.
	2-3 Reporting period, frequency and contact point	2	
	2-4 Restatements of information		No such changes during the reporting period.
	2-5 External assurance		The report is not externally assured.
	2-6 Activities, value chain and other business relationships	6-8, 24-26	No significant changes in the organisation or our supply chain during the reporting period.
	2-7 Employees	8, 15-18	
	2-9 Governance structure and composition	6-8, 51	
	2-22 Statement on sustainable development strategy	3	
	2-23 Policy commitments	8	
	2-24 Embedding policy commitments	6-8	
	2-28 Membership associations	28	
	2-29 Approach to stakeholder engagement	9-10	
	2-30 Collective bargaining agreements	15-17, 47	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	9-11	
	3-2 List of material topics	11	
	3-3 Management of material topics	10	
GRI 201: Economic Performance 2016	3-3 Management of material topics	13-14	
	201-1 Direct economic value generated and distributed	13-14	
GRI 205: Anti-corruption 2016	3-3 Management of material topics	27	
	205-2 Communication and training about anti-corruption policies and procedures	27	
	205-3 Confirmed incidents of corruption and actions taken	27	

GRI STANDARD	DISCLOSURE	LOCATION	REMARKS
GRI 302: Energy 2016	3-3 Management of material topics	28-31	
	302-1 Energy consumption within the organisation	31	
	302-4 Reduction of energy consumption	31	
GRI 305: Emissions 2016	3-3 Management of material topics	28-31	
	305-1 Direct (Scope 1) GHG emissions	29	
	305-2 Energy indirect (Scope 2) GHG emissions	29	
	305-3 Other indirect (Scope 3) GHG emissions	29	
	305-5 Reduction of GHG emissions	29	
GRI 306: Waste 2020	3-3 Management of material topics	28-31	
	306-1 Waste generation and significant waste-related impacts	28-31	
	306-2 Management of significant waste-related impacts	28-31	
	306-3 Waste generated	30	
	306-4 Waste diverted from disposal	30-31	
	306-5 Waste directed to disposal	30-31	
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	21-23	
	403-1 Occupational health and safety management system	23	
	403-2 Hazard identification, risk assessment and incident investigation	21-22	
	403-3 Occupational health services	21-23	
	403-4 Worker participation, consultation and communication on occupational health and safety	21-23	
	403-5 Worker training on occupational health and safety	21-23	
	403-6 Promotion of worker health	23	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	21-23, 24-26	
	403-8 Workers covered by an occupational health and safety management system	21-23, 24	100% of employees are covered by collective bargaining agreements and safety rules, and all workers, including agency workers, receive training.
	403-9 Work-related injuries	21	
GRI 404: Training and Education 2016	3-3 Management of material topics	15-18, 21-23	
	404-3 Percentage of employees receiving regular performance and career development reviews	17	All employees are offered at least one performance and career development review per year.
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	15-18	
	405-1 Diversity of governance bodies and employees	17-18	
GRI 406: Non- discrimination 2016	3-3 Management of material topics	15-18	
	406-1 Incidents of discrimination and corrective actions taken	17	



Strukton
Rail

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